16 December 2021

Hyve Group plc
("Hyve" or the "Group")

FY21 Preliminary Results

- Solid financial performance driven by recovery and momentum in H2
- Successful reopening of in-person events in all major markets, evidenced in key indicators
- Strong liquidity and robust balance sheet to support acceleration of omnichannel strategy
- Continued strengthening of the portfolio and delivered on all key FY21 priorities

Mark Shashoua, CEO of Hyve Group plc, commented:

"Our focus since the outbreak of COVID-19 has been to emerge with a stronger customer proposition and robust financial platform. This has prepared us well to meet significant pent-up demand and accelerate our omnichannel offering as markets reopened.

The successful reopening of in-person events in all our major markets has led to a strong and encouraging performance across our key indicators – particularly in the second half – where our shows performed well on a wide range of important metrics, including like-for-like customer spend, visitor density, net promoter scores and forward bookings.

This time a year ago, we wanted to position our business for success as markets recover by achieving three clear priorities: building customer market share on our market-leading shows, trialling facilitated meetings for rollout in FY22; and accelerating our omnichannel strategy through the launch of new online meet-ups, following the acquisition of Retail Meetup, augmented by the acquisition of 121 Group in November this year. We have delivered on all three.

Also, to further develop the positive impact of our brands on communities and the environment, we have launched a new ESG strategy that will be embedded across our business.

Looking ahead, our robust financial position, strengthened customer engagement and omnichannel strategy mean we are well placed to benefit from a continued recovery of physical events. Whilst there has been an encouraging return in domestic demand, uncertainties remain around the timing of full recovery, the speed of which is likely to be influenced by the reaction to new variants by governments across our key markets. We continue to monitor any developments and adapt our operations accordingly, based on extensive scenario planning and thorough processes in place. I would like to thank all my colleagues for their support and determination in what has been a demanding period for our business."

Financial headlines from continuing operations	**Year to 30 September 2021**	**Year to 30 September 2020**
Volume sales	211,000 SQM	344,000 SQM
Revenue	£55.2m	£99.4m
Headline profit / (loss) before tax[1] [2]	£20.8m	£(18.1m)
Insurance proceeds	£65.0m	£22.0m
Adjusted net debt [1]	£79.9m	£67.7m
Headline diluted earnings per share [1] [2]	7.6p	(12.7)p

[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] Results for the year ended 30 September 2020 have been restated for the prior period error disclosed in note 2 to the consolidated accounts.

Financial performance recovering particularly in the second half

- £55.2m revenue (FY20: £99.4m), supported by the return of in-person events in all major markets.
- Headline profit before tax of £20.8m (FY20: loss of £18.1m), following receipt of £65m of insurance proceeds. Since the year-end, confirmation of an additional £10.6m has been received.
- Adjusted net debt of £79.9m (FY20: £67.7m).
- Strong liquidity position with £130.1m available from cash and undrawn debt facilities.
- Secured 12-month covenant waiver extension post-year end, up to and including March 2023.

Strategic highlights

- Successful reopening of in-person events in all major markets with strong performance across all FY21 key indicators including like-for-like customer spend, visitor density, net promoter scores and forward bookings.
- Continued progress of the omnichannel strategy with the successful launch of Meetups to monetise virtual formats and meet underlying customer demand to connect online throughout the year.
- Successfully trialled facilitated meetings at Autumn Fair with FY22 broader rollout planned, initially with Bett and Spring Fair.
- Launch of Environmental, Social and Governance (ESG) strategy to develop the positive impact of Hyve brands on communities and the environment.

Outlook

- Positive signs of portfolio recovery, building customer market share throughout the year while acknowledging uncertainty with regard to international travel and new variants.
- Positive performance indicators, particularly strong increase in like-for-like customer spend and forward bookings, demonstrating the need for market-leading events.
- Robust balance sheet and strong liquidity position to trade through the remaining uncertainty whilst supporting further acceleration of the omnichannel strategy and targeted M&A.

Analyst and investor conference call and webcast

There will be an analyst and investor presentation via webcast, hosted by Mark Shashoua, Chief Executive and John Gulliver, Group Finance and Operations Officer, at 9.15 a.m. today. To join the presentation, please use the following link:

https://kvgo.com/IJLO/Hyve_FY21_Preliminary_Results_Announcement

There is also a facility to join the presentation and Q&A session via a conference call. Participants should dial:

UK Toll Free: 0808 109 0700, UK-Wide: +44 (0) 33 0551 0200, New York New York: +1 212 999 6659, USA Toll Free: 1 866 966 5335 and Quote "**Hyve FY21 Results**" when prompted by the operator.

A playback facility will be available shortly after the presentation has finished.

Enquiries:

Mark Shashoua, CEO / John Gulliver, CFOO Marina Calero, Group Head of Investor Relations	Hyve Group plc	020 3545 9000
Charles Palmer / Dwight Burden / Jamille Smith / Tom Blundell	FTI Consulting	020 3727 1000

About Hyve Group plc

Hyve Group plc is a next-generation global events business whose purpose is to bring together and connect entire sector ecosystems from all corners of the globe. We meet our customer needs to learn, network and trade via both market-leading in-person and online events. Hyve Group plc is all about globally consistent best practice and unrivalled quality. 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. Hyve's market-leading portfolio of global brands include: Shoptalk, Spring Fair, MosBuild, Bett, Mining Indaba and recently acquired Retail Meetup, a ground-breaking digital platform enabling online networking and trade to take place at scale.

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

Chairman’s statement

Continued recovery, supported by a strengthened model

As expected, the year to 30 September 2021 has been dominated by the effects of the pandemic and, until recently, the gradual but progressive unwinding of restrictions on the movement of people and the operation of businesses. Hyve has taken steady and incremental steps on its journey back to pre-pandemic levels. Having completed 12 in-person events by the half year, we successfully ran 41 by the end of the financial year.

Revenues for the full year were £55.2m (2020: £99.4m) and adjusted net debt at the year end was £79.9m (2020: £67.7m), an improved position compared to earlier expectations. This was due in part to strong cash collections for upcoming events, continued cost control and cash management, and £65m of insurance proceeds secured during the financial year. The Group continues to maintain its strong liquidity position.

Market context

It has been pleasing to see our in-person events return this year, with the results showing promise for recovery once international travel restrictions are lifted.

The ongoing pace of the vaccine rollout is encouraging and paves the way for our markets to continue to recover; however, given the recent spike in COVID-19 cases in some of our markets, the Board remains cautious and is considering a number of scenarios when planning ahead.

Simultaneously, the evolving needs and preferences of our customers have offered us an opportunity for growth, through the development of our omnichannel strategy. I look forward to the Group delivering significant progress against this ambition during the year ahead.

The Board

During the year, we successfully completed a Board evaluation process using a third-party provider, to measure the effectiveness of our governance and the accountability of our Board members. You can find further details in the Governance report. We have also made changes to the way we incentivise and reward the Executive Directors and senior managers. After the year end, shareholders approved changes to the Remuneration Policy, establishing a five-year Value Creation Plan. The aim is to reward those in the plan for achieving substantial growth for the business and increasing shareholder value. The plan serves as a clear statement of commitment, both from the Company and from the individuals concerned. Further details are set out in the Remuneration report.

Stephen Puckett, who has served the Board as a non-executive director since 2013, will be stepping down from the Board at the conclusion of our AGM in February 2022. I should like to thank Stephen for his excellent service to the Company over the past nine years during which he has chaired the Audit Committee and more recently the Risk Committee, and particularly for his support throughout the difficult period following the outbreak of the pandemic. Stephen also served as the employee representative. We are in the process of seeking to appoint additional non-executive directors to the Board.

During the year we established the ESG Committee, with Sharon Baylay as its Chair. Further detail is available in the ESG Committee report. As a company, we take very seriously our responsibilities towards the environment, combatting climate change, improving social welfare and governance. The establishment of the ESG committee demonstrated the Board's commitment to these issues.

Dividends

We are not planning to recommence dividend payments this year, but we are committed to reintroducing them when appropriate to do so, when the business returns to sustained cash generation and profitability.

Team performance

I would like to thank everybody at Hyve for their substantial support and commitment during the difficult circumstances brought about by the pandemic. This includes responding so well to the disruptions and challenges that were a result of the various lockdowns and restrictions, adapting to working from home, and the positive responses in relation to returning to the office. We look forward to continuing to renew the office working culture and investing in the wellbeing and development of all at Hyve. I would also like to thank those involved in the global taskforce to create COVID-safe event standards, which helped pave the way for the events we have been able to run this year.

Customer and other support

Our customers, venue owners and suppliers have all suffered to a greater or lesser extent as a result of the pandemic. Their support and flexibility throughout this period has enabled Hyve to continue to operate and re-open events as soon as restrictions have allowed. I would like to thank them for their continued support and belief in Hyve and its portfolio of events.

Looking ahead

We expect recovery to continue as we return to a more normal footing. However, we must remain cautious that international travel restrictions, as well as new COVID variants, will impact the pace of that recovery. We will continue to respond to local guidance and prioritise health and safety. Alongside the recovery of our in-person events, we will continue to develop our digital products to add additional, scalable revenue opportunities to our model.

Chief Executive Officer’s statement and Q&A

Our business continues to recover

We enter FY22 in a strong position, with almost all our events having resumed, including the long-awaited reopening of events in the UK and US during the fourth quarter of the year. The reception from our customers has been overwhelmingly positive, and we are seeing encouraging trends beginning to emerge as some events are now entering their second cycle since the pandemic.

While this is promising, we continue to exercise caution and expect that international travel restrictions will affect our events for the near future. We also must remain mindful that local COVID-associated disruptions have the potential to impact our future events. For example, due to the recent reintroduction of restrictions in Shanghai, we had to postpone two events scheduled for August. As we have for the last 18 months, we continue to closely monitor developments regarding new COVID-19 variants across the markets we operate in.

Customers increasingly prioritise market leading events

People consistently ask: “how will COVID change your business model?” The reality is that COVID will only accelerate trends that were happening anyway. There was already a shift of corporate marketing spend towards investing solely in the main event in the relevant sector or geography.

We had already future-proofed the business against this change through our TAG programme, which saw us invest significantly into our events and solidify their market-leading position. In addition, we sold any smaller, more regionally focused events, such as those we previously owned in Central Asia. We now run a streamlined portfolio of 63 in-person events, down from a high of 269 in May 2017, with revenue per event now more than five times higher than in 2017.

Encouraging trends are emerging

Firstly, the number of domestic exhibitors attending our events is showing strong signs of recovery with some events already achieving more than 100% of the number of domestic exhibitors in FY19. When we compare the spend of those customers who attended events both pre and since the pandemic, we are seeing a like-for-like increase across the vast majority of our events. In addition, we are seeing that number increase again as we look ahead to FY22 events. This clearly demonstrates the value our customers place on the unique marketing opportunity presented by market leading in-person events.

We have also been able to attract a sizable visitor base, despite the restrictions in place, which is resulting in increased visitor density (the number of visitors per exhibitor), delivering higher return on investment for our exhibitors. This is increasing customer satisfaction, which in turn is producing higher NPS scores and forward bookings.

Implementing our omnichannel strategy

The pandemic expedited a change in customer behaviours and preferences and drove an increase in digital adoption. To continue to pre-empt the demand of our customers, we have accelerated our omnichannel strategy both through building up our own in-house digital product team as well as through acquisition.

One of the first steps in that journey was to acquire Retail Meetup, an online networking platform, in December 2020. This business provides us with an exciting new proposition and a blueprint for growth. We ran two Meetup events post-acquisition during the financial year, both of which exceeded the expectations formed at the time of the acquisition and since the end of September successfully ran the second edition of Shoptalk Fall Meetup.

In addition, since the year end, we announced the acquisition of 121 Group. 121 Group is a series of meeting programmes taking place in both in-person and online formats, for the mining investment sector. This acquisition adds further strength and diversity to our omnichannel product portfolio.

An omnichannel model enables us to provide customers with a calendar of opportunities to learn, network and trade, both online and in person, throughout the entire year. In turn, this further cements our position as a strategic partner for our customer communities.

Rolling out facilitated meetings

Facilitated meetings is all about ensuring the right connections between buyers and sellers, helping them identify the key people they should be meeting, and providing an inspiring space in which they can do that. This is all enabled by our digital platform and the detailed profiles we are building, as well as the enormous amount of personalised support from our product teams.

Because our customer community teams get to the heart of industries, and meetings have a double-opt-in process, we know that those meetings will be very relevant for both individuals with a high probability of a tangible outcome.

This is a tried and tested model, proven by Shoptalk and Groceryshop, with Groceryshop facilitating more than 1,700 meetings at its September event.

We trialled facilitated meetings under the name ‘Curated Meetings’ at Autumn Fair, with huge success. Customers told us they found it enormously valuable and we are now working to integrate a full facilitated meetings programme into Bett in January 2022 and Spring Fair in February 2022.

Supporting our people

Some of our teams had been working on their events for up to 11 months when the pandemic hit, and so cancelling them was very difficult. I am so grateful to our people for their resilience, determination and the passion they showed towards our products and customers, as well as each other.

During the course of the pandemic, like all businesses, we had a bigger responsibility than ever to support our people. We did this through scaling up the wellbeing and mental health resources we provide, including launching Spill, an online counselling service, for UK teams. We also introduced mental-health first aiders, and a global programme of wellbeing webinars covering topics such as stress, mindfulness, nutrition and sleep.

