1 December 2020

Hyve GROUP PLC
("Hyve" or the "Group")

FINAL RESULTS

- *Decisive action taken to reduce costs, conserve cash and boost liquidity, to protect and futureproof the business*
- *Strong platform to weather COVID-19; continued focus on market-leading events to support recovery*
- *Developing omnichannel strategy to offer customers improved ROI at in-person events and the ability to learn, network and trade online*

Mark Shashoua, CEO of Hyve Group plc, commented:

"We entered 2020 in a very strong position, with a clear strategy following three years of transformative investment and having completed the acquisition of two market-leading e-commerce events in the US, Shoptalk and Groceryshop. As a result, our shows in Q1 continued to deliver strong results. Since COVID-19 struck in March we have taken every measure within our control to protect our employees, customers and futureproof the business as markets reopen. Having delivered cost savings above our projections, received substantial insurance payments, raised £126.6m through a rights issue and taken every possible step to conserve cash, we end this year with a strong financial platform to weather COVID-19.

While our financial results today reflect the impact of this unprecedented pandemic, we have stayed close to our customers and offered online content, which has been well received. Our customers want the safe return of our events which will act as a key trading platform to get industries back to business. Whilst demand for in-person is clear, we believe that COVID-19 has accelerated a change in customer behaviour, and we are positioning Hyve to be at the forefront of this evolution.

As such, we are focussed on accelerating our omnichannel strategy to enhance return on investment and return on time for customers. We meet our customers' needs by bringing people together to learn, network and trade. Our omnichannel strategy services these needs through both in-person market-leading events as well as online. Work is underway to develop the rollout of our hosted meetings capability acquired from Shoptalk across some of our in-person market-leading events in order to go live in 2022. In addition, we have taken time to test several different virtual propositions to provide opportunities for our customers to learn, network and trade in a virtual format.

I would like to thank each and every one of our employees for their commitment during this challenging year. I am struck by what has remained constant throughout: our belief in the power and significance of our events and our determination to get back to doing what we do best.

While news of COVID-19 vaccines is very encouraging, we expect disruption to our events schedule into 2021. That said, as in-person events continue to return, Hyve's market-leading events are optimally placed to service the pent-up demand for learning, networking and trading whilst stimulating the global economy. Our strategy, strong financial platform and focus on developing an omnichannel business position us at the forefront of the recovery and give us the best chance to emerge successfully and get back to doing what we do best."

Strong financial platform to navigate COVID-19

- Decisive action taken to reduce costs and strengthen our balance sheet
- Delivered substantial in-year cost savings in FY20 and annualised cost savings going into FY21
- £126.6m fully supported and underwritten rights issue in May in response to the financial impact of COVID-19
- Banking facilities renegotiated to provide extra debt capacity and covenant flexibility
- Strong year-end balance sheet with adjusted net debt of £67.7m (FY19: £111.7m)
- Successful interim insurance claims of £22.0m in FY20 and a further £13.1m received since year end

Financial headlines	**Year to 30 September 2020**	**Year to 30 September 2019**
Volume sales	364,000 SQM	783,000 SQM
Revenue	£105.1m	£220.7m
Headline (loss) / profit before tax[1]	£(18.7)m	£50.4m
Statutory (loss) / profit before tax	£(312.9)m	£8.7m
Headline diluted earnings per share[1]	(13.6)p	27.8p[2]
Diluted earnings per share	(171.6)p	2.4p[2]
Full year dividend per share	Nil	2.5p
Adjusted net debt[1]	£67.7m	£111.7m

- £105.1m revenue (2019: £220.7m) down 52% after significant disruption to the Group's event programme following the COVID-19 outbreak
- Headline loss before tax of £18.7m (2019: profit of £50.4m) after the receipt of £22.0m of insurance proceeds in respect of cancelled events
- Statutory loss before tax of £312.9m (2019: profit of £8.7m) after non-cash impairment charges of £263.0m (2019: £nil) as a result of the impact of COVID-19 on future forecasts
- Temporary suspension of dividend; future dividends will be kept under review
- £110.1m acquisition of Shoptalk and Groceryshop in December 2019, two US-based market-leading events focussed on e-commerce for retail and grocery
- Adjusted net debt reduced to £67.7m (2019: £111.7m) following the receipt of proceeds from the rights issue and insurance claims, offsetting the impact of the acquisitions of Shoptalk and Groceryshop
- Visibility of cash headroom throughout FY21

Outlook

- The outlook is uncertain and ongoing disruption for event schedules is expected, particularly in western countries
- A number of FY21 events have already been cancelled and there is a risk of further cancellations in H1 FY21
- The Group will continue to focus on cash preservation and cost control, whilst running events where it is safe and financially viable to do so
- Continued demand for in-person to return, with market-leading events leading the way for the recovery into FY22; our strategy and transformation programme position Hyve well for a post COVID-19 environment
- We have modelled two trading scenarios for FY21:
    - The first, our 'Recovery' scenario, assumes that events in China, Russia, Ukraine and Turkey are able to go ahead. However, they will be smaller than in previous years with a largely domestic customer base. This scenario assumes that events in western markets will take place during the second half
    - The second, our 'East-West' scenario, assumes that no western events take place throughout the year
- Beyond FY21, we are hopeful of returning to a normalised schedule of events in FY22, albeit with events still recovering in terms of revenue and customer numbers
- Actively developing our vision for a next generation omnichannel events business:
    - By leveraging hosted buyer capability and technology across the Group's market-leading in-person events, the Group will be well placed to address pent-up demand as markets reopen
    - We trialled over 100 online events across our portfolio, including a proof of concept trading and networking event, Shoptalk Meetup, working with a third-party operator. This took place in October 2020 with 2,000 participants and 18,000 meetings and we are now in the process of assessing the long-term viability of such a solution in terms of product offering, monetisation potential and the timing and extent of investment required

Notes to Editors

1. *In accordance with the Guidelines on APMs issued by the European Securities and Markets Authority (ESMA), additional information is provided on alternative performance measures (APMs) used by the Group in the Glossary. In the reporting of financial information, the Group uses certain measures that are not required under IFRS. These additional measures provide additional information on the performance of the business and trends to stakeholders and are defined in the Glossary.*

2. *The weighted average number of shares used for basic and diluted and headline basic and diluted earnings per share for 2019 has been restated as a result of the share consolidation and rights issue which took place during the year, in order to provide a comparative measure. As a result, basic and diluted and headline basic and diluted earnings per share for 2019 have also been restated.*

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About Hyve Group plc

Hyve Group plc is a next generation global events business whose purpose is to create unmissable events, where customers from all corners of the globe share extraordinary moments and shape industry innovation. Hyve Group plc was announced as the new brand name of ITE Group plc in September 2019, following its significant transformation under the Transformation and Growth (TAG) programme. Our vision is to create the world's leading portfolio of content-driven, must-attend events delivering an outstanding experience and ROI for our customers.

Where business is personal, where meetings move markets and where today's leaders inspire tomorrow's.

Hyve Group is a public limited company and has been listed on the main market of the London Stock Exchange since 1998.

Chairman's statement

The year started positively for Hyve, with our three-year Transformation and Growth (TAG) programme successfully completed and the acquisition of Shoptalk and Groceryshop events in the USA for consideration of £110.1m. Unfortunately, like many businesses around the world, Hyve's FY20 was dominated by the impact COVID-19 is having on society and business and the reaction to it by governments around the world.

As the pandemic began to impact the world, the Board had two main priorities:

1. To ensure the safety of both our colleagues and our customers; and
2. To provide the business with the financial stability to weather the crisis.

At the start of the pandemic, the Board met on a weekly basis in order to support the Executive leadership whilst they mobilised their teams, and to provide a regular decision-making forum. The weekly meetings continued through to the beginning of June. We announced a £126.6m million rights issue on 7 May 2020 which our shareholders supported, for which we thank them. At the same time, forward planning for a safe return to events has also been progressing. It is promising to see some of our markets beginning to reopen and we have been able to run 20 events across Russia, China, Ukraine and Turkey since restrictions began to lift. We do, however, remain cautious and mindful that we may see further lockdowns and it may also take time for customer confidence to return.

As a provider of in-person events, Hyve is significantly impacted by COVID-19 and that is reflected in our financial results for FY20. However, thanks to the exhaustive work done by the Group's leadership team, with support from the Board and our shareholders, we end the financial year with a stable financial platform and in a strong position for recovery.

Dividends

Due to the impact of COVID-19 and the associated cost pressures the Group currently faces, the Board has taken the decision not to pay a dividend for FY20. We will continue to review this position and reinstate dividends to shareholders when business performance has significantly improved and is considered sustainable for the future.

The Board

In September, Andrew Beach stepped down as the Group's Chief Financial Officer and left Hyve. We wish him every success in the future. As part of targeted cost savings, the Board restructured the senior finance team with John Gulliver, previously the Chief Operating Officer, appointed to the Board and the newly formed combined role of Chief Finance and Operations Officer.

In January 2020, Nicholas Backhouse replaced Stephen Puckett as Chair of the Audit Committee. Stephen has remained on the Audit Committee and has also become the Chair of the Risk Committee, in addition to his responsibilities as Senior Independent Director and the employee representative on the Board. Sharon Baylay remains Chair of the Remuneration Committee.

Environment, social and governance (ESG)

Throughout the year, our event teams have once again continued to put sustainability on the agenda across major industries including energy, education and logistics. During lockdown, we hosted numerous digital webinars and panel discussions covering climate change, digital safety for children and supporting small business. Our teams are increasingly building sustainability into their events.

In addition to the work by our event teams, centrally we introduced a new Code of Conduct and an independent whistleblowing facility. Both were launched at divisional town halls across the business and embedded with a global training programme.

Due to the impact of COVID-19 on the business, we have not achieved the ambitions we had planned in this area during FY20; however, the Board will continue to strive to improve our ESG credentials in FY21.

Looking ahead

With the increasing expectation of a successful immunisation programme commencing early in 2021, we look forward, with some optimism, to an improving economy. We expect to see a steady increase in the number of in-person events being held, particularly in the second half of 2021. The size of the events will initially be smaller and more domestic when compared to the same events held prior to the pandemic.

We continue to monitor the global situation closely, particularly with regards to restarting our events. We will maintain tight control over our costs, look to achieve further efficiencies and conserve cash, whilst maintaining the ability to respond to the expected improving situation surrounding COVID-19.

The Board believes that the work we have completed to date and the continued execution of our pandemic response plans will enable us to weather the predicted duration of the crisis and be in a stronger position as the world recovers.

Richard Last
Chairman

Chief Executive Officer's statement

Strong start to 2020

We started the year with one focus – capitalising on our just-completed three-year TAG programme which resulted in Hyve evolving into a fundamentally different and stronger business. This would continue our trajectory towards creating the world's leading portfolio of content-driven, must-attend events delivering an outstanding experience and return on investment for our customers.

In the first five months of FY20, before COVID-19 started to impact our business, we delivered 45 events, four of which are in our top 10. Bett, Mining Indaba and YugAgro all delivered strong year-on-year growth whilst Spring Fair saw the rate of decline slow compared to the previous year, despite an ongoing impact from Brexit and reduced attendance by Chinese exhibitors due to COVID-19 travel restrictions. Africa Oil Week, another of our key events, also performed very well and delivered double-digit revenue growth for the third year in a row. In December, we acquired Shoptalk and Groceryshop, two US-based best-in-class events which added further strength to our portfolio.

After restrictions began to lift in Russia, China and Ukraine we organised 12 events across August and September, taking the total number of events in FY20 to 57. There were, however, a large number of events which could not go ahead – three have been postponed to FY21 and 67 have unfortunately been cancelled. This is clearly reflected in our financial results for FY20 and ongoing restrictions will also impact next year's results.

Response to COVID-19: Project Fortress

I am incredibly proud of the work that our people have done in response to the COVID-19 pandemic and the strong leadership that has been seen across the Group, at every level. Our recent transformation, along with our renewed energy we had thanks to the launch of our new brand and company values, put us in the best possible position to manage the impact of COVID-19.

We immediately initiated Project Fortress, led by a dedicated task force of senior leaders from around the business, to manage all impacts of the crisis. All initiatives were developed centrally and executed locally, which ensured a robust and consistent approach across our network.

We took immediate action to run the business in line with our reasonable worst-case scenario which assumed no events would take place in the 2020 calendar year, except in China. We acted quickly and decisively to put a postponement and cancellation monitoring plan in place and identify ways to reduce our costs, conserve cash and strengthen our balance sheet.

Our approach to managing our cost base and cash has been robust. In May, we announced a cost reduction programme that, along with costs avoided on events cancelled or postponed, has delivered approximately £63m of cost savings in the current financial year. This level of savings has been achieved through quickly embarking on a necessary restructure of the business and implementing widespread cost saving measures including renegotiations with all suppliers and venues, a recruitment freeze, utilising the UK government's furlough scheme, temporarily moving to a four-day working week, a Group-wide bonus waiver and a voluntary 20% reduction in salary for senior leaders, amongst others.

Strengthening our financial position

In May, we asked for the support of our shareholders and lenders and subsequently strengthened our balance sheet through raising equity with an underwritten rights issue and changing our banking covenants.

When it became clear that the impact of COVID-19 would extend beyond 2020, especially in western markets, additional actions were taken over the summer months to further reduce our two biggest costs - people and venues. This resulted in the announcement of a further restructuring in September which merged the UK and Global Brands operations and re-sized the business to withstand a more prolonged recovery period. We continue to proactively engage with venue owners and suppliers to defer and rollover costs for postponed or cancelled events as well as reducing minimum space requirements.

The insurance policies we have in place have given us greater financial security. We will continue to work with our insurance providers on claims made that have yet to be settled as well as any future claims, should our 2021 event schedule continue to be impacted by government restrictions arising from COVID-19.

As a result of the measures we have taken to date, and in light of the ongoing uncertainty as to recovery in our markets, our decisive cost management initiatives have provided significant assurance over the Group's future and given us clear visibility of cash funding, even if no further events are able to take place in FY21.

Supporting our customers

Throughout the pandemic we have kept in regular communication with our customers, who have been extremely supportive. Wherever possible, the decisions we have made to postpone, cancel or more recently re-open has been made in consultation with customers and with their industries in mind.

As well as keeping them informed regarding the status of in-person events, event teams are offering a full programme of online educational content such as online panel debates, remote workshops and virtual webinars. Since April, we have held over 100 online events, uniting global business communities and providing connectivity to more than 30,000 attendees. These events have been well received by our customers; however, they are not designed to replace our market-leading in-person events, which our customers tell us they are eager to get back to. The commitment of our customers to our products is demonstrated by the £66m of forward bookings which have been contracted for events taking place in FY21 and FY22.

I would like to take this opportunity to thank each of our customers for their support and the commitment they have shown to our market-leading events throughout this unprecedented time.

Safeguarding our people

The safety of our teams has been a top priority throughout the COVID-19 pandemic. We have followed World Health Organization and government advice throughout, starting with ensuring that colleagues can work remotely.

As our offices have re-opened, they have done so with new safety measures in place such as social distancing, deep cleaning, temperature checking, hand sanitization and masks being made available. Regular communication at all levels has kept our people informed and connected through this challenging period.

For our teams, this has been an incredibly challenging year. So much has changed but I am struck by what has remained constant throughout: our belief in the power of events; our determination to get back to doing what we do best; and the incredible spirit and commitment I have witnessed from teams across the business. I would like to take this opportunity to thank our colleagues for their continued efforts to look after one another and to stay close to our customers.

Global markets

A number of regions in which the Group operates are beginning to open up, but the situation remains fluid. So far, we have been able to restart events in China, Russia, Ukraine and Turkey. Other key markets we operate events in continue to be subject to restrictions regarding business events and international travel; we are monitoring this daily.

Whilst it is promising to see some markets reopen, we are mindful that we are currently in the midst of further lockdowns and it may also take some time for customer confidence to return once restrictions are lifted.

Just as we carried out scenario planning for FY20, we have also outlined two planning scenarios for FY21.

