COMET MIDCO LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st JANUARY 2021

COMPANY NO: 10904490

CONTENTS

Strategic report	2
Directors' report	21
Statement of directors' responsibilities	27
Corporate governance report	28
Report of the independent auditor	32
Consolidated income statement	36
Consolidated statement of other comprehensive income	37
Consolidated statement of financial position	38
Parent company statement of financial position	40
Consolidated statement of changes in equity	41
Parent company statement of changes in equity	42
Consolidated cashflow statement	43
Parent company cashflow statement	45
Notes to the consolidated financial statements	46

STRATEGIC REPORT

The directors present their Strategic report for Comet Midco Limited (the company) and its subsidiary undertakings (together the Group) for the year ended 31st January 2021.

Review of strategy

The Group is one of the world's leading event organisers, producing and delivering innovative and market-leading outcomes and experiences since 1947. The Group is an international business, with a portfolio of leading brands across a range of vertical markets. At 31st January 2021, we had over 1,600 employees based in 52 offices worldwide who specialise in delivering first-class marketing, networking and information solutions in high-value sectors, both in mature and emerging geographies.

Our purpose is to deliver exceptional customer outcomes and experiences, by making every connection count and , whilst our stated vision is to aspire that every one of our brands is the recognised leader in customer satisfaction in its segment.

In order to deliver on our purpose and vision we have five core strategic pillars:

PEOPLE, CULTURE & VALUES

Assemble and develop an industry-leading talent pool, under a clear and shared framework of values, behaviours and aspirations.

STRONG RESILIENT PORTFOLIO

Establish a world-class portfolio of leading brands in attractive underlying markets.

BUSINESS MODEL

Focus on business model evolution to deliver innovative products that meet the connection needs of their markets.

CUSTOMER CENTRICITY

Place exceptional customer outcomes and experiences at the heart of our approach to business.

OPERATING MODEL & TECHNOLOGY

Deliver customer value and grow our brands via an effective and progressive technology platform and operating model.

Business model

We are market leaders in providing connectivity and business-critical insight across communities of buyers and sellers. We do this by focusing on our five pillars which create innovative products. Placing exceptional customer outcomes and experiences at the heart of our business model enables our customers to realise their investment in our offerings.

Business model (continued)

Customers have always used our range of exhibitions, conferences, tradeshows and websites to target new business, demonstrate their products, build deeper relationships with their clients and identify new opportunities for performance improvement. In helping them achieve this, we experienced strong rebook rates and attracted new customers. The impact of COVID-19 on the Group has allowed us to explore more of the online or "non-live" forms of connections between market participants which have become more significant and higher profile than ever – providing an exciting new avenue for growth and product development for both the Group and our customers.We operate in stable, long-term, vertical industries with significant international growth potential. Our business model evolves to ensure we continue to meet our customers' expectations.

COVID-19 actions and implications

COVID-19 has had a major impact on the events industry worldwide since the pandemic was declared on 12th March 2020. The health and safety of our employees and customers continues to be the most important consideration as we work through our approach to returning to normal. Throughout the financial year, most of our offices continued to adopt a work from home policy, following local government advice on return to office working and business continuity.

We were unable to run the majority of our events during the financial year due to the restrictions on mass gatherings and international travel. The majority of customers continue to support us and we have worked with our venues to postpone a number of our events worldwide. We have only cancelled events where there is no other option.

Throughout the year we looked at our cost base across the portfolios and centrally, removing costs or deferring them in line with postponements to align with our expectations over event restart. This included a cycle of headcount review and subsequent reductions in line with business activity, deferring capital expenditure and managing our cost base to preserve liquidity. We also utilised COVID-19 government assistance schemes in the UK, China, Hong Kong, Germany and USA, and continue to do so where appropriate.

Consistent with the prior year, we continue to regularly model a number of possible forward-looking outcomes which consider, amongst other things, the overall length of the restrictions in each location, as well as the anticipated rate of recovery across key regions and events. These scenarios give a broad range of outcomes and continue to drive our approach to revenue and cost management, as well as discretionary spend, as we moved through 2020 and in to 2021. Further information is contained in the going concern and post balance sheet events sections within the Directors' report which starts on page 21.

It is clear that the pandemic has significantly impacted our 31st January 2021 results and although we are seeing signs of recovery, given the level of uncertainty that still exists and the dynamic nature of the situation in each geography, it is too early to quantify COVID-19's full impact on the financial year ended 31st January 2022. We continue to be confident that the demand for our live events remains and that coming out of this extremely difficult period and unprecedented situation, we are still well placed to deliver exceptional customer outcomes and experiences, alongside longer-term value creation.

Key performance indicators

Management uses a number of financial and non-financial measures to monitor the Group's performance. These key performance indicators (KPIs) are aligned with our five strategic pillars and are used to drive the strategy and results of the business. The key measures are presented below. Employee and environmental related measures are presented in the relevant sections throughout the Strategic report below.

Key performance indicators (continued)

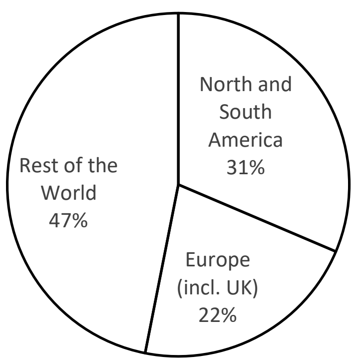
The Group's key financial performance indicators include the following:

	2021 £000	2020 £000
Group revenue	100,019	413,667
Administrative expenses	(117,394)	(169,140)
Interest-bearing loans and borrowings (note 19.2)	761,296	611,220

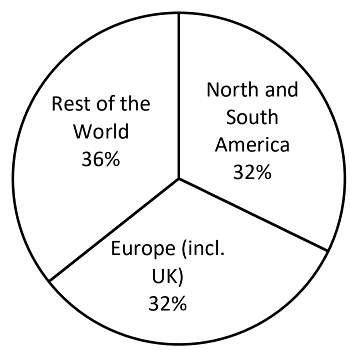
A review of these KPIs are presented below in the Review of the business and the Financial review.

Revenue split by geography

2021



2020



Acquisitions

	2021	2020
Number of acqusitions	-	4
Total consideration	-	£73.1m

Given the focus on cashflows and spend, acquisition activity was paused during the year ended 31st January 2021. During this period, the Group continued to review the market and consider potential targets which would complement our existing portfolio either by location, industry or technology.

There were four key acquisitions in the prior year (see note 11). Each acquisition built on our portfolio or opened up markets and locations to which we previously had little exposure.

- On 25th March 2019, the Group acquired 70% of InsureTech Connect LLC, a US-based business-to-business events company that runs an annual insurance technology event in Las Vegas, for £27.1m consideration comprising of cash and put and call options.

- On 23rd May 2019, the Group acquired 100% of Media 10 (Shanghai) Exhibition Company Limited, which operates two market-leading business-to-business design events in China, for £32.9m consideration comprising solely of cash. This acquisition was another significant step forward for Clarion as it gave us a major stake in the huge and dynamic market and further elevated our position as a global organiser.

Key performance indicators (continued)

Acquisitions (continued)

- On 13th September 2019, the Group acquired 70% of Image Engine Pte. Ltd. for £7.4m consideration comprising of cash and put and call options. Image Engine Pte. Ltd. is a Singapore-based event organiser who operates an annual government cyber-security event, GovWare. The event is a highly respected trade show and conference, operating as part of the Singapore International Cyber Week (SICW). Government cyber security is a fast-growing and resilient sector.

- On 8th October 2019, the Group acquired 94% of Mobile Apps Unlocked LLC (MAU), which operates an annual mobile acquisition and retention summit in Las Vegas, for £5.7m consideration comprising cash, contingent consideration and put and call options. MAU is the leading forum on mobile app marketing, customer acquisition and user retention.

The key non-financial key performance indicators include the following:

Employees

During the financial year, the Group held its third employee engagement survey. Management is committed to acting on feedback and implementing initiatives at a Group and sector level. Due to the pandemic, the survey was re-designed with a focus on how we supported employees during the pandemic, as well as diversity and inclusion initiatives and wellness. Given this change in approach to the survey questions, a comparable employee engagement score was not calculated.

The eNPS score, which measures employee advocacy, saw an increase from 6.6 in Autumn 2019 to 10 in Winter 2020.

	Winter 2020	**Autumn 2019**
Employee engagement score	n/a	76%

Environment

We continue to look at greenhouse gas emissions per employee as an appropriate measure of our environmental impact (see Environmental matters on page 13) and will be monitored annually.

Review of the business

The Group analyses its business across ten different sectors which are:

- Defence & Security
- Electronics
- Energy & Resources
- Enthusiast
- Fashion
- Gaming
- Public Safety
- Retail & Home
- Technology
- Other

Group revenues were £100.0m (2020: £413.7m) and the gross profit was £60.5m (2020: £225.6m). The Group's operating loss for the year ended 31st January 2021 was £226.7m (2020: £33.5m).

The Group's revenue, and profit measures, have fallen significantly as a result of the global pandemic which impacted our ability to run live events during the financial year.

Financial review

For the year ended 31st January	2021 £000	2020 £000
Continuing operations		
Revenue	100,019	413,667
Cost of sales	(39,492)	(188,070)
Gross profit	**60,527**	**225,597**
Other income	1,962	1,187
Administrative expenses	(117,394)	(169,140)
Amortisation of acquired intangible assets	(39,166)	(40,852)
Impairment	(132,581)	(50,315)
Operating loss	**(226,652)**	**(33,523)**

At all levels, the decline versus the prior year is due to the COVID-19 pandemic and the inability to run a normal schedule of live events through the financial year. The revenues generated were from the handful of events that ran during the financial year, both pre-pandemic and towards the year-end as some local markets recovered, as well as revenue generated from our digital events and online platforms.

Administrative expenses have declined significantly during the year. Much of this is as result of cost control measures such as headcount and salary reductions, and the benefit of government assistance schemes as discussed above. Other overheads were reduced as offices were temporarily shut during periods of lockdown and overseas travel bans remain in place.

In each financial period the Group expects to incur advisers' fees for completed and aborted transactions, and costs of restructuring and integrating acquired businesses. The amount of such costs can vary significantly between financial periods, depending on the number and scale of transactions completed, and the level and timing of restructuring required by the acquisition case. Acqusition activity was limited during the year ended 31st January 2021 included £5.5m (2020: £28.8m) of such costs, shown in administrative expenses.

The Group's operating loss for the year ended 31st January 2021 was £226.7m (2020: £33.5m). This is after taking account of an impairment charge of £132.6m in the financial year. The majority of the impairment charge was recognised as a result of the impact of the COVID-19 pandemic on the Group's cashflows, across all portfolios.

As at 31st January 2021, the Group's borrowing facilities were as follows:

	Facility	Maturity	Amount drawn down	
			31 January 2021	**31 January 2020**
Facility B	£315.0m	29/09/2024	£315.0m	£315.0m
Facility B2	$420.0m	29/09/2024	$407.6m	$411.7m
Revolving credit facility (RCF)	£75.0m	29/09/2023	£75.0m	-
Additional facility	$104.0m	30/09/2024	$104.0m	-

An additional interest-bearing facility of $104 million was secured during the year with a related party.

The variance on the B2 facility is due to repayment of a small proportion of the balance during the financial year. Facility B2 requires repayments of 0.5% every six months. The facilities provided sufficient funding to meet the Group's needs throughout the year.

Financial review (continued)

£75.0m was drawn down on the RCF during the financial year.

A waiver was applied to the key covenants set out in the Senior Facilities Agreement (SFA) as at 21st July 2020 through to 31st July 2021, subject to a minimum liquidity requirement of £25m. A further waiver of these covenants was agreed on 12th May 2021 through to 31st October 2022 with an additional requirement to provide regular financial information to the lender group.

Further information on the Group's borrowings is available in note 19 of these accounts.

Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The principal risks are those with the potential to most significantly impact the Group if they materialise or are managed ineffectively.

The Directors have identified below the principal risks, uncertainties and mitigating actions relating to the Group's business:

Risk	Mitigation
A. Economic and political instability	
An economic downturn or a period of political and economic uncertainty could have an adverse impact on the Group's ability to grow in particular markets or sectors. Instability could also lead to a reduction in demand for exhibition space and therefore, exhibition profits.	To mitigate this risk, the Group operates in a wide variety of different sectors across a number of different countries. This allows us to minimise the exposure to one particular market or one particular region's instability. Revenue generated from many of our exhibitions is contracted far in advance of the event-date with exhibitors paying in advance to minimise our exposure to credit risk. During the financial year, given the impact of COVID-19 on our ability to stage events, the Group has focused on digital and alternative opportunities. Management's intention is to continue to focus on these revenue streams post recovery, which will allow us to further diversify and mitigate risk.
Brexit and the impact on the Group continues be reviewed.	To date, the impact of Brexit has been minimal, particularly with the limited number of live events held throughout the financial year. Going forward, the Group will continue to monitor the impact of Brexit with a focus on customer contracts, supplier engagement and employees. The European operations are relatively self-sufficient and the UK business predominantly operates with UK-based operations and suppliers. However, we will continue to monitor regulatory changes and ongoing trade restrictions.

Principal risks and uncertainties (continued)

Risk	Mitigation
B. Natural disasters, terrorism and other major incidents Terrorist incidents, extreme weather events and pandemics could negatively impact our employees and events. Any incident that either curtails travel to, or leads to cancellation of an event, can affect revenues.	In the event of a major incident at one of our events or offices, the Group has a Major Incidence Response Plan in place to respond quickly and act accordingly. As part of our approach to the effective management of events, all employees receive health and safety training commensurate with their duties.
C. Coronavirus (COVID-19) COVID-19 has created an unprecedented global situation; the extent of the risk and the degree it might crystallise continues to remain uncertain.	The Group closely monitors the impact of COVID-19 in our local markets. Following government advice in each location, we continue to mitigate any potential impacts to the health and safety of employees and our customers and suppliers, while actively planning our return to normal operations throughout the coming financial year. This is driven by our Business Continuity Team who continue to meet weekly and work with all offices to share issues and communicate Group-wide best practice. We delivered a handful of events in both the USA and China during the second half of the financial year under the All Secure Framework. We worked collaboratively with other key players in the events industry on this progamme of enhanced measures to protect our colleagues, exhibitors, visitors and delegates. For more information on going concern and the directors' view on the impact of COVID-19 on the future of the business, see page 24.

Principal risks and uncertainties (continued)

Risk	Mitigation
D. Currency fluctuations As the overseas operations of the business have grown through acquisition, the Group is further exposed to currency fluctuations. Sterling is the functional currency of the Group. The results of operations are affected by transactional exchange-rate movements locally where sales are made in a currency other than the functional currency of the overseas operation. Further, Group's revenues, profits and earnings are affected by exchange-rate movements on the translation of results of operations in foreign subsidiaries for financial reporting purposes.	The Group has borrowings in both GBP and USD, with the aim of mitigating its exposure to changes in the USD exchange rate affecting cash inflows and the carrying amount of net assets.
E. Liquidity risk The Group's policy is to ensure that there is sufficient funding and facilities in place to meet foreseeable cash requirements. The Group may be unable to convert assets into cash to meet its debt-repayment obligations.	Under normal operations, cashflow forecasting is performed by the operating entities of the Group on a monthly basis and aggregated by Group Finance. This exercise is currently performed on a weekly basis as the Group navigates the end of the pandemic, with an increased focus on liquidity as we return to business as usual. Group Finance monitors the rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs whilst maintaining sufficient headroom to make repayment requirements. These cashflow models are presented to senior management on a regular basis. This approach stress tests the liquidity position to ensure that the Group can meet all obligations. As we look forward to a return to normal within the financial year, Group Finance continue to present a cashflow forecast and operational update to senior management on a weekly basis.

Principal risks and uncertainties (continued)

Risk	Mitigation
F. Systems, data privacy, cyber security A loss of our our data through a lack of resilience, mis-management of information, a security breach or a phishing attack could lead to damaged reputation, diminish our relationships with our customers or lead to substantial fines.	To mitigate this risk, our IT systems have a number of preventative measures installed to reduce the risk of there being a security breach. As this is an evolving risk in a growing system landscape, we recognise the need to bolster our security posture, and have a number of tactical and strategic initiatives planned for this year to further improve our threat identification, response and mitigation. Robust training and policies are in place to educate employees on how to keep the data we retain safe, identify a potential cyber attack and action the correct response. Compulsory training on data privacy was introduced during the year with targeted local training to be rolled out to more offices during the coming year. cyber security training will also be introduced this year. A review of the customer data journey was undertaken during the year and where needed improvements to policies and process were implemented.
G. Retention of employees and key management personnel The implementation and execution of the Group's strategies and business plans depend upon our ability to retain our skilled employees and key management personnel. We strive to retain key employees to minimise loss of knowledge, improve efficiency and increase our business performance.	In February 2021 the Group held its third employee engagement survey with a 91% response rate (2020: 92%). As noted above, the focus this year was on how the business has responded to the pandemic and remote working, as well as some of the initiatives such as Diversity and Inclusion that were launched during the year and year-on-year scores are not being compared. Following the results of the survey, management has reviewed and is setting goals at sector and Group level to address the areas of focus identified in the survey. A support helpline was implemented for employees facing challenges of remote working. Management also communicated regularly to employees through emails and localised town halls throughout the period of remote working. Following the events in the USA in Summer 2020, management took the opportunity to endorse the company's zero-tolerance policy against workplace bullying and harrassment and its position as an equal opportunities employer. This was enhanced with the introduction of a Diversity and Inclusion Strategy.

Principal risks and uncertainties (continued)

Risk	Mitigation
H. Breach of health and safety regulations A breach of the Group's health and safety regulations either at an event or at one of our offices could cause serious personal injury or even death. It could also result in financial loss for the Group due to fines and litigation, lost revenue through customer attrition and damage to our reputation. All employees moved to remote working under local Government guidelines from early 2020.	To mitigate this risk, the Group maintains health and safety policies which are updated annually and seeks to ensure that all employees and contractors working for the Group adhere to these. Operationally, risk assessments and reviews are completed prior to each event. All offices adhere to local health and safety legislation and all processes are reviewed regularly to ensure compliance. In 2020, the Business Continuity Team implemented a Return to Office policy to ensure a safe environment for employees who were unable to work from home. All employees who were required to work from home during the year were assisted in the change by the Business Continuity Team in providing IT and office equipment such as chairs, monitors, work stations and wrist rests to enable employees to work safely from home.
I. Breach of ethics and anti-bribery If an employee or an associate affiliated with the Group breaches ethical guidelines such as anti-bribery, anti-corruption or sanctions laws, the Group could be exposed to financial sanctions as well as reputational damage.	To mitigate these potential breaches, the Group maintains anti-bribery, corruption and sanctions policies in its Employee Handbook. As part of the Group's response to this continuing risk, a new Code of Conduct and Business Ethics and Supplier Charter was launched in May 2021 to supplement the above policies and training.
J. Acquisition and integration risk In recent years, the Group has entered into acquisitions of varying sizes across differing geographies. Failure to evaluate acquisitions accurately could lead to shortfalls in expected benefits and synergies. This can, in turn, lead to a lower return on investment, weaker acquired brand assets and impairment of goodwill.	To mitigate this risk, potential acquisitions are evaluated by the Corporate Development team with input from a number of internal and external experts from the events business, Finance, Legal and Tax to ensure that they are in line with the overall strategy of the Group. Following acquisition, the performance and integration of the acquired company is closely monitored to ensure it is performing in line with expectations.

Principal risks and uncertainties (continued)

Risk	Mitigation
K. Competition risk The Group operates in a competitive environment which is constantly evolving due to innovation, new competition and other factors. Failure to adequately adapt to these changes through the Group's own strategy, innovation and development could erode revenue and margins.	To mitigate this risk, the Group operates a divisional structure, supported by centralised specialist services across IT, Data, Marketing, Legal, Finance and Tax, which means that teams are able to develop a deep and rich sector expertise with close ties to industry stakeholders and influencers, whilst continuously seeking to improve the current product and service offerings across each of our divisions. This allows us to react quickly in response to customer demands, market fluctuations and developments. An ongoing programme of strategic customer-centric initiatives will continue to be implemented throughout the year with the focus on ensuring that the re-design and/or development of certain portfolio, product and service offerings result in verifiable leadership in customer metrics. In addition, continuing investment in the Group's data capabilities, including a new customer data platform and a security and data governance platform will enable us to amplify brand distinction and competitive advantage.

Trends and factors affecting future performance

Looking to the years ahead, we remain encouraged by the Group's underlying prospects. Alongside the familiar external unknowns, we continue to face the extraordinary in COVID-19. This has adversely affected our results in the current year and will impact year ended 31st January 2022. We are confident we have the strength in demand, quality brands and people, the strategy and the financial strength to ensure the Group emerges successfully from this period, and as a recognised category leader.

