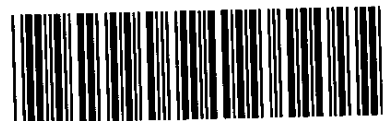


# **CLARION EVENTS LIMITED**

(Registered Number 00454826)

Annual Report and Unaudited Financial Statements  
For the Year Ended  
31 January 2019

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## Clarion Events Limited

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# Clarion Events Limited

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## COMPANY INFORMATION

### **DIRECTORS**

Mr. R. Johnson  
Mr. S. R. Kimble  
Mr. R. S. Wilcox  
Ms. L. A. Hannant

### **REGISTERED OFFICE**

Bedford House  
69-79 Fulham High Street  
London  
SW6 3JW

### **SOLICITORS**

Joelson LLP  
30 Portland Place  
London  
W1B 1LZ

### **BANKERS**

National Westminster Bank plc  
195 Earls Court Road  
London  
SW5 9AP

# Clarion Events Limited

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## STRATEGIC REPORT

The directors present their strategic report for the year ended 31 January 2019.

### PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The Company is a member of the Comet Bidco group of companies ("the Group"). The Group is an international business, with a portfolio of events and media brands across a range of vertical markets and is considered one of the world's leading event organisers, producing and delivering innovative and market leading events. Our purpose is to deliver exceptional customer outcomes and experiences, through live events and our vision is to be a fast growing, leading industry partner and enabler. In order to deliver on our purpose and mission we have five core strategic pillars:

#### 1. STRONG RESILIENT PORTFOLIO

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

#### 2. BUSINESS MODEL

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

#### 3. CUSTOMER CENTRICITY

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

#### 4. OPERATING MODEL & TECHNOLOGY

Grow our events via an effective and progressive technology platform and operating model.

#### 5. PEOPLE, CULTURE & VALUES

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

### KEY PERFORMANCE INDICATORS

The Directors use a range of key performance indicators (KPIs) to manage and develop the business to achieve the Company's strategic objectives. These KPI's include revenue and EBITDA against the annual budget.

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

|                          | 2019    | 2018   | Change |
|--------------------------|---------|--------|--------|
|                          | £'000   | £'000  | %      |
| Revenue                  | 69,636  | 63,949 | 9%     |
| Operating profit/ (loss) | (3,314) | 13,594 | (124)% |

During the year, revenue increased by £5.7m (9%) which was largely driven by the launch of the Egypt Defence Expo in November 2018 which contributed to £5.3m of the increase. There was also strong revenue growth at some of our other large shows including the ICE gaming exhibition (9.7% growth), Spirit of Christmas (18.3% growth) and Phacilitate Cell & Gene Therapy (31.1%). However, this was been slightly offset by a decline in the revenue generated by the Bahrain International Defence Exhibition and Conference as this event did not run in the year ended 31st January 2019.

Year on year operating (loss)/profit is impacted by the receipt of dividends from subsidiary undertakings. During 2019 the company received £0.1m (2018: £17.4m received).

The Company continued to trade in line with expectations.

# Clarion Events Limited

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## STRATEGIC REPORT (CONTINUED)

### PRINCIPAL RISKS AND UNCERTAINTIES

The Company delivers conferences and exhibitions across a diversified portfolio of market sectors. The principal risks are those with the potential to most significantly impact the Company and the Group if they materialise or are managed ineffectively.

The Directors have identified below the principal risks and uncertainties relating to the Company's business:

#### **External risks**

##### **Economic and political instability**

An economic downturn or a period of political and economic uncertainty could have an adverse impact on the Company's ability to grow in particular markets. Instability could also lead to a reduction in demand for exhibition space and therefore, exhibition profits.

To mitigate this risk, the Company operates in a variety of different sectors across a number of different countries. This allows us to minimise the exposure to one particular market or one particular region's instability. Revenue generated from many of our exhibitions is contracted far in advance of the event date with exhibitors paying in advance to minimise our exposure to credit risk.

##### **Natural disasters, terrorism and other major incidents**

Terrorist incidents, extreme weather events and epidemics could negatively impact our employees and events. Any incident that either curtails travel to, or leads to cancellation of an event, may affect revenues.

In the event of a major incident, the company has a Major Incidence Response Plan in place to mitigate any risks. The Company also has insurance policies in place to cover loss of earnings where possible.

##### **Data privacy and compliance with GDPR regulations**

The Company relies heavily upon data to market future events and engage customer bases. The need to comply with data protection legislation such as the Data Protection Act 2018 and other European Union guidance imposes obligations on the way data can be obtained and utilised. This may make it more difficult to grow and maintain our marketing databases and alter the ways we market our events.

Failure to comply with legislation and regulations may result in significant fines and reputational damage.

In preparation for the introduction of the Data Protection Act in 2018, the Company assessed its compliance with the new regulations and implemented robust technical and security measures to mitigate any purported risk.

#### **Financial risks**

##### **Currency fluctuations**

The results of operations are affected by transactional exchange rate movements locally where sales are made in a currency other than the functional currency of the Company's operation.

##### **Liquidity risk**

The Company's policy is to ensure that there is sufficient funding and facilities in place to meet foreseeable cash requirements.

To mitigate this risk, cash flow forecasting is performed by the Company. The Company cash flow is aggregated into Group cash flows. Group finance monitors the rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs whilst maintaining sufficient headroom to meet any Group debt repayment requirements.

#### **Operational risks**

##### **Cyber attack and data loss**

The Company has valuable databases which hold sensitive and business critical information as well as intellectual property.

Loss of data through a cyber attack or mismanagement could lead to substantial fines, damage to our reputation and could harm relationships with our customers.

## Clarion Events Limited

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### STRATEGIC REPORT (CONTINUED)

#### **Operational risks (continued)**

To mitigate this risk, our IT systems have a number of preventative measures installed to reduce the risk of their being a breach of our systems. Training and policies are in place to educate employees on how to identify a potential cyber attack and the correct response.

#### **Retention of employees and key management personnel**

The implementation and execution of the Company's strategies and business plans depend upon our ability to retain our skilled employees and key management personnel.

We strive to retain key employees to minimise loss of knowledge, improve efficiency and increase our business performance.