Our 'Recovery' scenario assumes that we are able to run events for the full year in China, Russia, Ukraine and Turkey and that it is possible for events to take place in our western markets from April 2021 onwards. With some western markets continuing to see rising cases, and subject to government restrictions, the running of shows at scale remains prohibited in these geographies in the first half of FY21. This includes Shoptalk which typically runs in March and has therefore been cancelled for 2021. We will continue to pursue insurance claims with our providers where relevant events have not been able to take place as a result of ongoing government or regional restrictions.

Under the ‘East-West’ scenario the assumption is that no events take place all year in our western markets. We are currently operating to the Recovery scenario with the option to pivot to the East-West scenario if that becomes unavoidable.

A Safe & Secure return to in-person events

We are taking a leading role in the safe return of events, working with major venues, industry bodies, health and safety experts, local and national governments and other event organisers to monitor the situation and put plans and new standards in place.

Concurrently, we have launched our own Safe & Secure standards for all future Hyve events, to ensure globally consistent best practice. These standards are an evolution of our already market-leading health and safety blueprint.

We are also now looking at the possibility of rapid testing including both airports’ official arrivals processes and our own testing on site.

Omnichannel strategy

As COVID-19 has undoubtedly changed customer behaviours, we have used this year to accelerate our evolution into an omnichannel business that supports in person events with online activity. Digital will never replace in-person, but we are exploring opportunities to offer our customers additional channels through which they can learn, network and trade throughout the year.

As markets reopen, it will be the market-leading events, which offer the highest return on investment and return on time to customers, that will lead the way. As such, work is underway to continue adding value to our in-person events by rolling out the hosted meetings capability and digital platform we acquired along with Shoptalk, which will offer smart matchmaking and therefore increased networking and trade opportunities for customers, further validating their return on investment and time.

During the year we carried out research to establish demand levels for hosted meetings at in-person events with customers from some of our top 10 events. The results showed clear demand and this capability will be even more important in a post-COVID-19 environment as marketing budgets will be more tightly focussed on the most effective spend. Our plan is to roll out hosted meetings, beginning with Bett in 2022.

In addition, we are exploring the feasibility and demand of virtual events by testing a number of digital platforms which answer the learning, networking and trading needs of customers in a virtual format. Whilst we have seen promising results from some events, and supportive feedback, we are in the early stages of developing our approach.

To date, organisers have succeeded in replicating the ‘learn’ aspect of an event in a virtual format with webinars, online workshops and panel discussions, yet have been unable to offer opportunities to network or trade in the same way. These online events have proven to be wonderful for engagement and community support however are limited in terms of potential for monetisation. To address this industry challenge, we trialled a proof of concept online trading and networking event, Shoptalk Meetup, working with a third-party operator. This took place in October with 2,000 participants and 18,000 meetings. We are now in the process of assessing the long-term viability of such a solution in terms of product offering, monetisation potential and the timing and extent of investment required.

Priorities

We are confident that we have done everything within our control to ensure the long-term resilience of the Group. We have taken the necessary steps to adapt to the prolonged impact of COVID-19 and position Hyve for success when we exit the crisis.

As we enter FY21, we have three clear priorities:

1. Build customer market share at our market-leading events
2. Prepare for the rollout of hosted meetings from 2022 across key in-person events
3. Continue to evaluate feasibility and demand for virtual networking platforms to complement our market-leading events

Market-leading events are an essential trading platform for our customers, and, for many industries, governments and regional authorities, they will play a vital role in reigniting economies.

2020 has been about survival and being at the forefront of the industries we serve through offering engaging content and ongoing support. As markets continue to open up, 2021 will be about focussing on gaining customer market share from smaller, more niche operators. It is the hard work that is being put in during 2021 that will lead to a stronger recovery in 2022. Recent announcements regarding the rollout of an effective vaccine from early next year increase our confidence that we will be able to return to a full event schedule in 2022.

Our strategy, and strong financial platform, position us at the forefront of recovery and give us the best chance at emerging successfully from this crisis and getting back to doing what we do best – sparking connections, forming communities, broadening horizons and igniting opportunities.

Mark Shashoua
CEO

Chief Finance and Operations Officer's statement

We started the year with strong momentum which helped deliver 7% like-for-like growth across our events in Q1. The impact of COVID-19 was felt from the second quarter onwards and had a significant impact on our financial results for the year. That said, we responded decisively and as a result of the actions taken, we are confident that we have done everything we can to safeguard the Group. This will ensure we maintain a strong platform to weather the crisis and position ourselves for the recovery.

I am enormously grateful to our teams across all regions for the huge undertaking of work which has allowed us to create a stable financial and operational platform, securing the future of the Group. Despite this being an incredibly challenging year for everyone, I have been delighted by the way our teams have come together, united by a drive to support each other and by a shared passion for our events. I would like to take this opportunity to say thank you to every one of my colleagues for their ongoing commitment and dedication, in what has been an extraordinary year.

Having spent the last three years as Hyve's Chief Operations Officer, I am well positioned to be able to combine my operational and financial experience to the newly created role of Chief Finance and Operations Officer. We enter a new financial year as a strong and more agile business having taken the necessary steps to adapt to the prolonged impact of COVID-19. The financial and operational priorities over the next 12 months are crucial in securing a stable foundation, on which to build our recovery.

COVID-19 impact on our event schedule

Whilst COVID-19 greatly impacted our event schedule in FY20, we successfully organised 45 events in the first half of the year and, as restrictions lifted in some of our markets, 12 events in the second half. Overall, we generated revenues of £105.1m (2019: £220.7m) and a headline loss before tax of £18.7m (2019: profit before tax of £50.4m).

The disruption to our event schedule from March resulted in 67 events being cancelled and three events being postponed to FY21. Only five of our top 10 events were able to run in the year.

From August, markets opened in China, followed by Ukraine, Russia and then, in FY21, Turkey. Attendance was understandably affected at events which ran in the second half of the year. As a result, like-for-like revenues for FY20 were down 11% against FY19.

Strengthened the balance sheet

In December 2019, we raised £50m by way of a share placement, increased our debt facility from £170m to £250m and extended the maturity date from December 2021 to December 2023. This initially enabled the £110.1m acquisition of Shoptalk and Groceryshop, but also supported our liquidity position as COVID-19 materialised.

Our immediate response to the pandemic was to strengthen our balance sheet further by raising equity through a fully supported rights issue which raised £126.6m before expenses. In addition, we agreed the waiver of our leverage ratio and interest cover bank covenant tests up to and including March 2022 and replaced them with a single liquidity covenant.

Adjusted net debt at the year-end was £67.7m (2019: £111.7m), an improvement of £44.0m. As at 30 November, cash and undrawn debt facilities were £163m, providing the Group with significant liquidity going into 2021.

Benefiting from event cancellation insurance policies

We understand that we are one of the few event organisers which has the benefit of event cancellation insurance where insured events are cancelled or prohibited as a result of government restrictions resulting from communicable disease. Throughout the pandemic, we have pursued claims with our insurers for those events which could not proceed due to the restrictions in place as a result of COVID-19. Our insurance recoveries, alongside the enforcement or renegotiation of other contractual rights, have been a vital element in our successful efforts to mitigate the financial impact on our business.

During the financial year, we received and recognised £22.0m of income from insurance claims, with a further £13.1m received since the end of the financial year. In addition a further £11.5m of claims have been approved, but not yet paid. These amounts are in respect of the policy insuring FY20 event cancellations, capped at £62.0m. We have insurance cover in place for the cancellation of FY21 events, with potential claims capped at £50.0m.

Action taken to reduce costs and conserve cash

At the outset of the pandemic, we acted quickly and decisively to implement a number of cost reduction and cash preservation initiatives. As it became clear the impact of the pandemic would be prolonged, we took further measures to reduce our cost base.

Like many businesses, we utilised the UK government furlough scheme to protect jobs where we could. In addition, our Board, Senior Management and staff across our business took voluntary and temporary salary reductions and received no bonuses. Despite these measures we made a number of redundancies across the Group, with headcount reductions of around 30% including contractors.

As well as reducing staff costs, we have been working in close collaboration with our venue partners and have successfully delivered savings through securing rollover payments for cancelled or postponed events and negotiating payment terms, minimum space commitments and cancellation terms.

We have paused or deferred all non-essential capital expenditure as well as reducing discretionary spend across the business.

Collectively, the actions taken to achieve cost reductions in the second half of the year, as well as costs avoided through not running events, enabled us to deliver approximately £63m of in-year savings. This is an excellent achievement, given the pandemic hit halfway through our financial year. The actions taken are expected to deliver annualised savings of approximately £44m in FY21 and further costs will be avoided as events are cancelled or postponed.

Outlook and liquidity

The pandemic has had a severe impact not just on Hyve, but the event industry as a whole. Despite starting to see signs of improved optimism, underpinned by visibility of vaccines, we expect continued disruption to our event schedule and a gradual return of customer participation.

We have created two trading scenarios for FY21. The first, our 'Recovery' scenario, assumes that events in China, Russia, Ukraine and Turkey are able to go ahead. However, they will be smaller than in previous years driven by a largely domestic customer base. This scenario assumes that events in western markets will take place during the second half of the financial year.

The second, our "East-West" scenario, assumes that no western events take place throughout the financial year. These scenarios enable us to allocate resources and manage costs according to anticipated trading conditions.

Beyond FY21, we are hopeful of returning to a normalised schedule of events in FY22, albeit with events still recovering in terms of revenue and customer numbers. The rebased portfolio, currently comprising 100 events, will have evolved from FY19 through the acquisition of Shoptalk and Groceryshop and the disposal of businesses in Central Asia as well as a number of other closures and cancellations of smaller events.

Our significant cash balances and undrawn debt facility underpin the Group's confidence going into 2021. We will continue to focus on preserving cash through cost control and effective management of customer rollovers and renegotiation of contractual payment terms, In addition to these ongoing loss mitigation efforts, we also expect further insurance proceeds in respect of outstanding claims which have not yet been settled.

Under our two trading scenarios, we expect FY21 year-end headroom to exceed the liquidity covenant by between £80m and £100m, implying net debt in the range of £100m to £120m.

The foundations we created under our TAG Programme, including our centralised operating model and the investment in our people and systems, played an important part in being able to withstand and navigate the early stages of the pandemic. Looking ahead, the market-leading events we have strengthened and nurtured, as well as significant available cash and debt facility, give us a robust platform on which to build as in-person events resume.

John Gulliver

CFOO

Overview

Revenue

Revenue for the year was £105.1m (2019: £220.7m), down £115.6m and 52% behind the comparative period, significantly impacted by the number of event cancellations since the COVID-19 pandemic.

The year started strongly with four of the Group's top 10 events running as planned in the first six months, including Bett, Mining Indaba and Yugagro, all of which delivered strong year-on-year growth. Spring Fair also took place in the first half of the year and despite the ongoing impact from Brexit and reduced attendance by Chinese exhibitors due to coronavirus travel restrictions, the rate of decline slowed compared to the previous year. Africa Oil Week, one of the Group's 20 largest events, also performed very well delivering double digit revenue growth for the third year in a row.

After revenue of £96.3m (2019: £107.8m) in the first half, the Group's event programme was significantly impacted by the coronavirus outbreak in the second half of the year with 67 events being cancelled and three events postponed to the following year. Revenue for the second half of the year was £8.8m (2019: £112.9m), with only a number of smaller events in Russia, China and Ukraine able to run prior to the end of the period.

Loss before tax

The Group reported a loss before tax of £312.9m (2019: profit of £8.7m), after including adjusting items of £294.2m (2019: £41.7m). Impairment charges of £263.0m (2019: £nil) have been recognised in respect of a number of our business units. As a result of the coronavirus outbreak, forecast operating profits have declined significantly, reflecting event postponements and cancellations, as well as the longer lasting impact of COVID-19 on performance due to the unprecedented levels of disruption and uncertainty across every sector and market.

Headline profit before tax is an alternative performance measure used by the Group to measure underlying trading performance. After excluding adjusting items, headline loss before tax was £18.7m (2019: profit of £50.4m). Insurance proceeds of £22.0m have been received during the year in relation to claims regarding the cancellation or postponement of a number of events that were scheduled to take place in the period, partially offsetting the losses incurred due to the disruption to the Group's event schedule.

Earnings per share

Basic and diluted EPS were (171.6)p and (171.6)p respectively (2019: 2.4p[1] and 2.4p[1]). Headline diluted EPS was (13.6)p (2019: 27.8p[1]) reflecting the decline in headline profits due to the impact of coronavirus.

Financing and liquidity

In May, the Group completed a share consolidation of every 10 ordinary shares into one consolidated ordinary share. Subsequently the Group completed a fully underwritten rights issue of up to nine consolidated ordinary shares at 69p each for every four consolidated ordinary shares, to raise gross proceeds of approximately £126.6m (approximately £118.0m net of expenses).

We have obtained waivers for the leverage ratio and interest cover covenants up to and including March 2022. Up until this date a liquidity test is in place, whereby the Group must ensure that the aggregate of any cash or undrawn facility is not less than £40m at the end of each month, except between April and October 2021 being not less than £30m.

In December 2019, we refinanced our external debt facility, giving us access to a total facility of £250m, £100m as a term loan and £150m as a revolving credit facility, from a syndicate of five banks, Commerzbank, HSBC UK, Citibank, Barclays and HSBC US. The facilities terminate in December 2023 with the option, subject to certain conditions, to extend by a further year. Subsequent to the year end the first annual repayment of the term loan of £17.5m was paid in November 2020. The remaining scheduled annual repayments are for

£17.5m to be repaid in November 2021, with further repayments each subsequent November of £20.0m and £22.5m, before a final repayment of £22.5m on the termination date.

Adjusted net debt at the year-end has reduced to £67.7m (30 September 2019: £111.7m) following the receipt of £118.0m of net proceeds from the rights issue and insurance proceeds of £22.0m, offsetting the impact of the £110.1m acquisition of Shoptalk and Groceryshop.

At 30 September 2020, £121.7m of a total available £250.0m was drawn on the Group's banking facility. Bank loans presented in the Statement of Financial Position are £118.0m, net of £3.7m of capitalised borrowing costs. Subsequent to the year end the Group has drawn an additional £70m on the revolving credit facility, increasing the Group's cash position to £101m in November 2020.

1 The weighted average number of shares used for basic and diluted and headline basic and diluted earnings per share for 2019 has been restated as a result of the share consolidation and rights issue which took place during the year, in order to provide a comparative measure. As a result, basic and diluted and headline basic and diluted earnings per share for 2019 have also been restated.

Headline reconciliation

In addition to the statutory results, headline results are presented, which are the statutory results after excluding a number of adjusting items, as the Board considers this to be the most appropriate way to measure the Group's performance. In addition to providing a more comparable set of results year-on-year, this is also in line with similar adjusted measures used by our peer companies and therefore facilitates comparison across the industry.

The adjusting items presented are consistent with those disclosed in the previous year. The adjusting items have been presented separately in order to report what the Board considers to be the most appropriate measure of underlying performance of the Group and to provide additional information to users of the Annual Report.

Reconciliation of headline profit/(loss) before tax to statutory profit/(loss) before tax:

£'m	**2020**	**2019**	
Headline (loss) / profit before tax	**(18.7m)**	**50.4**	
Operating items			
Amortisation of acquired intangible assets	(29.2)	(24.1)	Definition Amortisation charge in respect of intangible assets acquired through business combinations. Explanation The charge has increased in the period, as a result of the amortisation of the intangible assets recognised following the acquisition of Shoptalk and Groceryshop in December 2019. *Why adjusted?* *To present the profitability of the business such that performance can be appraised consistently whether from organic growth or through acquisition, and irrespective of whether or not acquired intangible assets have subsequently become fully amortised.*
Impairment of assets	(263.0)	-	Definition Write down of assets to fair value, where indicators of impairment have existed or following the completion of the annual impairment review.