We also launched Peakon, a listening tool where employees can offer their feedback on what is and isn’t working for them. The platform highlights ways we can improve our working culture as well as development, reward and wellbeing. Data is regularly reviewed at Board, Group, divisional and team level with action plans created to address the feedback. We are committed to continuously improving working life at Hyve and making Hyve a great place to work.

Increasing our focus on sustainable development

As the voice of many major industries, we recognise we have a unique opportunity to put sustainable development on the agenda, and we want to use the power of our events to create platforms for change. That is why, this year, we have defined an ambitious ESG strategy.

Whether in diversity and inclusion, ethical business or sustainability, we can use our influence to bring positive change across the industries we work with, and to redefine ESG within our own industry. Of course, this means we will also increase our focus on the social and environmental impacts of our own events while partnering with the wider industry to tackle some of its largest issues.

Our confident outlook

I am confident about Hyve's long-term outlook, thanks to the tireless efforts of our teams throughout the last 18 months. As we look ahead, while uncertainty about the evolution of the pandemic has increased in recent weeks, we are excited to continue to support our vibrant industry communities and connect them through our unmissable in-person events, online platforms and productive facilitated meeting programmes, while advocating for sustainable development both inside our own business and throughout the industries we work in.

Chief Finance and Operations Officer's statement

Decisive action to reduce costs, conserve cash and boost liquidity

"The reopening of events in almost all of our markets by the end of the financial year, as well as increasing customer spend and forward bookings, has put us in a strong position going into FY22."

- Liquidity of **£130.1m** gives us financial security going into FY22

While FY20 will be remembered for the emergence and initial impact of COVID-19, together with the decisive actions we subsequently took to stabilise the business, the impact on the Group's financial results has clearly been more pronounced this year.

COVID-19 impact on our event schedule

Pre-pandemic we were able to run 31 events in the first half of FY20, including four of our top 10 events. In contrast, in FY21 we were only able to run 12 in-person events in the first half of the year, none of which feature in our top 10 events.

More positively, as restrictions lifted in the second half of FY21 across more of our markets, we were able to run a further 29 in-person events. Following successful events in the UK and the US in the final month of the year, operations have now resumed in the majority of our markets. Overall, we generated revenues of £55.2m from 43 events, including two Retail Meetup online events (2020: £99.4m from 43 events).

Encouraging trends

Following the reopening of events during FY21, a number of positive trends have emerged which give us confidence in the trajectory of the recovery as we look ahead.

For example, whilst prolonged restrictions on international business travel have impacted the size of our events, revenues from domestic exhibitors have recovered strongly, demonstrating pent-up demand where exhibitors and visitors are physically able to attend. Furthermore, the recovery of domestic revenues has been stronger in markets that reopened earlier, most prominently in China where events have performed at pre-COVID levels, but also in Russia where events in the second half of the year have outperformed those which took place in the first half.

At many of our events we have also observed an increase in like-for-like spend by customers who were able to attend both the pre-COVID-19 edition of an event and the FY21 edition of an event. Mosbuild, the Group's first top 10 event since the COVID-19 outbreak, achieved a like-for-like revenue increase of 15% from customers who were able to attend in both FY19 and FY21. We are also seeing an increase in visitor density, meaning the number of visitors per exhibitor is higher post-pandemic and therefore delivering increased value to exhibitors.

Benefiting from event cancellation insurance policies

Although our event schedule has been disrupted by the pandemic, we have benefited from event cancellation insurance where insured events are cancelled or prohibited as a result of government restrictions. Insurance proceeds, alongside the cost management initiatives, have been a vital element in our successful efforts to mitigate the financial impact on our business.

During FY21 we received proceeds under our insurance policies of £65.0m (2020: £22.0m). This helped mitigate the impact of the event cancellations and led to the Group delivering a headline profit before tax of £20.8m (2020: headline loss before tax of £18.1m). Headline profit before tax is defined in the Glossary.

Since the year end confirmation of an additional £10.6m has been received, bringing total successful claims to £97.6m since the start of the pandemic. Now that total proceeds have exceeded £85.0m, 50% of any further proceeds are passed on to the Group's lenders as a repayment of the term loan facility.

Managing the portfolio

In April we completed the sale of ITECA LLP, the operating company for 25 of the Group's non-core, regionally focused events in Kazakhstan. This completes our key strategic aim to exit the business in Central Asia and supports our ambition to focus on larger, international events with higher growth potential. Central Asia is treated as a discontinued operation in both the current and comparative periods throughout these results.

Since the year end, we also disposed of ABEC, our 60% owned Indian business, which removes eight Indian events and supports further streamlining of the Group's portfolio.

Strong balance sheet and liquidity

The Group continues to maintain its strong liquidity position and has significant cash headroom. Adjusted net debt at the period end was £79.9m (2020: £67.7m) with cash and undrawn debt facilities available to the Group of £130.1m. Please refer to note 30 to the consolidated accounts.

As reported last year, in response to the pandemic, we obtained waivers for the leverage ratio and interest cover covenants up to and including March 2022, replacing them with a minimum liquidity test, whereby the Group must ensure that the aggregate of cash and undrawn debt facilities is not less than £40m at the end of each month, except between April and October 2021 being not less than £30m. Subsequent to the year ended 30 September 2021 the Group has secured an extension of the covenant waivers up to and including March 2023.

Outlook

FY21 has been a very positive step on the road to recovery and we enter FY22 with confidence, supported by forward bookings of £108m. There remains the risk of further COVID-19 associated disruptions, particularly in relation to new variants and our exhibitors' ability to attend our events due to international travel restrictions, but the positive forward bookings position gives us good visibility as we look ahead to FY22.

John Gulliver
CFOO

Overview

Revenue

Revenue for the year from continuing operations was £55.2m (2020: £99.4m). The pandemic impacted the number and scale of the Group's events, with 41 (2020: 43) in-person events taking place in the year. The vast majority of the Group's revenues were recognised in the second half, following the resumption of events in the majority of its markets, including the UK and the US in the final month of the year, following the relaxing of COVID-19 restrictions.

Four of the Group's top 10 events took place in the second half of the year: Mosbuild, Worldfood Moscow, Autumn Fair, and Groceryshop. The events were at a smaller scale than their pre-pandemic levels as a direct result of international travel restrictions that were in place. The remaining top 10 events were cancelled for the year. Shoptalk, Spring Fair, Bett, CWIEME Berlin, Yugagro and Mining Indaba will next take place in FY22.

Following the acquisition of Retail Meetup in December 2020, the Group also ran its first two virtual Meetup events which performed ahead of management's expectations.

Loss before tax

The Group reported a loss before tax from continuing operations of £20.6m (2020: £315.0m), after including adjusting items of £41.4m (2020: £296.9m). Although impairment charges of £19.0m (2020: £263.4m) have been recognised in the year due to the continuing impact of the pandemic on our UK-retail events, this is significantly lower than the impairment charges recognised in the previous year when the impact of the coronavirus outbreak was first reflected in our forecast operating profits.

Headline profit before tax[1] is an alternative performance measure used by the Group to measure underlying trading performance. After excluding adjusting items, headline profit before tax from continuing operations was £20.8m (2020: loss of £18.1m). Insurance proceeds of £65.0m (2020: £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 FY20 and FY21, offsetting the losses incurred due to the disruption to the Group's event schedule.

Earnings per share

Basic and diluted EPS from continuing operations were (5.7)p (2020: (172.3p)). Headline diluted EPS[1] from continuing operations was 7.9p (2020: (12.7)p) reflecting the return to headline profitability. Please refer to note 11 to the consolidated accounts.

Financing and liquidity

Adjusted net debt[1] at the year-end has increased to £79.9m (30 September 2020: £67.7m). Whilst net operating cash inflows of £26.6m (2020: £5.0m), including insurance proceeds of £65.0m (2020: £22.0m), offset the acquisition of Retail Meetup for total consideration of £23.2m, the Group's interest and lease payments contributed to the increase in adjusted net debt during the year. Net debt[1], including the Group's lease liabilities, was £96.6m (2020: £86.5m).

At 30 September 2021, £124.4m (2020: £121.7m) of a total available £212.8m (2020: £250.0m) was drawn on the Group's banking facility. Bank loans presented in the Statement of Financial Position are £121.6m (£118.0m), net of £2.8m (2020: £3.7m) of capitalised borrowing costs.

The Group's banking facilities comprise a £150.0m (2020: £150.0m) revolving credit facility and a term loan of £62.8m (2020: £100.0m). During the year the Group repaid £37.2m on its term loan and in December 2020 agreed with its lenders various amendments to the existing agreement, including a new repayment schedule. As at 30 September 2021, there were further scheduled repayments of the term loan of £0.8m due in March 2022, £5.0m in June 2022, £6.0m in September 2022 and November 2022, £22.5m in November 2023 and a final repayment of £22.5m on the termination date.

As reported in the previous year, we had 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. Subsequent to the year end, the Group has extended the covenant waivers by 12 months, up to and including March 2023, with a minimum liquidity level of £40m required at the end of each month.

At 30 September 2021 the Group had cash and undrawn facilities of £130.1m and therefore had headroom of £100.1m in respect of the liquidity test.

1. *As defined in the Glossary.*

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 from continuing operations to statutory loss before tax from continuing operations:

£'m	**2021**	**2020** (restated[1])	
Headline profit / (loss) before tax from continuing operations	**20.8**	(18.1)	
Operating items			
Amortisation of acquired intangible assets	(27.8)	(29.2)	<u>Definition</u> Amortisation charge in respect of intangible assets acquired through business combinations. <u>Explanation</u> The charge has decreased in the period as a result of impairment charges of £63.4m recognised in respect of acquired intangible assets in the prior year which reduced the net book value of intangible assets being amortised. *<u>Why adjusted?</u>*

			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	(19.0)	(263.4)	Definition Write down of assets to fair value, where indicators of impairment have existed or following the completion of the annual impairment review. Explanation Impairment charges of £19.0m have been recognised in respect of acquired intangible assets within the UK CGU as a result of the continuing impact of COVID on our UK-retail events, as well as the allocation of additional central costs following revisions to the cost allocation methodology. In the prior year, impairment charges totalling £263.5m were recognised in respect of goodwill (£195.5m), acquired intangible assets (£63.4m) and investments in our associates and joint ventures (£4.5m) as a result of the coronavirus outbreak and its impact on discount rates and forecast operating profits. *Why adjusted?* *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 on disposal	0.2	-	Definition 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. Explanation A gain on disposal of £0.2m was recognised in respect of the disposal of ITE Ebseek Exhibitions, the operating company of the Fasteners event in Shanghai. *Why adjusted?* *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	(0.7)	(3.3)	Definition Costs incurred that are directly attributable to acquisitions or disposals, whether completed, still being actively pursued or no longer being considered. Explanation Transaction costs on completed and pending acquisitions and disposals relate principally to costs incurred on the acquisition of Retail Meetup completed in December 2020. 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 the Shoptalk and Groceryshop events completed in December 2019. *Why adjusted?* *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. Excluding the costs increases comparability of performance each year.*
Integration costs	-	(0.5)	Definition 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. Explanation In the prior year integration costs of £0.5m were incurred in relation to the Shoptalk and Groceryshop events, primarily in respect of 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. *Why adjusted?* *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	 -	 (0.8)	Definition Costs incurred related to transforming and restructuring the business, primarily through the Group's TAG programme. Explanation In the prior year restructuring costs of £0.8m were incurred in relation 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 coronavirus outbreak, and the subsequent cost saving measures implemented across the Group. *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	(0.5)	(1.5)	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 £0.5m (2020: £1.5m) reflects the smaller size of Sinostar's Chinacoat event in FY21. *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 and disposals	6.4	3.2	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. Similarly, a number of the Group's recent disposals have elements of deferred consideration receivable. 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 £8.8m), in relation to the remaining 40% interest in ABEC, the imputed interest credit on the unwinding of the discount on the Group's deferred consideration receivable in relation to the disposals of ITE Expo LLC and its Azerbaijan, Uzbekistan and Kazakhstan event portfolios (credit of £1.6m), a loss on the revaluation of the ITE Expo LLC deferred consideration receivable (charge of £3.1m), a gain on the revaluation of the Azerbaijan, Uzbekistan and Kazakhstan deferred consideration receivable (credit of £0.5m), and a loss on the revaluation of the deferred consideration payable for Retail

			Meetup (charge of £1.4m). The equity option liability held in respect of ABEC was valued at £nil at 30 September 2021 following advice from the Group's lawyers that both the option exercises in November and December 2020 and any future exercise would have been invalid and unenforceable. *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 before tax from continuing operations	**(20.6)**	(312.8)	

[1] Results for the year ended 30 September 2020 have been restated for the prior period error disclosed in note 2 to the financial statements and the treatment of the Central Asia business as a discontinued operation as disclosed in note 13 to the financial statements. All subsequent references to restatements throughout these results refer to the changes as disclosed in note 2 and note 13.