The industry continues to evolve through advances in technology and modernisation. Throughout the last year, we have done significant work to better understand our customer and improve the alignment of visitor and exhibitor requirements. This is balanced with considering the opportunities for online or "non-live" forms of connections between market participants, which are becoming more significant and higher profile than ever. We see this as providing an exciting new avenue for growth and product development, alongside our live events.

Whether through live or digital formats, customer expectations are changing and becoming more sophisticated, with important implications for how we run the business. As we approach the recovery period, we want to bring "live" back in ways which meet these emergent needs and behaviours, including improving the product through technology use and complementary non-live services. We also need to transition our growing range of digital products generally into brands which deliver for our customers as a complement to our live events.

Live remains key to the future of the business and in all of our locations, the Group continues to closely monitor government responses to recovery and the journey towards normal. Local roadmaps out of lockdown, including vaccine rollout and removal of social distancing, particularly for our domestic events, will play a key part in the recovery of our live formats.

Trends and factors affecting future performance (continued)

Adapting to the new landscape and looking forward, the Group hopes to reinvigorate the acquisition programme, continue investment in innovation and refresh infrastructure networks to build for the future.

Environmental matters

The Group recognises it has an effect on the environment, regardless of how minor, and is committed to identifying and implementing environmental improvements where possible.

Greenhouse gas (GHG) reporting

We set out in the table below our report on the company's carbon dioxide emissions.

The methodology used for identifying the scope and categories of Streamlined Energy and Carbon Report (SECR) reportable emissions is the main SECR guidance *Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance. March 2019 (Updated Introduction and Chapters 1 and 2).*

The methodology used for calculating emissions from the recorded energy consumptions and car mileages is *Emissions calculation factors: the UK Government GHG Conversion Factors for Company Reporting 2020.*

Report boundaries	Financial control – all facilities under the Group's direct financial control have been included.
Consistency with financial statements	The reporting year for SECR is the 12 months 1st February 2020 to 31st January 2021, consistent with the financial statements.
Energy use and emissions	Emissions are reported in keeping with standard practice as tonnes of carbon dioxide equivalent (tCO2e). The SECR reportable emissions totals 69.1 tCO2e equivalent being 67.8 tCO2e for electricity (98.1%) and 1.3 tCO2e for travel (1.9%). The reported emissions are associated with energy use of 296,233 kWh comprising 290,660 kWh for electricity and 5,573 kWh for travel.
Intensity ratio	The emissions intensity ratio is 0.192 tCO2e per employee, based on recorded monthly headcount averaging at 360.2 over the reporting year.
Energy efficiency actions undertaken	The following actions were taken to reduce emissions during the financial year: • extension of the high efficiency lighting program including corridors and meeting rooms; • management of lighting in line with occupancy to minimise energy use; • management of environmental systems during low occupancy periods; and • initiatives to enable and encourage video conferencing and reduce business travel.

Social, community and human rights issues

We are committed to the highest standards of ethical conduct in our business activities across the world. Every employee and individual acting on Clarion's behalf is responsible for maintaining our reputation and for conducting company business professionally.

Our policies include: Anti-Bribery and Corruption; Anti-Bullying and Harassment; Dignity at work; and Whistleblowing. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.

We have a robust employee grievance procedure that ensures that any problems or concerns regarding an employee's work, the working environment or working relationships are dealt with fairly and sensitively. In accordance with section 54(1) of the Modern Slavery Act 2015, the Group's slavery and human trafficking statement for the financial year ended 31st January 2021 will be signed and published on our website: www.clarionevents.com within six months of the year-end.

We have a Corporate and Social Responsibility Committee consisting of representatives from central and operational teams. The aim of the Committee is to review and make recommendations to the Board on initiatives for the Group to take responsibility for its impact on a number of issues ranging from human rights to looking after the environment.

Employees

At Clarion, we value our employees and are committed to the continued improvement of our employee engagement.

Employee objectives are aligned with business strategy, vision, and purpose. At 31st January 2021, we have over 1,600 employees globally, with roughly 320 of these employees based in the UK.

We have a comprehensive set of policies and processes that inform and support our employees in the way in which we do business. This includes an employee handbook, global appraisal processes and competency framework tools to drive performance, talent, personal and career development.

The company has a wide selection of employee benefits, bonus/incentive schemes and an Employee Benefit Trust for senior management.

We have human resources (HR) teams across the business that provide people compliance and best practice.

Our third employee engagement survey was carried out in February 2021, with a response rate of 91% (Autumn 2019: 92%). Our focus this year has been on well-being as we continue to support our employees through this this period of continued uncertainty, and diversity and inclusion journey. The results will allow us to gain real insight and opinions that will help shape important decisions for the future of our work place. We are in the process of communicating a summary of these results to the business and building action plans resulting from the feedback.

We have a culture that is inclusive, entrepreneurial and open. Our values are passion, care, imagination and trust and these are at the heart of how we behave and make decisions around recruiting, developing and promoting talent. We also use our values to inform our decision making around the customers, suppliers and third parties that we work with.

As part of this, our approach to our employees and the benefits we offer them is paramount to attracting and retaining quality individuals. Each office has a number of local benefits such as gym memberships and social events. Groupwide, we have a number of initiatives:

Employees (continued)

Helping Our World (HOW) days - We recognise that employees will gain many benefits from volunteering. By sharing new experiences and becoming part of a new community, employees can enhance their own personal learning and achievement and utilise this in all areas of life. We give all permanent employees the opportunity to take one day per quarter to volunteer in the community.

Birthday gift day - All employees are gifted their birthday as a special day of leave so they can spend time as they wish without using time from their annual leave allowance.

Private health insurance and support – The majority of our offices globally are covered by private medical insurance.

Gender diversity – global

Clarion is an equal opportunities employer and we seek to employ a workforce that is reflective of the diverse community that we operate within.

The table below provides a breakdown of the gender of directors, senior managers and employees as at 31st January 2021:

	Male Number	**Male %**	**Female Number**	**Female %**
Directors	4	100	-	-
Senior managers*	59	44	76	56
Employees	461	31	1,007	69
Total	**524**	**33**	**1,083**	**67**

* Senior managers include our management board, managing directors, portfolio directors, show and event directors/managers and non-event heads of department.

Gender pay gap – UK only

As required by the Equality Act 2010, Clarion Events Limited submits an annual gender pay gap report. The gender pay gap refers to differences between the earnings of male and female employees performing a variety of different jobs across our UK company.

The table below shows our mean and median hourly gender pay gap as at 5th April 2020 and our bonus gap for the 12 months to 5th April 2020:

	Mean	**Median**
Hourly pay	30.13%	23.15%
Bonus	57.51%	54.71%

The mean gap is largely driven by a higher proportion of men than women in our most senior positions and higher proportion of women than men within the lowest paid roles within our UK employee population. This has a disproportionate impact on the mean, and therefore it is believed that the median figures are a more accurate representation as it removes any skewing of higher and lower pay.

Additionally, the bonus gap calculation looks at actual bonus paid and is not adjusted for part-time hours or an absence such as maternity leave. Therefore, a bonus for a part-time female employee which has been adjusted for part-time work, or for a female who has taken a period of maternity leave, is compared to that of a full-time male employee which results in a bonus gap. At 30th April 2020, the majority of our permanent part-time roles were held by women, as well as a number of women on maternity leave.

Gender pay gap – UK only (continued)

We are continuing to take positive actions towards the gender pay gap as follows:

- providing opportunities and information for flexible working at all levels within the company where possible, including senior roles and communicating the benefits of flexible and inclusive ways of working;
- our annual pay and bonus review will continue to be interrogated and approved by our management board to ensure consistency, fairness and avoid unconscious bias;
- training on diversity and unconscious bias will be included in management recruitment training, the managers guide and in manager briefings; and
- we strengthened our parental leave rights for fathers and second parents to help to tackle the gender pay gap. We have reviewed our policy on shared parental leave pay and now offer fathers and second parents the enhanced company maternity pay given to mothers.

Unconscious bias

Employment decisions around recruitment, promotion, compensation benefits and performance management are based on individual skills, performance and behaviour and how this relates to the needs of the business. We are in the process of including unconscious bias training for managers as part of our recruitment training and will be including information about the subject in our manager guide.

Section 172 Companies Act 2006

The Board works to promote the success of the Group for the benefit of its members as a whole with regard to all its stakeholders and to the matters set out in Section 172 of the Companies Act 2006. The Board sees the fostering of good business relationships and maintaining a high degree of business integrity and stakeholder engagement as key to the continued success of the Company. The following disclosure describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the directors' statement required under section 414CZA of The Companies Act 2006.

Board governance
The Board has chosen to apply the Wates Corporate Governance Principles for Large Private Companies for the year ended 31st January 2021. These principles provide a code of corporate governance for large private companies to raise awareness of good practice and over time to help to improve standards of corporate governance. They also support directors to meet the requirements of Section 172 Companies Act 2006 by providing guidance on six key principles, as laid out in our Corporate governance report on pages 28 to 31.

Activities of the Board
The Board operates an agenda of items aligned to the Group's operating and reporting cycles with approvals, endorsements, review and monitoring, where appropriate. As discussed in the Corporate governance report, our stakeholders are key to the Group's ability to deliver long-term value and this is a key area of focus for the Board. All decisions take into account the impact on stakeholders and the views of stakeholders are gathered in board papers and inform the decisions made in Board meetings. The principle decisions made by the Board relate to business development, namely acquisitions, trading and strategy. The acquisitions during the prior year are discussed in the Key performance indicators section, above.

Section 172 Companies Act 2006 (continued)

Activities of the Board (continued)
The health and safety of our employees, customers and partners has remained a high priority for the Board during the last year.

It has been necessary to manage costs and cashflow more effectively during the last year. This included all employees being asked to take a pay reduction during a period of 2020, which was unequivocally agreed to by all employees. In taking this decision, the directors had regard to the financial situation of the company and the impact of COVID-19 at this time. The directors do not believe that this is a decision that will need to be repeated but will monitor and act accordingly, considering the likely consequence of any decision in the long term.

As the situation with COVID-19 affected live events and lockdowns commenced, the management board met at least weekly to review the situation. It quickly made a decision to expand the remit of the Business Continuity Planning ('BCP') team who have met weekly since the pandemic commenced. The BCP team worked to assist employees to work from home effectively and to monitor government guidance in each of the offices in which the Group operates and advise Board accordingly.

As government guidance has evolved, the Board, via the BCP team and the overseas chief executive officers (CEOs), has issued internal guidance to employees and during the times when offices have been able to open and/or employees have been unable to work from home, all employees have had a COVID-19-safe environment in which to work. Further details of the UK COVID-19-safe risk assessments can be found on our website, www.clarionevents.com. The management board, acting through the BCP team and overseas CEOs, will continue to monitor government guidance and respond accordingly, both in the short and long-term.

Stakeholders
The Group's key stakeholders are considered to be investors, customers, suppliers, employees and the communities and environments in which we operate. The relationships with stakeholders, how the directors engage with them, along with key decisions and interactions are presented throughout the Annual Report and specifically in the Corporate governance report on pages 28 to 31.

Stakeholders	Objectives	Method of engagement
Investors	Long-term, sustainable value growth, clear strategy and direction.	Monthly executive board meetings, provision of detailed regular and ad hoc management information, ongoing communications with Investor Directors. This communication has been increased to weekly with our Investor Directors as the situation with COVID-19 developed together with ad hoc meetings with our lenders to keep them appraised. Both Investor Directors and lenders remain supportive. Regular board meetings are held with shareholders who maintain a stake in our subsidiaries, with at least one member of the executive team present to discuss trading, strategy and ensure effective communication with shareholder partners. During the past year, this cadence has been increased, where necessary, to discuss any COVID-19 impact.

Section 172 Companies Act 2006 (continued)

Stakeholders (continued)

Stakeholders	Objectives	Method of engagement
Customers	Provision of high-quality product, tailored by portfolio and event, to meet customer expectations and generate value.	Customer engagement is directly through attending live and digital events. During the last financial year, business units throughout the Group pivoted to holding more digital events in order to meet customer demand during the pandemic. In addition, investments for the long-term were made in virtual event platforms in order to continue to connect exhibitors and attendees and offer alternative solutions to attending live events. It is expected that these hybrid solutions will continue post pandemic. Inclusion of regular event-level metrics in board reporting, to be able to review customer behaviour and adapt accordingly. Developing 'Customer Centricity through Needs, Purpose, Value' framework through regular feedback to develop a deeper understanding of customer needs and enable sustainable and purpose driven products. The formation of a series of 'WhatIf' seminars designed to assist employees to design and deliver outstanding digital products to customers. This was seen as increasingly important for employees as they worked from home to connect with, and learn from their peers. Pioneering, in conjunction with other exhibition organisers, the All Secure Framework which has since been adopted by Association of Exhibition Organisers and Society of Independent Organisers. This has been adopted as the common standards of health, safety and operational planning, management and on-site conduct for the events industry. The framework, is approved by the UK government, and provides support and assessments to ensure a safe return to live events. Work continues with this group to review the return to live and adapt accordingly.

Section 172 Companies Act 2006 (continued)

Stakeholders (continued)

Stakeholders	Objectives	Method of engagement
Suppliers	Working together to deliver world-class events, both live and digital, considering environmental and social impacts of the whole supply chain.	Open and transparent relationships and communications with key suppliers and venues is encouraged. During the last year, as the pandemic occurred, work commenced with suppliers to preserve cash flow and eliminate costs where possible. This was managed by local teams in a way that ensured objectives were met, whilst also ensuring supply base would be able to deliver services when live events returned and relationships with suppliers were preserved. Key suppliers remain venues. During the last year, projects were undertaken by local and central teams to work with venues to postpone events. Where needed, the management board, in agreement with Investor Directors, made decisions to cancel events and open and transparent communication was had with suppliers at this time to work to a best outcome for all involved in order to foster relationships for the long-term.
Employees	Attraction and retention of high-quality employees with the information and tools to be effective in their roles. Support to employees as employees were working from home for the majority of the year. Appropriate recognition and reward in the short-term with development opportunities to build successful future careers.	Via regular communication and town halls, including Q&A, with the CEO. Regular communication from management throughout the business from global senior leadership meetings through to local team meetings. Through regular HR reports to the Board including engagement initiatives and measures such as employee engagement surveys.

Section 172 Companies Act 2006 (continued)

Stakeholders (continued)

Stakeholders	**Objectives**	**Method of engagement**
Employees (continued)		Initiatives launched during the year to support employees during this difficult time including the launch of a mental wellbeing portal in association with the Association of Exhibition Organisers. Regular wellness emails to employees were sent by the HR team(s). Black History Month was celebrated with a series of informative facts sent by members of the management board highlighting historical facts and also members of staff who were positively contributing to the "Black Lives Matter" initiative. This was considered by the Board to be important to support employees and encourage innovation. Continued support of initiatives by the Association of Exhibition Organisers to support exhibition industry professionals who have lost employ during 2020. During the year a Diversity and Inclusivity (D&I) initiative was launched: strategy document published, global D&I representatives appointed and employee forums held with a roadmap in place for further initiatives.
Community and environment	Positive impact on local communities and management of environmental footprint.	Corporate and Social Responsibility Committee reporting to the Board. Active contribution to the Exhibitions Industry Cross-Association Group formed to share know-how and good practices in corporate social responsibility within the exhibitions Industry.

By order of the Board

R S Wilcox
Director
31st May 2021

The directors present their report together with the audited financial statements for the year ended 31st January 2021.

Ownership

The company's immediate parent undertaking is Comet Topco Limited. The company's ultimate parent undertaking and controlling party is The Blackstone Group Inc. (Blackstone), a company incorporated in Delaware, USA and listed on the New York Stock Exchange.

Blackstone is a leading global alternative asset manager, with total assets under management of $619 billion as of 31st December 2020. As stewards of public funds, Blackstone looks to drive outstanding results for its investors and clients by deploying capital and ideas to help businesses succeed and grow. Blackstone's alternative asset management businesses include investment vehicles focused on real estate, private equity, hedge fund solutions, credit, secondary funds of funds and multi-asset class strategies. Blackstone also provides capital markets services.

Directors

Directors who held office during the period and up to the date of approval of the accounts are set out below:

L Y Assant
H Hong
S R Kimble
R S Wilcox

No director had any material interest in any significant contract with the company during the period other than those noted in note 27.

The company holds a directors' and officers' insurance policy which covers all of the directors of the company.

Director's biographies

Lionel Assant – Blackstone
Lionel is a Senior Managing Director and European Head of Private Equity for Blackstone, based in London. In addition, he is a member of the Investment Committee of Blackstone's Tactical Opportunities funds. Since joining Blackstone in 2003, he has been involved in various European investments and investment opportunities.

Before joining Blackstone, he was an Executive Director at Goldman Sachs where he worked for seven years in the Mergers & Acquisitions, Asset Management and Private Equity divisions.

As well as Clarion, he serves as a Director of Cerdia, Schenck Process, CIRSA, the National Exhibition Centre and BME (formerly CRH Building Materials Distribution) and has served on the boards of Gerresheimer, Klockner Pentaplast, Mivisa, United Biscuits, Alliance Automotive Group, Tangerine, Intertrust and Armacell.

Haide Hong – Blackstone
Haide is a Managing Director in Blackstone's Private Equity Group based in London. Since joining Blackstone in 2013, Mr. Hong has been involved in Blackstone's investments in Clarion Events, Intertrust, Merlin/LEGOLAND and Scout24.

Before joining Blackstone, he was a Vice President at Providence Equity, where he was involved with the analysis and execution of private equity investments in the telecom, media, technology and education sectors. Prior to that, he was an Associate at Lehman Brothers, where he worked in the Mergers & Acquisitions division.

Director's biographies (continued)

Simon Kimble – Non-Executive Director and Chairman
Simon joined Clarion Events, a small UK exhibition organising company that was a subsidiary of the private equity backed Earls Court and Olympia Group, in 2001 as Managing Director. Clarion became a standalone business in 2004.

Simon has overseen and driven the growth of Clarion Events to become a leading international events company with interests in Exhibitions, Conferences, Publishing and Digital. Clarion has been owned by a succession of private equity companies, and was acquired by Blackstone in September 2017.

Russell Wilcox – Chief Executive Officer
Russell joined Clarion in 2008 following a buyout by Veronis Suhler Stephenson, and led the company's expansion into new international markets and product sectors. He has been a board member since 2010, and became CEO in 2013.

Russell and the Clarion management team led a secondary buyout to Providence Equity in 2015, and in 2017 completed the sale of the business to the current owners, The Blackstone Group Inc.

Russell has held a variety of senior management and board positions in the global events industry during his career. He has managed business operations in Europe, Asia, Africa and the USA, and has experience across a wide range of formats and business models.

Non-Executive Director biography

Hein Pretorius – Non-Executive Director (Expo Holdings I Limited)
Hein is an experienced board member and joined the Clarion Board as an independent non-executive director in December 2018. In addition, he serves as Non-Executive Chairman of Twiga, the largest B2B supply platform in Kenya and provides advisory services to PE and VC companies on distinct projects within the digital economy.

Hein has served as Executive Chairman of the Spil Games Group, Non-Executive Chairman of Pact Coffee (UK) and Seamless (Sweden) and held non-executive director positions on the boards of Wehkamp, one of the largest ecommerce platforms in The Netherlands, Hepsiburada, the largest e-commerce platform in Turkey, The PhotoBox Group (UK) and The Cloakroom (NL).

Before building a portfolio of various NED roles, Hein held the role of CEO at both Naspers Internet Europe Group and The Allegro Group where he was responsible for the groups' international expansion and multiple large-scale acquisition successes across the world.

Key management biographies

Richard Johnson – Group Chief Financial Officer
Richard joined Clarion as Group Chief Financial Officer in April 2018 and has responsibility for all Group Finance functions along with Group Procurement, Legal and Company Secretarial.

Richard has over 35 years' experience in finance across a number of industries and geographies. As well as the UK, he has lived in Switzerland and Australia and managed finance teams in Europe, the USA, Asia and India. Most recently he was Group CFO for Ardent Leisure Group, an ASX listed leisure and entertainment group.

Key management biographies (continued)

Lisa Hannant – Group Managing Director
Lisa Hannant is Group Managing Director of Clarion Events. Lisa has over 30 years' experience in the exhibition and live events sector working across a broad range of products, sectors and international markets. She joined Clarion in 2008 and was appointed Group Managing Director and joined the Management board in 2013.

Prior to joining Clarion, Lisa held a number of senior management positions within the exhibition and conference industry and was integral to the success of two start-up businesses that were later acquired by major UK organisers.

Adam Ford – Chief Operating Officer
Adam Ford joined Clarion Events in June 2018 as the Chief Operating Officer with responsibility for improvements to Group operations, customer focussed value creation and culture across the Group.

Over the last 25 years, Adam has worked across a range of industries, geographies and scale of businesses with extensive experience of driving revenue and profit growth across start-ups and multinationals.

Corporate governance

Detailed corporate governance information is set out the Corporate governance report on page 28.

Dividends

Dividends of £2,059,000 (2020: £424,000) were paid by the Group to minority shareholders during the period.