			<u>Explanation</u> Impairment charges totalling £263.0m have been recognised in respect of goodwill (£195.1m), acquired intangible assets (£63.4m) and investments in associates and joint ventures (£4.5m). As a result of the coronavirus outbreak, discount rates have increased due to the increased risk environment, while forecast operating profits have declined significantly across the business, reflecting event postponements and cancellations, as well as the longer lasting impact of COVID-19 on performance due to the unprecedented levels of disruption and uncertainty across every sector and market. Therefore, the forecast cash flows of certain CGUs and investments are no longer able to support their carrying value and consequently the impairment charges noted have been recognised. The charges have been recognised on the assumption that the Group's event schedule for the next financial year is significantly disrupted and that there will be a decline event-by-event versus pre-COVID forecasts for those events still expected to run. *<u>Why adjusted?</u>* *To exclude write offs specific to circumstances that arose either in the current year or based on future performance expectations. These are often inconsistent in origin and amount year-on-year and therefore the business performance is more comparable year-on-year without these charges.*
Profit / (loss) on disposal	2.3	(3.2)	<u>Definition</u> The profit or loss recognised following the disposal of part of the business, represented by the difference between the fair value of proceeds received net of related selling expenses and the disposed of net assets. <u>Explanation</u> The profit on disposal in the year relates to the disposal of the Group's event portfolios in Azerbaijan and Uzbekistan completed in August 2020. When discounted, the fair value of the consideration receivable was £4.3m at disposal, and a gain on disposal of £2.3m was recognised. In the previous year the loss primarily relates to the disposal of ITE Expo LLC, the operating company for 56 of the Group's non-core, regionally-focussed, smaller events in Russia. *<u>Why adjusted?</u>* *To exclude the non-recurring profit/loss from a disposal completed during the year, from which no future profit or loss will be recognised. This increases the comparability of the results year-on-year.*
Transaction costs on completed, pending or aborted acquisitions and disposals	(3.3)	(1.4)	<u>Definition</u> Costs incurred that are directly attributable to acquisitions or disposals, whether completed, still being actively pursued or no longer being considered. <u>Explanation</u> Transaction costs on completed and pending acquisitions and disposals relate principally to costs incurred on the acquisition of the Shoptalk and Groceryshop events completed in December 2019. The most significant of these costs are

			professional and consultancy fees incurred in relation to the due diligence and legal procedures necessary for the completion of the deal. In the previous year the costs recognised primarily related to the acquisition of Mining Indaba completed in October 2018. <u>*Why adjusted?*</u> *While transaction costs are typically incurred each year due to the acquisitive nature of the industry and the Group's focus on actively managing the existing portfolio of events while making selective product-led acquisitions, the costs incurred are not consistent year-to-year, fluctuating significantly based on the number and size of deals. Costs incurred in relation to an acquisition, while often commensurate to the size of the business being acquired, are more closely connected to the consideration payments than the performance of the business in the period. Similarly, costs incurred in relation to a disposal are linked to disposal transaction more than the underlying performance of the business in the year. Excluding the costs increases comparability of performance each year.*
Integration costs - Integration costs - Costs to realise synergies	 (0.5) -	 (5.3) (1.5)	<u>Definition</u> Costs incurred following the completion of an acquisition to integrate the acquired business within the Hyve Group, including costs incurred that are necessary to enable the Group to realise synergy savings post-acquisition. <u>Explanation</u> Integration costs of £0.5m have been incurred, primarily in relation to the integration of the Shoptalk and Groceryshop events. The costs have been incurred in relation to third-party consultancy and internal staff costs to oversee the internal and external communications relating to the acquired products, particularly regarding establishing a Hyve presence in the US, and to align the acquired products with the strategy of the Group. In the previous year integration costs of £5.3m were incurred in relation to the integration of the Ascential Events business and the Mining Indaba event, as well as £1.5m of costs incurred in order to realise the synergy opportunities presented by these acquisitions. <u>*Why adjusted?*</u> *To exclude costs that are often, for a limited period, either duplicated, higher than ordinarily would be incurred or introduced to ensure consistency of operations, systems, practices, culture and reward to the extent that these costs are not expected to be a reflection of the ongoing costs of the Group and therefore their inclusion could distort comparability with future years' results.*
Restructuring costs - TAG - Other	 (0.8) -	 (2.8) (1.4)	<u>Definition</u> Costs incurred related to transforming and restructuring the business, primarily through the Group's TAG programme. <u>Explanation</u> Restructuring costs of £0.8m relate to the finalisation of the TAG programme, including the development of the global ERP software planned to be rolled out across the finance function, prior to being suspended as a result of the cost saving measures implemented across the Group since the COVID-19

			outbreak. In the prior year other restructuring costs of £1.4m were incurred in connection with the new strategic direction of the Group, particularly in respect of the active management of the Group's portfolio of events. £1.3m of costs were incurred in relation to the shutdown of the Siberian business, principally in respect of legal fees and a litigation settlement payment following a legal claim made by the owner of the venue previously used in Siberia, the early termination of office space and some directly related staff and consultancy costs. *Why adjusted?* *The one-off costs incurred in respect of the TAG programme, over the three years from announcement in May 2017, are presented as adjusting items. The costs are attributable to professionalising and centralising the business and designing and implementing the Group's strategy. All ongoing costs introduced as a result of the TAG programme are not presented within adjusting items.*
Tax on income from associates and joint ventures	(1.5)	(1.9)	Definition The tax charge in respect of the share of profits recognised from associates and joint ventures. Explanation The tax charge in the period is directly linked to the share of profits recognised, primarily from joint ventures in the year. The decrease to £1.5m (2019: £1.9m) reflects the postponement or cancellation of events run by our ITEMF and Debindo joint ventures. *Why adjusted?* *Statutory reported profits from associates and joint ventures are presented post-tax. In order to present a measure of profit before tax for the Group that is purely pre-tax, the tax on associate and joint venture profits is added back. Instead it is included in the headline post-tax measure of profit and therefore is applied consistently with the statutory measure of post-tax profit.*
Financing items			
Revaluation of liabilities on completed acquisitions	3.2	(0.1)	Definition The revaluation of future earn-out payments in respect of completed acquisitions recognised through profit or loss. Explanation A number of the Group's acquisitions completed in recent years have future earn-out commitments, either through deferred or contingent consideration payments or through equity option liabilities to increase our current shareholdings. These are held on balance sheet at fair value and therefore change based on the latest foreign exchange rates, the proximity of the settlement date and the latest expectation of the settlement value. Revaluation of assets and liabilities on completed acquisitions and disposals include the gains from the revaluation of our equity options over non-controlling interests in our subsidiaries (credit of £3.9m), in relation to the remaining 40% interest in ABEC, the 2015 acquisition of the Indian exhibitions company including the Acetech portfolio, the imputed interest credit on the unwinding of the discount on the Group's deferred

			consideration receivable in relation to the disposal of ITE Expo LLC (credit of £0.8m), and a loss on the revaluation of the ITE Expo LLC deferred consideration (charge of £1.6m). *Why adjusted?* *As with transaction costs, in order to present results excluding deal-related costs that fluctuate year-to-year. While the costs vary based on the latest expectations of future consideration payments, often linked to performance, the outflows themselves are reflective of the cost of the acquisition rather than performance of the business in the year. Excluding the costs therefore aids comparability of the Group's performance year-on-year.*
Write off of previously capitalised debt issue costs on refinancing	(1.4)	-	Definition The accelerated non-cash amortisation of previously capitalised financing costs upon refinancing. Explanation On 17 December 2019 the Group completed the refinancing of its external debt to part-fund the acquisition of the Shoptalk and Groceryshop events, amending and restating the previous £170m facility to a new £250m facility with different terms. Costs that an entity incurs in connection with the borrowing of funds are capitalised on the balance sheet net of the drawn down loan and released over the term of the facility. The remaining deferred costs relating to the previous facility were required to be charged to the income statement immediately upon refinancing. *Why adjusted?* *The charge of the remaining deferred costs relating to the previous facility to the income statements creates a duplication of costs as they overlap with the costs for the new debt facility.*
(Loss) / Profit before tax	**(312.9)**	**8.7**	

Consolidated Income Statement
Trading summary

In 2020 the Group ran 57 events (2019: 129). The decrease is attributable to the disruption caused by the coronavirus outbreak which resulted in the majority of the Group's events in the second half of the year being postponed or cancelled. A detailed analysis of volumes, revenues and profits is presented below:

		Square Metres Sold	Revenue	Average yield	Headline Profit/(loss) Before Tax
		'000	£'m	£ per SQM	£'m
2019	**Total**	**783**	**220.7**	**282**	**50.4**
	Biennial	(12)	(2.5)		(1.8)
	Timing		0.2		(0.3)
	COVID-19 postponement[1]	(24)	(4.7)		(1.9)
	COVID-19 cancellations [1]	(318)	(96.6)		(45.6)
	Non-recurring	(8)	(2.1)		(0.3)
	Disposals	(8)	(3.2)		(0.4)
2019	Annually recurring (B)	**413**	**111.8**	**271**	**0.1**
	Acquisitions	-	-		(8.8)
	Launches	2	0.2		0.1
	Foreign exchange	-	(0.7)		4.9
	Like-for-like growth[2](A)	**(80)**	**(11.9)**		**(3.3)**
2020	Annually recurring	**335**	**99.4**	**297**	**(7.0)**
	Timing	-	(0.2)		0.1
	Biennial	29	5.9		2.2
	Insurance proceeds	-	-		22.0
	COVID-19 cancellations[3]	-	-		(36.0)
2020	**Total**	**364**	**105.1**	**289**	**(18.7)**

1 Represents the prior period performance of events that were postponed or cancelled in the current period as result of COVID-19.

2 Like-for-like growth as a percentage can be calculated by dividing like-for-like growth (A) by annually recurring (B).

3 Represents costs incurred in the current period in respect of the cancellation of events as a result of COVID-19.

Segmental results

£'m	Revenue		Headline profit/(loss) before tax	
	2020	**2019**	**2020**	**2019**
Global Brands	31.8	49.7	1.3	20.3
Asia	17.1	23.2	7.3	9.4
Central Asia	5.7	19.8	(1.0)	5.0
Eastern & Southern Europe	4.0	16.7	(2.2)	5.8
Russia	21.8	62.6	(4.4)	25.9
UK	24.7	48.7	(10.2)	15.5
Other income	-	-	22.6	0.9
Central costs	-	-	(26.8)	(25.9)
Foreign exchange gain/(loss)	-	-	2.8	(1.1)
Net finance costs	-	-	(8.1)	(5.4)
Total	**105.1**	**220.7**	**(18.7)**	**50.4**

Refer to the Divisional trading summary below for commentary on the performance of each operating segment.

Other income includes insurance proceeds of £22.0m (2019: £nil), which were received in relation to claims regarding the cancellation or postponement of a number of events that were scheduled to take place during the year.

Central costs include all costs that are not allocated to the Group's operating segments when headline profit before tax is reported to the Executive team for the purposes of allocating resource and making strategic decisions. These include the Group's corporate overheads and other central costs that are included within cost of sales. The corporate overheads are the costs of running the head office in London and are primarily comprised of staff costs, which include the Group's executive and non-executive directors, depreciation of the Group's centrally held assets and professional fees. The other central costs included within cost of sales include costs that are not event-specific but span the Group's portfolio of events.

Central costs increased in the year as a result of the enlarged size of the Group following the completion of the Group's TAG programme and the acquisitions of Shoptalk and Groceryshop, in addition to the costs associated with the restructuring of the Group's businesses in light of the pandemic. This was partially offset by the impact of the cost saving measures introduced across the Group.

Net finance costs include the interest cost on the Group's borrowings of £6.7m (2019: £5.0m) and bank charges of £1.6m (2019: £1.4m) which have increased in the year due to the financing of the Group's debt facility to fund the acquisitions of Shoptalk and Groceryshop in December 2019, as well as increased drawdowns of the facility to optimise liquidity during the early stages of the COVID-19 pandemic. Net finance costs also include the interest cost on the Group's lease liabilities of £0.7m (2019: £nil) following the Group's adoption of IFRS 16 *Leases* in the year.

In order to minimise our exposure to changes in interest rates, particularly on the Group's external bank debt, the Group holds interest rate swap contracts to provide certainty over the future interest cash flows. The objective is to protect the Company from the cash flow impact caused by the variable interest rate that applies to the Company's external bank debt. The lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item is recognised through other comprehensive income in a separate component of equity.

Foreign exchange

As a result of the territories in which we operate, we are exposed to changes in foreign exchange rates and significant movements, particularly in the Russian ruble, can have a significant impact on our results.

Further detail is provided on the impact of translational FX, which is included within the results of each division and only adjusted for when considering like-for-like measures of revenue or profit, transactional FX, which is presented separately in the Income Statement and is a gain of £2.8m in the year (2019: loss of £1.1m) and the impact on reserves recognised in the foreign currency translation reserve below.

Translational FX

Each month our subsidiary company results are translated into sterling, from the functional currencies of the subsidiary companies, on consolidation, using the prevailing foreign exchange rates for the month. Changes in foreign exchange rates result in fluctuations of the level of profits reported for the Group. The impact of the changes in foreign exchange rates is included within both the statutory and adjusted reported results, within the relevant lines in the Consolidated Income Statement. To aid comparability of trading results, when presenting like-for-like performance we adjust for the impact of changes in foreign exchange rates on translation.

The Russian ruble, Turkish lira, Chinese yuan were weaker compared to the same period in the previous year, meaning the reported results were lower than in the comparative period by £0.7m for revenue. Due to the significantly reduced number of events that ran in the year, these same currency movements meant that headline loss before tax was £1.0m higher than in the comparative period, as the costs the Group incurred on postponed and cancelled events were lower than they would have been in the comparative period.

Transactional FX

As well as translational foreign exchange movements arising on consolidation, the Group results are impacted by changes in foreign exchange rates within our subsidiary company results. Where monetary transactions are entered into in different currencies than the functional currency of the entity this gives rise to revaluation gains and losses following changes in exchange rates between the transaction date, month end and the settlement date. Each revaluation of the monetary assets and liabilities held on the balance sheet results in gains and losses, which are reported within the Consolidated Income Statement within the ‘Foreign exchange gain on operating activities’ line.

The weakening of the Russian ruble and Turkish lira throughout the financial year relative to the position at September 2019 has contributed to the gain of £2.8m (2019: loss of £1.1m) recognised in the year, which has arisen on the revaluation of foreign currency monetary assets and liabilities held in our subsidiary companies in Russia and Turkey.

In the year, a gain of £0.1m (2019: loss of £0.9m) was recognised within revenue in respect of our forward contracts, reflecting the strengthening of the euro against sterling relative to the contracted rate on entering into the forward contracts, naturally offsetting the benefit received from this strengthening within our reported revenues.

Foreign currency translation reserve

Finally, our results are impacted by the translation of the subsidiary company balance sheets each month on consolidation into sterling. A change in foreign exchange rates gives rise to a movement which is recognised within reserves in the foreign currency translation reserve. This is on translation of the company balance sheets of our subsidiary companies, which are reported in their functional currencies before being translated into sterling on consolidation, at the prevailing period end rates.

The foreign currency translation reserve increased by £5.8m, largely due to the weakening of the Russian ruble, US dollar, Turkish lira and the Indian rupee against sterling between the beginning and the end of the financial year. Due to the considerable goodwill and intangible assets held in these countries the value of the net assets within the consolidated statement of financial position has increased.

Venue arrangements

The Group has long-term arrangements with its principal venues in its main markets setting out Hyve's rights over future venue use and pricing.

The arrangements can take the form of a prepayment of future venue fees (advance payment), or a loan which can be repaid in cash or by offset against future venue fees (venue loan). Generally, the arrangements bring rights over future venue use and advantageous pricing arrangements through long-term agreements. Venue advances and prepayments are included in the Consolidated Statement of Financial Position under non-current and current assets.

Acquisitions and disposals

On 18 December 2019 the Group acquired 100% of the share capital of Shoptalk Commerce LLC ("Shoptalk") and Groceryshop LLC ("Groceryshop"), two US-based market-leading e-commerce events focussed on change and innovation of the retail and grocery industries, for total consideration of £110.1m. The consideration of £110.1m was settled £97.8m in cash, net of cash acquired, and £11.4m by forgiveness of a liability on the placement of shares with the vendors.

As a key part of our strategy, Hyve is focussed on running market-leading events and continues to actively manage its portfolio to align with this strategy. In August 2020 the Group disposed of its entire event portfolio in Azerbaijan and Uzbekistan for total consideration of up to £9.5m, payable over a number of years. When discounted, the fair value of the consideration receivable was £4.3m at disposal.

At 30 September 2020, equity options are held over further interests in our subsidiary companies, ABEC, Fasteners and Scoop. The equity option held over further interest in our joint venture company Debindo expired in the year.