Consolidated Income Statement
Trading summary

A detailed analysis of volumes, revenues and profits is presented below:

		Square Metres Sold	Revenue	Average yield	Headline Profit/(loss) Before Tax (restated)
		'000	£'m	£ per SQM	£'m
2020	**Reported**	**364**	**105.1**	**289**	**(18.9)**
	Discontinued operations	(20)	(5.7)		0.8
2020	**Continuing operations**	**344**	**99.4**	**289**	**(18.1)**
	Biennial	(29)	(5.8)		(2.7)
	Timing	-	-		0.3
	COVID-19 postponements and cancellations[1]	(212)	(69.0)		(12.1)
	COVID-19 costs on current period cancellations[2]	-	-		10.8
	Non-recurring	-	(0.5)		1.3
2020	Annually recurring	**103**	**24.1**	**238**	**(20.5)**
	Acquisitions	-	2.0		0.9
	Launches	-	-		-
	Foreign exchange	-	(1.1)		(0.7)
	Like-for-like growth	**(30)**	**(8.0)**		**(13.2)**
2021	Annually recurring	**73**	**17.0**	**239**	**(33.5)**
	Insurance proceeds	**-**	-		43.0
	COVID-19 postponements and cancellations[3]	**138**	38.2		11.3
2021	**Total – continuing operations**	**211**	**55.2**	**262**	**20.8**

Segmental results

[1] Represents the prior period performance of events that were postponed or cancelled in the current period as a result of COVID-19.
[2] Represents the costs incurred in the prior period in respect of the events that were cancelled in the current period as a result of COVID-19.
[3] Represents the current period performance of events that were postponed or cancelled in the prior period as a result of COVID-19.

£'m	Revenue		Headline profit/(loss) before tax	
	2021	2020 (restated)	2021	2020 (restated)
Global Communities	17.7	56.5	(21.0)	(15.0)
Asia	4.1	17.1	(7.5)	6.4
Eastern & Southern Europe	6.1	4.0	(1.9)	(3.1)
Russia	27.3	21.8	5.8	(6.6)
Other income	-	-	66.1	22.6
Central costs	-	-	(12.3)	(16.9)
Foreign exchange gain/(loss)	-	-	(0.3)	2.6
Net finance costs	-	-	(8.1)	(8.1)
Total – continuing operations	**55.2**	**99.4**	**20.8**	**(18.1)**

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

Other income includes insurance proceeds of £65.0m (2020: £22.0m), 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 current and prior 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, which 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. Central costs have decreased in the year as a result of the cost saving measures introduced across the Group in response to the pandemic.

Net finance costs include the interest cost on the Group's borrowings of £5.2m (2020: £6.4m), which has decreased in the year following repayments of £37.2m on the Group's term loan and a lower drawn position on its revolving credit facility. Net finance costs also include bank charges of £2.4m (2020: £1.6m) and the interest cost on the Group's lease liabilities of £0.7m (2020: £0.7m).

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 loss of £0.3m in the year (2020: gain of £2.6m) 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 and Turkish lira were weaker compared to the same period in the previous year, meaning the reported results were lower than in the comparative period by £1.1m for revenue. Due to the reduced number and scale of the events that ran in the year, the impact of these currency movements did not fall through to headline profit before tax. The weakening of the Hong Kong dollar and the US dollar, in which currencies significant costs were incurred, meant that headline profit before tax was £2.2m higher than in the comparative period as a result of currency movements.

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 strengthening of the Russian ruble relative to the euro has contributed to a loss of £0.3m (2020: gain of £2.8m) recognised in the year, which has arisen on the revaluation of foreign currency monetary assets and liabilities held in our subsidiary companies in Russia.

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 £1.3m, largely due to the weakening of the US dollar against sterling between the beginning and the end of the financial year. Due to the considerable goodwill and intangible assets held in the US 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 21 December 2020 the Group acquired 100% of the share capital of Retail Meetup for initial consideration of £18.5m and deferred contingent consideration with a fair value at acquisition of £3.4m.

The deferred contingent consideration related to an earn-out payment based on the EBITDA of the two Retail Meetup events which took place in FY21. The deferred contingent consideration was calculated based on management's expectations of EBITDA at acquisition. The deferred contingent consideration was subsequently settled in August 2021 for £4.7m based on the finalised EBITDA of the two events, resulting in an additional £1.3m of consideration being payable compared to management's expectations at the time of acquisition. The revaluation of £1.3m was recognised through profit or loss.

As a key part of its strategy, Hyve is focussed on running market-leading events and continues to actively manage its portfolio to align with this strategy. In April 2021 the Group disposed of its Kazakhstan event portfolio, completing the Group's planned exit of its business in Central Asia. The Group expects to receive consideration of £4.8m. When discounted, the fair value of the consideration receivable was £3.1m at disposal. A loss on disposal of £3.6m was recognised in respect of the disposal and is included in the loss from discontinued operations.

During the year the Group also disposed of its 70% holding in ITE Ebseek Exhibitions, the operating company of its Fasteners event in Shanghai, for upfront consideration of £0.5m. A gain on disposal of £0.2m was recognised in respect of the disposal.

At 30 September 2021, an equity option was held over additional shares in ABEC, a 60% owned subsidiary. The liability was valued at £nil following the Group's lawyers' advice that both the option exercises in November and December 2020 and any future exercise are invalid and unenforceable. On 12 November 2021, subsequent to the year end, the Group completed the disposal of its shareholding in ABEC. The Group has received upfront consideration of £1.0m in respect of the disposal.

Since the year end, on 18 November 2021, the Group completed the acquisition of 100% of the share capital of 121 Group (HK) Limited and 121 Partners Limited ("121 Group") for initial consideration of approximately £21m and deferred contingent consideration expected to be between £21m and £29m, based on the financial performance of 121 Group over a three-year period.

Consolidated Statement of Financial Position

The Group's Consolidated Statement of Financial Position at 30 September 2021 is summarised in the table below:

	30 September 2021	30 September 2020

	£m	£m
Goodwill and other intangible assets	274.4	304.3
Interests in associates and joint ventures	37.1	37.4
Other non-current assets	30.3	30.0
Total non-current assets	**341.8**	**371.7**
Trade debtors	20.3	14.3
Cash	41.7	50.3
Other current assets	17.1	20.8
Total current assets	**79.1**	**85.4**
Deferred income	(72.3)	(61.3)
Bank loan	(121.6)	(118.0)
Other liabilities	(70.4)	(100.8)
Total liabilities	**(264.3)**	**(280.1)**
Share capital and share premium	186.8	186.8
Translation reserve	(52.2)	(50.9)
Other reserves	2.5	19.2
NCI	19.5	21.9
Total equity	**156.6**	**177.0**

Total non-current assets

Impairment charges of £19.0m (2020: £258.9m) have been recognised in respect of goodwill and intangible assets. The charge in the current year relates to intangible assets within the UK CGU and has been recognised as a result of the continuing impact of COVID on our UK-retail events, largely offsetting the goodwill and intangible assets of £22.0m recognised in respect of the acquisition of Retail Meetup in December 2020. The annual amortisation charge on intangible assets was £29.0m (2020: £31.6m).

Total current assets

The increase in trade debtors in the period reflects the increase in contractually agreed forward bookings. This contrasts with September 2020 when the rollover process on cancelled events had not been finalised and any unconfirmed bookings were removed from trade debtors.

Cash balances decreased to £41.7m (2020: £50.3m). Whilst net operating cash inflows of £26.6m (2020: £5.0m), including insurance proceeds of £65.0m (2020: £22.0m), offset the acquisition of Retail Meetup for total consideration of £23.2m, the Group's interest and lease payments caused the cash balance to fall during the year.

Other current assets have declined following the settlement of VAT receivable which had accumulated in the previous year following the cancellation of a number of the Group's events.

Total liabilities

The increase in deferred income in the period reflects the increase in contractually agreed forward bookings. This contrasts with 30 September 2020 when the rollover process on cancelled events had not been finalised and any unconfirmed bookings were removed from deferred income.

The bank loan balance of £121.6m (2020: £118.0m) has increased with drawdowns of the facility, actioned to optimise liquidity in the early stages of the financial year, exceeding repayments made on the facility since.

At 30 September 2020 a liability of £23.6m (included in 'other liabilities') had 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. The rollover process for these events was completed in the year and therefore the bookings have either been confirmed or refunds processed. The refund liability at 30 September 2021 is £7.4m.

Total equity

The foreign currency translation reserve increased by £1.3m, largely due to the weakening of the US dollar against sterling between the beginning and the end of the financial year. Due to the considerable goodwill and intangible assets held in the US the value of the net assets within the consolidated statement of financial position has increased.

The movement in other reserves is attributable to the loss for the period.

The NCI balance decreased in the year due to dividends paid to the Group's non-controlling interests of £0.7m, losses attributable to the Group's non-controlling interests of £0.8m and the disposal of the £0.9m non-controlling interest relating to Fasteners following the disposal of the business during the year.

Divisional Trading Summary

Global Communities

	2021 £'m	2020 £'m	Change
Revenue	17.7	56.5	-69%
Headline loss before tax	(21.0)	(15.0)	-40%

The Global Communities division comprises Africa Oil Week, Breakbulk, Mining Indaba, Bett, CWIEME and the Shoptalk and Groceryshop portfolios, including the Group's virtual Meetup events following the acquisition of Retail Meetup in December 2020. The division also includes our UK Retail portfolio, which comprises Spring and Autumn Fair, Glee and our UK fashion portfolio which includes Pure, Scoop and Moda.

Revenues were lower than the comparative period as a result of the cancellation of a number of events due to COVID-19, including Bett, Spring Fair, Mining Indaba and Africa Oil Week. The impact on headline profits was mitigated by the cost management initiatives introduced in response to the COVID-19 pandemic and as a result of the restructuring of the division to merge the two previously separate UK and Global Brands divisions.

In the final quarter of the year events were able to resume in the UK and US. This was possible for the first time since February 2020 thanks to the relaxing of COVID-19 restrictions. In the UK this included Autumn Fair and Glee, and in the US the Group ran its first Groceryshop event since acquiring the Shoptalk and Groceryshop business in December 2019. As expected, the events were at a smaller scale than their pre-pandemic levels as a direct result of the international travel restrictions that remain in place. Encouragingly, all events received extremely positive feedback from their customer communities who benefited from the pent-up demand to trade, network and learn.

While the larger European editions of the Breakbulk and CWIEME portfolios were cancelled for the year and will next take place in FY22, the portfolios ran one smaller regional event each, in the US and China respectively, and benefited from strong attendance from domestic exhibitors.

In the year the Group ran its first virtual Meetup events, Groceryshop Spring Meetup and Shoptalk Meetup for Women, following the acquisition of Retail Meetup in December 2020. Both events outperformed expectations.

In FY22 a number of the divisions' largest events are expected to take place for the first time since the pandemic began to affect our ability to run events in March 2020, including Shoptalk, which will run for the first time under Hyve's ownership, Bett, Spring Fair, Mining Indaba, Africa Oil Week, CWIEME Berlin and Breakbulk Europe.

Russia

	2021 £'m	2020 £'m	% change
Revenue	27.3	21.8	25%
Headline profit/(loss) before tax	5.8	(6.6)	188%

Revenues on Russian events were 25% higher than the comparative period. The division was able to run close to its full schedule of events, with the exception of Yugagro, the international agriculture exhibition, which was scheduled to take place in the first quarter of FY21 but was cancelled as a result of regional restrictions in Krasnodar. Since the year end, Yugagro successfully took place in November 2021.

Mosbuild, the division's largest event, was held in April and delivered a strong performance with impressive exhibitor and visitor attendance in the context of the event taking place only eight weeks after restrictions were lifted in Russia. The event welcomed 720 exhibitors and more than 66,500 visitors over 4 days, compared to 1,200 exhibitors and 77,300 visitors in 2019. The absence of international exhibitors and visitors meant that the event still performed significantly below pre-pandemic levels, but it achieved a like-for-like revenue increase of 15% from customers who were able to attend in both FY19 and FY21.

This trend was replicated at the other twelve Russian events that took place in the year, including Worldfood Moscow and MITT, with robust domestic performance somewhat offsetting the adverse impact of continuing international travel restrictions.

Asia

	2021 £'m	2020 £'m	Change
Revenue	4.1	17.1	-76%
Headline (loss)/profit before tax	(7.5)	6.4	-217%

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 76% from the comparative period and profits were down 217% due to the impact of COVID-19.

As China felt the impact of COVID-19 much earlier than the rest of the world and government measures were relaxed at an earlier stage, the Group's domestic events in the region have been able to recover from the pandemic more strongly than other regions and largely performed in line with pre-pandemic levels during FY21. Regrettably, the recent reintroduction of restrictions in Shanghai resulted in two of the region's largest events that were scheduled to run in August having to be cancelled.

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 in December but was significantly below its pre-pandemic scale and contributed £1.9m (2020: £6.3m) to headline profit before tax.

One of our events in India was able to run in February prior to the country returning to lockdown, but all other Indian events scheduled to take place in the period were cancelled. It was also the negative biennial year for the Paperex event which took place in the comparative period.

Eastern and Southern Europe

	2021 £'m	2020 £'m	% change
Revenue	6.1	4.0	51%
Headline loss before tax	(1.9)	(3.1)	39%

The Eastern and Southern Europe division is comprised of our event portfolios in Turkey and Ukraine. Revenues for the division were up 51% from the comparative period due to the division being able to run close to its full schedule of events in the year.

Worldfood Istanbul took place in November and was the Group's first event in Turkey since the pandemic. A further three events took place in Turkey in the financial year, although all events were smaller than the pre-pandemic editions due to international exhibitors and visitors being unable to attend. This included a second edition of Worldfood Istanbul in September which performed significantly above its first edition of the year, demonstrating that our events' recovery is quickening the longer markets have been open.

Ten domestic Ukraine events took place in the year but further disruption from the country re-entering lockdown during the year had an adverse impact on performance.