To mitigate against this, the Company cultivates an environment of opportunities and support for all employees. In order to retain talent, the Company offers training and development opportunities and encourages employees to take advantage of internal vacancies. The Company also offers a wide array of benefits to its employees, including competitive remuneration packages, summer and winter employee events, and "Helping Our World" days which give employees the opportunity to give back to the local community.

#### **Reputational risks**

##### **Breach of Health and Safety regulations**

A breach of the Company's health and safety regulations either at an event or at one of our offices could cause serious personal injury or even death.

It could also result in financial loss for the Company due to fines and litigation, lost revenue through customer attrition and also damage to our reputation.

To mitigate this risk, the Company maintains health and safety policies and seeks to ensure that all employees and contractors working for the Company adhere to these.

##### **Breach of ethics and anti-bribery**

If an employee or an associate affiliated with the Company breaches ethical guidelines such as anti-bribery or anti-corruption laws, the Company could be exposed to financial sanctions as well as reputational damage.

To mitigate against breaches in ethics and anti-bribery, the Company maintains an unambiguous anti-bribery and corruption policy in its Employee Handbook which is available to view by every employee within the business.

#### **Strategic risks**

##### **Acquisition and integration risk**

In recent years the Company has entered into acquisitions of varying sizes across differing geographies. Failure to evaluate acquisitions accurately can lead to shortfalls in expected benefits and synergies. This can, in turn, lead to a lower return on investment, weaker acquired brand assets and impairment of goodwill.

To mitigate against this risk, potential acquisitions are evaluated by the Corporate Development team with aid from a cross section of internal and external experts from the events business, finance, legal and tax to make sure that they are in line with the overall strategy of the Company and Group. Then, following acquisition, the performance and integration of the acquired company is closely monitored to make sure it is performing in line with expectations.

##### **Competition risk**

The Company operates in a competitive environment which is constantly evolving due to innovation, new competition and other factors. Failure to adequately adapt to these changes through the Company's own strategy, innovation and development could erode revenue and margins.

To mitigate this risk, the Company and Group operates a divisional structure which means that we have teams dedicated to product development across each of our divisions. This allows us to react quickly in response to customer demands and market developments.

# Clarion Events Limited

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## STRATEGIC REPORT (CONTINUED)

### Trends and factors affecting future performance

The industry continues to evolve through advances in technology and modernisation. The Company and Group plans to adapt to the changing landscape through its investment in innovation and the refreshing of its infrastructure networks. The Company is also aiming to improve its focus on better understanding the customer and improve the alignment of visitor and exhibitor requirements.

Specifically, in the Retail sector, there are currently a number of challenges in the Global market and we expect this to continue throughout the forthcoming year. In order to maintain growth in this sector, the Company is using attendance initiatives to strengthen its offering.

### Environmental matters

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

Newly refurbished Company offices have been fitted with energy efficient lighting to help reduce energy consumption. Recycling points are present in our offices to further reduce the Company's environmental footprint.

As the majority of our environmental impact occurs while running our events, we work with our supply chain to recycle and reuse wherever possible. An example of some of the achievements made in this area include:

- 100% of all event carpeting in the UK and Europe is recycled;
- 100% of all exhibition panels in the UK and Europe are reused; and
- Our main UK venue, ExCeL, diverts 100% of waste from landfill (60% recycled and 40% waste to energy).

Our venues outside of the UK are also making steps towards to a more sustainable model by introducing solar energy, biodegradable plates and cutlery, installing water stations to reduce the proliferation of single use plastic bottles and some also offer a food rescue service where unused food is donated to food banks and local charities. Furthermore, the main contractor responsible for building our booths, laying our carpet and installing electrics at our UK and US events follows sustainability policies in accordance with ISO 20121:2012 Event Sustainability Management Systems.

Looking ahead, the Company has identified Green House Gas (GHG) emissions per employee as the most appropriate measure of our environmental impact. We plan to produce this data for the coming year and subsequently set targets to reduce this.

### Social, Community and Human Rights Issues

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

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

We have a robust employee grievance procedure that ensures that any problems or concerns regarding an employees work, working environment or working relationships are dealt with fairly and sensitively.

In accordance with section 54(1) of the Modern Slavery Act 2015, the Group's slavery and human trafficking statement for the financial year ended 31 January 2019 will be published on our website: [www.clarionevents.com](http://www.clarionevents.com).

A Corporate and Social Responsibility Committee has been formed. This consists of representatives from Legal and Compliance, HR, Procurement and Operations. The aim of the Committee is to review and make recommendations to the Board on initiatives for the Company to take responsibility for its impact on a number of issues ranging from Human Rights to the Environment.

## Clarion Events Limited

### STRATEGIC REPORT (CONTINUED)

#### Employees

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

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

The Company has a wide selection of employee benefits, bonus/incentive schemes and an Employee share scheme.

We have HR teams across the business that provide people compliance and best practice.

In October 2018, we carried out our first employee engagement survey. We had a 96% response rate across the Group and scored an engagement rate of 72%. We have worked with the results to implement short, medium and long term improvement goals. Our survey highlighted that our employees greatly value our culture, people, products and an overwhelming majority of our employees are enthusiastic in recommending our products to customers. We have communicated a summary of the results to the business and the action plan resulting from the feedback.

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

To support employee engagement, we offer our employees a number of benefits:

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

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

*Staff events and treats* - As well as Christmas and summer parties and an annual sports day, we give regular office treats such as fruit month in November. This year we introduced a Wellbeing Programme over a 2-week period with a variety of well-being activities for employees to trial.

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

*Social committee* – We are in the process of setting up a social committee to add value to the business through increased employee engagement and to invest in company culture.

#### Unconscious bias

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

By order of the board



Richard Johnson  
Director

28 October 2019



# Clarion Event Limited

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## DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 January 2019.

### DIVIDENDS

No interim dividend has been paid and the directors do not recommend the payment of a final dividend for the year (2018: £nil).

### POST BALANCE SHEET EVENTS

No significant events have occurred subsequent to the balance sheet date.

### FUTURE DEVELOPMENTS

The directors aim to continue to grow the business through the launching and acquiring of both trade and consumer exhibitions and conferences.