Consolidated Statement of Financial Position

The Group's Consolidated Statement of Financial Position at 30 September 2020 is summarised in the table below:

	30 September 2020	30 September 2019
	£m	£m
Goodwill and other intangible assets	307.4	480.6
Interests in associates and joint ventures	37.4	43.4
Other non-current assets	26.9	18.0
Total non-current assets	**371.7**	**542.0**
Trade debtors	14.3	36.0
Cash	50.3	33.0
Other current assets	20.8	26.4
Total current assets	**85.4**	**95.4**
Deferred income	(61.3)	(80.0)
Bank loan	(118.0)	(144.7)
Other liabilities	(100.9)	(90.8)
Total liabilities	**(280.2)**	**(315.5)**
Share capital and share premium	186.8	287.2
Translation reserve	(50.9)	(45.1)
Other reserves	19.1	56.9
NCI	21.9	22.8
Total equity	**176.9**	**321.8**

Total non-current assets

Impairment charges of £258.5m (2019: £nil) have been recognised in respect of the goodwill and intangible assets for a number of our business units as a result of the COVID-19 pandemic, offsetting the goodwill and intangible assets of £120.6m recognised in respect of the acquisitions of Shoptalk and Groceryshop in December 2019. The annual amortisation charge on intangible assets was £29.2m (2019: £24.1m).

Other non-current assets have increased following the Group's transition to IFRS 16 and the subsequent recognition of right-of-use assets of £15.7m in respect of the Group's office leases. An impairment charge of £4.5m (2019: £nil) has been recognised in respect of our Debindo joint venture. The depreciation charge on property, plant and equipment (including right-of-use assets) was £4.8m (2019: £1.7).

Total current assets

Trade debtors has declined in the period as a result of the cancellation of a number of events scheduled to take place in the first half of the next financial year. Any trade debtors relating to these events have been derecognised where the customer had not yet agreed to rollover their contracts to the following edition as at 30 September 2020.

Cash balances increased to £50.3m (2019: £33.0m) following the receipt of £118.0m of net proceeds from the rights issue and insurance proceeds of £22.0m in relation to claims regarding the cancellation or postponement of a number of events that were scheduled to take place in the period.

Other current assets have declined following the impairment of prepayments made in relation to events scheduled to take place in the first half of the next financial year that were cancelled prior to 30 September 2020.

Total liabilities

Deferred income has declined in the period as a result of the cancellation of a number of events scheduled to take place in the first half of the next financial year. Any deferred income relating to these events has been derecognised where the customer had not yet agreed to rollover their contracts to the following edition as at 30 September 2020.

The bank loan balance of £118.0m (2019: £144.7m) has decreased following repayments made on the facility prior to the end of the period, offsetting the drawdowns of the facility to optimise liquidity during the early stages of the COVID-19 pandemic.

Other liabilities have increased following the Group's transition to IFRS 16 and the subsequent recognition of lease liabilities of £17.0m. Liabilities of £23.6m have been recognised in respect of cash advances received on cancelled events from customers who had not yet agreed to rollover their contracts to the following edition as at 30 September 2020.

Total equity

In May 2020, the Group completed a share consolidation of every 10 existing ordinary shares into one consolidated ordinary share. All share amounts noted below are disclosed on a post-consolidation basis.

In December 2019, the Group announced a fully underwritten non pre-emptive placing of up to 5,958,454 new ordinary shares raising net proceeds of £50.0m to part-fund the acquisitions of Shoptalk and Groceryshop. Alongside this a subscription of 1,457,7261 new ordinary shares was completed by the founders and certain other management shareholders of Shoptalk and Groceryshop following the acquisition, equivalent to consideration of £11.4m.

In June 2020, the Group issued 183,550,081 ordinary shares of 10p each through a nine for four rights issue at 69p per share and raised net proceeds of £118.0m to provide liquidity to the Group in the face of the COVID-19 outbreak.

In February 2020 the Group completed a share capital reduction, transferring £279.8m from share premium to retained earnings.

Divisional Trading Summary

Global Brands

	2020 £'m	2019 £'m	Change	Like-for-like change
Revenue	31.8	49.7	-36%	+9%
Headline profit before tax	1.3	20.3	-90%	

The Global Brands division comprises Africa Oil Week, Breakbulk, Mining Indaba, Bett, CWIEME and the Shoptalk and Groceryshop events acquired in December 2019. Overall revenues fell by 36% from the comparative period as a result of the cancellation of a number of events due to COVID-19, including Breakbulk Europe and CWIEME Berlin. The impact on headline profits was even greater as a result of unavoidable costs incurred in respect of event cancellations, including costs in relation to the newly acquired Shoptalk and Groceryshop events.

Africa Oil Week ran in November 2019, achieving double-digit like-for-like revenue growth for the third year running, demonstrating the positive impact of the new portfolio and event leadership and the benefits of the TAG investment the event has received in recent years. In the same portfolio, Mining Indaba ran in February and also performed very well with the event now fully integrated in the Global Brands division having had a full show cycle under Hyve ownership, delivering double-digit like-for-like revenue growth.

Bett, the education technology event, returned to revenue growth after the decline reported in the prior period. This was possible as a result of the investments made in the event team since acquisition in July 2018, as well as the restructuring of the event team and adoption of Hyve's best practice.

Shoptalk and Groceryshop, the two US-based market-leading e-commerce events focussed on the retail and grocery segments acquired in December 2019, were originally due to take place for the first time under Hyve's ownership in March and September respectively. Unfortunately, both were cancelled for 2020 as a result of COVID-19.

Asia

	2020 £'m	2019 £'m	Change	Like-for-like change
Revenue	17.1	23.2	-26%	-21%
Headline profit before tax	7.3	9.4	-23%	

The Asia division comprises our businesses in India and China as well as joint venture partnerships in both China and Indonesia. Revenues for the Asia division were down 26% from the comparative period and profits were down 23% due to the impact of COVID-19.

A significant contributor to the division's profits is the ChinaCoat event operated by our 50% owned joint venture partner, Sinostar. The event took place prior to the outbreak of coronavirus and contributed £6.8m (2019: £6.9m) to headline profit before tax.

As China felt the impact of COVID-19 much earlier than the rest of the world and government measures were therefore relaxed at an earlier stage, the Group was able to run a number of domestic events in the region prior to the end of the year and the region's event schedule was largely unaffected, although the events that ran subsequent to the pandemic were smaller than in the previous year.

The Group's Acetech portfolio of construction events in India ran in the first half of the year prior to the outbreak. These events are operated by our 60% owned subsidiary ABEC. The performance across the portfolio reflected a challenging trading environment in the Indian construction sector. This was compounded by delays to the completion of the Pragati Maidan venue in Delhi which impacted the Acetech

Delhi event in December 2019. Conversely, the biennial Indian paper event, Paperex, which is operated by a fully owned Hyve entity, achieved double-digit growth compared to the previous edition two years ago. A number of smaller events in India run by ABEC were cancelled in the second half of the year as a result of COVID-19.

Central Asia

	2020 £'m	2019 £'m	Change	Like-for-like change
Revenue	5.7	19.8	-71%	+25%
Headline (loss)/profit before tax	(1.0)	5.0	-119%	

The Central Asia division now just includes our events in Kazakhstan following the disposal of our entire event portfolios in Azerbaijan and Uzbekistan in August 2020. Revenues for the division were down 71% from the comparative period due to the impact of COVID-19, which also had a significant impact on the division's profitability.

Kazakhstan reported like-for-like growth prior to the pandemic, driven by the Agroworld Kazakhstan event. A number of events in the second half of the year were cancelled.

Prior to its disposal the Uzbekistan business performed well with the region benefiting from the new, investment-friendly Presidential regime, driving revenue growth across the majority of its events in the first half of the year prior to the COVID-19 pandemic.

All Azerbaijan events were scheduled to take place in the second half of the year but were cancelled due to COVID-19 prior to the business being disposed of.

Eastern and Southern Europe

	2020 £'m	2019 £'m	% change	% change Like-for-like
Revenue	4.0	16.7	-76%	-44%
Headline (loss)/profit before tax	(2.2)	5.8	-138%	

The Eastern & Southern Europe division is comprised of our event portfolios in Turkey and Ukraine. Revenues for the division were down 76% from the comparative period primarily due to the impact of COVID-19, in addition to it being the weaker biennial year for the division. The shortfall in revenue contributed to a significant reduction in the division's profits.

The only Turkish event to take place prior to the pandemic was EMITT, the international travel and tourism event in Istanbul. Despite challenges in the macroeconomic environment in Turkey the event delivered revenue in line with the comparative period event on a like-for-like basis. All remaining events in Turkey's portfolio were postponed or cancelled for the year.

Government measures in Ukraine were lifted towards the end of the year and the division was able to run a number of domestic events in August and September, but performance was significantly impacted by COVID-19 and the restrictions only being lifted weeks before the events were held.

Russia

	2020 £'m	2019 £'m	% change	% change Like-for-like
Revenue	21.8	62.6	-65%	-22%
Headline (loss)/profit before tax	(4.4)	25.9	-117%	

Revenues on Russian events were 65% lower than the comparative period. The division was performing very well prior to the COVID-19 pandemic with a notably strong performance at Yugagro, the agriculture event in Krasnodar, which delivered another year of double-digit like-for-like revenue growth, reflecting the continued positive impact the TAG investments have had.

The majority of other Russian events were cancelled for the year, including Mosbuild which is the division's largest event and one of the largest events in the Group. As the Group still incurred significant unavoidable costs in respect of these events there was limited mitigation of the revenue shortfall on profits.

Following the lifting of government measures in August, the Group was able to run its first Russian events since lockdown, including WorldFood Moscow. However, as one of the region's most international events it was significantly impacted by COVID-19 with international exhibitors and visitors unable to attend and the limited time for customers to prepare for the event.

UK

	2020 £'m	2019 £'m	% change	% change Like-for-like
Revenue	24.7	48.7	-49%	-12%
Headline (loss)/profit before tax	(10.2)	15.5	-166%	

The UK division comprises Spring and Autumn Fair, Glee and our UK fashion portfolio which includes Pure and Moda. Revenue fell compared to the comparative period by 49% due to the impact of COVID-19. The impact on headline profits was even greater as a result of unavoidable costs incurred in respect of event cancellations.

Spring Fair is the second largest event in the Hyve portfolio and took place in February at the NEC in Birmingham prior to the pandemic. Despite the ongoing impact from Brexit and reduced attendance by Chinese exhibitors due to COVID-19 travel restrictions, the rate of decline slowed compared to the previous year, reflecting progress and investments made by the new management team.

Events across the fashion portfolio struggled in the first half of the year, impacted by Brexit uncertainty and the challenged UK high street. The two largest brands in the fashion portfolio are Pure, the high-end fashion event which runs twice per year in Olympia, and Moda, the mid-market focussed fashion event held twice annually at the NEC in Birmingham. Both February editions reported like-for-like double-digit revenue declines as a result of challenges faced in the sector and reduced attendance by Chinese exhibitors due to COVID-19 travel restrictions.

All UK events due to take place in the second half of the year were cancelled, including Autumn Fair, Glee, Pure and Moda

Consolidated Income Statement

	Notes	Year ended 30 September 2020 Headline £000	Adjusting items (Note 5) £000	Statutory £000	Year ended 30 September 2019 Headline (restated[1]) £000	Adjusting items (Note 5) £000	Statutory (restated[1]) £000
Revenue	3	**105,082**	**-**	**105,082**	220,723	-	220,723
Cost of sales		**(100,903)**	**-**	**(100,903)**	(131,619)	-	(131,619)
Impairment loss in respect of trade receivables		**(2,891)**		**(2,891)**	(1,724)		(1,724)
Gross profit		**1,288**	**-**	**1,288**	87,380	-	87,380
Other operating income	3	**22,578**	**-**	**22,578**	934	-	934
Administrative expenses		**(43,065)**	**(294,531)**	**(337,596)**	(39,708)	(39,691)	(79,399)
Foreign exchange gain/(loss) on operating activities		**2,806**	**-**	**2,806**	(1,140)	-	(1,140)
Share of results of associates and joint ventures	3	**5,748**	**(1,536)**	**4,212**	8,297	(1,900)	6,397
Operating (loss)/profit	4	**(10,645)**	**(296,067)**	**(306,712)**	55,763	(41,591)	14,172
Investment revenue	6	**611**	**4,804**	**5,415**	1,019	1,335	2,354
Finance costs	7	**(8,663)**	**(2,957)**	**(11,620)**	(6,374)	(1,439)	(7,813)
(Loss)/profit before tax	3	**(18,697)**	**(294,220)**	**(312,917)**	50,408	(41,695)	8,713
Tax (charge)/credit	8	**(4,360)**	**14,457**	**10,097**	(13,115)	8,530	(4,585)
(Loss)/profit		**(23,057)**	**(279,763)**	**(302,820)**	37,293	(33,165)	4,128
Attributable to:							
Owners of the Company		**(23,985)**	**(279,763)**	**(303,748)**	36,313	(33,165)	3,148
Non-controlling interests		**928**	**-**	**928**	980	-	980
		(23,057)	**(279,763)**	**(302,820)**	37,293	(33,165)	4,128
Earnings per share (p)							
Basic	10	**(13.6)**	**-**	**(171.6)**	27.8		2.4
Diluted	10	**(13.6)**	**-**	**(171.6)**	27.8		2.4

1 The weighted average number of shares used for basic and diluted and headline basic and diluted earnings per share for 2019 has been restated as a result of the share consolidation and rights issue which took place during the year, in order to provide a comparative measure. As a result, basic and diluted and headline basic and diluted earnings per share for 2019 have also been restated.

The results stated above relate to continuing activities of the Group. The accompanying notes 1 to 17 form an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

	Notes	**2020 £000**	2019 £000
(Loss)/profit for the year attributable to shareholders		**(302,820)**	4,128
Cash flow hedges:			
Movement in fair value of cash flow hedges		**(763)**	269
Fair value of cash flow hedges released to the income statement		**52**	655
Currency translation movement on net investment in subsidiary undertakings		**(5,603)**	7,561
Total other comprehensive (loss)/income		**(6,314)**	8,485
		(309,134)	12,613
Tax relating to components of comprehensive (loss)/income	9	**-**	(153)
Total comprehensive (loss)/income for the year		**(309,134)**	12,460
Attributable to:			
Owners of the Company		**(310,062)**	11,480
Non-controlling interests		**928**	980
		(309,134)	12,460

All items recognised in comprehensive income may be reclassified subsequently to the income statement.

The accompanying notes 1 to 17 form an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

	Share capital £000	Share premium account £000	Merger reserve £000	Capital redemption reserve £000	ESOT reserve £000	Retained earnings £000	Equity option reserve £000	Translation reserve £000	Hedge reserve £000	Total £000	Non-controlling interests £000	Total equity £000
Balance as at 1 October 2019	7,416	279,756	2,746	457	(2,787)	70,009	(13,255)	(45,133)	(247)	298,962	22,803	321,765
Effect of initial application of IFRS 16 on 1 October 2019 (note 2)	-	-	-	-	-	(334)	-	-	-	(334)	-	(334)
Revised balance as at 1 October 2019	**7,416**	**279,756**	**2,746**	**457**	**(2,787)**	**69,675**	**(13,255)**	**(45,133)**	**(247)**	**298,628**	**22,803**	**321,431**
Net loss for the year	-	-	-	-	-	(303,748)	-	-	-	**(303,748)**	928	**(302,820)**
Currency translation movement on net investment in subsidiary undertakings	-	-	-	-	-	-	-	(5,603)	-	**(5,603)**	-	**(5,603)**
Movement in fair value of cash flow hedges	-	-	-	-	-	-	-	-	(763)	**(763)**	-	**(763)**
Fair value of cash flow hedges released to the income statement	-	-	-	-	-	-	-	-	52	**52**	-	**52**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(303,748)**	**-**	**(5,603)**	**(711)**	**(310,062)**	**928**	**(309,134)**
Dividends (note 9)	-	-	-	-	-	(13,012)	-	-	-	**(13,012)**	(1,809)	**(14,821)**
Exercise of share options	-	-	-	-	(388)	-	-	-	-	**(388)**	-	**(388)**
Share-based payments	-	-	-	-	-	556	-	-	-	**556**	-	**556**
Issue of shares – share placement	596	49,413	-	-	-	-	-	-		**50,009**	-	**50,009**
Issue of shares - subscription	146	11,283	-	-	-	-	-	-		**11,429**	-	**11,429**
Issue of shares – rights issue	18,355	99,632	-	-	-	-	-	-	-	**117,987**	-	**117,987**
Capital reduction	-	(279,813)	-	-	-	279,813	-	-	-	**-**	-	**-**
Tax credited to equity	-	-	-	-	-	63	-	-	-	**63**	-	**63**
Disposal of subsidiary	-	-	-	-	-	-	-	(186)	-	**(186)**	-	**(186)**
Balance as at 30 September 2020	**26,513**	**160,271**	**2,746**	**457**	**(3,175)**	**33,347**	**(13,255)**	**(50,922)**	**(958)**	**155,024**	**21,922**	**176,946**

The accompanying notes 1 to 17 form an integral part of the consolidated financial statements.