Discontinued operations - Central Asia

	2021 £'m	2020 £'m	Change
Revenue	-	5.7	-100%
Headline loss before tax	(0.7)	(0.8)	13%

The Central Asia division previously comprised our events in Kazakhstan, Azerbaijan and Uzbekistan. The sale of the Kazakhstan business was completed in April 2021, following the disposal of our Azerbaijan and Uzbekistan event portfolios in August 2020, completing Hyve's exit from the region. In the comparative period the division delivered revenues of £5.7m and a headline loss before tax of £0.8m.

No Kazakhstan events were able to take place in the period prior to the disposal as a result of COVID-19.

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

£'m	2021	2020	
Headline loss before tax from discontinued operations	**(0.7)**	(0.8)	
Operating items			
(Loss) / profit on disposal of discontinued operation	(3.6)	2.3	<u>Definition</u> The profit or loss recognised following the disposal of a discontinued operation, 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 loss on disposal in the year relates to the disposal of Kazakhstan. When discounted, the fair value of the consideration receivable was £3.1m at disposal, and a loss on disposal of £3.6m was recognised. In the previous year the Group disposed of its event portfolios in Azerbaijan and Uzbekistan and a profit on disposal of £2.3m was recognised. *<u>Why adjusted?</u>* *To exclude the non-recurring profit/loss from a disposal of a discontinued operation, from which no future profit or loss will be recognised. This increases the comparability of the results year-on-year.*
Loss before tax from discontinued operations	**(4.3)**	1.5	

Consolidated Income Statement

		Year ended 30 September 2021			Year ended 30 September 2020 (restated[1])		
		Headline	**Adjusting items (note 5)**	**Statutory**	Headline	Adjusting items (note 5)	Statutory
	Notes	**£000**	**£000**	**£000**	£000	£000	£000
Revenue	3	**55,201**	**-**	**55,201**	99,365	-	99,365
Cost of sales		**(50,882)**	**-**	**(50,882)**	(95,559)	-	(95,559)
Impairment loss in respect of trade receivables		**592**	**-**	**592**	(2,891)	-	(2,891)
Gross profit		**4,911**	**-**	**4,911**	915	-	915
Other operating income	4	**66,101**	**-**	**66,101**	22,578	-	22,578
Administrative expenses		**(43,838)**	**(47,291)**	**(91,129)**	(41,967)	(297,202)	(339,169)
Foreign exchange (loss)/gain on operating activities		**(306)**	**-**	**(306)**	2,642	-	2,642
Share of results of associates and joint ventures		**2,000**	**(455)**	**1,545**	5,748	(1,536)	4,212
Operating profit/(loss)		**28,868**	**(47,746)**	**(18,878)**	(10,084)	(298,738)	(308,822)
Investment revenue	6	**163**	**10,401**	**10,564**	611	4,804	5,415
Finance costs	7	**(8,241)**	**(4,037)**	**(12,278)**	(8,663)	(2,957)	(11,620)
Profit/(loss) before tax		**20,790**	**(41,382)**	**(20,592)**	(18,136)	(296,891)	(315,027)
Tax (charge)/credit	8	**(1,465)**	**6,475**	**5,010**	(3,433)	14,457	11,024
Profit/(loss) from continuing operations		**19,325**	**(34,907)**	**(15,582)**	(21,569)	(282,434)	(304,003)
Loss from discontinued operations	13	**(834)**	**(3,604)**	**(4,438)**	(999)	2,263	1,264
Profit/(loss)		**18,491**	**(38,511)**	**(20,020)**	(22,568)	(280,171)	(302,739)
Attributable to:							
Owners of the Company		**19,323**	**(38,511)**	**(19,188)**	(23,496)	(280,171)	(303,667)
Non-controlling interests		**(832)**	**-**	**(832)**	928	-	928
		18,491	**(38,511)**	**(20,020)**	(22,568)	(280,171)	(302,739)
Earnings per share (p)							
Basic	10	**7.3**	**-**	**(7.3)**	**(13.3)**	-	(171.6)
Diluted	10	**7.3**	**-**	**(7.3)**	**(13.3)**	-	(171.6)
Earnings per share from continuing operations (p)							
Basic		**7.6**	**-**	**(5.6)**	**(12.7)**	-	(172.3)
Diluted		**7.6**	**-**	**(5.6)**	**(12.7)**	-	(172.3)

[1]Results for the year ended 30 September 2020 have been restated for the prior period error disclosed in note 2 and the treatment of the Central Asia business as a discontinued operation as disclosed in note 13. All subsequent references to restatements throughout these results refer to the changes as disclosed in note 2 and note 13.

The results stated above relate to continuing activities of the Group.

Consolidated Statement of Comprehensive Income

	Notes	2021 £000	2020 (restated) £000
Loss for the year attributable to shareholders		**(20,020)**	**(302,739)**
Cash flow hedges:			
Movement in fair value of cash flow hedges		**649**	**(763)**
Fair value of cash flow hedges released to the income statement		**224**	**52**
Currency translation movement on net investment in subsidiary undertakings		**(3,227)**	**(5,582)**
Total other comprehensive loss		**(2,354)**	(6,293)
		(22,374)	(309,032)
Tax relating to components of comprehensive loss	8	**(130)**	-
Total comprehensive loss for the year		**(22,504)**	(309,032)
Attributable to:			
Owners of the Company		**(21,672)**	(309,960)
Non-controlling interests		**(832)**	928
		(22,504)	(309,032)

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

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 (restated) £000	Equity option reserve £000	Translation reserve (restated) £000	Hedge reserve £000	Total (restated) £000	Non-controlling interests £000	Total equity (restated) £000
Balance as at 1 October 2020 (restated)	26,513	160,271	2,746	457	(3,175)	33,426	(13,255)	(50,901)	(958)	155,124	21,922	177,046
Net loss for the year	-	-	-	-	-	(19,188)	-	-	-	(19,188)	(832)	(20,020)
Currency translation movement on net investment in subsidiary undertakings	-	-	-	-	-	-	-	(3,227)	-	(3,227)	-	(3,227)
Movement in fair value of cash flow hedges	-	-	-	-	-	-	-	-	649	649	-	649
Fair value of cash flow hedges released to the income statement	-	-	-	-	-	-	-	-	224	224	-	224
Tax relating to components of comprehensive income	-	-	-	-	-	(130)	-	-	-	(130)	-	(130)
Total comprehensive income for the year	-	-	-	-	-	(19,318)	-	(3,227)	873	(21,672)	(832)	(22,504)
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	-	(671)	(671)
Exercise of share options	-	-	-	-	92	(92)	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	715	-	-	-	715	-	715
Tax credited to equity (note 8)	-	-	-	-	-	101	-	-	-	101	-	101
Disposal of subsidiary (note 13)	-	-	-	-	-	870	-	1,928	-	2,798	(870)	1,928
Expiry of equity option	-	-	-	-	-	(13,255)	13,255	-	-	-	-	-
Balance as at 30 September 2021	26,513	160,271	2,746	457	(3,083)	2,447	-	(52,200)	(85)	137,066	19,549	156,615

	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)	69,675	(13,255)	(45,133)	(247)	298,628	22,803	321,431
Net loss for the year (restated)	-	-	-	-	-	(303,667)	-	-	-	(303,667)	928	(302,739)
Currency translation movement on net investment in subsidiary undertakings (restated)	-	-	-	-	-	-	-	(5,582)	-	(5,582)	-	(5,582)
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 (restated)	-	-	-	-	-	(303,667)	-	(5,582)	(711)	(309,960)	928	(309,032)
Dividends (note 9)	-	-	-	-	-	(13,012)	-	-	-	(13,012)	-	(13,012)
Dividends paid to minority interests	-	-	-	-	-	-	-	-	-	-	(1,809)	(1,809)
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	-	-	-	-	-	61	-	-	-	61	-	61
Disposal of subsidiary	-	-	-	-	-	-	-	(186)	-	(186)	-	(186)
Balance as at 30 September 2020 (restated)	26,513	160,271	2,746	457	(3,175)	33,426	(13,255)	(50,901)	(958)	155,124	21,922	177,046

Consolidated Statement of Financial Position

	Notes	2021 £000	2020 (restated) £000
Non-current assets			
Goodwill	11	**73,702**	63,678
Other intangible assets		**200,660**	240,572
Property, plant and equipment		**17,237**	21,115
Interests in associates and joint ventures		**37,126**	37,444
Investments	13	**-**	1,540
Deferred consideration receivable > 1 year		**7,357**	6,865
Deferred tax asset		**5,707**	460
		341,789	371,674
Current assets			
Trade and other receivables		**35,569**	33,731
Tax prepayment		**1,818**	1,374
Cash and cash equivalents		**41,733**	50,330
		79,120	85,435
Total assets		**420,909**	457,109
Current liabilities			
Bank loan and overdrafts	14	**(11,751)**	(17,500)
Trade and other payables		**(42,665)**	(58,354)
Deferred income		**(72,277)**	(61,276)
Corporation tax		**(1,259)**	(1,360)
Derivative financial instruments		**-**	(9,393)
Provisions		**-**	(170)
		(127,952)	(148,053)
Non-current liabilities			
Bank loan and overdrafts	14	**(109,849)**	(100,485)
Provisions		**(1,400)**	(1,547)
Lease liabilities		**(13,375)**	(15,332)
Deferred tax liabilities		**(11,633)**	(13,773)
Derivative financial instruments		**(85)**	(873)
		(136,342)	(132,010)
Total liabilities		**(264,294)**	(280,063)
Net assets		**156,615**	177,046
Equity			
Share capital		**26,513**	26,513
Share premium account		**160,271**	160,271
Merger reserve		**2,746**	2,746
Capital redemption reserve		**457**	457
Employee Share Ownership Trust (ESOT) reserve		**(3,083)**	(3,175)
Retained earnings		**2,447**	33,426
Equity option reserve		**-**	(13,255)
Translation reserve		**(52,200)**	(50,901)
Hedge reserve		**(85)**	(958)
Equity attributable to equity holders of the parent		**137,066**	155,124
Non-controlling interests		**19,549**	21,922
Total equity		**156,615**	177,046

The financial statements of Hyve Group plc, registered company number 01927339, were approved by the Board of Directors and authorised for issue on 16 December 2021. They were signed on their behalf by:

Consolidated Cash Flow Statement

	Notes	2021	2020 (restated)
		£000	£000
Operating activities			
Operating loss from continuing operations		**(18,878)**	(308,822)
Operating (loss)/profit from discontinued operations		**(4,351)**	1,480
Operating loss		**(23,229)**	(307,342)
Adjustments:			
Depreciation and amortisation		**34,734**	36,777
Impairment of goodwill, intangible assets and investments in associates and JVs	11	**19,028**	263,424
Share-based payments		**761**	579
Decrease in provisions		**(442)**	(119)
Loss/(profit) on disposal of plant, property and equipment and computer software		**146**	(8)
Loss/(profit) on disposal of subsidiary holdings		**3,415**	(2,263)
Fair value of cash flow hedges recognised in the income statement		**224**	52
Share of profit from associates and joint ventures		**(1,545)**	(4,213)
Operating cash flows before movements in working capital		**33,092**	(13,113)
(Increase)/decrease in receivables		**(7,298)**	31,253
Prepayments to venues		**-**	(1,630)
Utilisation of venue prepayments		**72**	726
Increase/(decrease) in deferred income		**11,959**	(28,823)
(Decrease)/increase in payables		**(9,367)**	14,813
Operating cash flows after movements in working capital		**28,458**	3,226
Dividends received from associates and joint ventures		**1,958**	4,528
Cash generated from operations		**30,416**	7,754
Tax paid		**(3,266)**	(2,713)
Net cash from operating activities		**27,150**	5,041
Investing activities			
Interest received	6	**163**	611
Acquisition of investments		**-**	(1,040)
Acquisition of businesses – cash paid net of cash acquired	12	**(23,000)**	(97,757)
Purchase of plant, property and equipment and computer software		**(975)**	(1,943)
Disposal of plant, property and equipment and computer software		**73**	-
Disposal of subsidiaries and investments – cash received net of cash disposed	13	**(3,480)**	(650)

Net cash utilised on investing activities		**(27,219)**	(100,779)
Financing activities			
Equity dividends paid		**-**	(12,995)
Dividends paid to non-controlling interests		**(671)**	(1,808)
Interest paid and bank charges	7	**(6,556)**	(7,980)
Principal lease payments		**(4,015)**	(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		**69,604**	145,321
Repayment of borrowings		**(67,249)**	(173,432)
Net (outflow)/inflow from financing activities		**(8,887)**	112,774
Net (decrease)/increase in cash and cash equivalents		**(8,956)**	17,036
Cash and cash equivalents at beginning of year		**50,330**	33,027
Effect of foreign exchange rates		**359**	267
Cash and cash equivalents at end of year		**41,733**	50,330

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 2021. These will be available at www.hyve.group.

The financial information set out does not constitute the Company's statutory accounts for the years ended 30 September 2021 or 2020 but is derived from those accounts. Statutory accounts for 2020 have been delivered to the Registrar of Companies and those for 2021 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.

Going concern

As part of their assessment of the appropriateness of adopting the going concern basis when preparing the annual report and financial statements, the Directors have considered the current strength of the Group’s liquidity, recent trading performance indicators and the potential impact of forecast scenarios on the Group’s financial position over the next 12 months.

At 30 September 2021 the Group had available liquidity of £130.1m (2020: £178.6m) and adjusted net debt of £79.9m (2020: £67.7m). The Group’s available liquidity has decreased during the year as a result of £37.2m of term loan repayments and the £23.2m acquisition of Retail Meetup in December 2020. Insurance proceeds of £65.0m (2020: £22.0m) for event cancellations were received during the year, more than offsetting the operating cash outflows as a result of the continued event disruption in the first half of the financial year.