### DIRECTORS

The directors during the year were as follows:

Ms. L. A. Hannant (appointed 14 January 2019)  
Mr. R. Johnson (appointed 30 April 2018)  
Mr. S. R. Kimble  
Mr. R. S. Wilcox  
Mr. C. J. Wilmot (resigned 30 April 2018)

Comet Midco Limited holds a Directors' and Officers' insurance policy which covers all of the directors of the company.

### GOING CONCERN

The Company has net assets of £16,346,000. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to settle its liabilities as they fall due. Therefore, they continue to adopt the going concern basis of accounting in preparation of the annual financial statements.

By order of the board



Richard Johnson  
Director

28 October 2019

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## **Clarion Events Limited**

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### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

#### **DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Clarion Events Limited

## STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 January 2019

|   | Note | 2019<br>£'000  | Restated<br>2018<br>£'000 |
|---|------|----------------|---------------------------|
| Revenue   | 5    | 69,636         | 63,949                    |
| Cost of sales   |      | (39,077)       | (34,674)                  |
| <b>Gross profit</b>   |      | <b>30,559</b>  | <b>29,275</b>             |
| Other operating income  |      | 137            | 17,240                    |
| Administrative expenses   |      | (34,010)       | (32,921)                  |
| <b>Operating (loss)/profit</b>                                    | 6    | <b>(3,314)</b> | <b>13,594</b>             |
| Interest payable and similar charges                              | 7    | (1,302)        | (920)                     |
| Interest receivable   | 8    | 897            | 811                       |
| <b>(Loss)/profit on ordinary activities before taxation</b>       |      | <b>(3,719)</b> | <b>13,485</b>             |
| Tax on ordinary activities  | 10   | (230)          | (1,221)                   |
| <b>(Loss)/profit on ordinary activities after taxation</b>        |      | <b>(3,949)</b> | <b>12,264</b>             |
| <b>Total (loss)/profit for the financial year</b>                 |      | <b>(3,949)</b> | <b>12,264</b>             |
| Foreign exchange difference on overseas branch                    |      | (165)          | 128                       |
| <b>Total comprehensive (loss)/income for the year, net of tax</b> |      | <b>(4,114)</b> | <b>12,392</b>             |

The accompanying accounting policies and notes form an integral part of these financial statements.

All amounts relate to continuing activities

# Clarion Events Limited

## STATEMENT OF FINANCIAL POSITION

at 31 January 2019

|  | Note | 2019<br>£'000           | Restated<br>2018<br>£'000 |
|--|------|-------------------------|---------------------------|
| <b>Non-current assets</b>              |      |                         |                           |
| Property, plant and equipment          | 11   | 1,033                   | 1,325                     |
| Intangible assets                      | 12   | 13,924                  | 13,773                    |
| Goodwill                               | 12   | 4,526                   | 4,526                     |
| Investments                            | 13   | 182,307                 | 176,608                   |
| Deferred tax assets                    | 10   | 447                     | 460                       |
|  |      | <u>202,237</u>          | <u>196,692</u>            |
| <b>Current assets</b>                  |      |                         |                           |
| Trade and other receivables            | 14   | 356,928                 | 249,803                   |
| Cash and cash equivalents              |      | <u>14,049</u>           | <u>7,025</u>              |
|  |      | <u>370,977</u>          | <u>256,828</u>            |
| <b>Total assets</b>                    |      | <u><b>573,214</b></u>   | <u><b>453,520</b></u>     |
| <b>Current liabilities</b>             |      |                         |                           |
| Trade and other payables               | 15   | <u>(556,585)</u>        | <u>(435,158)</u>          |
|  |      | (556,585)               | (435,158)                 |
| <b>Non-current liabilities</b>         |      |                         |                           |
| Provisions for liabilities and charges | 16   | (283)                   | (279)                     |
| <b>Net current liabilities</b>         |      | (185,608)               | (178,330)                 |
| <b>Total liabilities</b>               |      | <u><b>(556,868)</b></u> | <u><b>(435,437)</b></u>   |
| <b>Net assets</b>                      |      | <u><b>16,346</b></u>    | <u><b>18,083</b></u>      |
| <b>Capital and reserves</b>            |      |                         |                           |
| Share capital                          | 19   | -                       | -                         |
| Foreign currency translation reserve   |      | (302)                   | (137)                     |
| Share based payment reserve            |      | 2,917                   | 540                       |
| Retained earnings                      |      | <u>13,731</u>           | <u>17,680</u>             |
| <b>Total equity</b>                    |      | <u><b>16,346</b></u>    | <u><b>18,083</b></u>      |

The accompanying accounting policies and notes form an integral part of these financial statements. For the year ending 31 January 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

### Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of directors on and were signed on its behalf by



Richard Johnson  
Director

28 October 2019

# Clarion Events Limited

## STATEMENT OF CHANGES IN EQUITY

at 31 January 2019

|  | <i>Share<br/>Capital</i> | <i>Foreign<br/>currency<br/>translation<br/>reserve</i> | <i>Share based<br/>payment<br/>reserve</i> | <i>Retained<br/>earnings</i> | <i>Total<br/>Shareholder<br/>s' funds</i> |
|--|--------------------------|---|--|------------------------------|---|
|  | <i>£'000</i>             | <i>£'000</i>  | <i>£'000</i>                               | <i>£'000</i>                 | <i>£'000</i>                              |
| <b>At 31 January 2017</b>                      | -                        | (265)   | 177  | 7,917                        | <b>7,829</b>                              |
| Prior year adjustment (see note 27)            | -                        | -   | -  | (2,876)                      | (2,876)                                   |
| <b>At 1 February 2017 ( adjusted)</b>          | -                        | (265)   | 177  | <b>5,041</b>                 | <b>4,953</b>                              |
| Profit for the year                            | -                        | -   | -  | 12,264                       | 12,264                                    |
| Foreign Exchange movement in the year          | -                        | 128   | -  | -                            | 128                                       |
| Total comprehensive profit for the year        | -                        | 128   | -  | 12,264                       | <b>12,392</b>                             |
| Share based payment charge                     | -                        | -   | 738  | -                            | <b>738</b>                                |
| Recycling of former share based payment scheme | -                        | -   | (375)                                      | 375                          | -   |
| <b>At 31 January 2018 (adjusted)</b>           | -                        | (137)   | <b>540</b>                                 | <b>17,680</b>                | <b>18,083</b>                             |
| Loss for the year                              | -                        | -   | -  | (3,949)                      | (3,949)                                   |
| Foreign Exchange Movement                      | -                        | (165)   | -  | -                            | (165)                                     |
| Total comprehensive loss for the year          | -                        | (165)   | -  | (3,949)                      | <b>(4,114)</b>                            |
| Share based payment charge                     | -                        | -   | 2,377                                      | -                            | <b>2,377</b>                              |
| <b>At 31 January 2019</b>                      | -                        | <b>(302)</b>  | <b>2,917</b>                               | <b>13,731</b>                | <b>16,346</b>                             |

# Clarion Events Limited

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## NOTES TO THE FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

Clarion Events Limited ('the Company') is a private company, limited by shares, incorporated and domiciled in the United Kingdom. The registered office is located at Bedford House, 69-79 Fulham High Street, London, SW6 3JW.