	Share capital £000	Share premium account £000	Merger reserve £000	Capital redemption reserve £000	ESOT reserve £000	Retained earnings £000	Equity option reserve £000	Translation reserve £000	Hedge reserve £000	Total £000	Non-controlling interests £000	Total equity £000
Balance as at 1 October 2018	**7,416**	**279,756**	**2,746**	**457**	**(2,794)**	**80,800**	**(13,255)**	**(53,073)**	**(1,018)**	**301,035**	**23,847**	**324,882**
Net profit for the year	-	-	-	-	-	3,148	-	-	-	**3,148**	980	**4,128**
Currency translation movement on net investment in subsidiary undertakings	-	-	-	-	-	-	-	7,561	-	**7,561**	-	**7,561**
Movement in fair value of cash flow hedges	-	-	-	-	-	-	-	-	269	**269**	-	**269**
Fair value of cash flow hedges released to the income statement	-	-	-	-	-	-	-	-	655	**655**	-	**655**
Tax relating to components of comprehensive income (note 8)	-	-	-	-	-	**-**	**-**	**-**	(153)	**(153)**	-	**(153)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**3,148**	**-**	**7,561**	**771**	**11,480**	**980**	**12,460**
Dividends (note 9)	-	-	-	-	-	(14,043)	-	-	-	**(14,043)**	(1,978)	**(16,021)**
Exercise of share options	-	-	-	-	7	(8)	-	-	-	**(1)**	-	**(1)**
Share-based payments	-	-	-	-	-	112	-	-	-	**112**	-	**112**
Disposal of subsidiary	-	-	-	-	-	-	-	379	-	**379**	(46)	**333**
Balance as at 30 September 2019	**7,416**	**279,756**	**2,746**	**457**	**(2,787)**	**70,009**	**(13,255)**	**(45,133)**	**(247)**	**298,962**	**22,803**	**321,765**

Consolidated Statement of Financial Position

	Notes	2020 £000	2019 £000
Non-current assets			
Goodwill	11	**66,829**	209,970
Other intangible assets		**240,572**	270,608
Property, plant and equipment		**17,964**	5,167
Interests in associates and joint ventures		**37,444**	43,374
Investments		**1,540**	500
Deferred consideration receivable > 1 year		**6,865**	3,795
Deferred tax asset		**460**	8,547
		371,674	541,961
Current assets			
Trade and other receivables		**33,731**	59,024
Tax prepayment		**1,374**	3,300
Cash and cash equivalents		**50,330**	33,027
		85,435	95,351
Total assets		**457,109**	637,312
Current liabilities			
Bank loan and overdrafts	14	**(17,500)**	(17,500)
Trade and other payables		**(58,454)**	(33,390)
Deferred income		**(61,276)**	(79,701)
Corporation tax		**(1,360)**	(1,929)
Derivative financial instruments		**(9,393)**	(12,955)
Provisions		**(170)**	(306)
		(148,153)	(145,781)
Non-current liabilities			
Bank loan and overdrafts	14	**(100,485)**	(127,205)
Provisions		**(1,547)**	(1,505)
Deferred income		**-**	(291)
Lease liabilities		**(15,332)**	-
Deferred tax liabilities		**(13,773)**	(40,655)
Derivative financial instruments		**(873)**	(110)
		(132,010)	(169,766)
Total liabilities		**(280,163)**	(315,547)
Net assets		**176,946**	321,765
Equity			
Share capital	15	**26,513**	7,416
Share premium account		**160,271**	279,756
Merger reserve		**2,746**	2,746
Capital redemption reserve		**457**	457
Employee Share Ownership Trust (“ESOT”) reserve		**(3,175)**	(2,787)
Retained earnings		**33,347**	70,009
Equity option reserve		**(13,255)**	(13,255)
Translation reserve		**(50,922)**	(45,133)
Hedge reserve		**(958)**	(247)
Equity attributable to equity holders of the parent		**155,024**	298,962
Non-controlling interests		**21,922**	22,803
Total equity		**176,946**	321,765

The accompanying notes 1 to 17 form an integral part of the consolidated financial statements.

The financial statements of Hyve Group plc, registered company number 01927339, were approved by the Board of Directors and authorised for issue on 1 December 2020. They were signed on their behalf by:

Mark Shashoua

John Gulliver

Chief Executive Officer

Chief Finance and Operations Officer

Consolidated Cash Flow Statement

	Notes	2020 £000	2019 £000
Operating activities			
Operating (loss)/profit		**(306,712)**	14,172
Adjustments:			
Depreciation and amortisation		**36,425**	27,032
Impairment of goodwill, intangible assets and investments in associates and JVs		**263,015**	-
Share-based payments		**579**	63
Decrease in provisions		**(119)**	(1,278)
(Profit)/loss on disposal of plant, property and equipment and computer software		**(8)**	10
(Profit)/loss on disposal of subsidiary holdings		**(2,263)**	3,154
Fair value of cash flow hedges recognised in the income statement		**52**	654
Share of profit from associates and joint ventures		**(4,212)**	(6,397)
Operating cash flows before movements in working capital		**(13,243)**	37,410
Decrease/(increase) in receivables		**31,285**	(4,346)
Prepayments to venues		**(1,630)**	(730)
Utilisation of venue prepayments		**726**	719
Decrease in deferred income		**(28,823)**	(96)
Increase in payables		**14,910**	1,249
Operating cash flows after movements in working capital		**3,225**	34,206
Dividends received from associates and joint ventures		**4,528**	6,147
Cash generated from operations		**7,753**	40,353
Tax paid		**(2,713)**	(11,548)
Net cash from operating activities		**5,040**	28,805
Investing activities			
Interest received	6	**611**	1,019
Acquisition of Investments		**(1,040)**	(500)
Acquisition of businesses – cash paid net of cash acquired	13	**(97,757)**	(31,478)
Purchase of plant, property and equipment and computer software		**(1,942)**	(3,776)
Disposal of plant, property and equipment and computer software		**-**	70
Disposal of subsidiaries and investments – cash received net of cash disposed		**(650)**	(462)
Net cash utilised on investing activities		**(100,778)**	(35,127)
Financing activities			
Equity dividends paid		**(12,995)**	(14,077)
Dividends paid to non-controlling interests		**(1,808)**	(1,978)
Interest paid and bank charges	7	**(7,980)**	(6,374)
Principal lease payments		**(3,940)**	-
Proceeds from the issue of share capital and exercise of share options		**179,084**	-
Fees relating to issue of share capital		**(11,088)**	-
Acquisition of shares for ESOT		**(388)**	-
Drawdown of borrowings		**145,321**	258,457
Repayment of borrowings		**(173,432)**	(246,330)
Net cash inflow/(outflow) from financing activities		**112,774**	(10,302)
Net increase/(decrease) in cash and cash equivalents		**17,036**	(16,624)
Cash and cash equivalents at beginning of year		**33,027**	49,649
Effect of foreign exchange rates		**267**	2
Cash and cash equivalents at end of year		**50,330**	33,027

The accompanying notes 1 to 17 form an integral part of the consolidated financial statements.

Notes to the Consolidated Accounts

1 Basis of accounting

Whilst the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards ("IFRS"), this announcement does not contain sufficient information to comply with IFRS. The Company expects to publish full financial statements that comply with IFRS later in December 2020. These will be available at www.hyve.group.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 30 September 2020 or 2019 but is derived from those accounts. Statutory accounts for 2019 have been delivered to the Registrar of Companies and those for 2020 will be delivered following the Company's annual general meeting. The auditors have reported on those accounts; their reports were unqualified, did not draw attention to any matters by way of emphasis without qualifying their report and did not contain statements under s498(2) or (3) Companies Act 2006 or equivalent preceding legislation.

The Directors have, at the time of approving the Consolidated Financial Statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the Group's accounting policies, a number of judgements and estimates have been made by management. Those that have the most significant effect on the amounts recognised in the financial statements or have the most risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical accounting judgements

Adjusting items

The classification of adjusting items requires significant management judgement after considering the nature and intentions of a transaction. The Group's definitions of adjusting items are outlined within both the Group accounting policies and the Glossary. These definitions have been applied consistently year on year.

Note 5 provides further details on current year adjusting items.

Valuation of separately identifiable intangible assets

To determine the value of separately identifiable intangible assets on a business combination, and deferred tax on those intangible assets, the Group is required to make judgements when utilising valuation methodologies. The valuation is based upon discounted cash flows models and includes judgements in relation to future cash flows, discount rates intended to reflect the risk adjusted cost of capital in the territory of the acquisition, revenue forecasts and the estimates for the useful economic lives of intangible assets. There are significant judgements involved in assessing what amounts should be recognised as the estimated fair value of assets and liabilities acquired through business combinations, particularly the amounts attributed to separate intangible assets such as trademarks and customer relationships. These judgements impact the amount of goodwill recognised on acquisition. Any provisional amounts are subsequently finalised within the 12-month measurement period, as permitted by *IFRS 3 Business Combinations*. The Group considers the advice of third-party independent valuers to identify and calculate the valuation of intangible assets on acquisition. Details of acquisitions in the year are set out in Note 12.

Key sources of estimation uncertainty

Impairment of goodwill and intangible assets

There are a number of estimates management considers when determining value in use, most significantly the growth rates applied to future cash flows and the discount rates used to derive the present value of those cash flows. Growth rates reflect management's view of the long-term forecast rates of growth, using third party sources such as the International Monetary Fund where appropriate. Discount rates are selected to reflect the risk adjusted cost of capital for the respective territories. The most significant area of estimation uncertainty relates to forecast cash flows at each cash generating unit. Forecast cash flows are based on Board approved budgets and plans. A significant change in the assumptions used in determining the value in use of certain cash generating units (CGUs), could potentially result in an impairment charge being recognised in relation to these CGUs.

See Note 11 for further detail.

The carrying value of goodwill and intangible assets at 30 September 2020 is £66.8m (2019: £210.0m) and £240.6m (2019: £270.6m) respectively.

Deferred consideration receivable

The valuation of deferred consideration receivable of £8.1m (2019: £5.5m), recognised upon disposal of the Group's businesses, is significantly impacted by the estimation of the discount rate used in determining the present value of the consideration. The discount rate is selected to reflect the risk adjusted cost of capital for the territory in which the disposal has taken place, as well as the size and credit risk of the buyer.

2 Impact of new accounting standards

In the current year, the Group has applied IFRS 16 *Leases*, issued by the International Accounting Standards Board (IASB) and mandatorily effective for the Group's accounting period that began on 1 October 2019.

Details of the impact of IFRS 16 are given below. The remaining new and amended standards and interpretations issued by the IASB that apply for the first time in these financial statements are not expected to impact the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

IFRS 16 Leases

Effective 1 January 2019, IFRS 16 has replaced IAS 17 *Leases* and IFRIC 4 *Determining whether an Arrangement Contains a Lease*. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17, with the distinction between operating leases and finance leases being retained. The Group does not have significant leasing activities acting as a lessor.

(a) Transition Method and Practical Expedients Utilised

The Group adopted IFRS 16 using the modified retrospective approach, with recognition of transitional adjustments on the date of initial application (1 October 2019), without restatement of comparative figures. The Group elected to apply the practical expedient to not reassess whether a contract is or contains a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. The definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 October 2019.

IFRS 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. The Group applied the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- Apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for most leases. However, the Group has elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less.

The treatment of venue leases is expected to remain unchanged, due to the cumulative tenancy dates over the term of each venue lease being less than 12 months. All current venue contracts are therefore treated as short term leases and excluded from the assessment under the related practical expedient.

On adoption of IFRS 16, the Group recognised right-of-use assets and lease liabilities primarily in relation to leases of office space, which had previously been classified as operating leases. The lease liabilities were measured at the present value of the remaining lease payments, discounted using an incremental borrowing rate as at 1 October 2019. Incremental borrowing rates were calculated for each of the Group's material leases, representing the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions in the region where the lease is situated. Incremental borrowing rates were calculated for the United Kingdom, Russia and United States. The weighted-average rate applied was 3.4%.

The right-of-use assets were measured either at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments, or at the carrying value that would have resulted from IFRS 16 being applied from the commencement date of the leases, subject to the practical expedients noted above.

The following table presents the impact of adopting IFRS 16 on the statement of financial position as at 1 October 2019:

	£'000
Right of use assets recognised	15,686
Lease liabilities recognised	(17,038)
Other adjustments to statement of financial position on transition:	
Provisions	1,056
Accruals	73
Prepayments	(370)
Deferred tax asset	259
Net reduction in retained earnings	**(334)**

Included in profit or loss for the period is £3.1m of depreciation of right-of-use assets and £0.6m of finance expense on lease liabilities. Short-term and low-value leases included in profit or loss for the period were £30.9m including venue lease costs of £30.4m.

The following table reconciles the minimum lease commitments disclosed in the Group's 30 September 2019 annual financial statements to the amount of lease liabilities recognised on 1 October 2019:

	Land and buildings £'000	**Venues £'000**
Minimum operating lease commitment at 30 September 2019	17,345	99,056
Short-term leases not recognised under IFRS 16	(265)	(99,056)
Low value leases not recognised under IFRS 16	(5)	-
Other adjustments to the statement of financial position	759	-
Lease payments previously excluded	1,264	-
Undiscounted lease payments	**19,098**	**-**
Effect of discounting	(2,060)	-
Lease liabilities	**17,038**	**-**

Other adjustments to the statement of financial position consists of lease provisions, accruals and prepayments.

Certain lease payments previously excluded from the disclosure of minimum operating lease commitments at 30 September 2019 have now been included on adoption of IFRS 16, primarily due to the existence of renewal options and automatic renewal mechanisms which means these contracts in substance have lease terms greater than 12 months.

(b) Significant Accounting Policies subsequent to Transition

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a term of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. None of the Group's contractual lease liabilities include variable lease payments.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or rate or when there is a change in the assessment of the term of any lease.

Use of estimates and judgements

There have been no material revisions to the nature and amount of estimates of amounts reported in prior periods except where the implementation of IFRS 16 discussed above requires a different approach to the accounting previously applied. Significant estimates and judgements that have been required for the implementation of this new standard are:

- The determination of whether an arrangement contains a lease;
- The determination of lease term for some lease contracts in which the Group is a lessee that include renewal options and termination options, and the determination whether the Group is reasonably certain to exercise such option; and
- The determination of the incremental borrowing rate used to measure lease liabilities.

Liabilities of £1.0m were recognised at transition in relation to leases with a form of renewal option or autorenewal mechanism in the lease contracts which the Group is reasonably certain will be exercised.

The measurement of the lease liabilities on transition is most sensitive to the incremental borrowing rates used. The Group has conducted a sensitivity analysis taking into consideration the impact of a change in the incremental borrowing rates.
A 1% increase across the incremental borrowing rates used in measuring the lease liabilities would decrease those lease liabilities on transition by £0.5m (3%). A 1% decrease across the incremental borrowing rates used in measuring the lease liabilities would increase those lease liabilities on transition by £0.6m (3%).

Impact of accounting standards to be applied in future periods

The Group has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for the Group's accounting period beginning on or after 1 October 2020. These standards and interpretations in future periods will not have a material impact on the financial statements of the Group.