In December 2020, simultaneously with the Retail Meetup acquisition, the Group amended its banking facilities, updating the term loan repayment schedule. Of the £62.8m term loan drawn at 30 September 2021, £0.8m is now due for repayment in March 2022, £5.0m in June 2022, £6.0m in each of September 2022 and November 2022 and £22.5m in each of November 2023 and December 2023. In respect of any further insurance proceeds received from cancellation insurance claims for FY20 and FY21 events, 50% of the proceeds received will be used as an early repayment of the upcoming term loan repayments.

After year end, on 15 November 2021, the Group agreed a 12-month extension to the waiver of the financial covenants with its lenders. The Group’s quarterly leverage ratio covenant of not more than 3x, and interest cover ratio of not less than 4x, have been waived up to and including March 2023, and replaced by a £40m minimum liquidity covenant. From June 2023 the leverage and interest cover ratios will be reinstated. This extends the covenant waivers to more than six months beyond the 12 month period of assessment.

As markets have reopened in recent months, the Group has been able to resume running events across almost all of its markets. These have yielded a number of positive trends that are showing signs of improving further going into FY22, including strong domestic participation, higher customer spend, increased visitor density, improved NPS scores and strong forward bookings for next year’s events.

The acquisition of Retail Meetup in December 2020 and 121 Group in November 2021 have accelerated the Group's omnichannel strategy, providing additional online capability to deliver events and serve key industry sectors virtually. This has given the Group a proven revenue stream that adds resilience in the event of any further disruption to the Group's in-person event schedule.

The Group has modelled a number of scenarios, based on different assumptions, regarding the duration and extent to which COVID-19 might impact the business. For each of our markets we have sensitised the revenue, profit and cash flow impact of reduced trading activity. We have considered the extent to which COVID-19 continues to impact each of our markets in our assessment of the outlook. For the purposes of considering the Group's going concern assessment, we have focussed on two scenarios:

- A Base Case; and
- A Downside Case.

The Base Case, which represents the Directors' current best estimate, assumes a return to a full events calendar in FY22. This takes into account that the majority of our markets have run events post-pandemic and there are no events scheduled to run in the first half of the financial year in the few markets yet to return. We acknowledge that there is the possibility of disruption due to new variants, but at this stage feel they will have a limited impact on our event schedule. The levels of both domestic and, more substantially, international attendance have been assumed to remain below pre-pandemic levels in FY22, before recovering to previous levels by FY24. Under the Base Case scenario, available liquidity is expected to remain in excess of £110m throughout the 12 month period from the date of the Annual Report.

The Downside Case has been modelled for the purposes of ensuring the liquidity covenant is not breached during the period of assessment, even if the speed of the recovery slows. The Downside Case assumes a significant slowdown in the recovery of international travel, to just a third of pre-pandemic levels. It also factors in considerable disruption to the event schedule until after March 2022, assuming reimposed restrictions impact our events in the UK, US and mainland Europe. This scenario also assumes further disruption to the event schedule in both China and South Africa, as a result of the recent reintroduction of restrictions and the slower pace of recovery respectively. In response to this scenario playing out, further cost savings have been assumed, including a delay to planned investments, reduced discretionary bonus payments and variable event savings as a result of the lower international revenues and event cancellations. Liquidity is expected to remain in excess of £70m throughout the 12 month period from the date of the Annual Report.

Both scenarios therefore have material headroom over and above the £40m minimum liquidity covenant in place for the duration of the going concern assessment. While beyond the period of assessment, the reintroduction of covenants from June 2023 was also considered. The Group is expected to meet both covenants when they resume under the Base Case scenario, but could breach the leverage ratio under the Downside Case in the quarter ending June 2023 without additional mitigating actions being taken.

Finally, a reverse stress test case has been developed, to determine a scenario under which the Group's minimum liquidity covenant might be breached. A scenario where there is a return to a situation beyond the height of the pandemic would be required to breach the covenant during the period of assessment. This scenario assumes significant disruption to the event schedule over a period of the next ten months, with no events able to take place for the rest of the financial year with the exception of events in Russia and Ukraine, which are assumed to resume in the final quarter. This assumption is based on these regions having proved able to run events successfully while local vaccination rates are low and restrictions have been in place elsewhere globally.

Even under this extreme scenario the Group still has available liquidity of at least £30m within the period of assessment but will breach the minimum liquidity covenant between October and December 2022.

Further, the Group can implement a number of mitigating actions if required, including but not limited to:

- The pursuit of further insurance proceeds. The Group has a number of outstanding claims that it continues to pursue, as well as additional cover taken out in respect of the UK Government's Live Events Reinsurance Scheme.
- Deferral of term loan repayments. The Group has repayments due in calendar year 2022 totalling £17.8m, but has a supportive lender group, which has agreed to the deferral of scheduled repayments of the term loan in the recent past in response to the outbreak of COVID-19.
- Disposal of events or portfolios of events. In the last 24 months the Group has successfully disposed of the Group's ABEC, Kazakhstan, Azerbaijan, Uzbekistan and Fasteners businesses. The Group has a number of desirable assets that are currently not being considered for disposal for strategic reasons but could be sold to provide additional liquidity if absolutely necessary.
- Cost savings. The Group has implemented a material cost savings programme in response to the COVID-19 outbreak previously and can activate further measures if necessary. Further investments in FY22 can be deferred or removed to help ease liquidity. Last year the Group proved that it could act quickly to implement cost savings, even those related to staff reductions, as evidenced by the two waves of redundancies
- Equity raise. The Group's investors have previously supported injecting additional capital into the business. This was most apparent in a downside scenario in respect of the May 2020 rights issue which raised £126.6m.

Based on the current and projected levels of liquidity, under a range of modelled scenarios, the Directors believe that the Group is well placed to manage its financial obligations and other business risks satisfactorily. The Directors have been able to form a reasonable expectation that the Group has adequate resources to continue in operation for at least twelve months from the signing date of these financial statements. The Directors therefore consider it appropriate to adopt the going concern basis of accounting in preparing the Annual Report 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 (IMF) 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 CGU. 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 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 2021 is £73.2m (2020: £63.7m) and £201.2m (2020: £240.6m) respectively.

Deferred consideration receivable

The valuation of deferred consideration receivable of £9.8m (2020: £8.1m), 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. Any contingent element of the deferred consideration receivable is recognised at fair value based on the directors' best estimate of the relevant performance of the disposed of business.

Deferred tax assets

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Therefore, there is estimation uncertainty relating to the forecast profits. The forecast profits are based on Board-approved budgets and plans. At 30 September 2021 deferred tax assets of £5.7m (2020: £0.5m) have been recognised.

2 Prior period errors

During the year ended 30 September 2021, the Financial Reporting Council (FRC) submitted a request for further information on the Group's Annual Report and Accounts for the year ended 30 September 2020. The review conducted by the FRC was based solely on the Group's published Annual Report and Accounts and does not provide any assurance that the Annual Report and Accounts are correct in all material aspects.

In Hyve Group plc's Annual Report and Accounts for the year ended 30 September 2020 the Group disclosed the amounts recognised in respect of the identifiable assets acquired and liabilities assumed upon completion of the acquisition of Shoptalk Commerce LLC and Groceryshop LLC in December 2019.

At acquisition the Group assumed a lease for the acquired business' office in New York.

A lease liability of £4.9m was recognised, measured at the present value of the remaining lease payments using the incremental borrowing rate at the acquisition date.

A right-of-use asset of £1.6m was also recognised, measured at the same amount as the lease liability, adjusted to reflect what we considered to be the unfavourable terms of the lease at acquisition. Specifically, the right-of-use asset was adjusted to only reflect the office space required by the acquired business, based on the number of employees and the estimated space required per employee.

Following discussions with the FRC and the Group's external auditors, we acknowledge that this adjustment reflected circumstances specific to the acquired business, rather than those of a market participant. As such the adjustment was not in compliance with paragraph 28B of IFRS 3 Business Combinations. The right-of-use asset should instead have been measured at the same amount as the lease liability and not adjusted for the proportion of the office space deemed surplus to requirements at acquisition.

Correcting the error at acquisition has resulted in an increase in the cost of the right-of-use asset of £3.4m, a decrease in deferred tax assets recognised of £0.7m and therefore a decrease in the cost of goodwill arising on acquisition of £2.7m.

We have also restated the comparative amounts to take account of the consequential impact of the changes at acquisition on the depreciation charge recognised in respect of right-of-use assets and the impairment of goodwill.

An additional error identified on the same lease has also been corrected. The adjustment is to eliminate an accrual for a rent-free liability which was incorrectly charged in the prior year in addition to its inclusion in the calculation of the lease liability in accordance with IFRS 16. The release of this duplicate liability reduces trade and other payables in the balance sheet and removes the charge from the income statement. The total amount of this amendment was £0.1m.

The Group's tax credit for the year ended 30 September 2020 has been restated as the deferred tax asset of £0.7m previously recognised at acquisition was subsequently released to the income statement at 30 September 2020.

We have also restated for the impact of the retranslation of the revised costs of the USD denominated right-of-use asset and goodwill balances, recognised in the Group's foreign currency translation reserve.

As the error occurred at the acquisition date, there is no impact on the opening statement of financial position and therefore the opening statement of financial position has not been restated or presented in these accounts.

The following table summarises the impact of the restatements on the financial statements of the Group. The net impact on the Group's loss for the financial year ended 30 September 2020 is £81,000. The net impact on the Group's net assets is £100,000. The impact of the prior period error on both basic and diluted earnings per share is presented in note 10.

Consolidated income statement	2020 £000

Depreciation of right-of-use asset	(324)
Impairment of goodwill	(408)
Short-term leases - offices	102
Administrative expenses	(630)
Tax credit	711
Decrease in profit for the financial year	81

Consolidated statement of financial position	2020 £000
Goodwill	(3,151)
Property, plant and equipment	3,151
Trade and other payables	100
Change in net assets	100
Retained earnings	81
Translation reserve	19
Change to total equity	100

The Group's results for the year ended 30 September 2020 have also been restated for the treatment of the Central Asia business as a discontinued operation. See note 13 for further details.

3 Segmental information

The Group has identified reportable segments based on financial information used by the Executive Directors in allocating resources and making strategic decisions. The Executive Directors (consisting of the Chief Executive Officer and the Chief Finance and Operations Officer) 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. During the year the Group has made changes to its reportable segments. The Global Brands and UK segments have merged to form a new Global Communities segment, reflecting the new management structure in place for these businesses. Following the disposal of the Group’s Kazakhstan business in April 2021, in addition to the disposal of our Azerbaijan and Uzbekistan event portfolios in August 2020, Hyve has now completed its exit from Central Asia. The results of Central Asia are treated as a discontinued operation in both the current and comparative periods and Central Asia is no longer a reportable segment for the Group.

In order to enhance the transparency of our segmental reporting and present divisional cost bases which more accurately reflect the costs required to run the individual segments, we have reallocated any costs which are incurred centrally but can be directly attributable to the segments. This exercise has been performed for both the current period and the comparative period which has been restated.

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 2021	Global Communities £000	Asia £000	Eastern & Southern Europe £000	Russia £000	Continuing operations £000	Discontinued operations £000	Total Group £000
Revenue	**17,725**	**4,114**	**6,054**	**27,308**	**55,201**	**49**	**55,250**
Segment headline (loss)/profit before tax	**(21,030)**	**(7,454)**	**(1,944)**	**5,742**	**(24,686)**	**(747)**	**(25,433)**
Other operating income					**66,101**	-	**66,101**
Unallocated costs					**(20,625)**	-	**(20,625)**
Headline profit before tax					**20,790**	**(747)**	**20,043**
Adjusting items					**(41,383)**	**(3,604)**	**(44,987)**
Profit before tax					**(20,593)**	**(4,351)**	**(24,944)**
Tax					**5,010**	**(86)**	**4,924**
Profit for the period					**(15,583)**	**(4,437)**	**(20,020)**

The revenue in the year of £55.2m includes £0.5m (2020: £2.9m) of marketing and advertising services revenues. No individual customer amounts to more than 10% of Group revenues.