The Company's principal activity is to organise exhibitions and shows.

### 2. PRINCIPAL ACCOUNTING POLICIES

#### ***Basis of preparation***

The financial statements of the Company have been prepared in accordance with Financial Reporting Standards 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The preparation of the financial information in conformity with FRS 101 requires the use of certain critical accounting estimates and requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are set out in note 3.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 January 2019.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Comet Midcoo Limited. The results of Clarion Events Ltd are included in the consolidated financial statements of Comet Midco Limited which are available from Bedford House, 69-79 Fulham Street, London, SW6 3JW.

The financial information is presented in GBP (£'000).

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- (c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
- (d) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- (e) the requirements of IAS 7 Statement of Cash Flows;
- (f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member ;
- (i) and the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

#### ***Going Concern***

The Company has net assets of £16,346,000. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to settle its liabilities as they fall due. Therefore, they continue to adopt the going concern basis of accounting in preparation of the annual financial statements.

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

##### **Revenue recognition**

Revenue arises from provision of products and services under contracts with customers. Revenue is recognised to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognised when the customer obtains control of the goods. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding VAT, other taxes or duty.

The principal revenue recognition policies as applied by the company are as follows:

Revenue from exhibitions, trade shows, conferences and other live events is recognised when the event is held. Revenue from event sponsorship together with delegate fees is recognised when the event is held.

Billing of exhibitions, trade shows, conferences and other live events to exhibitors and other participants based on terms explicit in the contract are recognised as deferred income in the balance sheet until the event is held.

Barter transactions are those where goods and services, rather than cash, are exchanged between two parties and revenue is recognised at fair value for the goods and services provided.

Advertising revenue is recognised on publication or over the period of the online display. Subscription revenue is recognised over the period where the transaction involves the transfer of goods and services to the customer in a consistent manner over a specific period of time.

Revenue from management services contracts is recognised straight line over the period of the contract.

##### **Interest income**

For all financial instruments measured at amortised cost and interest bearing financial assets classified as available for sale, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

##### **Dividends**

Revenue is recognised when the Company's right to receive payment is established.

##### **Foreign currency translation**

The Company's financial information is presented in sterling. Foreign branches owned by the Company determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Company's entities at the functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

All differences on settlement or translation of monetary items are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss respectively).

The exchange differences arising from the retranslation of the opening net assets are taken directly to reserves.

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

##### *Foreign currency translation (continued)*

The assets and liabilities of foreign branches are translated into sterling at the rate of exchange prevailing at the reporting date and their income statements are translated at the average monthly exchange rate. The exchange differences arising on the translation are recognised in other comprehensive income. When a foreign operation is closed or disposed of, the component of other comprehensive income relating to that particular foreign operation is classified in the income statement.

Results of operations are translated using average rates for the period.

##### *Current income tax*

Current income tax assets and liabilities are measured at the amount expected to be recovered from, or payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where applicable.

##### *Deferred taxation*

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

##### *Property, Plant and Equipment*

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing component parts of the property, plant and equipment.

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

|                        |                                      |
|------------------------|--------------------------------------|
| Fixture and fittings   | 2 – 5 years                          |
| Leasehold improvements | Shorter of the lease term or 8 years |



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. **PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

***Property, Plant and Equipment (continued)***

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Prepaid event costs**

Costs relating to the advance payment for future goods and services associated with delivering an event and recoverable from its proceeds are deferred and expensed on completion of the event.

**Operating Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

***Company as a lessee***

Rentals under operating lease are charged to profit or loss on a straight line basis over the lease term. Benefits received and receivable such as an incentive to sign an operating lease are recognised on a straight line basis over the lease term.

***Lease incentive***

All incentives for the agreement of a new or renewed operating lease shall be recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature of form or the timing of payments.

The lessee shall recognise the aggregate benefit of incentives as a reduction of rental expenses over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset

**Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets are not capitalised and expenditure is reflected in the income statement in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed annually for any indication of impairment. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

##### *Intangible assets (continued)*

###### **Trade names and customer relationships**

The intangible asset is amortised on a straight line basis over its estimated useful life of:

- Trade names: 2-20 years
- Customer relationships: 2-17 years

###### **Software**

The purchase of software is capitalised at cost. These intangible assets are amortised on a straight line basis over the estimated useful life of up to five years.

###### **Investments**

Investments in subsidiaries are held at historical cost less any applicable provision from impairment.

###### **Financial instruments**

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

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

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

###### **Trade and other receivables**

Trade and other receivables are classified as 'loans and receivables' and recognised when it is probable that a future economic benefit will flow to the Company. Trade receivables are predominantly non-interest bearing and their carrying amounts approximate to their fair value. Trade receivables are stated net of a loss allowance for expected credit losses. Expected credit losses are a probability weighted estimate of credit losses and are calculated on actual historical credit losses and adjusted to reflect differences between the historical credit losses and the company's view of the economic conditions over the expected lives of the receivables.

###### **Trade and other payables and interest-bearing loans**

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR).

###### **Derivative financial instruments**

Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The method of recognising the resulting change in fair value is dependent on whether the derivative is designated as a hedging instrument.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (continued)

##### *Put options*

Any contract with a single or multiple settlement option that contains an obligation for the Company to purchase equity in a subsidiary for cash gives rise to a financial liability for the present value of the purchase price. An amount equal to the liability is recorded against the investment on initial recognition of a written put option. The liability is subsequently remeasured through the Income Statement. Where considered significant, the company's written put options are discounted to their appropriate value. The unwinding of the discount is charged through the Income Statement over the period to exercise.