Employee information

Our employees and workers are considered one of our key stakeholders. Detailed information on employee engagement and other relevant information is set out in the Strategic report and Corporate governance report.

Trends and factors affecting future performance

This is set out on page 12 of the Strategic report.

Equal opportunities

The Group seeks to recruit, develop and employ suitably qualified, capable and experienced people, irrespective of sex, age, race, disability, religion or belief, marital or civil partnership status or sexual orientation. The Group gives full and fair consideration to all applications for employment made by people with disabilities, having regard to their particular aptitudes and abilities.

Any candidate with a disability will not be excluded unless it is clear that the candidate is unable to perform a duty that is intrinsic to the role, having taken into account reasonable adjustments. Reasonable adjustments to the recruitment process will be made to ensure that no applicant is disadvantaged because of his or her disability. The Group's approach to training, career development and promotion do not disadvantage people with disabilities and those who have become disabled persons during the period when they were employed.

Going concern

In making the going concern assessment for the year ended 31st January 2021, the directors have made current consideration of the potential impact of the COVID-19 pandemic on the cashflows, liquidity, banking covenants and business activities of the Group over the next 15 months.

As at 31st January 2021, the Group had cash balances of £95.0m.

During the year to 31st January 2021, the lender group agreed to waive certain financial covenants in respect of the external borrowings, subject to a minimum liquidity requirement of £25m and restrictions on dividend payments. This waiver was extended through to 31st October 2022 on 12th May 2021 with an additional requirement to provide regular financial information to the lender group.

The annual budget was approved early in 2021 during a period of continued uncertainty. Consistent with the prior year, this budget and cashflow forecast, continue to be reviewed and updated as we forecast a return to business as usual. This revised budget and cashflow forecast was used as a base case for the purposes of going concern and cashflow modelling. The business is performing ahead of the original budget and cashflow forecast.

A number of different assumptions have been made in preparing the base case. The key assumptions relate to timing of rescheduled events, reductions in revenues for future events and management of working capital, including cash receipts and refunds, through to August 2022.

The Board has confidence in the base case and the robust assumptions on which it is built but has reviewed and challenged the modelling undertaken by management and stress-tested the model for the impact of a number of different scenarios.

In the most extreme scenario, the key assumptions are as follows:

Assumption	**Background to extreme scenario and assumption**
Timing of events	The only events to run, and therefore the only revenue recognised, before August 2022, are in China. The FY21 edition of these events has taken place, and the FY22 edition is scheduled for the second half of the year. The directors are highly confident that the events will proceed as B2C and B2B events resumed in the region during 2020.
Cash receipts	Save for the events in China mentioned above, no collections for future events have been assumed. Receipts in relation to our online business in Hong Kong have been included at a run rate consistent with receipts during the year ended 31st January 2021.
Refund rate	Booking and prepaid revenues are deferred in line with the event, or to the following year's event in the event of cancellation; refunds continue to be managed carefully on a case by case basis. In this extreme scenario, refunds have been calculated on the basis of contractual commitments with an additional risk factor applied to the refund balance after careful consideration of contract and business risk.
Cost reductions and controls	Stringent cost reductions and controls in both manpower and capital expenditure are continued through the next 15 months. Should it be required, an further review of the cost base could be undertaken to manage cashflows through the financial year.

Going concern (continued)

The Board believes that this extreme scenario is highly unlikely, based on the information currently available. We ran events in the USA and China during the financial year, and we see a number of states in the USA, as well as the UK, driving forward with a clear timeline for commencement of events. Refunds remain minimal and we continue to receive cash for future events, albeit at a lower rate than in previous years.

Management continue to monitor the roadmaps out of lockdown and in to recovery in each of the local geographies. Many of our events are domestic, do not rely on international attendees or exhibitors and operate in locations with well-developed vaccine programmes with indicators that restrictions on exhibitions, events and mass gatherings are to be relaxed throughout the coming months.

Despite the positivity visible in the market and the indicators of demand we are seeing from our customers who are keen to be back in face-to-face contact with their customers at our events, the directors acknowledge that uncertainties over exhibitions, events and mass gatherings, as well as travel restrictions, continue to exist. When considering this extreme scenario, the assumptions and related cashflows, there are points at which, within the next 15 months the Group would not have sufficient liquidity within its existing operating cash balances to satisfy all financial obligations when they fall due.

Therefore, the Group's indirect controlling shareholder, Blackstone Capital Partners (Cayman) VII, LP, part of The Blackstone Group Inc., has provided a letter confirming that, for a period of 15 months from the date of this report, it will provide support to the Group up to a fixed amount, if required. Having considered the forecast performance of the Group, including the extreme downside risks, the directors are satisfied that the Group will not require more than the fixed amount of support to be provided.

Further, Blackstone Capital Partners (Cayman) VII, LP, has confirmed that for a period of a 15 months from the date of this report, it does not intend to undertake any decision or action, in its capacity as an indirect controlling shareholder of the Group, which would reasonably be expected to negatively affect the Group's ability to continue as a going concern. The details of this support and the ability of Blackstone Capital Partners (Cayman) VII, LP to pay have been reviewed by the directors.

In relation to this assessment in the prior year, similar assurances were given by Blackstone Capital Partners (Cayman) VII, LP and during the year ended 31st January 2021, support was provided to the Group to meet ongoing working capital commitments and minimum liquidity covenants.

In the most extreme scenario, which the directors believe is highly unlikely, and with the support provided by Blackstone throughout the period to August 2022 and covenant waiver through to 31st October 2022, the model shows headroom through the 15 months from today to August 2022.

Accordingly, but acknowledging the uncertainty in respect of the ongoing situation with COVID-19 and the continuing impact of this on the global economy, the directors continue to believe that it is appropriate to prepare the financial statements on a going concern basis.

Post balance sheet events

Financing

On 27th May 2021, Comet Bidco Limited (an existing UK subsidiary of Comet Midco Limited) exercised a right under the Senior Facilities Agreement to push down the B2 facility within the Group. Clarion Events Holdings Inc. (an existing subsidiary of Comet Midco Limited, incorporated in Delaware) has replaced Comet Bidco Limited as the Borrower of Facility B2. There were no other amendments to the Senior Facilities Agreement.

A covenant waiver, in existence at 31st January 2021, was extended on 12th May 2021 through to 31st October 2022. This removes the leverage covenants subject to a minimum liquity requirement, dividend restrictions and provision of regular financial information to the lender group.

More information can be found at note 28 to the financial statements.

Financial risk management

The Group's approach to financial risk management is set out in note 19.5 to the financial statements.

Capital structure

Details of the company's issued share capital are shown in note 23 to the financial statements and the employee share scheme is outlined in note 24.

Disclosure of information to the auditor

So far as each of the directors is aware, there is no relevant audit information that has not been disclosed to the company's auditor and each of the directors has taken all reasonable steps in order to make themself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

A resolution to reappoint Ernst & Young LLP as auditor to the company will be put to the members at the Annual General Meeting.

Guidelines for Disclosure and Transparency in Private Equity

The directors consider the annual report and financial statements comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity.

By order of the Board

R S Wilcox
Director
31st May 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared Group financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and as regards the parent company financial statements, as applied in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRS as adopted by the European Union have been followed subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and company and enable them to ensure that the financial statements comply with the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS regulation.

The directors are also responsible for safeguarding the assets of the Group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

For the year ended 31st January 2021, under The Companies (Miscellaneous Reporting) Regulations 2018, the company has applied the Wates Corporate Governance Principles for Large Private Companies (published by the Financial Reporting Council (FRC) in December 2018 and available on the FRC website).

These new corporate governance reporting requirements apply to company reporting for financial years starting on or after 1st January 2019 and Companies are able to adopt the Wates principles as an appropriate framework when making a disclosure regarding corporate governance arrangements. We set out below how the Principles have been applied throughout the past year and our plans for continuing to strengthen our approach to corporate governance going forward.

Principle 1 – Purpose and leadership

The Group was established in 1947 and has grown, both organically and through acquisition, to become one of the world's leading event organisers. We produce and deliver innovative and market-leading events internationally.

As covered in our Strategic report (page 2), our purpose is to deliver exceptional customer outcomes and experiences, through live and digital events and our vision is to be a fast-growing, leading industry partner and enabler. In order to deliver on our purpose and vision we have identified our key priorities which are captured by our five core strategic pillars (page 2).

These strategic pillars were formalised during 2019, and updated in 2021, to give us an open, shared and consistent way of approaching decisions: whether as individuals, teams, or the company as a whole. They help the management board, as well as our employees, consider whether our current structures and ways of working help or hinder what we are trying to do, as well as identify areas of strength or weaknesses which we need to do more of or support.

Principle 2 – Board composition

The board of directors, supported by the management board who operate as our day-to-day leadership team, drive the success and growth of the business.

The directors, who make up the board of directors, comprise representatives from The Blackstone Group Inc., the ultimate parent company, as well as members of the management team. At the end of 2018, the Group engaged the first non-executive director to bring experience from outside the events industry, as well as perspective and challenge in relation to the ongoing activities of the Group.

Members of the executive board meet regularly and have clear roles and responsibilities. Business performance monitoring and operational reviews happen at a Group level on a monthly basis at the Board meetings, supported by detailed monthly portfolio-level meetings and continual analysis and focus on financial and non-financial KPIs.

The management board comprises members of the senior management team, both commercial and operational. The composition of the management board was reviewed during the prior year and was strengthened with the appointment of the Group General Counsel and the inclusion of further commercial and functional leaders.

Succession planning is part of the management board's agenda. They meet regularly to review senior management talent and develop global succession plans.

Principle 3 – Director responsibilities

The directors delegate authority for day-to-day management of the company to the executive team and management board who meet regularly at meetings chaired by the Chief Executive Officer. The Executive team consists of Chief Executive Officer, Group Managing Director, Group Chief Financial Officer and Chief Operating Officer and are responsible for the strategy and direction of the Group. Membership of the management board includes the Group Chief Financial Officer, Group Managing Director, Chief Operating Officer, as well as other commercial and operational leaders.

The directors have determined that, to date, formal committees are not required in relation to Financial Reporting, Audit, Risk or Remuneration. The board of directors has informally delegated authority on all operational matters to the management board, and therefore all decisions are taken at that level. As the Group continues to expand, a review will be performed to determine whether these committees are required and to formalise the matters reserved for the Board.

The Group's Legal, Regulatory and Governance functions have been strengthened during the year by the appointment of a Group General Counsel. The appointment of the Group General Counsel has allowed for the opportunity of a further holistic review of the Group's legal function and subsequently improvements are underway to strengthen the on-boarding process for all customers, suppliers and third-party vendors to allow for improved accountability and transparency with operational teams.

Information for the Board is prepared on a monthly basis and includes input from all key areas of the business. As well as key financial information and business performance, directors receive monthly updates on areas such as Legal, Compliance, Tax, Audit and HR prepared by leaders of internal functions.

Key financial information is collated from the Group's key accounting system which is used by around two-thirds of the of the Group, on a revenue basis. Improvements have been made to the way Group Finance is structured and following the recruitment of key roles in 2019, the processes and controls over the Group's financial reporting continue to be improved. The team is appropriately qualified to ensure the integrity of the information and is provided with the necessary training to keep up-to-date with regulatory changes. Financial information is currently externally audited by Ernst & Young LLP, on an annual basis.

The management board has ultimate responsibility for the Group's system of internal controls and for reviewing its effectiveness. However well the system is designed to manage risk, it cannot eliminate all risk, and therefore it provides reasonable, not absolute, assurance against material misstatement or loss.

The executive board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group. The Group does not have an Internal Audit function.

Principle 4 – Opportunity and risk

Strategic opportunities are managed both at the Group level, and at portfolio level. Both the executive and management board seek out opportunities to grow and develop the business both organically and through acquisitions.

The board of directors is given monthly updates on actual and potential strategic initiatives, including acquisitions, focusing on the long-term impact and value creation. At a portfolio level, detailed monthly forecast reviews are used to monitor and drive performance.

The Group's principal risks and uncertainties are presented in the Strategic report. These external, financial, operational, reputational and strategic risks have been identified by the executive board, management board and key business leaders, both operational and functional. Mitigation strategies are in place to manage the exposure to each of the risks.

Principle 4 – Opportunity and risk (continued)

The board of directors is comfortable with the systems and controls in place across the Group which are designed to manage, rather than eliminate, the risk of not achieving business objectives, including meeting Group budgets. The detailed work and ongoing review performed by event, by portfolio and at a consolidated level give the appropriate level of diligence in understanding the performance of the business and potential obligations at every level. This is complemented by the systems and controls in place which balance the potential for short and long-term returns, with the Group's risk appetite.

The Group is in the process of establishing a formal Risk Committee with responsibility for the oversight of the enterprise risk management policies and practices of the Group's international operations and ownership of the risk-management framework. Actions have commenced during the year to review the Group's approach to risk, and educate central business risk owners as to the importance of effective risk management. Risk workshops will be held with senior leaders to embed a culture of effective risk management and identify and report risk effectively. The Board views the implementation of an end-to-end risk-management approach and framework as an evolving process.

The Strategic report presented on page 2 includes the key risks for the Group.

Principle 5 – Remuneration

The responsibility for remuneration has been delegated to the executive team.

The Group is committed to offering competitive remuneration packages, enhanced by employee benefits, bonus/incentive schemes and an Employee Benefit Trust for senior management. Packages are designed to attract and retain quality employees and align their purpose, values and strategy with that of the Group as a whole.

Employee pay is reviewed annually. Members of senior management, including the management board, are included within the same pay review process and are subject to the same robust review and approval to ensure equality and consistency in approach.

In the prior year, the Group reported for the first time on international gender diversity as well as the gender pay gap required by the Equality Act 2010. This information is presented in the Strategic report on page 15.

Clarion is an equal opportunities employer and we seek to employ a workforce that is reflective of the diverse communities in which we operate. Diversity continues to be an important factor for the Group, and during the year various initiatives have been implemented in order to drive positive change including management board training on diversity and inclusion, the publication of a Diversity and Inclusivity (D&I) Strategy for employees, the implementation of employee diversity forums and the appointment of global diversity representatives as D&I champions.

Principle 6 – Stakeholders

We engage with our stakeholders as part of our approach to delivering long-term values and this is a key area of focus for the Group. Relationships and interactions with our stakeholder community are embedded in our day-to-day business. This is driven by our core strategic pillars, as outlined in the Strategic report on page 2. Our markets and the communities in which we operate, our customers (both visitors and exhibitors) and our people are at the heart of what we do.

The strategic pillars set out how we look to align the direction of our business to maximise long-term growth. The management board is the primary communication route between the business and our key shareholder, The Blackstone Group Inc.

Principle 6 – Stakeholders (continued)

We consider the longer-term impact of our activities and operations on our external and internal stakeholders. We discuss our approach to environmental matters and social responsibility in the Strategic report on pages 13 and 14.

We are committed to investing in engaging with our key stakeholders. Taking our employees as an example, we hold employment engagement surveys, as discussed in the Strategic report on page 14, as well as undertaking a number of Group, local departmental, portfolio and office initiatives.

By order of the Board

R S Wilcox
Director
31st May 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMET MIDCO LIMITED

Opinion

We have audited the financial statements of Comet Midco Limited (the parent company) and its subsidiaries (the Group) for the year ended 31st January 2021 which comprise the Consolidated income statement, Consolidated statement of other comprehensive income, Consolidated statement of financial position, Consolidated statement of changes in equity, Consolidated cash flow statement, Parent company statement of financial position, Parent company statement of changes in equity and Parent company cashflow statement and the related notes 1 to 30, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006 and, as regards the parent company financial statements, as applied in accordance with section 408 of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the Group's and of the parent company's affairs as at 31st January 2021 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and parent company's ability to continue as a going concern for a period of 15 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent company financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page 27, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (IFRS and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom, Hong Kong/China and USA. In addition, the company has to comply with laws and regulations relating to its domestic and overseas operations, including health and safety, employees, data protection and anti-bribery and corruption.

- We understood how the Group is complying with those frameworks by making inquiries of management to understand how the company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation. We also reviewed correspondence with relevant authorities.

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, assuming revenue to be a fraud risk and concluding that the existence of prepaid deferred event costs and completeness of overhead expenses were fraud risks.

- We incorporated data analytics into our testing of manual journals including our testing of revenue recognition, deferred event costs and cost of sales. We tested specific transactions back to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions.

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria.

Auditor's responsibilities for the audit of the financial statements (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young L.L.P.

Cameron Cartmell (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
1st June 2021

CONSOLIDATED INCOME STATEMENT

For the year ended 31st January	Notes	2021 £000	2020 £000
Continuing operations			
Revenue	4	**100,019**	**413,667**
Cost of sales		(39,492)	(188,070)
Gross profit		**60,527**	**225,597**
Other income		1,962	1,187
Administrative expenses		(117,394)	(169,140)
Amortisation of acquired intangible assets	12	(39,166)	(40,852)
Impairment	12, 14	(132,581)	(50,315)
Operating loss	5	**(226,652)**	**(33,523)**
Finance costs	7	(45,443)	(61,997)
Share of (loss)/profit of joint ventures (after tax)	8	(212)	460
Loss before taxation		**(272,307)**	**(95,060)**
Taxation	9	15,436	8,894
Loss from continuing operations		**(256,871)**	**(86,166)**
Loss from discontinued operations	10	(2,515)	(498)
Loss for the year		**(259,386)**	**(86,664)**
Attributable to:			
Equity shareholders of the parent company		(256,272)	(87,081)
Non-controlling interests		(3,114)	417
Loss for the financial year attributable to members of the parent company		**(259,386)**	**(86,664)**

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31st January	2021 £000	2020 £000
Loss for the year	**(259,386)**	**(86,664)**
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(8,675)	(83)
Movement from translation reserve to P&L on disposal of foreign operation	-	(1,814)
Other comprehensive (expense)/income for the year	(8,675)	(1,897)
Total comprehensive expense for the year	**(268,061)**	**(88,561)**
Attributable to:		
Equity shareholders of the parent company	(264,888)	(89,127)
Non-controlling interests	(3,173)	566
	(268,061)	**(88,561)**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

COMPANY NO: 10904490

At 31st January	Notes	2021 £000	2020 £000
Goodwill	12	504,622	648,453
Other intangible assets	12	389,779	443,129
Property, plant and equipment	13	3,302	5,738
Right-of-use assets	14	7,908	14,565
Investments accounted for using the equity method	8	809	1,166
Prepaid event costs	17	1,333	2,367
Other non-current financial assets	17	-	2,475
Deferred tax assets	15	30,994	1,510
Non-current assets		**938,747**	**1,119,403**
Inventory		542	538
Trade and other receivables	17	47,056	35,236
Income tax receivable		3,038	5,889
Cash and cash equivalents		95,032	50,646
		145,668	92,309
Assets held for sale	18	3,248	1,463
Current assets		**148,916**	**93,772**
Total assets		**1,087,663**	**1,213,175**
Financial liabilities - borrowings	19	(914,176)	(764,185)
Deferred tax liabilities	15	(62,874)	(47,259)
Lease liabilities	20	(3,691)	(8,790)
Provisions	21	(61)	(850)
Other financial liabilities	19	(16,915)	(34,272)
Non-current liabilities		**(997,717)**	**(855,356)**
Deferred revenue		(137,523)	(129,459)
Trade and other payables	22	(33,809)	(45,874)
Income tax payable		(5,458)	(7,399)
Financial liabilities - borrowings	19	(152,716)	(149,676)
Lease liabilities	20	(5,441)	(6,786)
Provisions	21	(1,847)	(1,420)
Other financial liabilities	19	(10,415)	(6,544)
		(347,209)	(347,158)
Liabilities associated with assets held for sale	18	(2,234)	(565)
Current liabilities		**(349,443)**	**(347,723)**
Total liabilities		**(1,347,160)**	**(1,203,079)**
Net (liabilities)/assets		**(259,497)**	**10,096**

At 31st January	Notes	2021 £000	2020 £000
Equity			
Share capital	23	70,000	70,000
Share premium	23	9,098	9,098
Capital contribution reserve	23	73,688	73,688
Share based payments reserve	24	14,172	12,236
Translation reserve		1,617	10,233
Retained earnings		(432,961)	(176,689)
Equity attributable to shareholders of the parent company		**(264,386)**	**(1,434)**
Non-controlling interests		4,889	11,530
Total equity		**(259,497)**	**10,096**

The financial statements on pages 36 to 101 were approved by the board of directors on 31st May 2021 and were signed on its behalf by:

R S Wilcox
Director

PARENT COMPANY STATEMENT OF FINANCIAL POSITION — COMPANY NO: 10904490

At 31st January	**Notes**	**2021 £000**	**2020 £000**
Investments	16	152,786	152,786
Financial assets - loans	19	156,255	155,310
Non-current assets		**309,041**	**308,096**
Financial assets - loans	19	132,173	146,477
Current assets		**132,173**	**146,477**
Total assets		**441,214**	**454,573**
Financial liabilities - borrowings	19	(165,534)	(156,164)
Non-current liabilities		**(165,534)**	**(156,164)**
Financial liabilities - borrowings	19	(140,062)	(146,477)
Current liabilities		**(140,062)**	**(146,477)**
Total liabilities		**(305,596)**	**(302,641)**
Net assets		**135,618**	**151,932**
Equity			
Share capital	23	70,000	70,000
Share premium	23	9,098	9,098
Capital contribution reserve	23	73,688	73,688
Retained earnings		(17,168)	(854)
Total equity		**135,618**	**151,932**

PARENT COMPANY INCOME STATEMENT AT 31ST JANUARY 2021

No income statement is presented for Comet Midco Limited as permitted under section 408 of the Companies Act 2006. The parent company's loss for the year ended 31st January 2021 is £16.3 million (2020: loss of £0.9 million).