Other operating income includes insurance proceeds received in the year of £65.0m (2020: £22.0m) in relation to claims regarding the cancellation or postponement of a number of events that were scheduled to take place in the current and prior year. 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 2021	**Global Communities £000**	**Asia £000**	**Eastern & Southern Europe £000**	**Russia £000**	**Total Group £000**
Share of results of associates and joint ventures					
Share of results before tax	-	1,880	-	120	2,000
Tax	-	(443)	-	(12)	(455)
Share of results after tax	-	1,437	-	108	1,545
Capital expenditure					
Segment capital expenditure	120	71	96	134	421
Unallocated capital expenditure					554
					975
Depreciation and amortisation					
Segment depreciation and amortisation	27,684	1,588	140	283	29,695
Unallocated depreciation and amortisation					5,038
					34,734

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:

	2021	2020 (restated)
	£000	£000
Asia	**-**	25,712
Global Communities	**19,028**	231,958
Eastern & Southern Europe	**-**	5,157
Discontinued operations	**-**	596
	19,028	263,423

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

30 September 2021	**Global Communities £000**	**Asia £000**	**Eastern & Southern Europe £000**	**Russia £000**	**Total Group £000**
Assets					
Segment assets	264,147	68,083	5,281	37,624	375,135
Unallocated assets					45,774
					420,909
Liabilities					
Segment liabilities	(54,350)	(32,551)	(3,914)	(17,821)	(108,636)
Unallocated liabilities					(155,658)
					(264,294)
Net assets					156,615

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 2020 (restated)	Global Communities £000	Asia £000	Eastern & Southern Europe £000	Russia £000	Continuing operations £000	Discontinued operations £000	Total Group £000
Revenue	56,505	17,069	4,010	21,781	99,365	5,717	105,082
Segment headline (loss)/profit before tax	(14,977)	6,390	(3,058)	(6,622)	(18,267)	(948)	(19,215)
Other operating income					22,578	-	22,578
Unallocated costs					(22,447)	165	(22,282)
Headline profit before tax					(18,136)	(783)	(18,919)
Adjusting items					(296,891)	2,263	(294,628)
Profit before tax					(315,027)	1,480	(313,547)
Tax					11,024	(216)	10,808
Profit for the period					(304,003)	1,264	(302,739)

Year ended 30 September 2020 (restated)	Global Communities £000	Asia £000	Eastern & Southern Europe £000	Russia £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	132	51	17	93	293
Unallocated capital expenditure					1,649
					1,942
Depreciation and amortisation					
Segment depreciation and amortisation	24,900	3,946	2,084	822	31,752
Unallocated depreciation and amortisation					4,997
					36,749

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

30 September 2020 (restated)	Global Communities £000	Asia £000	Central Asia £000	Eastern & Southern Europe £000	Russia £000	Total Group £000
Assets						
Segment assets	296,937	64,629	6,811	9,682	42,345	420,404
Unallocated assets						36,705
						457,109
Liabilities						
Segment liabilities	(65,164)	(28,293)	(3,189)	(7,428)	(31,444)	(135,518)
Unallocated liabilities						(144,545)
						(280,063)
Net assets						177,046

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

Geographical information

	Revenue[1]		Non-current assets[2]	
	2021 £000	2020 £000	**2021 £000**	2020 £000
Asia	**4,317**	16,940	**46,377**	49,331
Central Asia	**49**	3,114	**-**	2,085
Eastern & Southern Europe	**5,401**	3,613	**2,340**	2,844
Russia	**21,398**	17,243	**19,170**	18,208
UK	**9,311**	38,245	**82,073**	39,083
US	**6,674**	2,746	**91,879**	89,369
Rest of the World	**8,100**	23,181	**94,243**	170,294
	55,250	105,082	**336,082**	371,214

[1]Includes revenue from discontinued operations.

[2] Non-current assets exclude deferred tax assets and non-current assets classified as held for sale.

4 Operating (loss)/profit

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

	2021 £000	2020 (restated) £000
Staff costs	46,957	47,757
Redundancy, severance and payments in lieu of notice	(129)	3,940
Government grants – furlough payments received	(35)	(1,286)
Depreciation of property, plant and equipment	5,702	5,171
Amortisation of intangible assets included within administrative expenses	29,032	31,576
Impairment of goodwill	-	195,518
Impairment of intangibles (note 11)	19,028	63,432
Impairment of investments	-	4,473
(Profit)/loss on disposal of subsidiary holdings (note 13)	(197)	-
Short-term leases – offices	161	481
Short-term leases – venues	7,654	32,229
(Gain)/loss on derivative financial instruments – equity options	(8,807)	(3,851)
Foreign exchange (gain)/loss on operating activities	306	(2,806)
Other operating income	66,101	22,578

Other operating income arises mainly from insurance proceeds received in the year in relation to claims regarding the cancellation or postponement of a number of events that were scheduled to take place in the current or prior year.

	2021 £000	2020 £000
Cancellation insurance proceeds	64,992	22,006
Government and other subsidies	596	375
Other	513	197
Other operating income	66,101	22,578

Auditor's remuneration

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

	2021 £000	2020 £000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	408	410
Fees payable to the Company's auditor and its associates for other services:		
- The audit of the Company's subsidiaries pursuant to legislation	220	251
- Additional fees paid in relation to the 2020 audit	100	-
Total audit fees	728	661
- Other services pursuant to legislation (Interim review)	69	55
- Advice regarding regulatory enquiries	12	
- Reporting accountant work – rights issue	-	384
Total non-audit fees	81	439
	809	1,100

5 Adjusting items

	2021	2020 (restated)
	£000	£000
Operating adjusting items		
Amortisation of acquired intangible assets	**27,770**	29,154
Impairment of goodwill (note 11)	-	195,518
Impairment of intangible assets (note 11)	**19,028**	63,432
Impairment of investments in associates and JVs	-	4,473
Profit on disposal of subsidiary holdings (note 13)	**(189)**	-
Transaction costs on completed and pending acquisitions and disposals	**682**	3,271
Integration costs		
- Integration costs	**-**	531
Restructuring costs		
- TAG	**-**	823
Tax on income from associates and joint ventures	**455**	1,536
Total operating adjusting items	**47,746**	298,738
Financing adjusting items		
Revaluation of assets and liabilities on completed acquisitions and disposals		
- Gain on revaluation of equity options	**(8,807)**	(3,851)
- Loss/(gain) on revaluation of deferred and contingent consideration payable	**1,350**	(104)
- Loss on revaluation of deferred and contingent consideration receivable	**2,687**	1,604
- Unwind of imputed interest charged on discounted deferred consideration receivable	**(1,594)**	(849)
Write-off of previously capitalised debt issue costs on refinancing	-	1,353
Total adjusting items before tax	**41,382**	296,891

The loss from discontinued operations is adjusted for the following items:

	2021	2020
	£000	£000
Operating adjusting items		
Loss/(profit) on disposal of discontinued operations (note 13)	**3,604**	(2,263)
Discontinued operations – adjusting items	**3,604**	(2,263)

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

6 Investment revenue

	2021 £000	2020 £000
Interest receivable from bank deposits	**163**	611
Gain on revaluation of equity options	**8,807**	3,851
Gain on revaluation of deferred and contingent consideration payable	**-**	104
Unwind of imputed interest charged on discounted deferred consideration receivable	**1,594**	849
	10,564	5,415

7 Finance costs

	2021 £000	2020 £000
Interest on bank loans	**5,241**	6,415
Bank charges	**2,350**	1,565
Loss on revaluation of deferred and contingent consideration receivable	**2,687**	1,604
Loss on revaluation of deferred and contingent consideration payable	**1,350**	-
Interest on lease liabilities	**650**	683
Write-off of previously capitalised debt issue costs on refinancing	**-**	1,353
	12,278	11,620

8 Tax on profit on ordinary activities

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

	2021 £000	2020 (restated) £000
Group taxation on current year result:		
UK corporation tax charge/(credit) on result for the year	**1,231**	(467)
Adjustment to UK tax in respect of previous years	**17**	50
	1,248	(417)
Overseas tax – current year	**2,151**	3,703
Overseas tax – previous years	**(723)**	472
	1,428	4,175
Current tax	**2,676**	3,758
Deferred tax		
Origination and reversal of temporary differences:		
Current year	**(6,176)**	(14,527)
Prior year	**(1,510)**	(255)
	(7,686)	(14,782)
	(5,010)	(11,024)

The tax impact of the adjusting items outlined within note 5 and within the Consolidated income statement relates to the following:

	2021	2021	2020 (restated)	2020 (restated)
	Gross	**Tax impact**	Gross	Tax impact
	£000	**£000**	£000	£000
Amortisation of acquired intangible assets	**27,770**	**5,526**	29,154	5,248
Impairment of goodwill	**-**	**-**	195,518	-
Impairment of intangible assets	**19,028**	**5,206**	63,432	11,369
Impairment of investments in associates	**-**	**-**	4,473	-
Change of rate of deferred tax on intangible assets	**-**	**(4,712)**	-	(3,696)
Profit on disposal of subsidiary holdings	**(189)**	**-**	-	-
Transaction costs on completed and pending acquisitions and disposals	**682**	**-**	3,271	-
Integration costs	**-**	**-**	531	-
Restructure costs (TAG)	**-**	**-**	823	-
Tax on income from associates and joint ventures	**455**	**455**	1,536	1,536
Revaluation of liabilities on completed acquisitions				
- Gain on revaluation of equity options	**(8,807)**	**-**	(3,851)	-
- Loss/(gain) on revaluation of deferred and contingent consideration payable	**1,350**	**-**	(104)	-
- Loss on revaluation of deferred and contingent consideration receivable	**2,687**	**-**	1,604	-
- Unwind of imputed interest charged on discounted deferred consideration receivable	**(1,594)**	**-**	(849)	-
Write-off of previously capitalised debt issue costs on refinancing	**-**	**-**	1,353	-
	41,382	**6,475**	296,891	14,457

The tax credit for the year can be reconciled to the loss per the income statement as follows:

	2021	2020 (restated)
	£000	£000
Loss on ordinary activities before tax from continuing operations	**(20,592)**	(315,027)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2020: 19.0%)	**(3,912)**	(59,855)
Effects of:		
(Profit)/loss on disposal of subsidiary holdings	**(29)**	(153)
Transaction costs	**181**	585
Tax effect of equity options and deferred/contingent consideration	**(1,132)**	(608)
Impairment of goodwill and other intangible assets	**283**	38,166
Other expenses not deductible for tax purposes	**619**	583
Tax effect of amortisation of intangibles	**(1,386)**	157
De-recognition of deferred tax assets previously recognised	**-**	3,414
Recognition of deferred tax assets not previously recognised	**(2,411)**	-
Movement on provisions for tax uncertainties	**(76)**	396
Current year losses not recognised as DTA	**2,341**	3,924
Withholding tax on overseas dividends suffered in the year	**563**	666
Deferred tax provision on repatriation of overseas profits	**950**	(1,749)
Tax charge in respect of previous period	**(2,215)**	267
Change in tax rate at which deferred tax is calculated	**2,072**	2,947
Effect of different tax rates of subsidiaries in other jurisdictions	**(564)**	1,036
Associate tax	**(294)**	(800)
	(5,010)	(11,024)

Current tax is the amount of corporate income taxes expected to be payable or recoverable based on the profit for the period as adjusted for items that are not taxable or not deductible and is calculated using tax rates and laws that were enacted or substantively enacted at the date of the statement of financial position.

The Group seeks to pay tax in accordance with the laws of the countries where it does business. The Group estimates its tax on a country-by-country basis. Current tax includes amounts provided in respect of uncertain tax positions where management expects that, upon examination of the uncertainty by a tax authority in possession of all relevant knowledge, it is probable that an economic outflow will occur. While the Group is confident that tax returns are appropriately prepared and filed, amounts are provided in respect of uncertain tax positions that reflect the risk with respect to tax matters are considered to involve uncertainty. Provisions against uncertain tax positions are measured using a probability weighted expected measure – where on the balance of probabilities something will be paid to the tax authorities but there is no definite outcome, the provision is the sum of the probability of the weighted outcomes. There are no ongoing discussions with tax authorities relating to uncertain tax positions.

A tax charge of £86,000 (2020: £216,000) has been recognised in respect of discontinued operations.

	2021 £000	2020 £000
Tax relating to components of comprehensive income:		
Cash flow losses - Deferred	**(130)**	-
	-	-
Tax relating to amounts credited/(charged) to equity:		
Share options – Deferred	**101**	61
	101	61
	(29)	61

9 Dividends

	2021 Per share p	**2021** Settled in cash £000	**2021** Settled in scrip £000	2020 Per share p	2020 Settled in cash £000	2020 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	-
Interim dividend in respect of the current year	-	-	-	-	-	-
	-	-	-	1.6	13,012	-

The Directors have not proposed a final dividend for the year ended 30 September 2021.

Under the terms of the trust deed dated 20 October 1998, the Hyve Group Employees Share Trust, which holds 771,375 (2020: 812,656) 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.

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:

	2021 No. of shares (000)	2020 No. of shares (000)
Weighted average number of shares:		
For basic earnings per share	**264,349**	177,009
Effect of dilutive potential ordinary shares	**132**	3
For diluted and headline diluted earnings per share	**264,481**	177,012

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 £19.2m (2020 restated: loss of £303.7m). Basic and diluted earnings per share were (7.3)p and (7.3)p respectively (2020 restated: (171.6)p and (171.6)p). No share options (2020: 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 earnings per share

The calculations of headline basic and diluted earnings per share are based on the headline profit for the financial year attributable to equity holders of the parent of £19.3m (2020 restated: loss of £23.5m). Headline basic and diluted earnings per share were 7.3p and 7.3p respectively (2020 restated: (13.3)p and (13.3)p).

Basic and diluted earnings per share from continuing operations

The calculations of basic and diluted earnings per share from continuing operations are based on the loss for the financial year attributable to equity holders of the parent from continuing operations of £14.8m (2020 restated: loss of £304.9m). Basic and diluted earnings per share from continuing operations were (5.6)p and (5.6)p respectively (2020 restated: (172.3)p and (172.3)p). No share options 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 antidilutive.

Headline earnings per share from continuing operations

The calculations of headline basic and diluted earnings per share are based on the headline profit for the financial year attributable to equity holders of the parent from continuing operations of £20.2m (2020 restated: loss of £22.5m). Headline basic and diluted earnings per share from continuing operations were 7.6p and 7.6p respectively (2020 restated: (12.7)p and (12.7)p respectively).