##### *Cash and cash equivalents*

Cash and cash equivalents in the Statement of Financial Position comprise cash at banks and in hand.

##### *Impairment of financial instruments*

The Company assesses at each reporting date whether there is any objective evidence that a financial instrument or a group of financial instruments is impaired. A financial instrument or a group of financial instruments is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial instrument or the group of financial instruments that can be reliably estimated.

Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence for a portfolio of receivables could include the company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period as well as observable changes in national or local economic conditions that correlate with increased default risk on receivables.

The Company always recognises lifetime expected credit losses ("ECL") for trade receivables and contract assets. The ECL on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both current and forecast direction of conditions at the reporting date.

For all other financial instruments, the company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial instrument has not significantly increased since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

##### *Fair value of financial instruments*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

##### Financial instruments (continued)

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

##### Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded comparators or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's CGUs to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

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

The following criteria are also applied in assessing impairment of specific assets:

##### Goodwill

Goodwill is tested for impairment annually (as at 31 January) and when circumstances indicate that the carrying value may be impaired. Any impairment charges are reflected after considering appropriate sensitivities.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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2. **PRINCIPAL ACCOUNTING POLICIES (CONTINUED)**

**Impairment of non-financial assets (continued)**

**Intangible assets**

Intangible assets with finite useful lives are tested for impairment annually as at 31 January either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

**Provisions**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement.

**Pensions and other post-employment benefits**

The Company make contributions to schemes which provide employees with retirement benefits. Contributions accruing under the schemes are charged to administrative expenses in the Income Statement.

**Share-based payment transactions**

The fair value of options and rights granted is recognised as an employee expense in the statement of profit and loss on a straight line basis over the vesting period, taking account of the estimated number of shares that are expected to vest. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options and rights. The fair value of the options and rights granted are measured using the Monte Carlo Option Pricing model taking into account the terms and conditions upon which the options were granted. Market based performance criteria are taken into account when determining the fair value at the date of grant. Non-market based performance criteria are taken into account when estimating the number of shares expected to vest.

3. **SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed regularly. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Impairment of non-financial and financial assets**

Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for terminal value purposes.

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

##### **Taxation**

The calculation of the company's total tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until a resolution has been reached with the relevant tax authority. Amounts are accrued based on management's interpretation of specific tax law which requires a degree of judgement.

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. Recognition of deferred tax assets, therefore, includes judgements regarding the timing and level of future taxable income.

##### **Share Based Payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses a Monte-Carlo simulation model for the scheme.

The assumptions and models used for estimating fair value for share-based payment transactions are discussed further below in note 17.

##### **Financial Derivatives - Put and Call options**

Estimating fair value for put and call options requires determination of the most appropriate valuation model. This estimate also requires revaluations of the enterprise value and judgements on forecast EBITDA of the underlying businesses.

#### 4. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

- IFRS 16, Leases (effective year ends starting on or after 1 January 2019)
- Annual Improvements 2015-2017 cycle
- IFRS 3, Business combinations and IFRS11, Joint arrangements amendments (effective year ends starting on or after 1 January 2019)
- IAS 12, Income taxes amendments (effective year ends starting on or after 1 January 2019)
- IAS 23, Borrowings costs (effective year ends starting on or after 1 January 2019)

The only standard or interpretation which is expected to have a significant effect on the Company's financial statements is IFRS 16 Leases.

##### **IFRS 16 Leases**

IFRS 16 requires all leases to be treated in a consistent way to the current rules on finance leases. This will result in all leases being disclosed in the Statement of Financial Position, with the exception of short-term leases, where, for lease terms of less than 12 months, and low value leases. The Company will use the practical expedient to account for these as an operating lease directly in the Profit and Loss Statement.

This is expected to have a significant impact on both the company's Statement of Financial Position, as there will be an increase in lease assets and financial liabilities recognised, and the Company's Income Statement, through a changing of the expense profile and the financial statement lines in which the expenses are recognised. The adoption of IFRS 16 will increase the expense charged at the beginning of our lease contracts, due to the straight-line operating lease expense charge being replaced by the finance cost approach, which by its nature is front-loaded. This is expected to reduce profit before tax in the first year of adoption. Currently, our operating lease rentals are recognised within administrative expenses, but under IFRS 16, these will be classified as finance costs and therefore operating profit is expected to increase on adoption. The Company is in the process of performing a full impact assessment of the effects of adopting IFRS 16. The financial impact of the change has yet to be quantified by management.

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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The standard will apply to the Company from the period beginning 1 February 2019.

During the year ended 31 January 2019 the company adopted IFRS 9 *Financial Instruments*, IFRS 15 *Revenue from Contracts with Customers*, Interpretation IFRIC 22 *Foreign Currency Transaction and Advance Consideration*, Amendments to IFRS 2 *Classification and Measurement of Share-based Payment Transactions*, Annual improvements to IFRS Standards 2014-16 Cycle and Amendments to IAS 40: *Transfer of Investment Property*.

With the exception of IFRS 9 and IFRS 15, the adoption of these standards and interpretations has not led to any significant changes to the Company's accounting policies or had any other material impact on the financial position or performance of the company.

#### *IFRS 9 Financial Instruments*

IFRS 9 supersedes IAS 39 *Financial Instruments: Recognition and Measurement*. As a result of adopting the Expected Credit Loss model for the impairment of receivables, the Company has not recognised any impairment loss loans receivable from subsidiary undertakings in the current year. The carrying amount of the company's trade receivables was unchanged, as there was no change to the level of impairment provision recognised on the new basis.

#### *IFRS 15 Revenue from Contracts with Customers*

IFRS 15 supersedes IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company adopted IFRS 15 using the modified retrospective method. The adoption of the new standard did not have an impact on the Company's reported revenue, because no additional performance obligations were identified, and there was no change in the timing of revenue recognition as the company was previously recognising revenue at the point when control of the goods or services was transferred to the customer. Application of the standard did not change the cashflows associated with its revenue streams.

The Standard introduced changes to the recognition of incremental costs incurred when obtaining a contract with a customer. The Standard requires sales commissions and related costs to be recognised as an asset when the Company expects to recover them. The Company will apply the practical expedient to expense contract acquisition costs when the asset that would have resulted from capitalising such costs would have been amortised within one year or less.