3 Segmental information

The Group has identified reportable segments based on financial information used by the Executive Team in allocating resources and making strategic decisions. The Executive Team (consisting of the Chief Executive Officer, Chief Finance and Operations Officer, Chief People Officer and General Counsel), are considered to be the Group's Chief Operating Decision Maker. The Group evaluates performance on the basis of headline profit or loss before tax.

The Group's reportable segments are operational business units and groups of events that are managed separately, either based on geographic location or as portfolios of events. The products and services offered by each business unit are identical across the Group.

The revenue and headline profit before tax are attributable to the Group's one principal activity, the organisation of trade exhibitions, conferences and related activities and can be analysed by operating segment as follows:

Year ended 30 September 2020	**Global Brands £000**	**Asia £000**	**Central Asia £000**	**Eastern & Southern Europe £000**	**Russia £000**	**UK £000**	**Total Group £000**
Revenue	**31,835**	**17,069**	**5,717**	**4,010**	**21,781**	**24,670**	**105,082**
Segment headline profit before tax	**1,281**	**7,267**	**(948)**	**(2,243)**	**(4,382)**	**(10,202)**	**(9,227)**
Other operating income							**22,578**
Unallocated costs							**(32,048)**
Headline profit before tax							**(18,697)**
Adjusting items (note 5)							**(294,220)**
Profit before tax							**(312,917)**
Tax							**10,097**
Profit after tax							**(302,820)**

The revenue in the year of £105.1m includes £2.9m (2019: £5.6m) of marketing and advertising services revenues and £0.6m (2019: £1.5m) of barter sales. No individual customer amounts to more than 10% of Group revenues.

Other operating income includes insurance proceeds received in the year of £22.0m (2019: £nil) in relation to claims regarding the cancellation or postponement of a number of events that were scheduled to take place in the period. The gross proceeds are recognised in the income statement as other operating income when the receipt of the proceeds is virtually certain. Please refer to the Chief Finance and Operations Officer's statement for further detail.

Unallocated costs include:

- Head office costs;
- Foreign exchange gains and losses on translation of monetary assets and liabilities held in Group subsidiary companies that are denominated in currencies other than the functional currency of the subsidiaries; and
- Net finance costs.

The Group's share of profits from associates and joint ventures, capital expenditure and amortisation and depreciation can be analysed by operating segment as follows:

Year ended 30 September 2020	**Global Brands £000**	**Asia £000**	**Central Asia £000**	**Eastern & Southern Europe £000**	**Russia £000**	**UK £000**	**Total Group £000**
Share of results of associates and joint ventures							
Share of results before tax	**-**	**6,028**	**-**	**-**	**(280)**	**-**	**5,748**
Tax	**-**	**(1,536)**	**-**	**-**	**-**	**-**	**(1,536)**
Share of results after tax	**-**	**4,492**	**-**	**-**	**(280)**	**-**	**4,212**
Capital expenditure							
Segment capital expenditure	**124**	**51**	**51**	**17**	**93**	**8**	**344**
Unallocated capital expenditure							**1,598**
							1,942
Depreciation and amortisation							
Segment depreciation and amortisation	**18,280**	**3,946**	**228**	**2,084**	**822**	**6,296**	**31,656**
Unallocated depreciation and amortisation							**4,769**
							36,425

The impairment charges in respect of goodwill, intangible assets, investments in associates and joint ventures, and other assets can be analysed by operating segment as follows:

	2020 £000	2019 £000
Global Brands	**(120,642)**	-
Asia	**(28,354)**	-
Central Asia	**(596)**	-
Eastern & Southern Europe	**(5,157)**	-
Russia	-	-
UK	**(108,266)**	-
	(263,015)	-

The Group's assets and liabilities can be analysed by operating segment as follows:

30 September 2020	Global Brands £000	Asia £000	Central Asia £000	Eastern & Southern Europe £000	Russia £000	UK £000	Total Group £000
Assets							
Segment assets	241,240	64,629	6,811	9,682	42,345	55,697	420,404
Unallocated assets							36,705
							457,109
Liabilities							
Segment liabilities	(54,305)	(28,293)	(3,189)	(7,428)	(31,444)	(10,959)	(135,618)
Unallocated liabilities							(144,545)
							(280,163)
Net assets							176,946

All assets and liabilities are allocated to reportable segments except for certain centrally held balances, including property, plant and equipment and computer software relating to the Group's head office function, the Group's bank loan, and taxation (current and deferred).

Year ended 30 September 2019	Global Brands £000	Asia £000	Central Asia £000	Eastern & Southern Europe £000	Russia £000	UK £000	Total Group £000
Revenue	**49,708**	**23,157**	**19,816**	**16,721**	**62,643**	**48,678**	**220,723**
Segment headline profit before tax	**20,258**	**9,382**	**4,980**	**5,849**	**25,902**	**15,509**	**81,880**
Unallocated costs							**(31,472)**
Headline profit before tax							**50,408**
Adjusting items (note 5)							**(41,695)**
Profit before tax							**8,713**
Tax							**(4,585)**
Profit after tax							**4,128**

Year ended 30 September 2019	Global Brands £000	Asia £000	Central Asia £000	Eastern & Southern Europe £000	Russia £000	UK £000	Total Group £000
Share of results of associates and joint ventures							
Share of results before tax	**-**	**6,642**	**-**	**-**	**1,655**	**-**	**8,297**
Tax	**-**	**(1,571)**	**-**	**-**	**(329)**	**-**	**(1,900)**
Share of results after tax	**-**	**5,071**	**-**	**-**	**1,326**	**-**	**6,397**
Capital expenditure							
Segment capital expenditure	**-**	**298**	**98**	**235**	**687**	**-**	**1,318**
Unallocated capital expenditure							**2,458**
							3,776
Depreciation and amortisation							
Segment depreciation and amortisation	**12,560**	**3,657**	**53**	**2,224**	**413**	**6,038**	**24,945**
Unallocated depreciation and amortisation							**2,087**
							27,032

The Group's assets and liabilities can be analysed by operating segment as follows:

30 September 2019	**Global Brands £000**	**Asia £000**	**Central Asia £000**	**Eastern & Southern Europe £000**	**Russia £000**	**UK £000**	**Total Group £000**
Assets							
Segment assets	**250,521**	**106,657**	**13,130**	**15,295**	**54,177**	**184,343**	**624,123**
Unallocated assets							**13,189**
							637,312
Liabilities							
Segment liabilities	**(27,673)**	**(42,583)**	**(6,887)**	**(4,702)**	**(31,682)**	**(13,415)**	**(126,942)**
Unallocated liabilities							**(188,605)**
							(315,547)
Net assets							**321,765**

Information about the Group's revenue by origin of sale and non-current assets by geographical location are detailed below:

Geographical information

	Revenue		**Non-current assets***	
	2020 £000	2019 £000	**2020 £000**	2019 £000
Asia	**16,940**	24,882	**49,331**	81,383
Central Asia	**3,114**	11,595	**2,085**	4,097
Eastern & Southern Europe	**3,613**	13,810	**2,844**	9,578
Russia	**17,243**	40,842	**18,208**	23,904
UK	**38,245**	70,746	**39,083**	279,902
US	**2,746**	3,005	**89,369**	10,339
South Africa	**14,471**	12,201	**33,174**	42,883
Rest of the World	**8,710**	43,642	**137,120**	81,328
	105,082	220,723	**371,214**	533,414

** Non-current assets exclude deferred tax assets and assets classified as held for sale.*

4 Operating (loss)/profit

Operating (loss)/profit is stated after charging/(crediting):

	2020 £000	2019 £000
Staff costs	**47,757**	58,357
Redundancy, severance and payments in lieu of notice	**3,940**	-
Government grants – furlough payments received	**(1,286)**	
Depreciation of property, plant and equipment	**4,849**	1,704
Amortisation of intangible assets included within administrative expenses	**31,576**	25,328
Impairment of goodwill	**195,110**	-
Impairment of intangibles	**63,432**	-
Impairment of investments	**4,473**	-
(Profit)/loss on disposal of subsidiary holdings	**(2,263)**	3,154
Low-value and short-term leases - offices	**481**	3,558
(Gain)/loss on derivative financial instruments – equity options	**(3,851)**	1,121
Foreign exchange (gain)/loss on operating activities	**(2,806)**	1,140

Auditor's remuneration

The analysis of the auditor's remuneration is as follows:

	2020 £000	2019 £000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**411**	370
Fees payable to the Company's auditor and its associates for other services:		
- The audit of the Company's subsidiaries pursuant to legislation	**250**	135
Total audit fees	**661**	505
- Other services pursuant to legislation (Interim review)	**55**	55
- Reporting accountant work – rights issue	**384**	-
- Tax compliance services	**-**	3
Total non-audit fees	**439**	58
	1,100	563

The Audit Committee approved the appointment of BDO to provide the non-audit services noted above on the basis that they were best placed to provide the services and there was no conflict of interest with their role as external auditor.

5 Adjusting items

	2020 £000	2019 £000
Operating adjusting items		
Amortisation of acquired intangible assets	**29,154**	24,066
Impairment of goodwill (note 11)	**195,110**	-
Impairment of intangible assets	**63,432**	-
Impairment of investments in associates and JVs	**4,473**	-
(Profit)/loss on disposal of subsidiary holdings	**(2,263)**	3,154
Transaction costs on completed and pending acquisitions and disposals	**3,271**	1,462
Integration costs		
- Integration costs	**531**	5,322
- Costs to realise synergies	**-**	1,469
Restructuring costs		
- TAG	**823**	2,783
- Other	**-**	1,435
Tax on income from associates and joint ventures	**1,536**	1,900
Total operating adjusting items	**296,067**	41,591
Financing adjusting items		
Revaluation of assets and liabilities on completed acquisitions and disposals		
- (Gain)/loss on revaluation of equity options	**(3,851)**	1,121
- Gain on revaluation of deferred and contingent consideration payable	**(104)**	(245)
- Loss on revaluation of deferred and contingent consideration receivable	**1,604**	87
- Imputed interest charge on discounted equity option liabilities	**-**	231
- Unwind of imputed interest charged on discounted deferred consideration receivable	**(849)**	(1,090)
Write-off of previously capitalised debt issue costs on refinancing	**1,353**	-
Total adjusting items before tax	**294,220**	41,695

The adjusting items are discussed in the Chief Finance and Operations Officer's statement.

6 Investment revenue

	2020 £000	2019 £000
Interest receivable from bank deposits	**611**	1,019
Gain on revaluation of equity options	**3,851**	-
Gain on revaluation of deferred and contingent consideration payable	**104**	245
Unwind of imputed interest charged on discounted deferred consideration receivable	**849**	1,090
	5,415	2,354

7 Finance costs

	2020 £000	2019 £000
Interest on bank loans	**6,415**	5,013
Bank charges	**1,565**	1,361
Loss on revaluation of deferred and contingent consideration receivable	**1,604**	87
Interest on lease liabilities	**683**	-
Loss on revaluation of equity options	**-**	1,121
Imputed interest charge on discounted equity option liabilities	**-**	231
Write-off of previously capitalised debt issue costs on refinancing	**1,353**	-
	11,620	7,813

8 Tax on profit on ordinary activities

Analysis of tax (credit)/charge for the year:

	2020 **£000**	2019 £000
Group taxation on current year result:		
UK corporation tax credit on result for the year	**(489)**	(12)
Adjustment to UK tax in respect of previous years	**55**	(1,351)
	(434)	(1,363)
Overseas tax – current year	**3,757**	8,047
Overseas tax – previous years	**493**	109
	4,250	8,156
Current tax	**3,816**	6,793
Deferred tax		
Origination and reversal of timing differences:		
Current year	**(13,659)**	(2,353)
Prior year	**(254)**	145
	(13,913)	(2,208)
	(10,097)	4,585

The tax impact of the adjusting items outlined within Note 5 and within the Consolidated Income Statement relates to the following:

	2020 Gross £000	**2020 Tax impact £000**	2019 Gross £000	2019 Tax impact £000
Amortisation of acquired intangible assets	**29,154**	**5,248**	24,066	4,621
Impairment of goodwill	**195,110**	**-**	-	-
Impairment of intangible assets	**63,432**	**11,369**	-	-
Impairment of investments in associates	**4,473**	**-**		
Change of rate of deferred tax on intangible assets	**-**	**(3,696)**		
(Profit)/loss on disposal of subsidiary holdings	**(2,263)**	**-**	3,154	34
Transaction costs on completed and pending acquisitions and disposals	**3,271**	**-**	1,462	-
Integration costs				
- Integration costs	**531**	**-**	5,322	1,011
- Costs to realise synergies	**-**	**-**	1,469	280
Restructure costs				
- TAG	**823**	**-**	2,783	548
- Other	**-**	**-**	1,435	136
Tax on income from associates	**1,536**	**1,536**	1,900	1,900
Revaluation of liabilities on completed acquisitions	**(3,200)**	**-**	104	-
Write-off of previously capitalised debt issue costs on refinancing	**1,353**	**-**	-	-
	294,220	**14,457**	41,695	8,530

The tax charge for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2020 £000	2019 £000
(Loss)/profit on ordinary activities before tax	**(312,917)**	8,713
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2019: 19.0%)	**(59,454)**	1,655
Effects of:		
(Profit)/loss on disposal of subsidiary holdings	**(499)**	527
Transaction costs	**585**	550
Tax effect of equity options and deferred/contingent consideration	**(608)**	20
Impairment of goodwill	**38,088**	-
Other expenses not deductible for tax purposes	**613**	245
Tax effect of amortisation of intangibles	**157**	22
De-recognition of deferred tax assets previously recognised	**4,133**	-
Provisions for tax uncertainty	**396**	-
Current year losses not recognised as DTA	**4,113**	961
Withholding tax and other irrecoverable tax	**666**	3,228
Deferred tax provision on repatriation of overseas profits	**(1,749)**	(597)
Tax charge in respect of previous period	**294**	(221)
Reduction in tax rate at which deferred tax is calculated	**2,947**	32
Effect of different tax rates of subsidiaries in other jurisdictions	**1,021**	(621)
Associate tax	**(800)**	(1,216)
	(10,096)	4,585

The effect of adjusting items and the effect of (profit)/loss on sale of investments relates to items that are not allowable in the jurisdiction where they have arisen.

Withholding tax and other irrecoverable tax relates to the taxes paid on profits repatriated from overseas subsidiaries in the year and the movement on the provision for taxes expected to be suffered on the future repatriation of profits which are expected to be made.

We seek to pay tax in accordance with the laws of the countries where we do business. We estimate our tax on a country-by-country basis. Our key uncertainty is whether our intra-group trading model will be accepted by a particular tax authority. At 30 September 2020 £0.5m (2019: 1.0m) is included in current liabilities in relation to these uncertainties. The reduction in the provision for uncertain tax provisions relates to the closure of earlier years due to the passage of time.

	2020 £000	2019 £000
Tax relating to components of comprehensive income:		
Cash flow gains - Current	**-**	-
Cash flow (losses) - Deferred	**-**	(153)
	-	(153)
Tax relating to amounts credited/(charged) to equity:		
Share options – Current	**-**	-
Share options – Deferred	**(17)**	5
	(17)	5
	(17)	(148)

9 Dividends

	2020 Per share p	2020 Settled in cash £000	2020 Settled in scrip £000	2019 Per share p	2019 Settled in cash £000	2019 Settled in scrip £000
Amounts recognised as distributions to equity holders in the year:						
Final dividend in respect of the prior year	**1.6**	**13,012**	**-**	1.0	7,391	-
Interim dividend in respect of the current year	**-**	**-**	**-**	0.9	6,652	-
	1.6	**13,012**	**-**	1.9	14,043	-

The Directors have not proposed a final dividend for the year ended 30 September 2020.

The amounts disclosed for dividend per share above of 1.6p for the year ended 30 September 2020 and 1.9p for the year ended 30 September 2019 would be equivalent to a 16p dividend per share and a 19p dividend per share respectively after the share consolidation of every 10 existing ordinary shares into 1 consolidated ordinary share completed in May 2020.

Under the terms of the trust deed dated 20 October 1998, the Hyve Group Employees Share Trust, which holds 812,656 (2019: 250,048[1]) ordinary shares representing 0.3% of the Company's called up ordinary share capital, has agreed to waive all dividends due to it each year.

