Appendix F

Three (3) Month Period Ending March 31, 2023, Combined Operating Loss for Exhibition Place and Beanfield Centre

The Boards operations are highly dependent on the cash flow and net income from our trade and consumer shows, conferences, conventions, socials, galas, meetings, and tenants' operations. The impact of Covid-19 is still lingering, although our business has seen significant improvement in attendance, rent, net services revenue, food and beverage and parking primarily, in the first quarter 2023.

The loss of net income and cash flow is a concern not only to Exhibition Place but also to the City of Toronto as the Board operates, manages, and maintains Exhibition Place on behalf of the City and the City is entitled to any surplus resulting from the Board's activities and is responsible for any deficit the Board incurs.

The combined results of operations before City Funding for the three (3) months ending March 31, 2023, is an Operating Loss of ($1,299,393) compared to a budgeted Operating Loss of ($2,376,688) for a favourable variance of $1,077,295.

City funding of $1,650,000 is due to the 2023 interim budget loss during the three (3) months of 2023 to support the Boards operations.

Due to the lingering impact of Covid-19 and timing of new and repeat business Direct & Tenant Income of $8,485,505 is unfavourable to budget by $704,495. The rental and services revenue are primarily due to shorter move-in days, lower number of event exhibitors, lower ancillary revenue due to decreased attendance.

Management continues to focus on reducing Indirect Costs through implementing operational efficiencies as well as cutting indirect costs where feasible. This effort has led to our combined Indirect Costs of $8,239,521 being favourable to budget by $1,674,275. Indirect expenses include costs from various departments; these are Chief Executive Officer, Chief Financial Officer and Corporate Secretary, General Manager, Accounting Services, Marketing/Event Services, Records & Archives, Purchasing & Stores, Human Resources, Payroll & Benefits, Security, Operations, Facilities, Utilities, Special Appropriations, Telecommunications and wages & materials for base building upkeep and general maintenance of the grounds.