The financial statements on pages 36 to 101 were approved by the board of directors on 31st May 2021 and were signed on its behalf by:

R S Wilcox
Director

COMET MIDCO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £000	Share premium £000	Capital contribution reserve £000	Share based payments reserve £000	Translation reserve £000	Retained Earnings £000	Non-controlling interests £000	Total equity £000
At 1st February 2019		**70,000**	**9,098**	**73,688**	**8,013**	**12,279**	**(87,197)**	**6,886**	**92,767**
Loss for the year		-	-	-	-	-	(87,081)	417	(86,664)
Exchange differences		-	-	-	-	(232)	-	149	(83)
Movement from translation reserve to P&L on disposal of foreign operation		-	-	-	-	(1,814)	-	-	(1,814)
Total comprehensive income		-	-	-	-	(2,046)	(87,081)	566	(88,561)
Dividends to non-controlling interests		-	-	-	-	-	-	(919)	(919)
Share based payment expense	24	-	-	-	4,223	-	-	-	4,223
Other movements in non-controlling interests		-	-	-	-	-	(2,411)	5,282	2,871
Non-controlling interests acquired		-	-	-	-	-	-	(285)	(285)
At 31st January 2020		**70,000**	**9,098**	**73,688**	**12,236**	**10,233**	**(176,689)**	**11,530**	**10,096**
Loss for the year		-	-	-	-	-	(256,272)	(3,114)	(259,386)
Exchange differences		-	-	-	-	(8,616)	-	(59)	(8,675)
Total comprehensive income		-	-	-	-	(8,616)	(256,272)	(3,173)	(268,061)
Dividends to non-controlling interests		-	-	-	-	-	-	(598)	(598)
Share based payment expense	24	-	-	-	1,936	-	-	-	1,936
Non-controlling interests acquired	11	-	-	-	-	-	-	(2,870)	(2,870)
At 31st January 2021		**70,000**	**9,098**	**73,688**	**14,172**	**1,617**	**(432,961)**	**4,889**	**(259,497)**

COMET MIDCO LIMITED

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £000	Share premium £000	Capital contribution reserve £000	Retained earnings £000	Total equity £000
At 1st February 2019		**70,000**	**9,098**	**73,688**	**-**	**152,786**
Loss for the year		-	-	-	(854)	(854)
Total comprehensive expense		**-**	**-**	**-**	**(854)**	**(854)**
At 31st January 2020		**70,000**	**9,098**	**73,688**	**(854)**	**151,932**
Loss for the year		-	-	-	(16,314)	(16,314)
Total comprehensive income		**-**	**-**	**-**	**(16,314)**	**(16,314)**
At 31st January 2021		**70,000**	**9,098**	**73,688**	**(17,168)**	**135,618**

CONSOLIDATED CASHFLOW STATEMENT

For the year ended 31st January	Note	2021 £000	2020 £000
Cashflow from operating activities			
Loss before tax		(272,307)	(95,060)
Adjusted for:			
Finance costs		45,443	61,997
Share of loss/(profit) of joint ventures (after tax)		212	(460)
Operating loss from continuing operations		(226,652)	(33,523)
Operating loss from discontinued operations	10	(2,628)	(498)
Total operating loss		(229,280)	(34,021)
Adjusted for:			
Amortisation of intangible assets	12	42,861	46,944
Depreciation of property, plant and equipment	13	2,727	3,336
Depreciation of right-of-use assets	14	6,890	7,094
Impairment	12, 14	132,581	50,315
Change in fair value of financial instruments	19	(9,748)	7,232
Share based payments	24	1,936	4,223
Loss/(gain) on disposal of subsidiaries and property, plant and equipment	5	686	(3,798)
Dividends charged to administrative expenses		2,059	389
Working capital movements:			
Change in inventories		(28)	30
Change in receivables		(6,728)	6,975
Change in payables		5,621	(20,526)
		(50,423)	68,193
Bank interest paid		(33,530)	(44,051)
Payment of lease liabilities - interest	20	(890)	(1,284)
Tax received/(paid) – UK		2	(1,125)
Tax paid – overseas		(691)	(2,824)
Cash (outflow)/inflow from operating activities		**(85,532)**	**18,909**
Cashflow from investing activities			
Purchase of property, plant and equipment	13	(783)	(2,930)
Purchase of software	12	(956)	(5,089)
Proceeds from disposal of property, plant and equipment and software		740	31,584
Current year acquisition of subsidiaries, net of cash acquired	11	-	(55,135)
Consideration in respect of prior period acquisitions		(4,022)	(5,878)
Disposal of subsidiaries, net of cash sold		157	26,377
Dividends received from joint venture		-	536
Cash outflow from investing activities		**(4,864)**	**(10,535)**

CONSOLIDATED CASHFLOW STATEMENT (CONTINUED)

For the year ended 31st January	Note	2021 £000	2020 £000
Cashflow from financing activities			
Proceeds from borrowings		155,199	-
Debt issue costs		-	-
Repayment of borrowings		(3,044)	(3,159)
Payment of lease liabilities – principal	20	(6,891)	(6,551)
Acquisition of non-controlling interests	11	(6,578)	(874)
Dividends paid to non-controlling interests	23	(2,059)	(424)
Cash inflow/(outflow) from financing activities		**136,627**	**(11,008)**
Net increase/(decrease) in cash and cash equivalents		**46,231**	**(2,634)**
Exchange differences		(1,322)	(500)
Cash held for sale	18	(523)	(47)
Cash and cash equivalents brought forward		50,646	53,827
Cash and cash equivalents carried forward		**95,032**	**50,646**
Analysis of cash and cash equivalents			
Cash at bank and in hand		**95,032**	**50,646**

PARENT COMPANY CASHFLOW STATEMENT

For the year ended 31st January	2021 £000	2020 £000
Cashflow from operating activities		
Loss before tax	(16,314)	(854)
Impairment of intercompany loan	16,314	854
Cashflow from operating activities	**-**	**-**
Cashflow from investing activities	-	-
Cashflow from financing activities	-	-
Net movement in cash	-	-
Cash and cash equivalents brought forward	-	-
Currency translation	-	-
Cash and cash equivalents carried forward	**-**	**-**
Analysis of cash and cash equivalents		
Cash at bank and in hand	**-**	**-**

1. ACCOUNTING POLICIES

1.1 Corporate information

The consolidated financial statements of Comet Midco Limited (the company or the parent) and its subsidiaries (the Group) for the year ended 31st January 2021 were authorised for issue in accordance with a resolution of the directors on 31st May 2021. Comet Midco Limited is a company limited by shares and is a private limited company incorporated and domiciled in England. The address of its registered office is Bedford House, 69-79 Fulham High Street, London SW6 3JW.

The principal activities of the Group are described in the Strategic report.

1.2 Basis of preparation

These consolidated financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements of Comet Midco Limited (the company) have been prepared in accordance with Financial Reporting Standard 101 “Reduced Disclosure Framework” (FRS 101) as issued by the Financial Reporting Council and with those parts of the Companies Act 2006 applicable to companies reporting under FRS 101. As permitted by Section 408 of the Companies Act, the company has elected not to present its own income statement for the financial year.

The consolidated and company financial statements have been prepared under the historical cost convention, unless stated otherwise by the relevant accounting policy.

The principal accounting policies of the Group are consistent with those of the principal subsidiaries and consistently applied to the periods presented.

1.3 Going concern

In making the going concern assessment for the year ended 31st January 2021, the directors have made current consideration of the potential impact of the COVID-19 pandemic on the cashflows, liquidity, banking covenants and business activities of the Group over the next 15 months.

As at 31st January 2021, the Group had cash balances of £95.0m.

During the year to 31st January 2021, the lender group agreed to waive certain financial covenants in respect of the external borrowings, subject to a minimum liquidity requirement of £25m and restrictions on dividend payments. This waiver was extended through to 31st October 2022 on 12th May 2021 with an additional requirement to provide regular financial information to the lender group.

The annual budget was approved early in 2021 during a period of continued uncertainty. Consistent with the prior year, this budget and cashflow forecast, continue to be reviewed and updated as we forecast a return to business as usual. This revised budget and cashflow forecast was used as a base case for the purposes of going concern and cashflow modelling. The business is performing ahead of the original budget and cashflow forecast.

A number of different assumptions have been made in preparing the base case. The key assumptions relate to timing of rescheduled events, reductions in revenues for future events and management of working capital, including cash receipts and refunds, through to August 2022.

The Board has confidence in the base case and the robust assumptions on which it is built but has reviewed and challenged the modelling undertaken by management and stress-tested the model for the impact of a number of different scenarios.

1. ACCOUNTING POLICIES (CONTINUED)

1.3 Going concern (continued)

In the most extreme scenario, the key assumptions are as follows:

Assumption	Background to extreme scenario and assumption
Timing of events	The only events to run, and therefore the only revenue recognised, before August 2022, are in China. The FY21 edition of these events has taken place, and the FY22 edition is scheduled for the second half of the year. The directors are highly confident that the events will proceed as B2C and B2B events resumed in the region during 2020.
Cash receipts	Save for the events in China mentioned above, no collections for future events have been assumed. Receipts in relation to our online business in Hong Kong have been included at a run rate consistent with receipts during the year ended 31st January 2021.
Refund rate	Booking and prepaid revenues are deferred in line with the event, or to the following year's event in the event of cancellation; refunds continue to be managed carefully on a case by case basis. In this extreme scenario, refunds have been calculated on the basis of contractual commitments with an additional risk factor applied to the refund balance after careful consideration of contract and business risk.
Cost reductions and controls	Stringent cost reductions and controls in both manpower and capital expenditure are continued through the next 15 months. Should it be required, an further review of the cost base could be undertaken to manage cashflows through the financial year.

The Board believes that this extreme scenario is highly unlikely, based on the information currently available. We ran events in the USA and China during the financial year, and we see a number of states in the USA, as well as the UK, driving forward with a clear timeline for commencement of events. Refunds remain minimal and we continue to receive cash for future events, albeit at a lower rate than in previous years.

Management continue to monitor the roadmaps out of lockdown and in to recovery in each of the local geographies. Many of our events are domestic, do not rely on international attendees or exhibitors and operate in locations with well-developed vaccine programmes with indicators that restrictions on exhibitions, events and mass gatherings are to be relaxed throughout the coming months.

Despite the positivity visible in the market and the indicators of demand we are seeing from our customers who are keen to be back in face-to-face contact with their customers at our events, the directors acknowledge that uncertainties over exhibitions, events and mass gatherings, as well as travel restrictions, continue to exist. When considering this extreme scenario, the assumptions and related cashflows, there are points at which, within the next 15 months the Group would not have sufficient liquidity within its existing operating cash balances to satisfy all financial obligations when they fall due.

Therefore, the Group's indirect controlling shareholder, Blackstone Capital Partners (Cayman) VII, LP, part of The Blackstone Group Inc., has provided a letter confirming that, for a period of 15 months from the date of this report, it will provide support to the Group up to a fixed amount, if required. Having considered the forecast performance of the Group, including the extreme downside risks, the directors are satisfied that the Group will not require more than the fixed amount of support to be provided.

1. ACCOUNTING POLICIES (CONTINUED)

1.3 Going concern (continued)

Further, Blackstone Capital Partners (Cayman) VII, LP, has confirmed that for a period of a 15 months from the date of this report, it does not intend to undertake any decision or action, in its capacity as an indirect controlling shareholder of the Group, which would reasonably be expected to negatively affect the Group's ability to continue as a going concern. The details of this support and the ability of Blackstone Capital Partners (Cayman) VII, LP to pay have been reviewed by the directors.

In relation to this assessment in the prior year, similar assurances were given by Blackstone Capital Partners (Cayman) VII, LP and during the year ended 31st January 2021, support was provided to the Group to meet ongoing working capital commitments and minimum liquidity covenants.

In the most extreme scenario, which the directors believe is highly unlikely, and with the support provided by Blackstone throughout the period to August 2022 and covenant waiver through to 31st October 2022, the model shows headroom through the 15 months from today to August 2022.

Accordingly, but acknowledging the uncertainty in respect of the ongoing situation with COVID-19 and the continuing impact of this on the global economy, the directors continue to believe that it is appropriate to prepare the financial statements on a going concern basis.

1.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries together with the Group's attributable share of the results of joint ventures and associates. For all entities in which the Group, directly or indirectly, owns equity, a judgement is made when applicable to determine whether the Group controls the investee and therefore should consolidate it fully or not. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The results of subsidiaries acquired or sold are included in the income statement from, or up to, the date that control passes.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Non-controlling interests represent third-party shareholdings in a subsidiary controlled by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

1.5 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquiree.

Identifiable assets acquired and liabilities assumed in a business combination are measured at fair value at acquisition date. The consideration payable is measured at fair value at the acquisition date and includes the fair value of any contingent consideration. Acquisition costs are expensed in the period in which they are incurred.

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Business combinations (continued)

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

Put option arrangements over shares held by a non-controlling interest are recognised at fair value as financial liabilities. Movements in the estimated liability in respect of put options are recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss.

1.6 Discontinued operations

The Group classifies disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Disposal groups held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as a discontinued operation if it is a component of an entity that either has been disposed of or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in note 10. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Interest in joint ventures and associates

A joint venture is a contractual arrangement whereby the Group and other parties have joint control and rights to the net assets of the arrangement. An associate is an investment over which the Group has significant influence. Significant influence is presumed to exist where the Group holds between 20% and 50% of the voting rights of another entity. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investments in associates or joint ventures are carried in the Consolidated statement of financial position and are initially recognised at cost. They are adjusted subsequently for any post-acquisition changes in the Group's share of the net assets of the associate or joint venture, less any impairment in the value of the investment. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

1.8 Foreign currency translation

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (its functional currency). The Group's consolidated financial statements are presented in sterling, which is the parent company's functional and presentation currency. All values are rounded to the nearest thousand (£000), except when otherwise indicated.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign-exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary asset and liabilities denominated in foreign currencies are recognised in the Consolidated income statement.

Non-monetary items that are measured at historical cost in a foreign currency are translated at rates prevailing at the date of the transactions. Non-monetary items measured at fair value in a foreign currency are translated at the rates prevailing at the date when the value is determined. The gain or loss on translation of non-monetary items is recognised in line with where the gain or loss of the item that gave rise to the transation difference has been recognised.

Group companies
The assets and liabilities of foreign operations that have a functional currency different from the presentation currency are translated into sterling at the closing exchange rates at the reporting date and their income, expenses and cashflows are translated at average exchange rates. All resulting foreign-exchange differences are recognised in other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the Consolidated income statement as part of the gain or loss on disposal.

Any goodwill or fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the closing rate.

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Revenue recognition

Revenue is recognised in order to depict the transfer of control of goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured net of value-added tax, duties and other sales tax. Transaction prices for performance obligations are fixed within contracts. Payment terms come into force once the relevant performance obligations have been satisfied.

Revenue from exhibitions, trade shows, conferences and other live events, together with event sponsorship, delegate fees and ticket sales, is recognised when the event is held, with advance receipts recognised as deferred income in the balance sheet until such date.

Advertising revenue is recognised on publication or over the period of the online display. Subscription revenue arising from subscriptions to directories and market research reports is recognised evenly over the period of the subscription.

Digital revenue is recognised when the performance obligations detailed in the associated contract have been fulfilled, with advance receipts recognised as deferred income in the balance sheet until such date.

Revenue relating to barter transactions is recorded at stand-alone selling prices and recognised in accordance with the Group's revenue recognition policies.

The Group does not adjust consideration for the effects of a financing component if there is less than one year between receiving payment and satisfying the performance obligation. In addition, the Group expenses contract acquisition costs when the asset that would have resulted from capitalising such costs would have been amortised within one year or less.

1.10 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Grants received are deducted against the related expense on a systematic basis over the periods that the costs, for which they are intended to compensate, are expensed.

1.11 Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, calculated under tax rates and laws enacted or substantively enacted at the reporting date.

Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted at the reporting date and are expected to apply in the period when the deferred tax is settled or realised.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised on all deductible temporary differences to the extent it is probable that taxable profits will be available, against which the temporary differences can be utilised. Deferred tax assets are not recognised if the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Recognition of deferred tax, therefore, includes judgements regarding the timing and level of future taxable income.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and equity-accounted investments, except where the Group controls the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

1. ACCOUNTING POLICIES (CONTINUED)

1.11 Taxes (continued)

The Group offsets deferred tax assets and deferred tax liabilities if, and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognised in the income statement except where the tax relates to items recognised directly in equity or other comprehensive income, in which case the related tax is also recognised in equity or other comprehensive income.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised.

Management periodically evaluates tax positions in jurisdictions where relevant tax regulations are subject to interpretation and establishes provisions where applicable.

1.12 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- equipment, fixtures and fittings 2-5 years; and
- leasehold improvements shorter of the lease term or 8 years.

The assets' residual values and useful lives are reviewed annually and adjusted if appropriate.

1.13 Inventory

Inventory is stated at the lower of cost and net realisable value. Cost comprises direct labour and expenses incurred in bringing the inventory to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less selling expenses.

1.14 Prepaid event costs

Prepaid event costs relating to future events are deferred and only expensed once the event has taken place.

1. ACCOUNTING POLICIES (CONTINUED)

1.15 Leases

For leases with a lease term of more than 12 months, the Group recognises a right-of-use asset and a lease liability as at the lease commencement date. The right-of-use asset is initially measured at cost, comprising the initial amount of the lease liability plus any initial direct costs incurred and any lease payments made at or before the lease commencement date, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term.

Right-of-use assets are assessed for any indication of impairment whenever events or circumstances indicate that the carrying value may not be recoverable. Depreciation and any impairment charges are recognised in operating expenses in the consolidated income statement.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounting using the interest rate implicit in the lease. If that rate cannot readily be determined, as is the case in the vast majority of the leasing activities of the Group, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset in a similar economic environment with similar terms and conditions. The lease liability is subsequently measured at amortised cost using the effective interest method. Interest is recognised within finance costs in the consolidated income statement. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or a rate or a change in the Group's assessment of whether it will exercise an extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the right-of-use asset.

Judgements are involved in determining the lease term, particularly because extension and termination options are included in a number of property leases across the Group to facilitate operational flexibility. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension or termination option. Extension and termination options are only included in the lease term if it is reasonably certain that the option will be exercised. The assessment of the lease term is reviewed if a significant event or a significant change in circumstances occurs that is within the control of the Group.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are typically small items of IT equipment, office equipment and office furniture.

1.16 Intangible assets

Goodwill

Goodwill represents the excess of the aggregate of the consideration transferred, the amount recognised for any non-controlling interests and the fair value of any previously held equity interest in the subsidiary acquired over the fair value of the identifiable net assets acquired.

Goodwill is tested at least annually for impairment and is held at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGUs) that are expected to benefit from the business combination in which the goodwill arose. Significant judgement is required by management for the purposes of goodwill allocation to the CGUs.

1. ACCOUNTING POLICIES (CONTINUED)

1.16 Intangible assets (continued)

Goodwill (continued)
An impairment loss is recognised in the consolidated income statement to the extent that the carrying value of the goodwill is greater than the relevant CGU's recoverable amount, which is the higher of the value in use and the fair value less costs to sell. Value in use is the present value of future cash flows of the CGU to which the goodwill has been allocated.

The impairment tests are sensitive to management's estimates in respect of the inputs used to derive the expected future cashflows and hence recoverable amounts, including the discount rate and the growth rate used for terminal value purposes. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed in note 12.

On disposal of a business which includes all or part of a CGU, any attributable goodwill is included in the carrying amount of the operation when determining the gain or loss on disposal.

Other intangible assets
Other intangible assets acquired separately are capitalised at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition.

Certain internal and external costs incurred during the development of intangible assets are capitalised if they can be measured reliably and they are directly associated with separately identifiable assets having an economic benefit of more than one year.

Following initial recognition, other intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised on a straight-line basis over their useful economic lives as follows:

- trade names 2-20 years;
- customer relationships 2-17 years; and
- software up to 5 years.