[1] Number of shares has been restated to take account of the share consolidation of every 10 existing ordinary shares into 1 consolidated ordinary share.

10 Earnings per share

The calculation of basic, diluted, headline basic and headline diluted earnings per share is based on the following numbers of shares and earnings:

	2020 No. of shares (000)	2019 No. of shares (000) (Restated[1])
Weighted average number of shares:		
For basic earnings per share	**177,009**	130,608
Effect of dilutive potential ordinary shares	**3**	41
For diluted and headline diluted earnings per share	**177,012**	130,649

Basic and diluted earnings per share

The calculations of basic and diluted earnings per share are based on the loss for the financial year attributable to equity holders of the parent of £303.7m (2019: profit of £3.1m). Basic earnings per share were (171.6)p (2019: 2.4p[1]) and diluted earnings per share were (171.6)p (2019: 2.4p[1]). No share options (2019: nil) were excluded from the weighted average number of ordinary shares used in the calculation of the diluted earnings per share because their effect would have been anti-dilutive.

Headline diluted earnings per share

Headline diluted earnings per share is intended to provide a consistent measure of Group earnings on a year-on-year basis and is (13.6)p per share (2019: 27.8p[1]). Headline basic earnings per share is (13.6)p (2019: 27.8p[1]).

	2020 £000	2019 £000
(Loss)/profit for the financial year attributable to equity holders of the parent	**(303,748)**	3,148
Amortisation of acquired intangible assets	**29,154**	24,066
Impairment of goodwill (note 11)	**195,110**	-
Impairment of intangible assets	**63,432**	-
Impairment of investment in associates and JVs	**4,473**	-
(Profit)/loss on disposal of subsidiary holdings	**(2,263)**	3,154
Transaction costs on completed and pending acquisitions and disposals	**3,271**	1,462
Integration costs		
- Integration costs	**531**	5,322
- Costs to realise synergies	**-**	1,469
Restructuring costs		
- TAG	**823**	2,783
- Other	**-**	1,435
Revaluation of liabilities on completed acquisitions	**(3,200)**	104
Write-off of previously capitalised debt issue costs on refinancing	**1,353**	-
Tax effect of other adjustments	**(12,921)**	(6,630)
Headline earnings for the financial year after tax	**(23,985)**	36,313

[1] The weighted average number of shares used for basic and diluted and headline basic and diluted earnings per share for 2019 has been restated as a result of the share consolidation and rights issue which took place during the year, in order to provide a comparative measure. As a result, basic and diluted and headline basic and diluted earnings per share for 2019 have also been restated.

11 Goodwill

	Goodwill £000
Cost	
At 1 October 2018	241,688
Additions through business combinations	5,730
Foreign exchange	6,622
Goodwill previously classified as held for sale	1,756
Adjustment to prior year additions	(2,737)
At 30 September 2019	253,059
Additions through business combinations (note 12)	**57,506**
Disposal	**(1,821)**
Foreign exchange	**(8,326)**
At 30 September 2020	**300,418**
Provision for Impairment	
At 1 October 2018	(39,850)
Foreign exchange	(3,239)
At 30 September 2019	(43,089)
Disposal	**567**
Impairment	**(195,110)**
Foreign exchange	**4,043**
At 30 September 2020	**(233,589)**
Net book value	
At 30 September 2020	**66,829**
At 30 September 2019	209,970

Goodwill with a net book value of £1.3m, held in respect of the Azerbaijan business, was disposed of during the year following the disposal of the Group's remaining event portfolio in the region.

Goodwill acquired in a business combination is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination. The carrying amount of goodwill allocated to the CGUs has been attributed to the reportable segments as follows:

	2020 £000	2019 £000
Global Brands	**38,906**	82,526
Asia	**9,538**	29,014
Central Asia	**1,752**	4,011
Eastern & Southern Europe	**2,224**	5,978
Russia	**14,409**	18,486
UK	-	69,955
	66,829	209,970

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the Group's cash flow forecasts, long-term growth rates and discount rates applied to the forecast cash flows.

Cash flow forecasts

The Group prepares cash flow forecasts based upon management's most recent four-year financial plans presented to and approved by the Board and thereafter extrapolates the planned cash flows. For the year ending 30 September 2021, management have assumed significant disruption to the event schedule and profitability of events running through the year, with only 66 of the 100 events it owned as at 30 September 2020 forecast to take place. A prolonged downturn through the year has been assumed, predicated on restrictions continuing and confidence in the market to travel and attend large scale events remaining low.

For the periods 2022-2024, management have made a judgement as to the likely shape and length of recovery in the sectors they operate. These forecasts reflect a deeper economic impact and slower recovery of the events industry when compared to GDP forecasts for the same period in the relevant geographies. The forecasts are formed based on the individual events within each CGU. Therefore the operating profit growth forecasts reflect the expected performance from each individual event, taking into account past performance, the extent to which the events have already been impacted by COVID-19 (i.e. if an edition has already been postponed or cancelled), the extent to which the customer base is made up of international exhibitors and visitors and the growth prospects of the industry to which the event relates.

Central costs are allocated to the CGUs to the extent that they are necessarily incurred to generate the cash inflows, and can be directly attributed, or allocated on a reasonable and consistent basis.

Long-term growth rates

Growth rates beyond the detailed plans are based on IMF forecasts of GDP growth rates in the local markets, as the CGUs are expected to grow in line with their relevant underlying markets over the long term. These growth rates, of between 1% and 8% (2019: between 1% and 8%), do not exceed the long-term growth rates for the economies in which these businesses operate.

Discount rates

Management estimates discount rates that reflect the current market assessments of the time value of money and risks specific to the CGUs. There are a number of different inputs used in the build-up of the discount rates, including inflation rates, risk free rates, market risk premiums and industry betas, taken from a number of independent sources including the IMF, Bloomberg and Financial Times.

The pre-tax discount rates applied to the CGUs are between 10% and 23% (2019: 8% and 26%). The large variance in discount rates applied reflects the differences in risks inherent in the regions in which the CGUs operate.

Individually significant CGUs

Significant CGUs	Goodwill		Other intangible assets		Long term growth rates		Pre-tax discount rates		Recoverable amount in excess of carrying value	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
	£m	**£m**	**£m**	**£m**	**%**	**%**	**%**	**%**	**£m**	**£m**
Russia	**14.4**	**18.5**	-	-	**1.8**	1.8	**14.4**	14.8	**90.3**	301.4
China	**9.5**	**11.6**	**2.9**	5.6	**5.5**	5.5	**11.6**	11.4	**17.6**	27.7
Global Brands										
Bett	**-**	41.0	**43.0**	64.8	**1.5**	1.5	**11.2**	8.7	**-**	15.4
CWIEME	**4.9**	20.5	**40.9**	43.4	**1.2**	1.2	**10.3**	7.6	**-**	38.3
Shoptalk	**21.3**	-	**59.1**	-	**1.6**	-	**10.3**	-	**-**	-
Africa Oil & Mining	**0.8**	5.7	**32.4**	37.2	**1.7**	1.7	**13.2**	12.3	**-**	31.4
Breakbulk	**11.9**	17.9	**5.2**	7.3	**1.4**	1.4	**10.3**	10.0	**-**	29.8
UK	**-**	70.0	**53.7**	98.1	**1.5**	1.5	**11.2**	8.7	**5.2**	3.2

A new CGU for the acquired Shoptalk and Groceryshop events has been recognised. The two events are managed as a single portfolio with a single leadership team, have a number of customers who attend both events and historically the majority of employees have worked across both events. Therefore, strategic decisions made in respect of the portfolio, or in respect of a single event, impact the cash inflows of both events.

Impairment charges

Impairment charges of £195.1m have been recognised in respect of goodwill in a number of CGUs.

As a result of the coronavirus outbreak, discount rates have increased due to the heightened risk environment, while forecast operating profits have declined significantly across the business, reflecting event postponements and cancellations, as well as the longer lasting impact of COVID-19 on performance due to the unprecedented levels of disruption and uncertainty across every sector and market. Therefore, the forecast cash flows of some CGUs are no longer able to support the carrying value of their assets.

The resulting impairment charges have been recognised on the assumption that the Group's event schedule for the next financial year is significantly disrupted and that there will be a steep decline event-by-event versus pre-COVID forecasts for those events still expected to run.

CGU	Pre-tax discount rates	Impairment to goodwill £000	Impairment to intangible assets £000	Total impairment to goodwill and intangible assets £000
Global Brands				
-Bett	11.2%	41,006	18,111	59,117
-CWIEME	10.3%	15,624	-	15,625
-Shoptalk	10.3%	37,696	-	37,696
-Africa Oil & Mining	13.2%	4,968	-	4,968
-Breakbulk	10.3%	5,877	-	5,877
Asia				
-India	14.1%	13,441	4,674	18,115
-China	11.6%	2,059	1,065	3,124
Central Asia				
-Azerbaijan	15.9%	597	-	597
Eastern & Southern Europe				
-Turkey	19.6%	3,887	1,270	5,157
UK	12.0%	69,955	38,311	108,266
Total		**195,110**	**63,432**	**258,542**

Sensitivity to changes in assumptions

The calculation of value in use is most sensitive to movements in the forecast cash flows, long-term growth rates and discount rates used. The Group has conducted a sensitivity analysis taking into consideration the impact on these assumptions arising from a range of reasonably possible trading and economic scenarios, including additional adverse impact from the coronavirus outbreak. The scenarios have been performed separately, and in aggregate, for each CGU with a recoverable value in excess of its carrying value, with the sensitivities summarised as follows:

- The cancellation of all events in the year ending 30 September 2021 with no incremental cost savings
- A decrease in the long-term growth rate by 0.5%
- An increased in the discount rate by 1%

The sensitivity analysis shows that no impairment would result from either the cancellation of 2021 events, a decrease in the long-term growth rate, or an increase in the discount rates, or an aggregate of these sensitivities, in any CGU with headroom in excess of its carrying value at 30 September 2020 other than the UK.

The changes in key assumptions that would cause the recoverable value of the UK CGU to equal its carrying value are shown below.

Sensitivity	UK
% change in discount rate	0.9%
% change in long term growth rate	1.1%

The cancellation the UK CGU's FY21 events would result in an impairment of £5.6m being recognised.

In respect of the individually significant CGUs that have been written down to their recoverable amount, the sensitivities would result in incremental impairments as shown below.

Sensitivity	Bett £m	CWIEME £m	Shoptalk £m	Africa Oil & Mining £m	Breakbulk £m
Cancellation of 2021 events	3.3	6.2	11.2	-	4.3
A decrease in the long-term growth rate by 0.5%	1.7	1.6	4.3	1.4	0.8
An increase in the discount rate by 1%	4.0	3.7	9.9	3.4	2.0
Aggregate of above sensitivities	8.7	11.2	24.5	4.8	7.0

12 Acquisitions

On 18 December 2019 the Group acquired 100% of the share capital of Shoptalk Commerce LLC ("Shoptalk") and Groceryshop LLC ("Groceryshop"), two US-based market-leading e-commerce events focussed on change and innovation of the retail and grocery industries, for total consideration of £110.1m. The consideration of £110.1m was settled £97.8m in cash, net of cash acquired, and £11.4m by forgiveness of a liability on the placement of shares with the vendors.

During the period the Group incurred transaction costs on the acquisition of £2.2m, which are included within administrative expenses.

The amounts to be recognised in respect of the identifiable assets acquired and liabilities assumed are presented as follows:

	Fair value £000
Intangible assets – Trademarks	49,792
Intangible assets – Customer relationships	9,208
Intangible assets – Perpetual technology license	4,070
Property, plant and equipment	75
Property, plant and equipment – Right of use asset	1,552
Cash	911
Trade receivables	2,072
Deferred tax asset	4,192
Accrued expenses	(1,202)
Other payables	(89)
Lease liabilities	(4,935)
Deferred income	(11,986)
Provisions	(1,068)
Identifiable net assets	**52,592**

Goodwill arising on acquisition	57,506
Total consideration	**110,098**

Satisfied by	
Cash consideration	**110,098**
	110,098

Net cash outflow arising on acquisition	
Cash consideration paid or payable	**110,098**
Cash and cash equivalents acquired	**(911)**
Cash liability forgiven on placement of shares	**(11,420)**
	97,757

The goodwill of £57.5m arising from the acquisition reflects the acquisition of two market-leading events, including the expectation of new contracts and relationships and the potential for growth from spin-off events such as Shoptalk Europe. £43.1m of the goodwill recognised is expected to be deductible for tax purposes. The fair value of trade and other receivables includes trade receivables with a fair value, after providing for expected uncollectable amounts, of £30,000. No further amounts are currently expected to be uncollectable.

The values used in accounting for the identifiable assets and liabilities of these acquisitions are provisional at the balance sheet date. If necessary, adjustments will be made to these carrying values and the related goodwill, within 12 months of the acquisition date.

The acquired business has contributed £nil to Group revenue following the cancellation of both Shoptalk and Groceryshop for the year, whilst costs in relation to the acquired businesses increased the Group's statutory loss before tax by £6.5m. Had the acquisition occurred on 1 October 2019, the acquired businesses would have contributed £nil to Group revenue and increased the Group's statutory loss before tax by £7.1m.

13 Disposal of subsidiaries

Azerbaijan and Uzbekistan

In August 2020 the Group disposed of its entire event portfolio in Azerbaijan and Uzbekistan for total consideration of £9.5m, payable over a number of years. When discounted, the present value of the consideration receivable was £4.3m at disposal.

In addition to the deferred consideration of £9.5m there is an additional amount of variable consideration based on the disposed of businesses' revenues in future years, contingent on these revenues being above a certain level. At disposal this contingent consideration was valued at £nil.

The net assets of the entities disposed of at the date of disposal were as follows:

	£000
Goodwill	1,254
Cash and cash equivalents	1,468
Other net liabilities	(872)
Net assets	**1,850**
Fair value of consideration received	**4,286**
Disposal costs	**(357)**
Proceeds net of related selling expenses	**3,929**
Cumulative exchange differences	**186**

Gain on disposal	**2,263**
Satisfied by:	
Cash and cash equivalents	-
Deferred consideration	4,286
	4,286
Net cash outflow arising on disposal:	
Consideration received in cash and cash equivalents	-
Less: cash and cash equivalents disposed of	(1,468)
	(1,468)

14 Bank Borrowings

In December 2019 the Group completed a refinancing of its existing debt facilities. Total commitments increased from £142.5m (£47.5m Term Loan, £95.0m Revolving Credit Facility) to £250.0m (£100.0m Term Loan, £150.0m Revolving Credit Facility). The facilities terminate in December 2023 with the option, subject to certain conditions, to extend by a further year. As at 30 September 2020, there were scheduled annual repayments of the term loan starting November 2020 for £17.5m, with further repayments every subsequent November for £17.5m, £20.0m, £22.5m, and a final repayment for £22.5m on the termination date.

On 7 May 2020 the Group agreed with its Lenders a set of waivers as part of its response to the outbreak of COVID-19. This includes, amongst other things, replacing the financial covenants up to and including March 2022 with a basic liquidity test, and deferring loan amortisation payments of £35.0m to maturity in December 2023, subject to any insurance proceeds up to £35.0m received by the Group being used to make the amortisation payments as originally scheduled. In return the Group has agreed to a new maximum interest margin of 3.40%, subject to the Group's leverage ratio, and additional reporting requirements.

Interest is charged on any utilised amount on either debt facility at a rate of LIBOR plus a margin ranging from 1.90% to 3.40% dependent on the Group's leverage ratio under the agreement. The debt facilities are secured by asset pledges and debentures given by a number of Group companies.

The total drawdowns under the facility of £121.7m at 30 September 2020 (2019: £146.2m) were denominated in sterling (2019: £139.1m sterling; £7.1m euro). At 30 September 2020 the Group had £128.3m (2019: £13.8m) of undrawn committed facilities.

All borrowings are arranged at floating interest rates, thus exposing the Group to interest rate risk. The Group uses interest rate swaps to mitigate this risk, hedging £100.0m of the debt (2019: £50.0m), reducing the exposure to fluctuations in interest rates. All borrowings are secured by a guarantee between a number of Group companies.