Impact of prior period error

The restatement for the prior period error disclosed in note 2 has had the following impact on the calculations of basic and diluted earnings per share and headline basic and diluted earnings per share:

	2020 Loss for the financial year attributable to equity holders of the parent £'000	2020 Basic earnings per share (p)	2020 Diluted earnings per share (p)	2020 Headline loss for the financial year attributable to equity holders of the parent £'000	2020 Headline basic earnings per share (p)	2020 Headline diluted earnings per share (p)
Reported	(303,748)	(171.6)	(171.6)	(23,985)	(13.6)	(13.6)
Changes relating to prior period errors (note 2)	81	-	-	489	0.3	0.3
Restated	(303,667)	(171.6)	(171.6)	(23,496)	(13.3)	(13.3)

A reconciliation of the loss for the financial year attributable to equity holders of the parent to the headline earnings for the financial year after tax is provided below:

	2021	2020 (restated)
	£000	£000
Loss for the financial year attributable to equity holders of the parent	**(19,188)**	(303,667)
Amortisation of acquired intangible assets	**27,770**	29,154
Impairment of goodwill (note 11) (restated)	**-**	195,518
Impairment of intangible assets (note 11)	**19,028**	63,432
Impairment of investment in associates and JVs	**-**	4,473
Profit on disposal of subsidiary holdings (note 13)	**(189)**	-
Loss/(profit) on disposal of discontinued operations (note 13)	**3,603**	(2,263)
Transaction costs on completed and pending acquisitions and disposals	**682**	3,271
Integration costs	**-**	531
Restructuring costs		
Restructuring costs (TAG)	**-**	823
Revaluation of assets and liabilities on completed acquisitions and disposals		
- Gain on revaluation of equity options	**(8,807)**	(3,851)
- Loss/(gain) on revaluation of deferred and contingent consideration payable	**1,350**	(104)
- Loss on revaluation of deferred and contingent consideration receivable	**2,687**	1,604
- Unwind of imputed interest charged on discounted deferred consideration receivable	**(1,594)**	(849)
Write-off of previously capitalised debt issue costs on refinancing	**-**	1,353
Tax effect of other adjustments	**(6,019)**	(12,921)
Headline profit for the financial year attributable to equity holders of the parent	**19,323**	(23,496)
Headline profit from discontinued operations	**834**	999
Headline profit for the financial year attributable to equity holders of the parent from continuing operations	**20,157**	(22,497)

11 Goodwill

	Goodwill £000
Cost	
At 1 October 2019	253,059
Additions through business combinations (restated)	54,834
Foreign exchange (restated)	(8,397)
Disposal	(1,821)
At 30 September 2020 (restated)	297,675
Additions through business combinations (note 12)	12,741
Disposals	(3,689)
Foreign exchange	(5,777)
At 30 September 2021	**300,950**
Provision for Impairment	
At 1 October 2019	(43,089)
Disposals	567
Impairment (restated)	(195,518)
Foreign exchange	4,043
At 30 September 2020 (restated)	(233,997)
Disposals	2,029
Foreign exchange	4,720
At 30 September 2021	**(227,248)**
Net book value	
At 30 September 2021	**73,702**
At 30 September 2020 (restated)	63,678

Goodwill recognised in the year ended 30 September 2020 in respect of the acquisition of Shoptalk has been restated as disclosed in note 2. The impairment charge recognised in respect of goodwill in the year ended 30 September 2020 has also been restated due to the consequential impact of the change in the cost of the Shoptalk goodwill acquired.

Goodwill with a net book value of £1.7m, held in respect of the Kazakhstan business, was disposed of during the year following the disposal of the Group's remaining event portfolio in the region (see note 13).

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.

The cash flow forecasts used in the value in use calculation have been revised to take into account the latest view of the Group's event schedule and its recovery from the COVID-19 pandemic. The profile of the recovery differs across the portfolio, influenced by pre-COVID trajectory, the proportion of the customer base that is international, the resilience of the industry sector and speed of recovery expected by geography. The forecasts assume that in many cases the effects of the pandemic will continue to be felt in the financial years ending 30 September 2022 and 30 September 2023; however, a full recovery is expected by the end of the financial year ending 30 September 2024, supported by growth from the Group's omnichannel strategy, including the impact of the Retail Meetup acquisition (included within the Shoptalk CGU).

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. The methodology for allocating central costs has been refined during the year in order to align with the latest corporate structure of the business following changes made as a result of the COVID-19 pandemic and the acquisitions of Retail Meetup and Shoptalk.

Long-term growth rates

Growth rates beyond the detailed plans are based on IMF forecasts of inflation 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 4%, 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 12% and 17% (2020: 10% and 19%). 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	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	£m	£m	£m	£m	%	%	%	%	£m	£m
Russia	**14.9**	14.4	-	-	**4.0**	1.8	**16.3**	14.4	**132.0**	90.3
China	**9.6**	9.5	**1.8**	2.9	**2.0**	5.5	**12.7**	11.6	**18.8**	17.6
Global Communities										
Shipping & Specialised Engineering	**16.2**	16.8	**41.5**	46.1	**1.9**	1.3	**12.0**	10.3	**14.1**	-
Bett	**0.7**	-	**40.2**	43.0	**2.0**	1.5	**12.6**	11.2	**6.9**	-
Shoptalk	**29.4**	18.6	**58.6**	59.1	**2.4**	1.6	**12.5**	10.3	**39.6**	-
Africa Oil & Mining	**0.8**	0.8	**27.7**	32.4	**3.3**	1.7	**15.1**	13.2	**14.1**	-
UK	-	-	**28.9**	53.7	**2.0**	1.5	**13.0**	11.2	-	5.2

A new CGU, Shipping & Specialised Engineering, has been formed representing the Breakbulk and CWIEME event portfolios. The events are now managed as a single portfolio with a single leadership team. Therefore, strategic decisions made in respect of the portfolio, or in respect of a single event, impact the cash inflows of both events.

Goodwill of £12.0m and intangible assets of £9.9m recognised in respect of the acquisition of Retail Meetup have been allocated to the Shoptalk CGU.

Impairment charges of £19.0m have been recognised in respect of acquired intangible assets within the UK CGU as a result of the continuing impact of COVID-19 on our UK-retail events, as well as the allocation of additional central costs following revisions to the cost allocation methodology. The impairment charges are recognised within administrative expenses in the Consolidated income statement.

CGU	Pre-tax discount rates	Impairment to goodwill £000	Impairment to intangible assets £000	Total impairment to goodwill and intangible assets £000
Global Communities				
-UK	13.0%	-	19,028	19,028

Sensitivity to changes in assumptions

The calculation of value in use is most sensitive to the discount rates, growth rates and forecast cash flows 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 an additional adverse impact from the COVID-19 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:

- A delay in the recovery of international travel. We have sensitised forecasts to factor in a slower return in international travel across our markets during FY22, as determined by the progress of the vaccine rollout in our geographies. Under this scenario international revenues are assumed to be only 30% of pre-pandemic levels in FY22. We have also included the subsequential impact that this would have on domestic revenues.
- A decrease in the long-term growth rate by 0.5%.
- An increase in the discount rate by 1%.

The sensitivity analysis shows that no impairment would result from either a delay in international travel, a decrease in the long-term growth rate, an increase in the discount rate, or an aggregate of these sensitivities, in any CGU with headroom in excess of its carrying value at 30 September 2021. There would, however, be an incremental increase in the impairment charge in the UK recognised in respect of acquired intangible assets:

- A delay in the recovery of international travel would increase the impairment charge by £0.5m.
- A decrease in the long-term growth rate by 0.5% would increase the impairment charge by £0.7m.
- An increase in the discount rate by 1% would increase the impairment charge by £1.8m.

The aggregate of these sensitivities would increase the impairment charge in respect of acquired intangible assets by £3.0m.

12 Acquisitions

Retail Meetup

On 21 December 2020 the Group acquired 100% of the share capital of Retail Meetup, LLC for initial consideration of £18.5m and deferred contingent consideration with a fair value at acquisition of £3.4m. The acquisition was completed to support Hyve's digital evolution and the delivery of its omnichannel strategy.

The deferred contingent consideration related to an earn-out payment based on the EBITDA of the two Retail Meetup events which took place post-acquisition in FY21. The deferred contingent consideration was calculated based on management's expectations of EBITDA at acquisition. The deferred contingent consideration was subsequently settled in August 2021 for £4.7m based on the finalised EBITDA of the two events, resulting in an additional £1.3m of consideration being payable compared with management's expectations at the time of acquisition.

During the period the Group incurred transaction costs on the acquisition of £0.3m, 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 – Perpetual technology licence	**9,523**
Intangible assets – Trademarks	**401**
Identifiable net assets	**9,924**
Goodwill arising on acquisition	**12,030**
Total consideration	**21,954**
Satisfied by	
Initial cash consideration	**18,514**
Deferred consideration	**3,440**
	21,954
Net cash outflow arising on acquisition	
Cash consideration paid	**18,514**
Net cash outflow arising on settlement of deferred consideration	
Cash consideration paid	**4,693**
Total net cash outflow from acquisition	
Total cash consideration paid	**23,207**

The goodwill of £12.0m arising from the acquisition reflects the strategic value of the acquisition of an innovative product, including the expectation of new contracts and relationships and the potential for growth from further digital spin-off events from the Shoptalk and Groceryshop brands. The goodwill of £12.0m is expected to be deductible for tax purposes.

The values used in accounting for the identifiable assets of this acquisition 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 £2.0m to Group revenue and £1.2m to statutory profit before tax. Had the acquisition occurred on 1 October 2020, the acquired businesses would have contributed £3.8m to Group revenue and £2.8m to statutory profit before tax.

Learnit

During the year the Group acquired the remaining 89% stake of Learnit Worldwide Limited. The Group had previously recognised an investment of £1.5m (presented within 'Investments' in the statement of financial position), consisting of its initial 11% stake acquired at a cost of £0.5m, in addition to further capital contributions of £1.0m.

Immediately before the acquisition the Group's initial 11% interest was equal to the cost of the initial interest and therefore no gain or loss was recognised in relation to its revaluation. In the previous financial year, the Group had made capital contributions of £1.0m. No additional consideration was payable in the current financial year.

At acquisition, intangible assets of £0.9m (recognised wholly in respect of trademarks) and goodwill of £0.7m were recognised in respect of the business and allocated to the Bett CGU. Deferred tax liabilities of £0.3m were recognised in respect of the trademarks. The investment of £1.5m was de-recognised following the acquisition of a controlling stake in the business.

13 Disposal of subsidiaries and discontinued operations

Kazakhstan

In April 2021 the Group announced the disposal of ITECA LLP, the operating company for 25 of the Group's non-core, regionally focused events in Kazakhstan, to ICA (JV) Limited, a company owned and operated by a former consultant to Hyve in the region. This completes the Group's planned exit of its business in Central Asia.

Total consideration was £4.8m, payable over a number of years. When discounted, the present value of the consideration receivable was £3.1m.

In addition to fixed payments of £4.4m, there is an additional amount of variable consideration based on the net square metres sold at the disposed-of events taking place at the Atakent venue in Kazakhstan between the completion date and 31 December 2021. At the disposal date this variable consideration had a fair value of £0.4m.

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

	£000
Goodwill	**1,660**
Property, plant and equipment	**235**
Trade and other receivables	**1,294**
Cash and cash equivalents	**1,278**
Other net liabilities	**(2,212)**
Net assets	**2,255**
Fair value of consideration received	**3,085**
Working capital payments	**(1,751)**
Disposal costs	**(375)**
Proceeds net of related selling expenses	**959**
Cumulative exchange differences	**(2,308)**
Loss on disposal	**(3,604)**
Satisfied by:	
Cash and cash equivalents	-
Deferred consideration	3,085
	3,085
Net cash outflow arising on disposal:	
Consideration received in cash and cash equivalents	-
Less: working capital payments	(1,751)
Less: cash and cash equivalents disposed of	(1,278)
	(3,029)

In line with the requirements of IFRS 5, the Group's exit from Central Asia has been treated as a discontinued operation, as it represents the disposal of a component of the entity, a separate major line of business and a separate geographical area of business.

The results of the discontinued operations which have been included in the Consolidated statement of profit and loss are as follows:

	Year ended 30 September 2021			Year ended 30 September 2020		
		Adjusting items			Adjusting items	
	Headline	(note 5)	Statutory	Headline	(note 5)	Statutory
	£000	£000	£000	£000	£000	£000
Revenue	49	-	49	5,717	-	5,717
Cost of sales	(472)	-	(472)	(5,344)	-	(5,344)
Gross profit	(423)	-	(423)	373	-	373
Administrative expenses	(324)	(3,604)	(3,928)	(1,156)	2,263	1,107
Operating (loss)/profit	(747)	(3,604)	(4,351)	(783)	2,263	1,480
(Loss)/profit before tax	(747)	(3,604)	(4,351)	(783)	2,263	1,480
Tax on (loss)/profit	(87)	-	(87)	(216)	-	(216)
(Loss)/profit from discontinued operations	(834)	(3,604)	(4,438)	(999)	2,263	1,264
Attributable to:						
Owners of the Company	(834)	(3,604)	(4,438)	(999)	2,263	1,265
Non-controlling interests	-	-	-	-	-	-
	(834)	(3,604)	(4,438)	(999)	2,263	1,265
Earnings per share from discontinued operations (p)						
Basic	(0.3)		(1.7)	(0.6)		(0.7)
Diluted	(0.3)		(1.7)	(0.6)		(0.7)

The comparatives within the income statement have been restated to show the results of this discontinued operation as discontinued in the prior year, as required by IFRS 5.