Other intangible assets are assessed for any indication of impairment whenever events or circumstances indicate that the carrying value may not be recoverable. Any impairment reviews undertaken are subject to similar management judgements, estimates and assumptions when undertaking impairment reviews of goodwill as discussed above. Amortisation and any impairment charges are recognised in operating expenses in the consolidated income statement.

1.17 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised on the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets held by the Group are classified at initial recognition as financial assets at fair value through profit or loss or loans and receivables. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Subsequent to initial recognition, financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method.

1. ACCOUNTING POLICIES (CONTINUED)

1.17 Financial instruments (continued)

Financial liabilities owed by the Group are classified at initial recognition as financial liabilities at fair value through profit or loss or at amortised cost. All financial liabilities are initially recognised at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Trade and other receivables
Trade and other receivables are recognised when it is probable that a future economic benefit will flow to the Group. Trade receivables are initially recognised at fair value less provision for impairment.

The provision for impairment of trade receivables is based on expected credit losses (ECLs). The Group has applied a simplified approach in calculating ECLs therefore does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

In the company accounts, ECLs relating to amounts due from subsidiary undertakings are a probability-weighted estimate of credit losses and are calculated on actual historical credit losses adjusted to reflect differences between the historical credit losses and the company’s forward-looking view of the economic conditions over the expected lives of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash at banks and in hand.

Loans and receivables
Loans and receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Impairment of financial instruments
The Group assesses at each reporting date whether there are any indicators of impairment of financial assets. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the asset, there is a negative impact on the estimated future cash flows of the asset that can be estimated reliably.

Trade and other payables and interest-bearing loans
Trade and other payables and interest-bearing loans are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Put option liabilities
Any contract with a single or multiple settlement option that contains an obligation for the Group to purchase equity in a subsidiary for cash gives rise to a financial liability for the present value of the purchase price. An amount equal to the liability is recorded against the investment on initial recognition of a written put option. The liability is subsequently remeasured through the Consolidated income statement.

Determining fair value for put and call option liabilities requires management to make certain judgements and estimates which are discussed further in note 19.4.

1. ACCOUNTING POLICIES (CONTINUED)

1.18 Impairment of non-financial assets

For non-financial assets, excluding goodwill, the Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying value of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in the Consolidated income statement.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Consolidated income statement.

1.19 Provisions

Provisions are liabilities of uncertain timing or amount. Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event that can be reliably estimated and it is probable that an outflow of economic benefits will be required to settle the obligation. The carrying amounts of provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

1.20 Pension and other employment benefits

A number of subsidiaries make contributions to schemes which provide employees with retirement benefits. Contibutions accruing under the schemes are charged to administrative expenses in the income statement.

1.21 Share based payment transactions

The Group operates an equity-settled share based compensation plan based on shares granted in respect of Expo Holdings I Limited's shares. The fair value of rights granted is initially measured at grant date, based on a Monte Carlo option-pricing model and market-based performance criteria, and is charged to the Consolidated income statement on a straight-line basis over the vesting period. At each reporting date, the Group revises its estimate of the number of shares expected to vest using non-market-based performance criteria. It recognises the impact of the revision of original estimates, if any, in the Consolidated income statement over the remaining vesting period with a corresponding adjustment to equity.

Management's estimates, assumptions and judgements include the most appropriate inputs to the valuation model, which are discussed further in note 24.

2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that could have a material impact on the financial statements and to make judgements in the process of applying its accounting policies.

Estimates and assumptions applied by management are based on information available, historical experience and other factors, including expectations of future events that are believed to be reasonable and relevant under the circumstances. Matters involving the most significant judgements, estimates and assumptions are outlined below.

Allocation of goodwill and impairment of non-financial assets

For the purposes of impairment, significant judgement is required by management when allocating goodwill to each of the Group's cash generating units (CGUs) that are expected to benefit from the business combination in which the goodwill arose. This is discussed further in note 12.

The assessment of the recoverable amount of assets or CGUs involves management's estimate of a number of key assumptions relating to the inputs, including those used to derive the expected future cashflows, such as future capital expenditure, discount rates, long-term growth rates and tax rates. In addition, management's judgement of short-term growth rates was required when considering the speed of recovery of each CGU subsequent to COVID-19 and the impact of this on future cashflows. These assumptions and a sensitivity analysis are disclosed in note 12.

Allocation of purchase price for business combinations and contingent consideration

On an acquisition, a change to management's estimates could result in a material difference to the attribution of fair values to both the assets and liabilities acquired. For some transactions, management is required to estimate the likelihood of the business achieving certain levels of future performance. Changes to this estimate could result in a materially different acquisition-date fair value of the consideration transferred.

In order to measure acquired goodwill, the fair value of certain assets is derived from valuation methods that require a series of assumptions to be made relating to the inputs used to derive expected future cashflows, including discount rates. A change to management's judgement of the appropriate assumptions to adopt could result in a materially different acquisition date fair value of the intangible assets.

Taxation

Deferred tax assets are only recognised to the extent that either there are sufficient deferred tax liabilities available to offset the deferred tax asset at the balance sheet date or where it is probable that future taxable profits will be available against which the asset can be utilised. Recognition of deferred tax assets, therefore includes judgements regarding the timing and level of future taxable income.

Right-of-use assets and lease liabilities

Judgements are involved in determining the lease term of right-of-use assets, particularly extension and termination options in certain leases. Management is also required to estimate the appropriate discount rate used to calculate the initial measurement of the lease liability. Changes to these judgements and estimates could result in a material difference to the value of right-of-use assets and lease liabilities recorded and the resulting depreciation and interest charged to the income statement.

Put option liability

Estimating the fair value of the put option liability requires determination of certain factors relating to the inputs, including those used to derive the expected future cashflows, such as discount rates. Changes to management's judgement of these factors could result in a materially different liability recognised.

2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

Impairment of trade receivables and amounts due from subsidiary undertakings

For the purposes of impairment of trade receiveables, management is required to consider forward-looking estimates when determining an appropriate loss allowance based on lifetime ECLs at the reporting date. These estimates include future cash-collection, external market and other economic factors and both the geographic and market spread of the customer base.

In the company accounts, ECLs relating to amounts due from subsidiary undertakings are a probability-weighted estimate of credit losses and are calculated on future cash generation by the borrower, external market and other economic factors.

Share based payments

Management's judgement is required when determining the most appropriate inputs to the share based payments valuation model including enterprise value, expected term assumptions, lapse rate and volatility. The fair value of the rights granted was estimated at the dates of grant using a Monte-Carlo simulation pricing model. Changes to management's judgements and estimates could have a material effect upon the fair value of share based payments transactions in the income statement.

Consolidation of Group undertakings

For all entities in which the Group, directly or indirectly, owns equity, management's judgement is required when determining whether the Group controls the investee and therefore should consolidate it fully or not. Management considers control to be achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

3 CHANGES IN ACCOUNTING POLICIES AND NEW AND AMENDED ACCOUNTING STANDARDS

New and amended standards and interpretations

During the year ended 31st January 2021, the Group adopted Amendments to the definition of a business in IFRS 3 *Business combinations* and Amendments the definition of material in IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*. Adoption of these accounting standards had no impact on the Group's consolidated results or financial position.

Definition of a business (Amendments to IFRS 3 *Business Combinations*)
The definition is aimed at resolving the difficulties that arise when an entity determines whether it has acquired a business or a group of assets.

Definition of material (Amendments to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*)
The amendments clarify the definition of 'material'.

Revised Conceptual Framework for Financial Reporting
The revision helps preparers of financial statements develop consistent accounting policies if there is no applicable standard in place and assists understanding and interpretation of the standards.

No other new or amended accounting standards have led to any significant changes to the Group's accounting policies or had any material impact on the Group.

3 CHANGES IN ACCOUNTING POLICIES AND NEW AND AMENDED ACCOUNTING STANDARDS (CONTINUED)

Standards not yet effective

Management has considered the new standards, amendments and clarifications issued and believes the following are relevant to the Group.

Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely.

Amendments to IAS 1 *Presentation of Financial Statements* – Classification of Liabilities as Current or Non-current
The amendments clarify the classification of liabilities as current or non-current. The amendments are applied for annual periods beginning on or after 1st January 2023.

Amendments to IFRS 3 *Business Combinations*– Reference to the Conceptual Framework
The amendments update IFRS 3 to refer to the 2018 Conceptual Framework; they add a requirement that, for obligations within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and IFRIC 21 *Levies*, an acquirer determines whether at the acquisition date a present obligation exists as a result of past events; and they add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination. The amendments are applied for annual periods beginning on or after 1st January 2022.

Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* – Onerous Contracts - Cost of Fulfilling a Contract
The amendments clarify the definition of the cost of fulfilling a contract and are effective for annual periods beginning on or after 1st January 2022.

Interest Rate Benchmark Reform – Phsae 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate is replaced with an alternative nearly risk-free interest rate. The amendments are effective for annual periods beginning on or after 1st January 2021.

Annual Improvements to IFRS Standards 2018–2020
The Annual Improvements include amendments to two standards that are relevant to the Group:
- IFRS 9 *Financial Instruments: t*he amendment clarifies the definintion of fees when applying the '10 per cent' test for derecognition of financial liabilities. The amendment is effective for annual periods beginning on or after 1st January 2022.
- IFRS 16 *Leases:* the amendment removes the illustration of the reimbursement of leasehold improvements. No effective date is stated.

The Group will apply these amendments and clarifications when they become effective and none is expected to have a material impact on the Group's consolidated results or financial position.

4 REVENUE

Analysis of revenue from contracts with customers:

	2021 £000	2020 £000
Type of service		
Live event organisation	48,318	376,993
Digital event organisation, databases and publications	48,511	29,529
Non-digital databases and publications	3,190	7,145
	100,019	**413,667**
Geographical markets		
United Kingdom	9,889	71,703
North and South America	31,348	133,326
Europe	11,874	61,106
Middle East	347	5,660
Asia	45,807	132,624
Africa	754	9,248
	100,019	**413,667**
Timing of revenue recognition		
Services transferred at a point in time	59,407	376,716
Services transferred over time	40,612	36,951
	100,019	**413,667**

No individual customer contributed more than 10% of the Group's revenue in the year ended 31st January 2021 or the prior year.

Contract assets consist of accrued income and contract liabilities consist of deferred revenue. The decrease in contract assets and the increase in contract liabilities between 31st January 2020 and 31st January 2021 is predominantly due to the impact of COVID-19.

Of the £129,459,000 deferred revenue reported as at 31st January 2020, £54,740,000 has been recognised within revenue in the year ended 31st January 2021.

5 OPERATING LOSS

	2021 £000	2020 £000
Operating loss is stated after charging:		
Depreciation of property, plant and equipment (note 13) and right-of-use assets (note 14)	9,617	10,430
Loss/(gain) on disposal of subsidiaries and property, plant and equipment	686	(3,798)
Impairment of acquired intangibles (note 12)	132,924	49,201
Other impairment (reversal)/charge	(343)	1,114
Amortisation of other intangible assets (note 12)	42,861	46,944
Loss/(gain) on translation of assets and liabilities denominated in foreign currency	2,167	(1,065)
Operating rentals of low-value and short-term leases	290	443
Auditor's remuneration	2,369	2,293

The Group received £2,827,000 of government grants relating to COVID-19 assistance during the year ended 31st January 2021.

5 OPERATING LOSS (CONTINUED)

	2021 £000	2020 £000
The remuneration of the auditor is analysed as follows:		
Audit of Consolidated financial statements	1,015	1,011
Audit of financial statements of subsidiaries	248	104
Total audit fees	1,263	1,115
Taxation services	578	878
Corporate finance services	461	300
Other	67	-
Total non-audit services	1,106	1,178
Total auditor's remuneration	**2,369**	**2,293**

6 EMPLOYEES

Aggregate staff costs were as follows:

	2021 £000	2020 £000
Wages and salaries	66,316	91,594
Social security costs	7,471	8,854
Pension costs (note 26)	2,207	3,912
Share based payment charge (note 24)	1,936	4,223
	77,930	**108,583**

6 EMPLOYEES (CONTINUED)

The average number of employees (including directors) of the Group during the year was:

	2021 Number	2020 Number
Exhibitions	1,062	1,287
Conferences	79	86
Administration	363	430
Publishing	374	406
Telemarketing	30	15
	1,908	**2,224**

Directors' emoluments during the year were:

	2021 £000	2020 £000
Wages and salaries	1,160	1,209
Defined contribution pension contributions	43	55
	1,203	**1,264**

The emoluments, excluding pension contributions of the highest paid director were £885,000 (2020: £698,000). Their pension cost was £38,000 (2020: £3,000).

There were two (2020: two) directors accruing benefits in a defined contribution pension scheme.

7 FINANCE COSTS

	2021 £000	2020 £000
Finance expense		
Interest payable on bank loans	42,700	43,441
Commitment and monitoring fees	333	228
Effect of discounting	11,316	10,679
(Gain)/loss on translation of borrowings denominated in foreign currency	(13,470)	2,579
Lease interest expense	844	1,284
	41,723	58,211
Amortisation of debt issue costs	3,720	3,786
	45,443	**61,997**

8. JOINT VENTURES AND PARTLY OWNED SUBSIDIARIES

Majority owned subsidiaries

The Group controls a number of subsidiaries in which external shareholders have interests. Certain of these interests are subject to combinations of call and put options exercisable by both parties.

	Non-controlling interest %	Call and put options
Awesome Con, LLC	47.5	-
Clarion Events Brasil Exibições e Feiras Ltda	0.01	-
Clarion Quartier Exibições e Feiras Ltda	0.0025	-
Gaming Summits B.V.	5.0	-
Gift Ventures, LLC	38.9	-
Huanxi Information Consulting (Shenzhen) Co., Ltd.	30.0	-
Image Engine Pte. Ltd.	30.0	Yes
Inapex Pte. Ltd.	30.0	-
Independent Grocers Show Management, LLC	30.0	Yes
Insuretech Connect LLC	30.0	Yes
International Training Equipment Conference Limited	10.0	-
Leftfield Media LLC	25.0	Yes
Mobile Apps Unlocked LLC	6.0	Yes
Premium Exhibitions GmbH	10.0	Yes
PT Adhouse Clarion Events	30.0	-
Shenzhen Huanyue Convention & Exhibition Co., Ltd.	30.0	-
Shenzhen Xieguang Convention & Exhibition Co., Ltd.	44.0	-
Slotacademy B.V.	5.0	-
Traffic & Conversion Summit, LLC	20.0	Yes

Associates

	Non-controlling Interest %
Playfair, LLC	61.8
V111 GmbH	59.5

The Group recognises non-controlling interests in respect of these subsidiaries other than those subject to both call and put options, which are accounted for as wholly owned. The carrying amount of non-controlling interests arises from the allocation to external shareholders of a proportion of acquired intangible assets (though not goodwill) equivalent to their equity interest. Non-controlling interests in the tangible assets and liabilities of the subsidiaries are not material to the Group (£4,889,000 (2020: £11,530,000)).

8 JOINT VENTURES AND PARTLY OWNED SUBSIDIARIES (CONTINUED)

Joint Ventures

	Non-controlling Interest %
Clarion Greenfield Exibições e Feiras Ltda	50.0
The Halloween and Party Show, LLC	55.0

The Halloween and Party Show, LLC

Clarion Events, Inc. has a 45% interest in The Halloween and Party Show, LLC but a 50% profit-share agreement therefore it is accounted for as a joint venture. The Group's interest in The Halloween and Party Show, LLC is accounted for using the equity method in the consolidated financial statements. The Group's carrying amount of The Halloween and Party Show, LLC at 31st January 2021 was £809,000 (2020: £1,166,000). The Group's share of the loss for the year before tax was £212,000 (2020: profit £460,000). The Group's share of the distribution paid to the joint venture partners was £nil (2020: £564,000).

The Halloween and Party Show, LLC had no contingent liabilities or commitments as at 31st January 2021. It cannot distribute its profits without the consent of the two venture partners.

9 TAXATION

(a) Tax credited in the Consolidated income statement

	2021 £000	2020 £000
Current tax		
United Kingdom corporation tax at 19%		
Current year	-	93
Payment for UK group relief	(2,189)	(1,516)
Adjustments in respect of prior years	(191)	(1,584)
Foreign tax		
Current year	(212)	4,604
Adjustments in respect of prior years	292	552
Total current tax	**(2,300)**	**2,149**
Deferred tax		
Origination and reversal of temporary differences	(13,993)	(12,242)
Derecognition of deferred tax assets	(578)	895
Impact of change in tax laws and rates	1,435	304
Total deferred tax	**(13,136)**	**(11,043)**
Tax credit on loss on ordinary activities	**(15,436)**	**(8,894)**

9 TAXATION (CONTINUED)

(b) Factors affecting the tax credit for the period

The tax assessed on the loss on ordinary activities for the period varies from the standard rate of corporation tax in the United Kingdom of 19% (2020: 19%). The differences are explained below:

	2021 £000	2020 £000
Loss on ordinary activities before tax from continuing operations	(272,307)	(95,060)
Loss on ordinary activities before tax from discontinued operations	(2,671)	(498)
	(274,978)	(95,558)
Tax calculated at UK rate of 19% (2020: 19%)	(52,246)	(18,156)
Effect of:		
Income exempt from taxation	(430)	(2,727)
Expenses that are not deductible in determining taxable profit	29,209	19,419
Different tax rates of subsidiaries operating in other jurisdictions	(631)	(1,737)
Impact of changes in tax rate	1,455	231
Adjustments in respect of prior periods	(3,123)	(1,613)
Movement in unrecognised deferred tax assets	10,174	(4,311)
Total tax credit	**(15,592)**	**(8,894)**
Income tax credit reported in the consolidated income statement	(15,436)	(8,894)
Income tax credit attributable to discontinued operations	(156)	-
	(15,592)	**(8,894)**

Factors that may affect future tax charges

The UK rate of corporation tax was due to reduce to 17% from 1st April 2020. However, a change to keep the rate at 19% was announced in the Budget in March 2020. As this change was substantively enacted on 17th March 2020, continued use of the 19% rate has been taken into account in the calculation of the net deferred tax liability provided at the balance-sheet date as the rate for the years over which most deferred tax liabilities are expected to reverse. This results in a re-measurement of deferred tax balances up from 17% in 2020.

In March 2021, it was announced that the corporation tax rate will increase from 19% to 25% with effect from 1st April 2023. The Finance Bill 2021 was substantively enacted on 24th May 2021; however, as this was after the balance-sheet date, the UK deferred tax balances have been measured at 19% as at 31st January 2021.

The effect of this legislation, once substantively enacted, would be to increase the UK net deferred tax liability of the Group by £4,257,000 to £17,737,000.

10 DISCONTINUED OPERATIONS

In December 2020, the Group committed to plans to wind down its Brazilian operations (Clarion Brasil). In the same month it also committed to a mangement buyout of its South African operations (Spintelligent). Both plans were strategic decisions to place greater focus on the core geographies in which the Group operates. As of 31st May 2021, neither business had been disposed of.

10 DISCONTINUED OPERATIONS (CONTINUED)

Neither Clarion Brasil nor Spintelligent was previously classified as held-for-sale or as a discontinued operation. The comparative Consolidated income statement and Consolidated statement of other comprehensive income have been restated to show the discontinued operations separately from the continuing operations. The assets and associated liabilities of the Spintelligent business only have been classified as held-for-sale in the current reporting period (see note 18).

The trading results of the Clarion Brasil and Spintelligent businesses under the Group's ownership are presented below:

	Clarion Brazil 2021 £000	Spintelligent 2021 £000	Total 2021 £000	Clarion Brazil 2020 £000	Spintelligent 2020 £000	Total 2020 £000
Revenue	11	1,565	1,576	5,689	7,277	12,966
Cost of sales	(625)	(592)	(1,217)	(3,796)	(3,422)	(7,218)
Gross (loss)/profit	(614)	973	359	1,893	3,855	5,748
Administrative expenses	(1,080)	(1,907)	(2,987)	(1,192)	(3,580)	(4,772)
Operating (loss)/profit	(1,694)	(934)	(2,628)	701	275	976
Net interest expense	(11)	(32)	(43)	(15)	(62)	(77)
(Loss)/profit before tax	(1,705)	(966)	(2,671)	686	213	899
Taxation (charge)/credit	(318)	474	156	137	(414)	(277)
(Loss)/profit for the year from discontinued operations, net of tax	(2,023)	(492)	(2,515)	823	(201)	622

The net cash flows attributable to the business during the period were as follows:

	Clarion Brazil 2021 £000	Spintelligent 2021 £000	Total 2021 £000	Clarion Brazil 2020 £000	Spintelligent 2020 £000	Total 2020 £000
Operating	900	658	1,558	45	321	366
Investing	(22)	(11)	(33)	(9)	(62)	(71)
Financing	(24)	(176)	(200)	(25)	(355)	(380)
Foreign exchange	(44)	(8)	(52)	(24)	(20)	(44)
	810	463	1,273	(13)	(116)	(129)

10 DISCONTINUED OPERATIONS (CONTINUED)

On 30th March 2018, the Group acquired PennWell Corporation with the intention of disposing of part of the business after restructuring. As the assets disposed of were acquired with the intention to sell, the trading results of the business under the Group's ownership were classified as discontinued operations.