The Standard requires the recognition of a financing component when payment is received before the performance obligations are satisfied. The company will apply the practical expedient not to adjust consideration for the effects of a financing component if there is less than one year between receiving payment and satisfying the performance obligation.

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 5. REVENUE

Analysis of revenue from contracts with customers:

|   | 2019<br>£'000 | 2018<br>£'000 |
|---|---------------|---------------|
| <b>Type of service</b>                              |               |               |
| Event Organisation                                  | 68,612        | 63,600        |
| Subscriptions to publications and on-line databases | 1,024         | 349           |
|   | <b>69,636</b> | <b>63,949</b> |
| <b>Geographical markets</b>                         |               |               |
| United Kingdom                                      | 64,197        | 61,861        |
| Middle East   | 5,439         | 2,088         |
|   | <b>69,636</b> | <b>63,949</b> |
| <b>Timing of revenue recognition</b>                |               |               |
| Services transferred at a point in time             | 69,523        | 63,528        |
| Services transferred over time                      | 113           | 421           |
|   | <b>69,636</b> | <b>63,949</b> |

#### Event organisation

The Company organises trade exhibitions, conferences, and consumer events open to the public. Such events generate revenue from one or more of the following:

- Space or stands within an exhibition centre which the exhibitor can customise. Transaction prices for performance obligations are fixed within contracts and relate to the size and degree of customisation of the space. Performance obligations are satisfied when the event is held.
- Event sponsorship: tailored arrangements to promote the business and activities of the sponsor. Performance obligations are satisfied when the event is held.
- Delegate fees: tailored arrangements to provide attendees at an exhibition or conference with different degrees of access to exhibitors or sponsors. Performance obligations are satisfied when the event is held.
- Ticket sales to the public in advance or on the day of the event. Performance obligations are satisfied when the event is held.

#### Subscriptions to publications and online databases

The Company charges for advertising in online or physical publications, and sells subscriptions to directories and market research reports. Performance obligations are satisfied on publication, over the period of display or over the period to which the subscription provides access.



# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 6. OPERATING PROFIT

The profit on ordinary activities is stated after charging:

|   | 2019<br>£'000 | 2018<br>£'000 |
|---|---------------|---------------|
| Depreciation                                  | 962           | 1,024         |
| Amortisation of intangible assets             | 3,258         | 852           |
| Operating lease rentals: - land and buildings | 1,396         | 1,694         |
| - plant and machinery                         | 39            | 8             |

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

|                                    | 2019<br>£'000 | 2018<br>£'000 |
|------------------------------------|---------------|---------------|
| Unwinding of provision             | 4             | 4             |
| Unwinding of financial instruments | -             | 226           |
| Intercompany loans                 | 1,298         | 690           |
|                                    | <u>1,302</u>  | <u>920</u>    |

Interest is payable on intercompany loans as per the schedule in note 18.

### 8. INTEREST RECEIVABLE

|                    | 2019<br>£'000 | 2018<br>£'000 |
|--------------------|---------------|---------------|
| Intercompany loans | 897           | 811           |
|                    | <u>897</u>    | <u>811</u>    |

Interest is receivable on intercompany loans as per the schedule in note 18.

### 9. STAFF COSTS

|                            | 2019<br>£'000 | 2018<br>£'000 |
|----------------------------|---------------|---------------|
| Wages and salaries         | 15,944        | 13,952        |
| Social security costs      | 1,630         | 1,353         |
| Pension costs              | 385           | 293           |
| Share based payment charge | 2,377         | 738           |
|                            | <u>20,336</u> | <u>16,336</u> |

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 9. STAFF COSTS (CONTINUED)

Staff costs shown above exclude directors' emoluments.

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

|                | 2019<br>Number | 2018<br>Number |
|----------------|----------------|----------------|
| Exhibitions    | 143            | 116            |
| Conferences    | 65             | 68             |
| Administration | 88             | 74             |
|                | <b>296</b>     | <b>258</b>     |

Directors' emoluments:

|                                 | 2019<br>£'000 | 2018<br>£'000 |
|---------------------------------|---------------|---------------|
| Directors' emoluments           | 340           | -             |
| Share based payment             | 306           | -             |
| Compensation for loss of office | 146           | -             |
| Pension contributions           | 12            | -             |
|                                 | <b>804</b>    | <b>-</b>      |

During the year, three Directors were employed by Clarion Events Limited.

The emoluments, excluding pension contributions but including the share-based payment charge relating to participation in the Employee Benefit Trust, of the highest paid director were £550,124 (2018: £nil). Their pension cost was £9,000 (2018: £nil).

There were 3 (2018: nil) directors accruing benefits in a defined contribution pension scheme.

Two directors (2018: three) of this Company are also directors of the holding company and fellow UK subsidiaries.

These directors received total remuneration including the share-based payment charge for the period of £3,572,911 (2018: £2,188,739), all of which was paid by a fellow group company. The directors do not believe it is practicable to apportion this amount between their services as directors of the Company and their services as directors of the holding and fellow subsidiary companies.

### 10. TAXATION

#### a) Tax charged in the income statement

|  | 31 January<br>2019<br>£'000 | 31 January<br>2018<br>£'000 |
|--|-----------------------------|-----------------------------|
| <b>Current income tax:</b>                     |                             |                             |
| In respect of prior years                      | 292                         | 521                         |
| <b>Total current income tax</b>                | <b>292</b>                  | <b>521</b>                  |
| <b>Deferred tax:</b>                           |                             |                             |
| Origination and reversal of timing differences | 17                          | 164                         |
| Write down of deferred tax asset               | (70)                        | 563                         |
| Impact of change in tax laws and rates         | (9)                         | (27)                        |
| <b>Total deferred tax</b>                      | <b>(62)</b>                 | <b>700</b>                  |
| <b>Tax charge to the income statement</b>      | <b>230</b>                  | <b>1,221</b>                |

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 10. TAXATION (CONTINUED)