Fees of £1.4m capitalised in relation to the previous facility have been written off in the year.

As at 30 September 2020 there are capitalised fees of £3.7m (2019: £1.5m) in relation to the Group's current debt facility.

15 Share capital

	2020 £000	2019 £000
Allotted and fully-paid		
265,128,107 ordinary shares of 10p each (2019: 741,618,456 of 1p each)	**26,513**	7,416

	2020 Number of shares	2019 Number of shares (Restated[1])
At 1 October	74,161,846	74,161,846
Share placement	**7,416,180**	-
Rights issue	**183,550,081**	-
At 30 September	**265,128,107**	74,161,846

On 28 May 2020, the Group completed a share consolidation of every 10 existing ordinary shares into 1 consolidated ordinary share. All share amounts noted below are disclosed on a post-consolidation basis.

On 18 December 2019, the Group announced a fully underwritten non pre-emptive placing of up to 5,958,454 new ordinary shares raising gross proceeds of £52.4m (£50.0m net proceeds after expenses of £2.4m which were deducted from share premium) to part-fund the acquisitions of Shoptalk and Groceryshop. Alongside this a subscription of 1,457,726 new ordinary shares was completed by the founders and certain other management shareholders of Shoptalk and Groceryshop following the acquisition.

On 12 June 2020, the Group issued 183,550,081 ordinary shares of 10p each through a nine for four rights issue at 69p per share and raised gross proceeds of £126.6m (£118.0m net proceeds after expenses of £8.6m which were deducted from share premium). The excess of cash received over the nominal value of the shares issued of £99.6m was recorded as share premium. The net proceeds were used to provide liquidity to the Group in the face of the coronavirus outbreak.

The Company has one class of ordinary shares which carry no right to fixed income. At the Extraordinary General Meeting held on 17 November 1998, shareholders approved the establishment of the Hyve Group Employee Share Ownership Trust ("ESOT"). The terms of the ESOT allow the trustees to transfer shares to employees who exercise options under the Company's Share Option Schemes, to grant options to employees and to accumulate shares by buying in the market or subscribing for shares at market value. The ESOT is capable of holding a maximum of 5% of the Company's issued ordinary share capital. The ESOT reserve arises in connection with the ESOT. The amount of the reserve represents the deduction in arriving at shareholders' funds for the consideration paid for the Company's shares purchased by the ESOT which had not vested unconditionally at the end of each financial year.

The ESOT held 812,656 shares in Hyve Group plc at 30 September 2020 (2019: 250,048 shares). During the year 117,211 nominal share options under the Employees Performance Share Plan and 14,442 nominal share options under the Deferred Bonus Share Plan were granted against ESOT held shares. 562,608 shares were purchased for the ESOT through the aforementioned rights issue. The market value of the ordinary shares held by the ESOT at 30 September 2020 was £0.5m (2019: £2.1m).

The Company has agreed to make available to the ESOT an interest-free loan of up to £12.5m for the purpose of buying shares. At 30 September 2020, the amount of the loan drawn down was £12.0m. The Hyve Group plc Company profit and loss account and balance sheet include the results of the ESOT for the year ended 30 September 2020. The trustees have waived their current and future rights to all dividend entitlement on the shares held by the ESOT. No options were exercised from ESOT during the year (2019: 5,650). The total consideration for the options exercised from ESOT was £nil (2019: £57). 2,459,094 of outstanding options are to be settled by ESOT, so all shares held by the ESOT are under option as at 30 September 2020.

16 Net debt

	At 1 October 2019 £000	Net increase in cash and cash equivalents £000	Drawdown of borrowings £000	Repayment of borrowings £000	Foreign exchange £000	Write-off of previously capitalised debt issue costs on refinancing £000	At 30 September 2020 £000
Cash	**33,027**	**17,036**	**-**	**-**	**267**	**-**	**50,330**
Debt due within one year	**(17,500)**	**-**	**-**	**-**	**-**	**-**	**(17,500)**
Debt due after one year	**(127,205)**	**-**	**(145,321)**	**173,432**	**(38)**	**(1,353)**	**(100,485)**
	(111,678)	**17,036**	**(145,321)**	**173,432**	**229**	**(1.353)**	**(67,655)**
Lease liabilitie							**(18,835)**
Net debt							**(86,490)**

Adjusted net debt is £67.7m (2019: £111.7m) after excluding lease liabilities of £18.8m (2019: £nil).

17 Post balance sheet events

Since 30 September 2020 the Group has received a further £13.1m and had confirmation of a further £11.5m of insurance proceeds in respect of event cancellation and postponement claims, taking total confirmed insurance proceeds to date to £46.7m.

On 15 November 2020, the minority shareholders of ABEC exercised their put option in respect of 20% of the total shares of ABEC. The validity of the option exercise is under review, as is the amount of the claim.

On 30 November 2020 the Group repaid £17.5m on its Term Loan and drew an additional £70.0m on its Revolving Credit Facility, increasing total drawn bank loans to £171m, leaving undrawn facilities of £62m, and cash and cash equivalents increasing to £101m compared to £50m at 30 September 2020.

Glossary

Alternative performance measures ("APMs")

In accordance with the Guidelines on APMs issued by the European Securities and Markets Authority ("ESMA"), additional information is provided on the APMs used by the Group below.

In the reporting of financial information, the Group uses certain measures that are not required under IFRS. These additional measures provide additional information on the performance of the business and trends to stakeholders. These measures are consistent with those used internally and are considered important to understanding the financial performance and position of the Group. APMs are considered to be an important measure to monitor how the Group is performing because this provides a meaningful comparison of how the business is managed and measured on a day-to-day basis and achieves consistency and comparability between reporting periods.

These APMs may not be directly comparable with similarly titled profit measures reported by other companies and they are not intended to be a substitute for, or superior to, IFRS measures.

<table>
<tr><th>APM</th><th>Closest equivalent statutory measure</th><th>Reconciling items to statutory measure</th><th>Definition and purpose</th></tr>
<tr><td>Headline profit before tax</td><td>Profit/(loss) before tax</td><td>Adjusting items as disclosed in note 5.</td><td>Headline profit before tax is profit/(loss) before tax and adjusting items, as presented in note 5. In addition to providing a more comparable set of results year-on-year, this is also in line with similar adjusted measures used by our peer companies and therefore facilitates comparison across the industry.

Refer to the Chief Finance and Operations Officer's statement for a reconciliation to the statutory measure, and explanations of the amounts adjusted for.</td></tr>
<tr><td>Headline operating profit</td><td>Operating profit</td><td>Operating adjusting items as disclosed in note 5.</td><td>Headline operating profit is operating profit before operating adjusting items, as presented in note 5.
<table>
<tr><th></th><th>2020
£000</th><th>2019
£000</th></tr>
<tr><td>Operating (loss)/profit</td><td>(306,712)</td><td>14,172</td></tr>
<tr><td>Operating adjusting items (note 5)</td><td>296,067</td><td>41,591</td></tr>
<tr><td>Headline operating (loss)/profit</td><td>(10,645)</td><td>55,763</td></tr>
</table></td></tr>
<tr><td>Headline operating profit margin</td><td>Operating profit margin</td><td>Operating adjusting items as disclosed in note 5.</td><td>Headline operating profit margin is headline operating profit as a percentage of revenue.</td></tr>
<tr><td>Headline EBITDA</td><td>Operating profit</td><td>Operating adjusting items as disclosed in note 5, depreciation of property, plant and equipment and</td><td>Headline EBITDA is headline operating profit before operating adjusting items, depreciation of property, plant and equipment and amortisation of computer software.
<table>
<tr><th></th><th>2020
£000</th><th>2019
£000</th></tr>
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<table>
<tr><td></td><td></td><td>amortisation of computer software.</td><td>
<table>
<tr><td>Operating (loss)/profit</td><td>(306,712)</td><td>14,172</td></tr>
<tr><td>Operating adjusting items (note 5)</td><td>296,067</td><td>41,591</td></tr>
<tr><td>Depreciation of property, plant and equipment</td><td>4,849</td><td>1,704</td></tr>
<tr><td>Amortisation of computer software</td><td>2,422</td><td>1,262</td></tr>
<tr><td>Headline EBITDA</td><td>(3,374)</td><td>58,729</td></tr>
</table>
</td></tr>
<tr><td>Net debt</td><td>Cash and cash equivalents less bank loans and lease liabilities</td><td>Reconciliation of net debt (note 16)</td><td>Net debt is defined as cash and cash equivalents after deducting bank loans and lease liabilities.</td></tr>
<tr><td>Adjusted net debt</td><td>Cash and cash equivalents less bank loans</td><td>Reconciliation of net debt (note 16)</td><td>Adjusted net debt is defined as cash and cash equivalents after deducting bank loans.

The Board considers adjusted net debt to be a reliable measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength. It is also a single measure that can be used to assess the combined impact of the Group's cash position and its indebtedness and can be compared consistently against prior periods.</td></tr>
<tr><td>Adjusted net debt : Headline EBITDA</td><td>None</td><td>N/A</td><td>Adjusted net debt : Headline EBITDA is the ratio of adjusted net debt to headline EBITDA.</td></tr>
<tr><td>Cash conversion</td><td>None</td><td>N/A</td><td>Cash conversion is defined as headline cash generated from operations as a percentage of headline operating profit before non-cash items. Headline cash generated from operations is cash generated from operations before net venue utilisation, the cash impact of adjusting items included in the definition of headline profit before tax after adjusting for any wrong pockets true ups through working capital adjustments on acquisitions or disposals. Headline operating profit before non-cash items is headline operating profit before foreign exchange gains/losses, depreciation and amortisation.
<table>
<tr><td></td><td>2020</td><td>2019</td></tr>
<tr><td></td><td>£000</td><td>£000</td></tr>
<tr><td>Cash generated from operations</td><td>7,753</td><td>40,353</td></tr>
<tr><td>Net venue utilisation</td><td>903</td><td>12</td></tr>
<tr><td>Adjusting items:</td><td></td><td></td></tr>
<tr><td>Integration costs</td><td>531</td><td>6,791</td></tr>
<tr><td>Restructuring costs</td><td>823</td><td>4,218</td></tr>
<tr><td>Transaction costs on completed and pending acquisitions and disposals</td><td>3,270</td><td>1,462</td></tr>
<tr><td>Adjustment to reflect timing of cash flow for above adjusting items</td><td>793</td><td>1,847</td></tr>
<tr><td>Working capital adjustment on acquisitions</td><td>-</td><td>1,409</td></tr>
<tr><td>Adjusted cash flow from operations</td><td>14,073</td><td>56,092</td></tr>
<tr><td>Headline operating (loss)/profit</td><td>(10,645)</td><td>55,763</td></tr>
<tr><td>Depreciation of property, plant and equipment</td><td>4,849</td><td>1,704</td></tr>
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<table>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Amortisation of computer software</td><td>2,422</td><td>1,262</td></tr>
<tr><td>Foreign exchange loss/(gain) on operating activities</td><td>(2,806)</td><td>1,140</td></tr>
<tr><td>Headline operating (loss)/profit on a cash basis</td><td>(6,180)</td><td>59,869</td></tr>
<tr><td>Cash conversion</td><td>-228%</td><td>94%</td></tr>
</table>
</td></tr>
<tr><td>Headline basic earnings per share</td><td>Basic earnings per share</td><td>Adjusting items in in the earnings per share note (note 10)</td><td>Profit after tax attributable to owners of the Parent and before the impact of adjusting items, divided by the weighted average number of ordinary shares in issue during the financial year.</td></tr>
<tr><td>Headline diluted earnings per share</td><td>Diluted earnings per share</td><td>Adjusting items in in the earnings per share note (note 10)</td><td>Profit after tax attributable to owners of the Parent and before the impact of adjusting items, divided by the weighted average number of ordinary shares in issue during the financial year adjusted for the effects of any potentially dilutive options unless anti-dilutive.</td></tr>
<tr><td>Headline effective tax rate</td><td>Effective tax rate</td><td>Adjusting items and the tax impact of adjusting items

(note 5 and note 8)</td><td>The income tax charge for the Group excluding the tax impact of adjusting items, divided by headline profit before tax.

This measure is a useful indicator of the ongoing tax rate for the Group.
<table>
<tr><td></td><td>2020</td><td>2019</td></tr>
<tr><td></td><td>£000</td><td>£000</td></tr>
<tr><td>Tax credit/(charge) per income statement</td><td>10,097</td><td>(4,585)</td></tr>
<tr><td>Tax on share of results of associates and joint ventures</td><td>(1,536)</td><td>(1,900)</td></tr>
<tr><td>Tax impact of adjusting items</td><td>(12,921)</td><td>(6,630)</td></tr>
<tr><td>Headline tax charge</td><td>(4,360)</td><td>(13,115)</td></tr>
<tr><td>Headline (loss)/profit before tax</td><td>(18,697)</td><td>50,408</td></tr>
<tr><td>Headline effective tax rate</td><td>-23%</td><td>26%</td></tr>
</table>
</td></tr>
<tr><td>Headline return on capital employed</td><td>None</td><td>Operating adjusting items as disclosed in note 5.</td><td>Headline ROCE is calculated as headline operating profit (i.e. before adjusting items) divided by net assets excluding all balances relating to any provisions, financial instruments, interest-bearing liabilities and cash or cash equivalents.
<table>
<tr><td></td><td>2020</td><td>2019</td></tr>
<tr><td>Headline return on capital employed (“ROCE”)</td><td>£000</td><td>£000</td></tr>
<tr><td>Headline operating (loss)/profit (A)</td><td>(10,645)</td><td>55,763</td></tr>
<tr><td>Non-current assets:</td><td></td><td></td></tr>
<tr><td>Acquired goodwill</td><td>66,829</td><td>209,970</td></tr>
<tr><td>Acquired intangibles</td><td>240,572</td><td>270,608</td></tr>
<tr><td>Property, plant and equipment</td><td>17,964</td><td>5,167</td></tr>
<tr><td>Interests in associates and joint ventures</td><td>37,444</td><td>43,374</td></tr>
<tr><td>Deferred consideration receivable</td><td>6,865</td><td>3,795</td></tr>
<tr><td>Deferred tax asset</td><td>12,362</td><td>8,547</td></tr>
<tr><td>Current assets:</td><td></td><td></td></tr>
<tr><td>Trade and other receivables</td><td>34,224</td><td>59,024</td></tr>
<tr><td>Tax prepayment</td><td>1,374</td><td>3,300</td></tr>
<tr><td>Current liabilities:</td><td></td><td></td></tr>
</table>
</td></tr>
</table>

<table>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Trade and other payables</td><td>(58,454)</td><td>(33,390)</td></tr>
<tr><td>Corporation tax</td><td>(1,360)</td><td>(1,929)</td></tr>
<tr><td>Deferred income</td><td>(61,276)</td><td>(79,701)</td></tr>
<tr><td>Non-current liabilities:</td><td></td><td></td></tr>
<tr><td>Deferred tax liability</td><td>(25,675)</td><td>(40,655)</td></tr>
<tr><td>Deferred income</td><td>-</td><td>(291)</td></tr>
<tr><td>Capital employed (B)</td><td>270,869</td><td>447,819</td></tr>
<tr><td>Headline ROCE (A/B)</td><td>-3.9%</td><td>12.5%</td></tr>
</table>
</td></tr>
<tr><td>Like-for-like</td><td>None</td><td>N/A</td><td>Like-for-like (or underlying) results are stated on a constant currency basis, after excluding events which took place in the current period, but did not take place under our ownership in the comparative period and after excluding events which took place in the comparative period, but did not take place under our ownership in the current period. This excludes:
• Biennial events;
• timing differences (i.e. events that ran in only one of the current or comparative periods, due to changes in the event dates);
• launches;
• cancelled or disposed of events that did not take place under our ownership in the current year;
• acquired events in the current period;
• and acquired events in the comparative period that didn't take place under our ownership in the comparative period (i.e. they took place pre-acquisition).
Refer to the Chief Finance and Operations Officer’s statement for a reconciliation to the closest statutory measures.</td></tr>
<tr><td>Forward bookings</td><td>None</td><td>N/A</td><td>Forward bookings are contracted revenues for the following financial year. Unless otherwise stated these are as at the date of announcement (i.e. late November/early December each year).</td></tr>
</table>