The trading results of the PennWell business under the Group's ownership are presented below:

	2020
	£000
Revenue	1,872
Cost of sales	(1,358)
Gross profit	514
Administrative expenses	(1,012)
Loss for the year from discontinued operations before and after taxation	**(498)**

The net cash outflows attributable to the business during the year were:

	2020
	£000
Operating	312

11 BUSINESS COMBINATIONS

Acquisitions during the prior year

On 25th March 2019, the Group acquired 70% of InsureTech Connect LLC, which operates an annual insurance technology event in Las Vegas, for £27.1m consideration comprising of cash and put and call options. As the put and call options over the remaining shares of the entity are on symmetrical terms, it has been accounted for as wholly owned.

On 23rd May 2019, the Group acquired 100% of Media 10 (Shanghai) Exhibition Company Limited, which operates a business-to-business design event in China, for £32.9m consideration comprising solely of cash.

On 13th September 2019, the Group acquired 70% of Image Engine Pte. Ltd., which operates an annual cyber-security event in Singapore, for £7.4m consideration comprising of cash and put and call options. As the put and call options over the remaining shares of the entity are on symmetrical terms, it has been accounted for as wholly owned.

On 8th October 2019, the Group acquired 94% of Mobile Apps Unlocked LLC (MAU), which operates an annual mobile acquisition and retention summit in Las Vegas, for £5.7m consideration comprising cash, contingent consideration and put and call options. As the put and call options over the remaining shares of the entity are on symmetrical terms, it has been accounted for as wholly owned.

11 BUSINESS COMBINATIONS (CONTINUED)

The net assets of the businesses and assets acquired were incorporated at their fair value to the Group. Provisional fair values of consideration given and of the net assets and liabilities acquired are summarised below:

For the year ended 31st January 2020	InsureTech Connect £000	Media 10 (Shanghai) £000	Image Engine £000	MAU £000	Total £000
Customer relationships	2,601	2,023	714	889	6,227
Trade names	3,089	-	2,528	-	5,617
Property, plant and equipment	-	-	8	-	8
Other intangible assets	-	-	13	-	13
Trade and other receivables	1,733	1,093	1,164	64	4,054
Prepayments	-	362	-	-	362
Cash and cash equivalents	1,258	1,244	982	-	3,484
Trade and other payables	(123)	(595)	(279)	-	(997)
Deferred revenue	(2,868)	(989)	(26)	-	(3,883)
Deferred tax	-	(506)	(551)	-	(1,057)
	5,690	2,632	4,553	953	13,828
Goodwill	21,446	30,258	2,856	4,727	59,287
Fair value of assets	27,136	32,890	7,409	5,680	73,115
Settled by:					
Cash consideration	16,827	32,890	3,960	4,942	58,619
Contingent consideration	-	-	-	378	378
Fair value of financial instruments	10,309	-	3,449	360	14,118
Total consideration	27,136	32,890	7,409	5,680	73,115
Post-acquisition revenue	10,687	1,199	4,010	-	15,896
Post-acquisition operating profit/(loss)	4,342	(623)	810	(291)	4,238

If all business combinations had taken place at the beginning of the prior reporting period, prior year Group revenue would have been £420.2 million and the prior year operating loss would have been £30.8 million. The acquired receivables for all acquired businesses were all current and at their fair value. There were no contractual cash flows that were not expected to be collected. No other contingent liabilities, not included in the net assets above, have been identified on these acquisitions. The fair values of the assets and liabilities acquired during the prior period were provisional at the prior-year reporting date pending the completion of the valuation exercises.

The goodwill of £59.3 million arose from a number of factors. As well as expected synergies, including cost reductions from purchasing and processing efficiencies, and unrecognised assets such as the assembled workforces and a pipeline of event launches, the businesses have strategic value. Goodwill arising on the acquisition of InsureTech Connect LLC and MAU was deductible for tax purposes.

Acquisition costs relating to these transactions amounting to £1.7 million were recognised in administrative expenses and were included in the operating cash flows in the Consolidated cashflow statement.

In August 2020, additional true-up consideration was paid of £1,631,000 in relation to the acquisition of of Image Engine Pte. Ltd. As this was within the 12-month window permitted by IFRS 3 *Business combinations,* a corresponding increase to goodwill was recognised.

11 BUSINESS COMBINATIONS (CONTINUED)

Acquisition of non-controlling interests during the year

During the year, the Group acquired the 24.9% of iGaming Business Limited not previously owned for a total of £6,578,000 through a combination of an exercise of a put option by the minority interest holder and a share purchase from the minority interest holder.

The amount previously recognised as a non-controlling interest prior to this acquisition was £5,062,000.

Acquisition of non-controlling interests during the prior year

In April 2019, the Group acquired the 20% of Getenergy Events Ltd not previously owned for £1 on exercise of a call option.

In November 2019, the Group acquired an additional 14% share in Slotacademy B.V. for £69,000 on exercise of a call option. As at 31st January 2020, the Group had a total shareholding in Slotacademy B.V. of 95%.

In January 2020, the Group acquired the 20% of Rose City Comicon LLC not previously owned for £594,000 on exercise of a put option by the minority interest holder.

In January 2020, the Group acquired the 0.222% of Urban Exposition, LLC not previously owned for £70,000 on exercise of a put option by the minority interest holder.

The amounts previously recognised as non-controlling interests prior to these acquisitions were as follows:

	£000
Getenergy Events Ltd	46
Slotacademy B.V.	198
Urban Exposition, LLC	41
	285

12 GOODWILL AND INTANGIBLE ASSETS

	Goodwill £000	Customer Relationships £000	Trade Names £000	Software £000	Total £000
Cost					
At 1st February 2019	636,205	201,111	317,294	22,761	1,177,371
Acquisition of subsidiary undertakings	59,287	6,229	5,617	-	71,133
Additions	-	-	-	5,089	5,089
Disposal	(2,799)	(500)	(863)	(3,398)	(7,560)
Impairment	(40,298)	(2,607)	(8,321)	-	(51,226)
Held for sale	-	(90)	(232)	-	(322)
Currency translation	(3,942)	(1,283)	(2,013)	(79)	(7,317)
At 31st January 2020	648,453	202,860	311,482	24,373	1,187,168
Additions	-	-	-	956	956
Remeasurement adjustments	1,631	-	-	-	1,631
Disposals	-	-	-	(4,311)	(4,311)
Impairment	(130,908)	(381)	(1,635)	-	(132,924)
Held for sale	-	(581)	(1,983)	(44)	(2,608)
Currency translation	(14,554)	(4,075)	(6,227)	(1,475)	(26,331)
At 31st January 2021	**504,622**	**197,823**	**301,637**	**19,499**	**1,023,581**
Amortisation					
At 1st February 2019	-	25,166	20,165	6,968	52,299
Charge for the year	-	22,422	18,430	6,092	46,944
Disposals	-	(96)	(58)	(694)	(848)
Impairment	-	(1,121)	(904)	-	(2,025)
Currency translation	-	(444)	(353)	13	(784)
At 31st January 2020	-	45,927	37,280	12,379	95,586
Charge for the year	-	22,196	16,970	3,695	42,861
Disposals	-	-	-	(3,934)	(3,934)
Held for sale	-	(348)	(493)	(23)	(864)
Currency translation	-	(1,646)	(1,433)	(1,390)	(4,469)
At 31st January 2021	-	**66,129**	**52,324**	**10,727**	**129,180**
Net book value at 31st January 2021	**504,622**	**131,694**	**249,313**	**8,772**	**894,401**
Net book value at 31st January 2020	648,453	156,933	274,202	11,994	1,091,582

12 GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

Impairment methodology

Cash generating units (CGUs)
The identification of CGUs reflects the way the business is managed and monitored, taking into account the generation of cashflows and the sharing of synergies.The Group treats each brand as a separate CGU for annual impairment testing, performed as at 31st December 2020. The Group monitors goodwill at a sector level, where each sector represents a group of CGUs for the Group's operations. The 'Other' sector is comprised of brands that operate primarily in the machinery, life science, digital marketing and foodservice industries.

For the purposes of impairment, significant management judgment is required when assessing that the recoverable amount of each CGU is the higher of its value in use and its fair value less costs of disposal. The recoverable amount of a group of CGUs to which goodwill has been allocated is determined based on value in use calculations and the assumption that value in use is higher than fair value less costs to sell.

Central assets and associated liabilities are allocated to CGUs based on the relative size of each, with reference to revenue. Management believes this approach mitigates any distorting effect of volatility subsequent to COVID-19.

Value in use
The key assumptions underlying the estimates of value in use are the expected changes to future cashflows, the discount rate, and both the long-term and short-term growth rates.

<u>Cashflow projections</u> - cashflow projections are based on the Group's three-year internal forecasts, the results of which are reviewed and approved by the Board. The forecasts are extrapolated to five years based on management's expectations, and beyond five years using medium to long-term growth-rate assumptions.

<u>Discount rates</u> - discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cashflow estimates. The discount-rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity.

The capital asset pricing model was used to calculate the cost of equity of the business and is based on market-observed data. A cost of debt and cost of lease were calculated based on corporate bond expected returns. The debt margin was derived using external credit ratings, based on an analysis of debt coverage ratios with the level of target gearing assumed. A simplified approach was taken for the incremental borrowing rate by using a rate that provides a cost of lease equating to the cost of debt for each CGU.

The cost of equity, cost of debt and cost of lease were then weighted based on the debt gearing and lease gearing of a comparable peer set to derive a post-tax WACC. The discount rates applied to cashflow projections ranged from 10% to 15%.

<u>Long-term growth rates (LTGRs)</u> – the split of each CGU's revenues by local market was assessed and a corresponding revenue-weighted long-term growth rate was calculated for each CGU that ranged from 1.6% to 5.52%. These were used to extrapolate beyond the five-year forecast period, representing an estimate of the sustainable growth in the nominal gross domestic product in the territories in which the CGUs operate.

<u>Medium-term growth rates (MTGRs)</u> – the extrapolation in years four and five tapered the short-term growth rates gradually from the rates applied to the year three cashflow projections to the long-term growth rate applicable to each CGU.

<u>Short-term growth rates (STGRs)</u> – the short-term speed of recovery of each CGU subsequent to COVID-19 was considered at a detailed level.

12 GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

Impairment methodology (continued)

Acquisitions during the year
For the purposes of impairment testing, goodwill acquired through a business combination is allocated to the group of CGUs that are expected to benefit from the acquisition.

Impairment
The Group's impairment testing was performed as at 31st December 2020. The Group recognised an impairment loss of £132,924,000 in the current reporting year (2020: £49,201,000), split between goodwill of £130,908,000 (2020: £40,298,000) and other intangible assets of £2,016,000 (2020: £8,903,000). Of the total impairment loss of £132,924,000, £126,383,000 was in relation to the write-down of CGUs whose carrying value was found to be in excess of their value in use as a result of the annual impairment exercise performed, and the remaining £6,541,000 related to the write-down of Spintelligent intangible assets, due to the carrying value being in excess of the fair value less costs to sell.

The CGUs that were impaired were as follows:

CGU sector	Pre-impairment carrying value 2021 £000	Impairment 2021 £000	Post-impairment carrying value 2021 £000	WACC 2021 %	Carrying value 2020 £000
Core					
Defence & Security	61,891	(13,930)	47,961	11.8%	72,796
Energy & Resources	173,293	(12,130)	161,163	11.6%	179,465
Enthusiast	41,270	-	41,270	11.2%	44,540
Gaming	106,000	(31,136)	74,864	10.8%	95,717
Retail & Home	77,683	-	77,683	11.8%	82,795
Public Safety	66,064	-	66,064	11.1%	75,097
Technology	35,367	-	35,367	11.0%	35,148
Fashion	53,124	(13,881)	39,243	10.4%	55,198
Other	109,401	(41,014)	68,387	11.3%	106,047
Global Sources					
Electronics	112,477	-	112,477	11.1%	100,114
Lifestyle	14,292	(14,292)	-	10.7%	9,116
Other	11,833	-	11,833	14.5%	13,573
Total	**862,695**	**(126,383)**	**736,312**		**869,606**

The carrying values in the table above include the allocation of goodwill, other intangible assets and central assets and associated liabilities. Goodwill and other intangible assets are allocated to the group of CGUs that are expected to benefit from the relevant acquisition, while central assets and associated liabilities are allocated to CGUs based on the most appropriate allocation basis for each.

The current-year impairment charge was recognised as a result of the the impact of COVID-19 on Group revenues and the cessation of certain events, in addition to the winding-down of operations in Brazil and continuing unfavourable market conditions in Global Sources' Lifestyle sector. The prior year impairment charge was recognised as a result of the discontinuation of several brands previously operated by the Group, in addition to lower than previously expected future cash inflows in the Fashion sector.

12 GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

Impairment methodology (continued)

Sensitivity
The Group has carried out sensitivity analyses on the reasonably possible changes to key assumptions in the impairment test for both each group of CGUs to which goodwill has been allocated, and to its portfolio of individual CGUs. The Group has assessed the effect on headroom of the following sensitivities:

- a reduction of 0.5% in the estimated LTGRs;
- an increase of 0.5% in the estimated WACC underlying the discount rates; and
- a reduction in the estimated STGRs, being a blend of the effect of specific event cancellations for Defence & Security, Public Safety, Fashion and Global Sources' Other CGU sectors alongside non-specific operating cashflow reductions reflecting a reduction of 5% in the estimated STGRs for the remaining CGU sectors.

The table below summarises the reasonably possible changes to each key assumption, and the resulting additional impairment to the Group's goodwill. The headroom for each sector is also included for reference.

	Headroom/(Impairment)			
CGU sector	**Base case £000**	**Scenario 1 LTGR £000**	**Scenario 2 WACC £000**	**Scenario 3 STGR £000**
<u>Core</u>				
Defence & Security	(13,930)	(15,507)	(16,323)	(20,991)
Energy & Resources	(12,130)	(18,314)	(20,384)	(22,677)
Enthusiast	1,660	(246)	(809)	(2,291)
Gaming	(31,136)	(34,313)	(35,330)	(35,686)
Retail & Home	14,459	10,765	9,620	8,278
Public Safety	22,992	19,643	18,529	13,634
Technology	32,006	29,104	28,224	26,934
Fashion	(13,881)	(15,483)	(16,039)	(16,028)
Other	(41,014)	(43,889)	(44,751)	(46,599)
<u>Global Sources</u>				
Electronics	126,862	117,035	113,829	107,149
Lifestyle	(14,292)	(14,292)	(14,292)	(14,292)
Other	3,968	3,216	2,988	2,276
Value in use	**938,259**	**900,414**	**887,957**	**862,403**
Additional impairment		**(15,661)**	**(21,545)**	**(32,189)**
Decline vs. prior year	**(28%)**			
Decline vs. base case		**(4%)**	**(5%)**	**(8%)**

13 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements £000	Fixtures and Fittings £000	Total £000
Cost			
At 1st February 2019	3,812	5,722	9,534
Acquisition of subsidiary undertakings	3	6	9
Additions	1,061	1,869	2,930
Disposals	(1,496)	(1,639)	(3,135)
Exchange differences	745	(631)	114
At 31st January 2020	4,125	5,327	9,452
Additions	95	688	783
Disposals	(225)	(209)	(434)
Impairment	(313)	(196)	(509)
Held for sale	(229)	(274)	(503)
Exchange differences	42	55	97
At 31st January 2021	**3,495**	**5,391**	**8,886**
Depreciation			
At 1st February 2019	887	2,089	2,976
Charge for the year	1,356	1,980	3,336
Disposals	(1,376)	(1,421)	(2,797)
Exchange differences	868	(669)	199
At 31st January 2020	1,735	1,979	3,714
Charge for the year	1,094	1,633	2,727
Disposals	(21)	(117)	(138)
Impairment	(219)	(152)	(371)
Held for sale	(195)	(187)	(382)
Exchange differences	16	18	34
At 31st January 2021	**2,410**	**3,174**	**5,584**
Net book value at 31st January 2021	**1,085**	**2,217**	**3,302**
Net book value at 31st January 2020	2,390	3,348	5,738

As at 31st January 2021, there was no property, plant and equipment relating to the parent company (2020: £nil).

14 RIGHT-OF-USE ASSETS

	Total £000
Cost	
At 1st February 2019	21,089
Acquisition of subsidiary undertakings	65
Additions	2,250
Impairment	(483)
Remeasurement adjustments	(1,226)
Exchange differences	(112)
At 31st January 2020	21,583
Additions	1,952
Impairment	(56)
Held for sale	(236)
Remeasurement adjustments	(1,174)
Exchange differences	(359)
At 31st January 2021	**21,710**
Accumulated depreciation	
At 1st February 2019	-
Charge in the period	7,094
Exchange differences	(76)
At 31st January 2020	7,018
Charge for the year	6,890
Impairment	(35)
Held for sale	(130)
Exchange differences	59
At 31st January 2021	**13,802**
Net book value at 31st January 2021	**7,908**
Net book value at 31st January 2020	14,565

The Group leases various offices and vehicles.

Contracts may contain both lease and non-lease components. Under IFRS 16 *Leases,* the Group has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The assessment of the lease term is reviewed if a significant event or a significant change in circumstances occurs that affects this assessment, and that is within the control of the Group.

15 DEFERRED TAX

The deferred tax assets and liabilities recognised in the balance sheet are shown below:

	2021 £000	2020 £000
Deferred tax liability		
Accelerated capital allowances	-	(68)
Temporary differences	(18,141)	(3,755)
Fair value of intangible assets	(44,733)	(43,436)
	(62,874)	**(47,259)**
Deferred tax asset		
Accelerated depreciation	524	352
Other temporary differences	6,094	505
Tax losses carried forward	24,376	653
	30,994	**1,510**

At the reporting date, deferred tax assets relating to tax losses of £11,706,000 (2020: £6,377,000) and other taxable temporary differences of £4,143,000 (2020: £8,000) have not been recognised because it is not probable that future taxable profits will be available against which the Group can utilise these benefits.

16 INVESTMENTS

Parent company	**Subsidiary undertakings £000**
Cost	
At 1st February 2019, 31st January 2020 and 31st January 2021	**152,786**

Refer to note 30 for details of subsidiary undertakings.

The carrying amounts of the company's investments in subsidiary undertakings are reviewed annually to determine if there is any indication of impairment. If any such indication exisits, the assets' recoverable amounts are estimated. The recoverable amounts of assets are the greater of their fair value less the costs of disposal and their value in use. In assessing the value in use, the estimated future cashflows are discounted to their present values using appropriate pre-tax discount rates. Impairment losses are recognised when the carrying amount of an asset exceeds its estimated recoverable amount with impairment losses being recognised in operating expenses in the consolidated income statement.

17 TRADE AND OTHER RECEIVABLES

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Trade receivables	7,695	9,871	-	-
Less: allowance for expected credit losses	(1,908)	(2,867)	-	-
Trade receivables - net	5,787	7,004	-	-
Amounts due from related parties	5,802	3,100	-	-
Prepaid event costs	16,981	17,331	-	-
Other prepayments	4,842	3,887	-	-
Accrued income	217	1,493	-	-
Other taxes and social security	6,891	-	-	
Other receivables	7,869	7,263	-	-
Total trade and other receivables	**48,389**	**40,078**	**-**	**-**
Analysed as:				
Current	47,056	35,236	-	-
Non-current	1,333	4,842	-	-
	48,389	**40,078**	**-**	**-**

Other prepayments primarily consists of prepayments for software maintence, rent, and building management fees. Other receivables primarily consists of amounts receivable held in escrow, security deposits, and loans receivable.

The ageing analysis of the Group's gross trade receivables is as follows:

	2021 £000	2020 £000
Current	813	1,968
Past due less than 30 days	798	2,710
Past due 30-60 days	556	1,032
Past due 61-90 days	514	638
Past due 91-120 days	404	617
Past due more than 120 days	4,610	2,906
	7,695	**9,871**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

The movement in the allowance for expected credit loss was as follows:

	2021 £000	2020 £000
At 1st February	2,867	3,119
Charge to profit or loss	2,252	2,996
Allowance utilised during the year	(1,316)	(1,967)
Allowance released during the year	(1,606)	(1,231)
Exchange movement	(289)	(50)
At 31st January	**1,908**	**2,867**

17 TRADE AND OTHER RECEIVABLES (CONTINUED)

Group trade receivables past due but not impaired are as follows:

	2021	2020
	£000	£000
Current	788	1,835
Past due less than 30 days	796	2,431
Past due 30-60 days	462	799
Past due 61-90 days	421	520
Past due 91-120 days	325	279
Past due more than 120 days	2,995	1,140
	5,787	**7,004**

The Group's management of customer credit risk is described in note 19.5 and details of a contingent asset are described in note 25.