Fasteners

During the year the Group also disposed of its 70% holding in ITE Ebseek Exhibitions Limited, the operating company of the Fasteners event in Shanghai, for total upfront consideration of £0.5m. After the disposal of net assets of £0.7m and the release of cumulative exchange differences of £0.4m, a gain on disposal of £0.2m was recognised.

The non-controlling interest of £0.9m held in respect of ITE Ebseek Exhibitions Limited has also been disposed of.

14 Bank borrowings

	2021	2020
	£000	£000
Total drawdowns under debt facility	**(124,423)**	(121,673)
Capitalised refinancing fees	**2,823**	3,688
Bank loans	**(121,600)**	(117,985)
Included in current liabilities	**(11,751)**	(17,500)
Included in non-current liabilities	**(109,849)**	(100,485)
	(121,600)	(117,985)

In December 2020 the Group agreed a number of amendments to its debt facility agreement, including an amended repayment schedule for the term loan and the application of 50% of insurance proceeds, to the extent that such amount exceeds £82.5m, as an advanced payment towards upcoming term loan repayments.

At 30 September 2021 the Group had total available facilities of £212.8m (2020: £250.0m), comprising a revolving credit facility of £150.0m (2020: £150.0m) and a term loan of £62.8m (2020: £100.0m). During the year £37.2m of term loan repayments were made, including £2.2m in respect of 50% of insurance proceeds above £82.5m. The upcoming scheduled repayments of the term loan, to be made after 30 September 2021, are now £0.8m in March 2022 (£3.0m less the £2.2m repaid in respect of insurance proceeds received), £5.0m in June 2022, £6.0m in September 2022 and November 2022, £22.5m in November 2023 and a final repayment of £22.5m on the termination date in December 2023.

Interest is charged on any utilised amount at a rate of LIBOR plus a margin ranging from 1.90% to 3.40% dependent on the Group's leverage ratio under the debt facility agreement. In line with the FCA's announcement of the cessation of GBP LIBOR by 31 December 2021, the reference to LIBOR in the debt facility agreement will be amended to SONIA in December 2021. The debt facility is secured by asset pledges and debentures given by a number of Group companies.

At 30 September 2021 the Group had total drawn amounts under the debt facility agreement of £124.4m (2020: £121.7m), all of which denominated in sterling, and had £88.4m (2020: £128.3m) 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 reduce this risk. At 30 September 2021 the notional amount hedged was £41.3m (2020: £100.0m), reducing due to the termination of part of the Group's interest rate swaps following the term loan repayments during the year. All borrowings are secured by a guarantee between a number of Group companies.

As at 30 September 2021 there are capitalised fees of £2.8m (2020: £3.7m) in relation to the Group's current debt facility.

In the previous financial year the Group obtained waivers for the leverage ratio and interest cover covenants on its debt facilities up to and including March 2022, replacing them with a minimum liquidity test, whereby the Group must ensure that the aggregate of cash and undrawn debt facilities is not less than £40m at the end of each month, except between April and October 2021 being not less than £30m. Subsequent to the year ended 30 September 2021 the Group has secured an extension of the covenant waivers up to and including March 2023 with the same minimum liquidity test remaining in place.

15 Net debt and movements in liabilities arising from financing activities

	At 1 October 2020 £000	Cash flow £000	Non-cash movements £000	Foreign exchange £000	At 30 September 2021 £000
Cash at bank and on hand	**50,330**	**(8,956)**	**-**	**359**	**41,733**
Cash and cash equivalents	**50,330**	**(8,956)**	**-**	**359**	**41,733**
Debt due within one year	**(17,500)**	**5,749**	**-**	**-**	**(11,751)**
Debt due after one year	**(100,485)**	**(8,104)**	**(1,260)**	**-**	**(109,849)**
Adjusted net debt	**(67,655)**	**(11,311)**	**(1,260)**	**359**	**(79,867)**
Lease liabilities	**(18,835)**	**4,015**	**(2,172)**	**270**	**(16,722)**
Net debt	**(86,490)**	**(7,296)**	**(3,432)**	**629**	**(96,589)**

	At 1 October 2019 £000	Cash flow £000	Non-cash movements £000	Foreign exchange £000	At 30 September 2020 £000
Cash at bank and on hand	33,027	17,036	-	267	50,330
Cash and cash equivalents	33,027	17,036	-	267	50,330
Debt due within one year	(17,500)	-	-	-	(17,500)
Debt due after one year	(127,205)	28,111	(1,353)	(38)	(100,485)
Adjusted net debt	(111,678)	45,147	(1,353)	229	(67,655)
Lease liabilities	-	3,940	(22,912)	137	(18,835)
Net debt	(111,678)	49,087	(24,265)	366	(86,490)

Included within the net cash outflow of £7.3m (2020: net cash inflow of £49.1m) is £67.2m (2020: £173.4m) of repayments on the Group's debt facility and £69.6m (2020: £145.3m) of drawdowns on the Group's debt facility. At 30 September 2021 the Group had £88.4m (2020: £128.3m) of undrawn debt facilities.

Analysis of changes in other financing liabilities:

	At 1 October 2020 £000	Cash flow £000	Non-cash movements £000	At 30 September 2021 £000
Interest payable	**(315)**	**6,556**	**(6,331)**	**(90)**

	At 1 October 2019 £000	Cash flow £000	Non-cash movements £000	At 30 September 2020 £000
Interest payable	(315)	7,980	(7,980)	(315)

Interest payable at 30 September 2021 of £0.1m (2020: £0.3m) is recognised as a current liability within accruals.

16 Contingent liability

On 15 November 2020, the minority shareholders of ABEC issued notice of the exercise of their put option in respect of 19.8% of the total shares of ABEC for consideration of INR 676.7m (approximately £6.8m). As disclosed in note 31 of the FY20 Annual Report, the validity of the option exercise was under review, as was the amount of the claim. Subsequently, on 13 December 2020, the minority shareholders of ABEC issued notice of the exercise of their put option in respect of the final 20.2% of the total shares of ABEC for consideration of INR 676.8m (approximately £6.8m). The validity and amounts of both option exercises were in dispute at the year end.

At 30 September 2021 the Group was engaged in litigation with the minority shareholders. The Group's lawyers' advice was that they consider the Group likely to succeed in the litigation. Accordingly, no provision was made as at 30 September 2021 as management did not expect any economic outflow to arise as a result of the litigation in respect of the option exercises.

The Group's lawyers' advice was that the option exercise is invalid and unenforceable, both in respect of the option exercises of 15 November 2020 and 13 December 2020 as well as any subsequent attempt to exercise the option in a future period. Accordingly, a put option liability of £nil (2020: £9.4m) was recognised at 30 September 2021.

A contingent liability of £13.6m is disclosed, representing the total value claimed by the minority shareholders.

Subsequent to the year end, the original agreement within which the put option originally existed has been superseded as the Group has disposed of its 60% shareholding in ABEC to the minority shareholders and all litigation has been withdrawn.

17 Post balance sheet events

Subsequent to the year end the Group has secured a 12 month extension to its leverage and interest cover covenant waivers, up to and including March 2023. A minimum liquidity test, whereby the Group must ensure that the aggregate of cash and undrawn debt facilities is not less than £40m at the end of each month, will be in place through to the end of the waiver period.

On 12 November 2021, the Group completed the disposal of its 60% shareholding in ABEC Exhibitions & Conferences Pvt. Ltd, the operating company for a portfolio of exhibitions in India including the ACETECH construction events. The Group has received upfront consideration of £1.0m in respect of the disposal.

On 18 November 2021 the Group completed the acquisition of 100% of the share capital of 121 Group (HK) Limited and 121 Partners Limited ("121 Group") for initial consideration of approximately £21m. The estimated total consideration after earn-out is expected to be between approximately £42m and £50m based on the financial performance of 121 Group over a three-year period. Due to the proximity to the date of signing of these accounts, the accounting and disclosure impact of this acquisition has not been finalised.

In order to fund the initial consideration for the acquisition, on 18 November 2021 the Group completed a placement with institutional investors of 13,818,698 new ordinary shares to raise gross proceeds of £14.8m, in addition to a direct subscription of 12,694,102 new ordinary shares by investment funds managed by Strategic Value Partners, LLC ("SVPGlobal"), to raise gross proceeds of £14.3m.

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 Financial 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>2021</th><th>2020</th></tr>
<tr><td></td><td>£000</td><td>£000</td></tr>
<tr><td>Operating profit/(loss)</td><td>(18,878)</td><td>(308,822)</td></tr>
<tr><td>Operating adjusting items (note 5)</td><td>47,746</td><td>298,738</td></tr>
<tr><td>Headline operating profit/(loss)</td><td>28,868</td><td>(10,084)</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 amortisation of computer</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>2021</th><th>2020</th></tr>
<tr><td></td><td>£000</td><td>£000</td></tr>
<tr><td>Operating profit/(loss)</td><td>(18,878)</td><td>(308,822)</td></tr>
<tr><td>Operating adjusting items (note 5)</td><td>47,746</td><td>298,738</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><td></td><td></td><td>software.</td><td><table>
<tr><td>Depreciation of property, plant and equipment</td><td>5,702</td><td>5,201</td></tr>
<tr><td>Amortisation of computer software</td><td>1,262</td><td>2,422</td></tr>
<tr><td>Headline EBITDA</td><td>35,832</td><td>(2,461)</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 15)</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 15)</td><td>Adjusted net debt is defined as cash and cash equivalents after deducting bank loans.

The Board consider 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 pocket 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>2021</td><td>2020</td></tr>
<tr><td></td><td>£000</td><td>£000</td></tr>
<tr><td>Cash generated from operations</td><td>30,416</td><td>7,754</td></tr>
<tr><td>Net venue utilisation</td><td>(72)</td><td>903</td></tr>
<tr><td>Adjusting items:</td><td></td><td></td></tr>
<tr><td>Integration costs</td><td>-</td><td>531</td></tr>
<tr><td>Restructuring costs</td><td>-</td><td>823</td></tr>
<tr><td>Transaction costs on completed and pending acquisitions and disposals</td><td>682</td><td>3,270</td></tr>
<tr><td>Adjustment to reflect timing of cash flow for above adjusting items</td><td>-</td><td>793</td></tr>
<tr><td>Adjusted cash flow from operations</td><td>31,026</td><td>14,074</td></tr>
<tr><td>Headline operating profit/(loss)</td><td>28,868</td><td>(10,084)</td></tr>
<tr><td>Depreciation of property, plant and equipment</td><td>5,702</td><td>5,201</td></tr>
<tr><td>Amortisation of computer software</td><td>1,262</td><td>2,422</td></tr>
<tr><td>Foreign exchange loss/(gain) on operating activities</td><td>306</td><td>(2,642)</td></tr>
<tr><td>Headline operating profit/(loss) on a cash basis</td><td>36,138</td><td>(5,103)</td></tr>
</table></td></tr>
</table>

<table>
<tr><td></td><td></td><td></td><td><table><tr><td>Cash conversion</td><td>86%</td><td>-276%</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>2021</td><td>2020</td></tr>
<tr><td></td><td>£000</td><td>£000</td></tr>
<tr><td>Tax credit per income statement</td><td>5,010</td><td>11,024</td></tr>
<tr><td>Tax on share of results of associates and joint ventures</td><td>(455)</td><td>(1,536)</td></tr>
<tr><td>Tax impact of adjusting items</td><td>(6,020)</td><td>(12,921)</td></tr>
<tr><td>Headline tax charge</td><td>(1,465)</td><td>(3,433)</td></tr>
<tr><td>Headline profit/(loss) before tax</td><td>20,790</td><td>(18,137)</td></tr>
<tr><td>Headline effective tax rate</td><td>7%</td><td>-19%</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>2021</td><td>2020</td></tr>
<tr><td>Headline return on capital employed (ROCE)</td><td>£000</td><td>£000</td></tr>
<tr><td>Headline operating profit/(loss) [A]</td><td>28,868</td><td>(10,084)</td></tr>
<tr><td>Non-current assets:</td><td></td><td></td></tr>
<tr><td>Goodwill</td><td>73,202</td><td>63,678</td></tr>
<tr><td>Other intangible assets</td><td>201,160</td><td>240,572</td></tr>
<tr><td>Property, plant and equipment</td><td>17,237</td><td>21,115</td></tr>
<tr><td>Interests in associates and joint ventures</td><td>37,126</td><td>37,444</td></tr>
<tr><td>Deferred consideration receivable</td><td>7,357</td><td>6,865</td></tr>
<tr><td>Deferred tax asset</td><td>5,469</td><td>460</td></tr>
<tr><td>Current assets:</td><td></td><td></td></tr>
<tr><td>Trade and other receivables</td><td>35,569</td><td>33,731</td></tr>
<tr><td>Tax prepayment</td><td>1,710</td><td>1,374</td></tr>
<tr><td>Current liabilities:</td><td></td><td></td></tr>
<tr><td>Trade and other payables</td><td>(42,664)</td><td>(58,354)</td></tr>
<tr><td>Corporation tax</td><td>(1,160)</td><td>(1,374)</td></tr>
<tr><td>Deferred income</td><td>(72,277)</td><td>(61,276)</td></tr>
<tr><td>Non-current liabilities:</td><td></td><td></td></tr>
</table></td></tr>
</table>

			Deferred tax liability (11,713) (13,773) Deferred income - - **Capital employed (B) 251,016 270,462** **Headline ROCE (A/B) 11.5% -3.7%**
Like-for-like	None	N/A	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.
Forward bookings	None	N/A	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).