#### b) Reconciliation of the total tax charge

The tax expense in the income statement for the year is lower than the standard rate of corporation tax in the UK of 19% (2018: 19.13%). The differences are reconciled below:

|   | <b>31 January<br/>2019<br/>£'000</b> | <b>31 January<br/>2018<br/>£'000</b> |
|---|--------------------------------------|--------------------------------------|
| (Loss)/profit on ordinary activities before tax                             | (3,719)                              | 13,485                               |
| Tax calculated at UK standard rate of corporation tax of 19% (2018: 19.13%) | (707)                                | 2,580                                |
| Effect of:  |                                      |                                      |
| Non-deductible expenses   | 1,732                                | (777)                                |
| Tax over provided in previous years   | 222                                  | -                                    |
| Prior year adjustment   | -                                    | 563                                  |
| Change in tax rate  | (9)                                  | (27)                                 |
| Group relief  | (1,008)                              | (1,118)                              |
| Current tax charge for the year   | <b>230</b>                           | <b>1,221</b>                         |

#### c) Factors that may affect future tax charges

The UK rate of corporation tax will reduce to 17% from 1 April 2020. This change was substantively enacted on 15 September 2016. It will reduce the Company's future tax and has been taken into account in calculation of the net deferred tax liability provided at the balance sheet date.

#### d) Deferred tax

The deferred tax included in the company balance sheet is as follows:

|                               | <b>31 January<br/>2019<br/>£'000</b> | <b>31 January<br/>2018<br/>£'000</b> |
|-------------------------------|--------------------------------------|--------------------------------------|
| <b>Deferred tax liability</b> |                                      |                                      |
| Intangible assets             | 316                                  | 391                                  |
|                               | <b>316</b>                           | <b>391</b>                           |
| <b>Deferred tax asset</b>     |                                      |                                      |
| Accelerated depreciation      | 438                                  | 453                                  |
| Other timing differences      | 9                                    | 7                                    |
|                               | <b>447</b>                           | <b>460</b>                           |

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 11. PROPERTY, PLANT AND EQUIPMENT

|  | <i>Leasehold<br/>improvements</i><br>£'000 | <i>Fixtures,<br/>fittings, tools<br/>and<br/>equipment</i><br>£'000 | <i>Total</i><br>£'000 |
|--|--|---|-----------------------|
| Cost:                                    |  |   |                       |
| At 1 February 2018                       | 1,142                                      | 3,805   | 4,947                 |
| Additions                                | -  | 677   | 677                   |
| Disposals                                | (39)                                       | (275)   | (314)                 |
| <b>At 31 January 2019</b>                | <b>1,103</b>                               | <b>4,207</b>  | <b>5,310</b>          |
| Depreciation:                            |  |   |                       |
| At 1 February 2018                       | 856  | 2,766   | 3,622                 |
| Charge for the year                      | 140  | 822   | 962                   |
| Disposals in the year                    | (33)                                       | (274)   | (307)                 |
| <b>At 31 January 2019</b>                | <b>963</b>                                 | <b>3,314</b>  | <b>4,277</b>          |
| <b>Net book value at 31 January 2019</b> | <b>140</b>                                 | <b>893</b>  | <b>1,033</b>          |
| Net book value at 1 February 2018        | 286  | 1,039   | 1,325                 |

### 12. GOODWILL AND INTANGIBLE ASSETS

|  | <i>Software</i><br>£'000 | <i>Customer<br/>relationships</i><br>£'000 | <i>Trade names</i><br>£'000 | <i>Total</i><br>£'000 | <i>Goodwill</i><br>£'000 |
|--|--------------------------|--|-----------------------------|-----------------------|--------------------------|
| Cost:                                    |                          |  |                             |                       |                          |
| At 1 February 2018                       | 12,191                   | 1,308                                      | 1,867                       | 15,366                | 4,526                    |
| Additions                                | 3,476                    | -  | -                           | 3,476                 | -                        |
| Disposals in the year                    | (262)                    | -  | -                           | (262)                 | -                        |
| <b>At 31 January 2019</b>                | <b>15,405</b>            | <b>1,308</b>                               | <b>1,867</b>                | <b>18,580</b>         | <b>4,526</b>             |
| Amortisation:                            |                          |  |                             |                       |                          |
| At 1 February 2018                       | 720                      | 572  | 301                         | 1,593                 | -                        |
| Charge for the period                    | 2,816                    | 282  | 160                         | 3,258                 | -                        |
| Disposals in the year                    | (195)                    | -  | -                           | (195)                 | -                        |
| <b>At 31 January 2019</b>                | <b>3,341</b>             | <b>854</b>                                 | <b>461</b>                  | <b>4,656</b>          | <b>-</b>                 |
| <b>Net book value at 31 January 2019</b> | <b>12,064</b>            | <b>454</b>                                 | <b>1,406</b>                | <b>13,924</b>         | <b>4,526</b>             |
| Net book value at 1 February 2018        | 11,471                   | 736  | 1,566                       | 13,773                | 4,526                    |

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 13. INVESTMENTS

|  | <i>Investment in<br/>subsidiaries<br/>£'000</i> |
|--|---|
| Cost:                                    |   |
| At 1 February 2018                       | 188,577   |
| Additions                                | 5,699   |
| At 31 January 2019                       | <u>194,276</u>                                  |
| Impairment:                              |   |
| At 1 February 2018                       | 11,969  |
| Charged in the year                      | -   |
| At 31 January 2019                       | <u>11,969</u>                                   |
| <b>Net book value at 31 January 2019</b> | <b><u>182,307</u></b>                           |
| Net book value at 1 February 2019        | <u>176,608</u>                                  |

A list of the Company's subsidiaries can be found in note 28.

#### *Acquisitions during the year:*

The Company acquired 100% of the ordinary share capital of PennWell International Limited for consideration of £5.2 million.

The Company also acquired an additional 10% of non-controlling interests in Freight Transport Logistics Expo Ltd for £373,000. Increasing the company's effective percentage of equity owned to 100%.

The Company acquired 20% of Slot Academy BV for a cash consideration of £184,000. At 31 January 2019 the company owned 81% of Slot Academy BV's issued share capital.