18 ASSETS AND LIABILITIES HELD FOR SALE

In December 2020, the Group committed to a mangement buyout of its South African operations (Spintelligent). This was a strategic decision made to place greater focus on the core geographies in which the Group operates. As of 31st May 2021, the business had not been disposed of.

On 29th March 2018, the Group acquired Global Sources, with the intention of disposing of its portfolio of investment properties. At 31st January 2019, the one remaining property was classified as held for sale as disposal was expected within a year from the reporting date. This was disposed of on 18th July 2019.

On 30th March 2018, the Group acquired PennWell Corporation with the intention of disposing of part of the business (PennWell Media) after restructuring. The disposal of PennWell Media, a portfolio of events and publications, was completed in February 2019. A freehold property owned by PennWell Corporation was being actively marketed at 31st January 2019 and was disposed of on 12th March 2020. The value of this property was impaired by £633,000 during the year ended 31st January 2020.

On 6th March 2020, the Group sold the rights to the operation of several Arts events in North America. The completion of this sale was deemed highly likely at 31st January 2020 and consequently, these assets and liabilities were classified as a disposal group held for sale at the prior reporting period.

The assets and liabilities classified as held for sale are as follows:

	2021	2020
	£000	£000
Fair value of Spintelligent	1,723	-
Fair value of Arts	-	312
Property, plant and equipment	120	740
Right of use assets	106	-
Software	21	-
Cash and cash equivalents	523	47
Trade and other receivables	755	364
	3,248	**1,463**
Deferred revenue	(1,320)	(486)
Trade and other payables	(760)	-
Other liabilities	(154)	(79)
	(2,234)	**(565)**

19 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Group's operations and support growth by acquisition.

19.1 Financial assets at amortised cost

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Cash and cash equivalents	95,032	50,646	-	-
Trade receivables (note 17)	5,787	7,004	-	-
Amounts due from related parties	5,802	3,100	-	-
GBP loan note due from Group undertakings	156,255	155,723	156,255	155,310
USD loan note due from Group undertakings	132,173	146,064	132,173	146,477
Loans and receivables	3,190	804	-	-
Total current financial assets at amortised cost	**398,239**	**363,341**	**288,428**	**301,787**

Loans and receivables are non-derivative financial assets carried at amortised cost which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

19.2 Financial liabilities: borrowings at amortised cost

	Interest rate	Maturity date	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
GBP term loan	LIBOR +525	**29 Sep 2024**	314,457	307,039	-	-
USD term loan	LIBOR +500	**29 Sep 2024**	292,843	304,181	-	-
Revolving credit facility	LIBOR +350	**29 Sep 2023**	75,816	-	-	-
GBP loan note due to immediate parent company	-	**29 Sep 2024**	165,534	156,164	165,534	156,164
USD loan note due to immediate parent company	-		140,062	146,477	140,062	146,477
USD loan note due to related party	LIBOR +1200	**30 Sep 2024**	78,180	-	-	-
Total borrowings			**1,066,892**	**913,861**	**305,596**	**302,641**
Analysed as:						
Current			152,716	149,676	140,062	146,477
Non-current			914,176	764,185	165,534	156,164
			1,066,892	**913,861**	**305,596**	**302,641**

At the reporting date, the term loans are stated net of unamortised loan issue costs of £13,291,000 (2020: £17,313,000).

19 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

19.2 Financial liabilities: borrowings at amortised cost (continued)

The drawdown availability as at January 31st was as follows:

	Interest rate	Maturity date	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Revolving credit facility	LIBOR +350	**29 Sep 2023**	-	75,000	-	-

At 31st January 2021, there exists a charge over £1,003,861,000 of the company's assets and an additional £284,190,000 over certain Group undertakings' assets, all measured at fair value, as continuing security for the repayment on their maturity date of the term loans and the revolving credit facility due to third parties (see note 25).

19.3 Other financial liabilities

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Lease liabilities (note 20)	9,132	15,576	-	-
Trade payables (note 22)	15,899	18,110	-	-
Amounts owed to related parties	294	-	-	-
Deferred & contingent consideration	796	2,051	-	-
Put option liabilities	26,534	38,765	-	-
Total other financial liabilities	**52,655**	**74,502**	**-**	**-**
Analysed as:				
Current	32,049	31,440	-	-
Non-current	20,606	43,062	-	-
	52,655	**74,502**	**-**	**-**

Put option liabilities arise on options granted to non-controlling interests to sell their remaining interests at a price dependent on the recent trading performance of the relevant business.

Contingent consideration is payable in respect of the acquisition of PT Adhouse Clarion Events, Traffic and Conversion Summit, LLC, and Mobile Apps Unlocked LLC.

19 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

19.3 Other financial liabilities (continued)

The table below sets out the Group's classification of its other financial liabilities.

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Other financial liabilities at fair value through profit or loss				
Deferred & contingent consideration	796	2,051	-	-
Put option liabilities	26,534	38,765	-	-
	27,330	**40,816**	**-**	**-**
Other financial liabilities at amortised cost				
Lease liabilities (note 20)	9,132	15,576	-	-
Trade payables (note 21)	15,899	18,110	-	-
Amounts owed to related parties	294	-	-	-
	25,325	**33,686**	**-**	**-**

19.4 Fair value of financial instruments

All assets and liabilities for which fair value is disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the Group's interest-bearing borrowings is considered to be equivalent to the carrying amount as the interest rate on these borrowings is considered to be a market rate for the credit of the issuer and the own non-performance risk as at 31st January 2021 was assessed to be insignificant.

The fair values of the contingent consideration and put option liabilities are determined under the discounted cashflow method using the latest estimate of future performance by which the exercise price is determined and a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st January 2021 was assessed to be insignificant. The change in fair value is recognised in administrative expenses.

Management concluded that contingent consideration, put option liabilities and held for sale assets (see note 18) fell within level 3 of the fair value hierarchy due to the presence of significant unobservable inputs, including the dates on which certain options will be exercised, the discount rates applied, and estimates of future performance.

19 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

19.4 Fair value of financial instruments (continued)

	2021	2020
Fair value of put option liabilities	**£000**	**£000**
At 1st February	38,765	18,591
Arising on acquisitions	-	14,118
Settled	(3,707)	(594)
Change in fair value	(10,004)	7,945
Unwind of discount	2,167	1,739
Lapsed	-	(2,871)
Exchange differences	(687)	(163)
At 31st January	**26,534**	**38,765**

The fair value of contingent consideration decreased by £424,000 (2020: £713,000).

The sensitivity of the Group's put option liabilities to fluctuations in discount rates is as shown in the table below.

	Impact of 1.0% on put option liability		Impact of 0.5% on put option liability	
Year ended	**Increase in discount rates £000**	**Decrease in discount rates £000**	**Increase in discount rates £000**	**Decrease in discount rates £000**
31st January 2021	(412)	423	(207)	210
31st January 2020	(763)	789	(385)	391

19.5 Risk Management

The Group is exposed to a variety of financial risks: market risk (including interest rate risk and foreign exchange risk); credit risk; and liquidity risk. Management ensures that the Group's financial risks are identified, measured and managed in accordance with the Group's policies. No trading in derivatives for speculative purposes is undertaken.

The main financial risks are outlined below.

Market risk

Interest rate risk
The Group is exposed to interest rate risk through its long-term debt obligations which have floating interest rates linked to LIBOR. The Group manages this risk by closely monitoring sensitivities around rate changes.

19 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

19.5 Risk Management (continued)

Market risk (continued)

Interest rate risk (continued)
The sensitivity of the Group's term loans to the maximum fluctuations in interest rates expected by management in the current economic climate, is as shown in the table below.

	Impact of 1.0% on profit/(loss)		Impact of 0.5% on profit/(loss)	
Year ended	Increase in interest rates £000	Decrease in interest rates £000	Increase in interest rates £000	Decrease in interest rates £000
31st January 2021	(7,650)	7,650	3,825	(3,825)
31st January 2020	(6,285)	6,285	(3,143)	3,143

Foreign exchange risk
The Group's consolidated financial statements are presented in sterling, while significant proportions of its income, operating cash flows, assets and liabilities are denominated in other currencies. The Group does not hedge its foreign exchange risk as the majority of the working capital is denominated in the functional currency of the relevant entity. Variation in exchange rates could adversely impact the translated results reported by the Group and the carrying amount of its current assets and liabilities.

The Group has a proportion of borrowings in USD with the aim of mitigating its exposure to changes in exchange rates affecting cash inflows and the carrying amount of net assets.

The following significant exchange rates applied during the year:

	Average rate		Closing rate	
Year ended	2021	2020	2021	2020
US Dollar	1.29	1.28	1.37	1.31

At 31st January 2021, the Group has performed a sensitivity analysis to determine the impact of a +/- 1c movement in GBP:USD cross rates on the carrying value of significant USD-denominated balance sheet items, which comprise cash and specific loans and borrowings. The results of this sensitivity analysis are shown below:

Year ended	31st January 2021	
	1.38 (+1c)	1.36 (-1c)
Cash	(512)	520
Interest-bearing loans & borrowings	3,746	(3,801)
Decrease/(increase) in net debt	3,234	(3,281)

19 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

19.5 Risk Management (continued)

Credit risk

The Group is exposed to credit risk from its customers and its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by assessing the credit quality of each customer locally in the operating unit in which they arise in order to define individual credit limits, ongoing credit evaluation and monitoring procedures. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in many jurisdictions and industries and operate in largely independent markets.

Credit risk from balances with banks and financial institutions is managed by both the Group's treasury department and local operations. Investments of surplus funds are made only with approved counterparties and within assigned credit limits to restrict exposure to any one counterparty. Ongoing monitoring by management ensures that the limits are adhered to and there are no significant concentrations of risks.

The Group's maximum exposure to credit risk is the carrying amounts recorded in notes 19.1-19.3 and in the liquidity table below.

Liquidity risk

The Group manages its liquidity risk by ensuring that sufficient funding and facilities are in place to meet foreseeable borrowing requirements. Ongoing cashflow forecasting is maintained at both a Group and a local level.

The following table shows the maturity profile of the Group's undiscounted contractual cashflows of its financial liabilities including both interest and principal cashflows.

	On demand £000	Less than 3 months £000	3 to 12 months £000	1 to 5 years £000	More than 5 years £000	Total £000
At 31st January 2021						
Interest-bearing term loans	-	9,326	27,978	748,986	-	786,290
GBP loan note due to immediate parent company	-	-	-	210,000	-	210,000
USD loan note due to immediate parent company	140,062	-	-	-	-	140,062
USD loan note due to related party	-	2,393	7,179	94,134	-	103,706
Lease liabilities	-	1,928	4,077	3,282	1,112	10,399
Contingent consideration	463		344	-	-	807
Trade payables	-	15,899		-	-	15,899
Put option liabilities	-	-	10,205	19,103	-	29,308
	140,525	**29,546**	**49,783**	**1,075,505**	**1,112**	**1,296,471**

19 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

19.5 Risk Management (continued)

Liquidity risk (continued)

	On demand £000	Less than 3 months £000	3 to 12 months £000	1 to 5 years £000	More than 5 years £000	Total £000
At 31st January 2020						
Interest-bearing term loans	-	9,910	32,867	731,107	-	773,884
GBP loan note due to immediate parent company	-	-	-	210,000	-	210,000
USD loan note due to immediate parent company	146,477	-	-	-	-	146,477
Lease liabilities	-	2,123	5,818	8,733	756	17,430
Contingent consideration	471	-	1,380	275	-	2,126
Trade payables	-	18,110	-	-	-	18,110
Put option liabilities	5,219	-	-	38,821	-	44,040
	152,167	**30,143**	**40,065**	**988,936**	**756**	**1,212,067**

19.6 Capital risk management

The capital structure of the group is typical of that for a private-equity-controlled business. The majority of the financing of the Group is provided by operating cashflows, bank borrowings, loan notes from the immediate parent company, a loan from a related party and share capital.

19.7 Changes in liabilities arising from financing activities

	1 February 2020 £000	Cash flows £000	Foreign exchange movement £000	New leases £000	Other £000	31 January 2021 £000
GBP term loan	307,039	(12,226)	-	-	19,644	314,457
USD term loan	304,181	(22,454)	(14,631)	-	25,747	292,843
Revolving credit facility	-	73,106	-	-	2,710	75,816
GBP loan note due to immediate parent company	156,164	-	-	-	9,370	165,534
USD loan note due to immediate parent company	146,477	-	(6,415)	-	-	140,062
USD loan note due to related party	-	80,199	(4,458)	-	2,439	78,180
Lease liabilities	15,576	(7,781)	(79)	1,952	(536)	9,132
Total borrowings	**929,437**	**110,844**	**(25,583)**	**1,952**	**59,374**	**1,076,024**

19 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

19.7 Changes in liabilities arising from financing activities (continued)

	1 February 2019 £000	Cash flows £000	Foreign exchange movement £000	New leases £000	Other £000	31 January 2020 £000
GBP term loan	305,337	-	-	-	1,702	307,039
USD term loan	305,580	(3,159)	(325)		2,085	304,181
GBP loan note due to immediate parent company	147,325	-	-	-	8,839	156,164
USD loan note due to immediate parent company	146,778	-	(301)	-	-	146,477
Lease liabilities	21,368	(7,835)	(342)	2,314	71	15,576
Total borrowings	**926,388**	**(10,994)**	**(968)**	**2,314**	**12,697**	**929,437**

The 'Other' column includes the effect of accrued but not yet paid interest on interest-bearing loans and borrowings, including lease liabilities, the amortisation of loan issue costs, the unwinding of discount of certain interest-bearing loans and borrowings that are recognised at present value, and other non-cash movements in relation to lease labilities. The Group classifies interest paid as cash flows from operating activities.

20 LEASE LIABILITIES

	Total £000
At 1st February 2019	21,368
Interest charge in the year	1,284
Payment of lease liabilities	(7,835)
Acquisition of subsidiary undertakings	65
Additions	2,249
Remeasurement adjustments	(1,213)
Exchange differences	(342)
At 31st January 2020	15,576
Interest charge in the year	890
Payment of lease liabilities	(7,781)
Additions	1,952
Held for sale	(154)
Remeasurement adjustments	(1,272)
Exchange differences	(79)
At 31st January 2021	**9,132**
Of which are:	
Current lease liabilities	5,441
Non-current lease liabilities	3,691
	9,132

The Group had total cash outflows for leases of £8,071,000 during the year (2020: £8,278,000).

As at 31st January 2021, potential future cash outflows of £8,844,000 (undiscounted) (2020: £8,595,000, undiscounted) have not been included in the lease liability because it is not reasonably certain that extension or termination options in certain leases will be exercised.

21 PROVISIONS

	Levies on revenue £000	Lease dilapidations £000	Total £000
At 1st February 2019	2,742	848	3,590
Amounts written back	(1,318)	-	(1,318)
Unwinding of discounts	-	5	5
Exchange differences	(4)	(3)	(7)
As at 31st January 2020	1,420	850	2,270
Amounts written back	(375)	-	(375)
Unwinding of discounts	-	1	1
Exchange differences	34	(22)	12
As at 31st January 2021	**1,079**	**829**	**1,908**
Analysed as:			
Current	1,079	768	1,847
Non-current	-	61	61
	1,079	**829**	**1,908**

Levies on revenue

A provision has been recognised for the estimated costs of settling the Group's obligations to pay levies on revenue in jurisdictions where the application of relevant regulations to the Group's operating model has not yet been determined with certainty. The movement in the period is due to writing back the provision for amounts that are greater than five years old.

Lease dilapidations

A provision has been recognised for the costs associated with restoring buildings to their original state before any leasehold improvements. These are calculated over the period of the leases and will be utilised between October 2021 and March 2022.

22 TRADE AND OTHER PAYABLES

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Trade payables	15,899	18,110	-	-
Amounts owed to related parties	294	-	-	-
Accruals	8,468	26,115	-	-
Other taxes and social security	8,138	481	-	-
Other payables	1,010	1,168	-	-
	33,809	**45,874**	**-**	**-**

Management considers that the carrying value of the Group's trade and other payables approximates fair value.

23 SHARE CAPITAL AND RESERVES

	Number of shares Millions	Share capital £000
Authorised, issued and fully paid ordinary shares of £0.0001 each		
At 31st January 2020 and 2021	**700,000**	**70,000**

	£000
Share premium at 31st January 2020 and 2021	**9,098**

The share premium reflects the amount by which equity acquired in historical transactions exceeded the value of the consideration received.

	£000
Captital contribution reserve at 31st January 2020 and 2021	**73,688**

An historical interest-free loan was discounted to present value at the date of receipt and the discount treated as a capital contribution.

Dividends paid in the year

The Group paid £2,059,000 (2020: £424,000) of dividends to minority shareholders during the year.

24 SHARE BASED PAYMENTS

Under the Management Incentive Plan, the Group provides senior executive employees the opportunity to invest in shares in a parent company, Expo Holdings I Limited, held by Clarion Events Employee Benefit Trust (EBT) with rights over preference shares, A2 Ords and B1-B6 shares. Employees are expected to remain employed at the vesting date, which for the B1-B6 shares takes place at three-monthly intervals over four years. Settlement will be made in the event of an exit. The fair value of the rights granted was estimated at the dates of grant using a Monte Carlo option simulation pricing model reflecting the terms and conditions upon which the rights were granted. The model takes into account the enterprise value at the valuation dates, expected term assumptions and the volatility. The expected volatility was determined with reference to comparable quoted companies and measured based on the historical share price volatility over the periods that matched the expected term.

The expense recognised for employee services received during the year for equity-settled share based payment transactions is £1,936,000 (2020: £4,223,000). At 31st January 2021, the total shares granted were 585,200 (2020: 594,470) and are held by directors and senior management in Group subsidiaries. A lapse rate is calculated based on expected leavers. There were no significant changes in management's expectation of the timing of the settlement from the grant date.

24 SHARE BASED PAYMENTS (CONTINUED)

The inputs used in the measurement of the fair values at grant dates of the equity-settled share based payment plans were as follows:

Share class	**A**	**B**
Expected volatility	20%	20%
Risk-free interest rate	0.53%	0.53%
Expected term	n/a	4 years

On the basis of these inputs, the fair value per share has been estimated as follows:

Share class	**A**	**B1-B5**	**B6**
Fair value per share	£50.70	£54.55	£38.03

25 FINANCIAL COMMITMENTS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The future minimum lease payments due under non-cancellable leases outside of the scope of IFRS 16, are as follows:

	2021	**2020**
	£000	**£000**
Within one year	55	43
Between two and five years	2	-
After five years	-	-
	57	**43**

Certain withholding tax related liabilities in relation to the B2 borrowing facility were recognised at 31st January 2021 and paid to HMRC on the lenders' behalf post balance-sheet date. The Group expects to recover a proportion of these liabilities; however, the contingent asset has not been recognised as a receivable at 31st January 2021 as receipt of the amount is not certain.

At 31st January 2021, there exists a charge over £972,816,000 of the company's assets and an additional £284,542,000 over certain Group undertakings' assets, all measured at fair value, as continuing security for the repayment on their maturity date of the term loans and the revolving credit facility due to third parties (see note 19.2).

At 31st January 2021, the Group had no other contingent liabilities in respect of bank and other guarantees or other matters arising in the ordinary course of business from which material losses are anticipated.

Committed capital expenditure not reflected in these financial statements is estimated at £5,000 at 31st January 2021 (2020: £40,000).

26 RETIREMENT BENEFIT SCHEMES

A number of subsidiaries make contributions to schemes which provide employees with retirement benefits. Contributions accruing under the schemes are charged to administrative expenses in the income statement. The charge for the year ended 31st January 2021 was £2,207,000 (2020: £3,912,000).

27 TRANSACTIONS WITH RELATED PARTIES AND KEY MANAGEMENT

Related party transactions

Digital Marketer Labs, LLC is a minority shareholder in Traffic & Conversion Summit, LLC. During the year ended 31st January 2021, Digital Marketer Labs, LLC invoiced £173,064 regarding a hold-back payment for the Traffic & Conversion Summit, LLC acquisition and also invoiced a further £27,184 regarding its profit share, consultancy costs and reimbursement of expenses. At 31st January 2021, it was owed £146,915 by the Group.

Toy Industry Association, is a minority shareholder in Play Fair, LLC. At 31st January 2021, it was owed £146,949 by the Group.

At 31st January 2021, Greg Topalian, a director of Leftfield Media LLC, had a loan payable to the Group of £568,398. Interest accrued at 2% on the principal amount and was included in the loan. The loan was repayable upon the earlier of any distribution payments made from the Group to Greg Topalian or an exercise of a call/put option.

Simon Williams, a director of International Training Equipment Conference Limited, was also a director of Reddrig Limited. Reddrig Limited invoiced £96,803 for the year ended 31st January 2021 for consultancy services. At 31st January 2021, there was no balance outstanding.

Julian Graves, the minority interest holder in Slotacademy B.V., was also a Director of Graves and Company Limited. During the year ended 31st January 2021, Graves and Company Limited charged the Group £45,370 for consultancy services. At 31st January 2021, it was owed £2,400 by the Group.

Michael Caselli, a director of iGaming Business Limited, was also a director of Lyceum Digital Ltd and Svengali Productions Limited. Lyceum Digital Ltd charged the Group £223,613 during the year ended 31st January 2021 for consultancy services. At 31st January 2021, they were owed £17,500 by the Group. Svengali Productions Limited charged the Group £1,200 during the year ended 31st Janaury 2021 for event sponsorship. At 31st Janaury 2021 there was no balance outstanding.

Adam Lovallo, a director of Mobile Apps Unlocked LLC, charged the Group £86,737 for the year ended 31st January 2021 for consultancy services. At 31st January 2021, there was no balance outstanding. In addition, Adam Lovallo was issued a promissory note of £147,733 which is owed to the Group as at 31st January 2021.

Benjamin Penrod, a director of Awesome Con, LLC, charged the Group £83,843 for the year ended 31st Janaury 2021 for consultancy services. At 31st January 2021, there was no balance outstanding.

Jay Weintraub, a director of Insuretech Connect LLC, charged the Group £194,082 for the year ended 31st Janaury 2021 for consultancy services. Jay Weintraub was also a director of NextCustomer LLC. During the year ended 31st January 2021, NextCustomer LLC charged the Group £577,067 for management services. At 31st January 2021, there was no balance outstanding.

China Shenzhen Machinery Association is a minority shareholder in Shenzhen Xieguang Conference & Exhibition Co., Ltd., a subsidiary company of the Global Sources group. During the year ended 31st Janaury 2021, China Shenzhen Machinery Association charged the Group £71,442 for consultancy costs and membership fees. At 31st January 2021, there was £511,569 outstanding, due to China Shenzhen Machinery Association, including a dividend declared, but not paid, of £277,926.

Yao Jiguang is director of Shenzhen Xunhe Information Consulting Partnership Enterprise, a minority shareholder of Huanxi Information Consulting (Shenzhen) Co., Ltd., a member of the Global Sources group. During the year ended 31st January 2021, Yao Jiguang was paid a salary and a bonus of £223,211 as an employee of Global Sources. No balance was outstanding as at 31st January 2021.

27 TRANSACTIONS WITH RELATED PARTIES AND KEY MANAGEMENT (CONTINUED)

Related party transactions (continued)

At 31st January 2021, Shenzhen Xunhe Information Consulting Partnership Enterprise, a minority shareholder of Huanxi Information Consulting (Shenzhen) Co., Ltd., a member of the Global Sources group had a balance outstanding of £633,639 due from Huanxi Information Consulting (Shenzhen) Co., Ltd. relating to a dividend declared during the year.

See note 19.2 for details of the loans due to related parties.

During the year, the Group invoiced, or was invoiced, the following amounts to certain companies in which Blackstone has an interest:

	Sales £	Purchases £	Year-end balances £
Arch Company (Network Rail)	1,260	-	-
BASF Construction Chemicals	36,357		36,686
Change Healthcare	2,039	-	(1,602)
Consilium Marine & Safety AB	2,052	-	-
Cryoport, Inc.	24,393		4,000
Diligent Boardbooks Limited	-	15,552	7,776
HH Global Interactive Limited	-	43,500	9,000
Mphasis Pte Limited	-	959,896	-
NEC Group Birmingham	-	2,320,932	780,972
Refinitiv	-	8,467	-

There are no other related party transactions for the year ended 31st January 2021.

Prior year related party transactions

At 31st January 2020, Russell Wilcox had an interest-free loan of £2,082, repayable on demand. The loan balance outstanding at 31st January 2019 was repaid in full during the year ended 31st January 2020.

Simon Williams, a director of International Training Equipment Conference Limited, was also a director of Reddrig Limited. Reddrig Limited was paid £108,530 for the year ended 31st January 2020 for consultancy services. At 31st January 2020, there was £46,114 outstanding.

Michael Caselli, a director of iGaming Business Limited, was also a director of Lyceum Digital Ltd and Svengali Productions Limited. Lyceum Digital Ltd was paid £152,213 during the year ended 31st January 2020 for consultancy services. At 31st January 2020, Lyceum Digital Ltd was owed £52,500 by the Group. Svengali Productions Limited was paid £10,560 during the year ended 31st Janaury 2020 for event sponsorship. At 31st Janaury 2020 there was no balance outstanding.

At 31st January 2020, Greg Topalian, a director of Leftfield Media LLC, had a loan of £571,220 with the Group. Interest accrued at 2% on the principal amount and was included in the loan. The loan was repayable upon the earlier of any distribution payments made from the Group to Greg Topalian or an exercise of a call/put option. During the year ended 31st January 2020, Greg Topalian was issued with a promissory note worth £70,310 which was outstanding at 31st January 2020.

Paula Brister is the wife of Ron Brister, a director of Rose City Comicon LLC. During the year ended 31st January 2020, Paula Brister invoiced the Group £32,112 for contracting services. At 31st January 2020, there was no balance outstanding.

27 TRANSACTIONS WITH RELATED PARTIES AND KEY MANAGEMENT (CONTINUED)

Prior year related party transactions (continued)

Adam Lovallo, a director of Mobile Apps Unlocked LLC, was paid £29,524 for the year ended 31st January 2020 for consultancy services. At 31st January 2020 there was £7,616 outstanding.

Jay Weintraub, a director of Insuretech Connect LLC, was paid £190,512 for the year ended 31st Janaury 2020 for consultancy services. At 31st January 2020, there was no balance outstanding. Jay Weintraub is also a director of NextCustomer LLC. During the year ended 31st January 2020, NextCustomer LLC was paid £503,509 for management services and at 31st January 2020, it was owed £3,047 by the Group.

China Shenzhen Machinery Association is a minority shareholder in Shenzhen Xieguang Conference & Exhibition Co., Ltd., a subsidiary company of the Global Sources group. During the year ended 31st Janaury 2020, China Shenzhen Machinery Association charged £171,352 for consultancy costs and membership fees. At 31st Janaury 2020, there was £435,525 outstanding, due to China Shenzhen Machinery Association, including a dividend declared, but not paid, of £269,360.

Yao Jiguang is director of Shenzhen Xunhe Information Consulting Partnership Enterprise, a minority shareholder of Huanxi Information Consulting (Shenzhen) Co., Ltd., a member of the Global Sources group. During the year ended 31st January 2020, Yao Jiguang was paid a salary and a bonus of £224,366 as an employee of Global Sources. No balance was outstanding at 31st January 2020.

At 31st January 2020, Shenzhen Xunhe Information Consulting Partnership Enterprise, a minority shareholder of Huanxi Information Consulting (Shenzhen) Co., Ltd., a member of the Global Sources Group, had a balance outstanding of £614,109 due from Huanxi Information Consulting (Shenzhen) Co., Ltd. in relation to a dividend declared during the year.

Key management personnel compensation

The table below shows the amounts recognised by the Group as an expense during the year relating to key management personnel compensation:

	2021 £000	2020 £000
Pension cost of defined-contribution scheme	66	52
Share based payments charge	870	2,680
Wages and salaries	2,175	3,102
Total compensation paid to key management personnel	**3,111**	**5,834**

28 POST BALANCE SHEET EVENTS

Financing

On 27th May 2021, Comet Bidco Limited (an existing UK subsidiary of Comet Midco Limited) exercised a right under the Senior Facilities Agreement to push down the B2 facility within the Group. Clarion Events Holdings Inc. (an existing subsidiary of Comet Midco Limited, incorporated in Delaware) has replaced Comet Bidco Limited as the Borrower of Facility B2. There were no other amendments to the Senior Facilities Agreement.

A covenant waiver, in existence at 31st January 2021, was extended on 12th May 2021 through to 31st October 2022. This removes the leverage covenants subject to a minimum liquity requirement, dividend restrictions and provision of regular financial information to the lender group.

29 IMMEDIATE AND ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent company is Comet Topco Limited. The company's ultimate parent undertaking and controlling party is The Blackstone Group Inc., a company incorporated in Delaware, USA and listed on the New York Stock Exchange.

The consolidated accounts of Comet Midco Limited are the highest level consolidation in which the Group is included. Accounts are available at Bedford House, 69-79 Fulham High Street, London, United Kingdom SW6 3JW.

30 GROUP SUBSIDIARIES

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiaries, associates and joint ventures as at 31st January 2021 is disclosed below, along with the principal activity, the country of incorporation and the effective percentage of equity owned.

100% Wholly owned companies – organisation of exhibitions and shows

Name	Registered office	Country of incorporation
Affiliate Summit Corporation	820 Bear Tavern Road, West Trenton, New Jersey, 08628	USA
Clarion Defence and Security Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion Defence (UK) Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion Events, Inc.	110 South Hartford Avenue, Suite 200, Tulsa, Oklahoma, 74120	USA
Clarion Events Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion Events Limited (Dubai branch)	1410 DAMAC Executive Heights, Barsha Heights/Tecom, Dubai	UAE
Clarion Events PTE. LTD	#20-02/03, 78 Shenton Way, 079120	Singapore
Clarion Events Shanghai Limited	Room 3203A, Building 32, 707 Zhangyang Road, Pudong Xinqu, Shanghai	China
Clarion Events USA, Inc.	289 S. Culver Street, Lawrenceville, Georgia, 30046	USA
Event Marketing Services Limited	30th Floor, 41 Heung Yip Road, Wong Chuk Hang	Hong Kong
Freight Transport Logistics Expo Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Furniture & Gift Fairs Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Getenergy Events Ltd	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Global Sources Direct (Shenzhen) Co., Ltd.	Unit 3310B, Shenzhen International Chamber of Commerce Tower, No. 168 Fuhua 3rd Road, Futian, Shenzhen	China
Global Sources Exhibition (Shanghai) Co., Ltd.	Units 03B/04/05/06, 27F, No.666 West Huaihai Road, Changning District, Shanghai	China
iGaming Business Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
iGaming Business North America, Inc.	1209 Orange Street, Wilmington, Delaware, 19801	USA
Imago Techmedia Inc	289 S. Culver Street, Lawrenceville, Georgia, 30046	USA
Imago Techmedia Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
January Furniture Show Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Revo Media Partners Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Synergy B.V.	Bisonspoor 3002 C601, 3605 LT, Maarssen	Netherlands

30 GROUP SUBSIDIARIES (CONTINUED)

100% Wholly owned companies – operating sales company

Name	Registered office	Country of incorporation
ASM Business Services Limited	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209	Cayman Islands
Global Sources Advertising & Exhibitions (Vietnam) Company Limited	Unit 6.3, 6F Serepok, Anh Minh Tower, 56 Nguyen Dinh Chieu, Dakao Ward, District 1, Ho Chi Minh City	Vietnam
Global Sources Advertising (Shenzhen) Co., Ltd.	Unit 3301-3310, Shenzhen International Chamber of Commerce Tower, No. 168 Fuhua 3rd Road, Futian, Shenzhen	China
Global Sources Exhibitions & Events (India) Private Limited	Office No. 4, Shilpa, 7th Road, Prabhat Colony, Santacruz (E), Mumbai, 400055, Maharashtra	India
Global Sources Exhibition (Xi'an) Co., Ltd.	Unit 12A, Building 1 Zhongjing Technology Plaza, No.11 Tuanjie South Road, High-Tech District, Xi'an	China
Guangzhou Huanwei Advertising Co., Ltd.	Unit 2401-2402, Block B, China International Center, No.33 Zhongshan 3rd Road, Yuexiu District, Guangzhou	China
Magic Exhibitions Hong Kong Limited - Korea Branch	5F, 248 Gangnam-daero, Gangnam-gu, Seoul, 06266	South Korea
Publishers Representatives Limited Taiwan Branch	14F, No. 18, Sec. 4, Nan Jing East Road, Taipei	Taiwan
Shanghai Yuanbo Exhibition & Advertising Co., Ltd.	Units 01/02/03A, 27F, No.666, West Huaihai Road, Changning District, Shanghai	China
Smart Advisory Limited	30th Floor, 41 Heung Yip Road, Wong Chuk Hang	Hong Kong
Zhuoyu Advertising & Exhibition (Shenzhen) Co., Ltd.	Unit 3401-3410, Shenzhen International Chamber of Commerce Tower, No. 168 Fuhua 3rd Road, Futian, Shenzhen	China

30 GROUP SUBSIDIARIES (CONTINUED)

100% wholly owned companies – organisation of conferences

Name	Registered office	Country of incorporation
Clarion Energy Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Energynet Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Pennwell International Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Spintelligent Pty Ltd	2nd Floor, North Wing, Great Westerford, 240 Main Road, Rondebosch, Cape Town, 7700	South Africa

100% wholly owned companies – organisation of lead generation

Name	Registered office	Country of incorporation
Qualifa Ltd	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Qualifa USA LLC	6 Research Drive, Suite 350, Shelton, Connecticut, 06484	USA

100% wholly owned companies – publishing company

Name	Registered office	Country of incorporation
Media Data Systems Pte Ltd	#08-00 KH KEA Building, 333 North Bridge Road, 188721	Singapore
Publishers Representatives Limited	30th Floor, 41 Heung Yip Road, Wong Chuk Hang	Hong Kong
World Executive's Digest Limited	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209	Cayman Islands

100% wholly owned companies – operating service company

Name	Registered office	Country of incorporation
Trade Media Marketing Service Limited	30th Floor, 41 Heung Yip Road, Wong Chuk Hang	Hong Kong

30 GROUP SUBSIDIARIES (CONTINUED)

100% wholly owned investing companies

Name	Registered office	Country of incorporation
Clarion Events Holdings Inc.	1209 Orange Street, Wilmington, Delaware, 19801	USA
Clarion Events North America Inc.	289 S. Culver Street, Lawrenceville, Georgia, 30046	USA
Clarion Events USA Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion Fuarcilik Danismanlik Ltd STI	Maslak Mah. Eski Büyükdere Cad. No:9/78 Oda:9-GK İz Plaza Giz Giriş Kat Sarıyer, Istanbul	Turkey
Comet Bidco Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Comet US LLC	200 Bellevue Parkway, Suite 210, Wilmington, New Castle County, Delaware, 19809	USA
Fertile Valley Pte Ltd	#08-00 KH KEA Building, 333 North Bridge Road, 188721	Singapore
Global Sources Ltd.	Crawford House, 50 Cedar Avenue, Hamilton, HM 11	Bermuda
Magic Exhibitions Hong Kong Limited	30th Floor, 41 Heung Yip Road, Wong Chuk Hang	Hong Kong
Media Advertising Ltd.	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209	Cayman Islands
PSPA Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Qualifa Holdings Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Spintelligent LLC	311 S Division St., Carson City, Nevada, 89703	USA
Topranch Limited	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110	British Virgin Islands
Trade Management Software Limited	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209	Cayman Islands
Trade Media Holdings Limited	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209	Cayman Islands
Trade Media Limited	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209	Cayman Islands

30 GROUP SUBSIDIARIES (CONTINUED)

100% wholly owned dormant companies

Name	Registered office	Country of incorporation
A.S Mediaconsult Ltd	Elenion Building, 2nd Floor, 5 Themistocles, Dervis Street, CY-1066, Nicosia	Cyprus
Amusement Trades Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Amusement Trades Exhibitions Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
ASM Business Services Limited RHQ	15/F Citibank Center, 8741 Paseo de Roxas, 1226 Makati City	Philippines
Avren Events Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Avren Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
China Sourcing Fairs Limited	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110	British Virgin Islands
China Sourcing Fairs HK Co. Limited	30th Floor, 41 Heung Yip Road, Wong Chuk Hang	Hong Kong
Clarion Acquisition Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion Conferences Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion Events Birmingham Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion Events Group Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion Events Holding Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion Events Publications and Promotions Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion UK Holdco Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion UK Midco Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Clarion UK Topco Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
DSEI Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Exhibit Freight Solutions, LLC	289 S. Culver Street, Lawrenceville, Georgia, 30046	USA
Expo Propco Ltd	Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005	Cayman Islands
Fernshade Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Fintry 3 Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Global Sources Auctions Ltd.	PO Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205	Cayman Islands

30 GROUP SUBSIDIARIES (CONTINUED)

100% wholly owned dormant companies (continued)

Name	Registered office	Country of incorporation
Global Sources Direct Limited	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110	British Virgin Islands
Global Sources Direct (HK) Limited	30th Floor, 41 Heung Yip Road, Wong Chuk Hang	Hong Kong
Global Sources Limited	30th Floor, 41 Heung Yip Road, Wong Chuk Hang	Hong Kong
Global Sources USA, Inc.	1013 Centre Road, Wilmington, Delaware, 19805	USA
Internet Retailing Events Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Lift Event Management LLC	3753 Howard Hughes Parkway, Las Vegas, Nevada, 89169	USA
Niche Events Ltd	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Phacilitate Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
PSPA Finance Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
PSPA Holdco Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
PSPA Midco Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
PSPA Topco Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
SAM Media LLC	701 S. Carson Street, Suite 200, Carson City, Nevada, 89701	USA
The Energy Exchange Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Trade Media Limited RHQ	14/F Citibank Center, 8741 Paseo de Roxas, 1226 Makati City	Philippines
Transec Events Limited	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom

Partly owned (50% or more) dormant entities

Name	Registered office	Country of incorporation
Clarion Greenfield Exibições e Feiras Ltda (50%)	Alameda Santos, 1.787, 10th Floor, São Paulo, 01419-002	Brazil
Gift Ventures, LLC (61.1%)	2016 Goldleaf Parkway, Canton, Georgia, 30114	USA

30 GROUP SUBSIDIARIES (CONTINUED)

Partly owned businesses (50% or more) Organisation of exhibitions and shows

Name	Registered office	Country of incorporation
Awesome Con, LLC (52.5%)	1209 Orange Street, Wilmington, Delaware, 19801	USA
Clarion Events Brasil Exibições e Feiras Ltda (99.99%)	Alameda Santos, 1.787, 10th Floor, São Paulo, 01419-002	Brazil
Clarion Quartier Exibições e Feiras Ltda (99.9975%)	Alameda Santos, 1.787, 10th Floor, São Paulo, 01419-002	Brazil
Image Engine Pte. Ltd. (70%)	#11-15/16, 60 Paya Lebar Road, Paya Lebar Square, 409051	Singapore
Inapex Pte. Ltd. (70%)	#20-02/03, 78 Shenton Way, 079120	Singapore
Leftfield Media LLC (75%)	1209 Orange Street, Wilmington, Delaware, 19801	USA
Premium Exhibitions GmbH (90%)	Tempelhofer Ufer 36, 10963, Berlin	Germany
PT Adhouse Clarion Events (70%)	Menara MTH, 9th Floor, Sebelah Barat, JI. MT Haryono Kav.23, Jakarta Selatan	Indonesia
Rose City Comicon LLC (75%)	1209 Orange Street, Wilmington, Delaware, 19801	USA
Shenzhen Huanyue Convention & Exhibition Co., Ltd. (70%)	Unit 417, Building A4, Fuhai Information Port, Qiaotou Community, Fuhai Street, Bao' an District, Shenzhen	China
Traffic & Conversion Summit, LLC (80%)	1209 Orange Street, Wilmington, Delaware, 19801	USA

Partly owned businesses (50% or more) Organisation of exhibitions and conferences

Name	Registered office	Country of incorporation
Huanxi Information Consulting (Shenzhen) Co., Ltd. (70%)	Unit 1202, Block A, Xinian Center, Tairan Ninth Road, South Shennan Road, Shatou Street, Futian District, Shenzhen	China
Independent Grocers Show Management, LLC (70%)	1209 Orange Street, Wilmington, Delaware, 19801	USA
Insuretech Connect LLC (70%)	1209 Orange Street, Wilmington, Delaware, 19801	USA
International Training Equipment Conference Limited (90%)	Bedford House, 69-79 Fulham High Street, London, SW6 3JW	United Kingdom
Mobile Apps Unlocked LLC (94%)	1209 Orange Street, Wilmington, Delaware, 19801	USA
Shenzhen Xieguang Convention & Exhibition Co., Ltd. (56%)	Unit 1218, Block A, Xinian Center, Tairan Ninth Road, South Shennan Road, Futian District, Shenzhen	China

30 GROUP SUBSIDIARIES (CONTINUED)

Partly owned businesses (50% or more) Organisation of conferences

Name	Registered office	Country of incorporation
Gaming Summits B.V. (95%)	Bisonpoor 6000, 3605 LT, Maarssen	Netherlands
Slotacademy B.V. (95%)	Bisonpoor 6000, 3605 LT, Maarssen	Netherlands

Share in Joint Venture or Associate (20-50%)

Name	Registered office	Country of incorporation
The Halloween and Party Show, LLC (45%)	289 S. Culver Street, Lawrenceville, Georgia, 30046	USA
Play Fair, LLC (38.2%)	1209 Orange Street, Wilmington, Delaware, 19801	USA
V111 GmbH (previously Premium Digital GmbH) (40.5%)	Tempelhofer Ufer 36, 10963, Berlin	Germany