### 14. TRADE AND OTHER RECEIVABLES

|   | <b>2019</b>           | <b><i>Restated</i></b> |
|---|-----------------------|------------------------|
|   | <b>£'000</b>          | <b>2018</b>            |
|   |                       | <b>£'000</b>           |
| Trade receivables -Gross                | 2,445                 | 2,026                  |
| Less: Impairment                        | (658)                 | (888)                  |
| Trade receivables - Net                 | <u>1,787</u>          | <u>1,138</u>           |
| Amounts owed by group companies         | 182,002               | 93,243                 |
| Prepaid event costs                     | 5,962                 | 5,381                  |
| Other prepayments                       | 1,501                 | 958                    |
| Accrued Income                          | 507                   | 482                    |
| Other receivables                       | 342                   | 3,589                  |
| Intercompany loan receivables (note 18) | 164,827               | 145,012                |
|   | <b><u>356,928</u></b> | <b><u>249,803</u></b>  |

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 14. TRADE AND OTHER RECEIVABLES (CONTINUED)

The ageing analysis of trade receivables is as follows:

|                            | 2019<br>£'000 | 2018<br>£'000 |
|----------------------------|---------------|---------------|
| Past due but not impaired: |               |               |
| < 30 days                  | 1,282         | 879           |
| 30-60 days                 | 56            | 404           |
| Greater than 60 days       | 1,107         | 743           |
|                            | <u>2,445</u>  | <u>2,026</u>  |

The credit quality of trade receivables that are neither past due nor impaired is assessed by reference to external credit ratings information where available. The Company continually assesses the recoverability of trade receivables and the level of provisioning required.

### 15. TRADE AND OTHER PAYABLES

|                                      | 2019<br>£'000  | Restated<br>2018<br>£'000 |
|--------------------------------------|----------------|---------------------------|
| Deferred revenue                     | 16,543         | 13,153                    |
| Trade payables                       | 6,843          | 10,235                    |
| Intercompany loan payables (note 18) | 459,266        | 346,227                   |
| Amounts owed to group companies      | 56,220         | 45,697                    |
| Other payables                       | 708            | 1,063                     |
| Taxation and social security         | 836            | 437                       |
| Put options                          | 6,730          | 6,782                     |
| Accruals                             | 6,034          | 10,525                    |
| Contingent consideration             | 3,089          | 648                       |
| Deferred tax liability               | 316            | 391                       |
|                                      | <u>556,585</u> | <u>435,158</u>            |

The intercompany loans are analysed in note 18.

### 16. PROVISIONS

|  | Lease<br>dilapidations<br>£'000 |
|--|---------------------------------|
| As at 31 January 2017                              | 275                             |
| Unwinding of discount and changes in discount rate | <u>4</u>                        |
| As at 31 January 2018                              | 279                             |
| Unwinding of discount and changes in discount rate | <u>4</u>                        |
| As at 31 January 2019                              | <u>283</u>                      |
| Current  | -                               |
| Non-current  | 283                             |

#### Lease dilapidations

A provision has been recognised for the costs associated with restoring the building to its original state prior all leasehold improvements. This is calculated over the period of the lease.

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 17. SHARE BASED PAYMENTS

Under the Management Incentive Plan, the Group provides senior executive employees the opportunity to invest in shares in a parent company, Expo Holdings Limited, held by Clarion Events Employee Benefit Trust ("EBT") with rights over preference shares, A2 Ords and B1-B6 shares. Employees are expected to remain employed at the vesting date, which for the B1-6 shares takes place at three monthly intervals over four years. Settlement will be made at the event of an exit. The fair value of the rights granted was estimated at the dates of grant using a Monte Carlo option simulation pricing model reflecting the terms and conditions upon which the rights were granted. The model takes into account the enterprise value at the valuation dates, expected term assumptions and the volatility. The expected volatility was determined with reference to comparable quoted companies and measured based on the historical share price volatility over the periods that matched the expected term.

The expense recognised for employee services received during the year for equity settled share based payment transactions is £1.6 million (2018: £0.5 million). At 31 January 2019, the total shares granted were 579,288 (2018: 436,696) and are held by Directors and senior management of the Company. A lapse rate is calculated based on expected leavers. There were no changes in management's expectation of the timing of the settlement from the grant date.

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

| Share class                 | A     | B       |
|-----------------------------|-------|---------|
| Free cash flow yield        | 2.5%  | 2.5%    |
| Expected volatility         | 25%   | 25%     |
| Risk-free interest rate (%) | 0.56% | 0.56%   |
| Expected term               | n/a   | 4 years |

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

| Share class              | A     | B1-5  | B6    |
|--------------------------|-------|-------|-------|
| Fair value per share (£) | 20.12 | 26.74 | 14.98 |

In addition, under the former Management Incentive Plan, the Group provided senior executive employees the opportunity to invest in shares in the parent company PSPA Luxco SARL held by Clarion Events Employee Benefit Trust ("EBT") with rights that correspond to the rights of the C and D shares issued by the PSPA Luxco SARL. Employees were expected to remain in service for a period of four years from the date of the first grant on 31 January 2015.

On 29 September 2017, Blackstone acquired the majority of Providence's shareholding in Clarion Events. Awards under the former scheme were cancelled with an acceleration of vesting for the remaining charge.

The expense recognised for the accelerated vesting of the equity settled share based payment transaction is £nil (2018: £198,000).

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

| Share class                 | C     | D       |
|-----------------------------|-------|---------|
| Dividend yield              | 0%    | 0%      |
| Expected volatility         | 25%   | 25%     |
| Risk-free interest rate (%) | 0.52% | 0.52%   |
| Expected term               | n/a   | 4 years |

Using the above inputs, results in the following fair value per share:

| Share class              | C     | D     |
|--------------------------|-------|-------|
| Fair value per share (£) | 13.10 | 17.77 |

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 18. FINANCIAL INSTRUMENTS

|   |                                     | 2019           | 2018           |
|---|-------------------------------------|----------------|----------------|
|   | <i>Interest<br/>Rate<br/>Margin</i> | <i>£'000</i>   | <i>£'000</i>   |
| <b>Intercompany loan receivables</b>          |                                     |                |                |
| Clarion Defence and Security Limited          | 0.00%                               | 31,588         | 31,588         |
| Clarion Events Brasil Exibicoes e Feiras Ltda | 0.00%                               | 10             | 11             |
| Clarion Events USA Inc.                       | 6.00%                               | 522            | 677            |
| Clarion Events Holding Limited                | 0.00%                               | 351            | 351            |
| Fernshade Limited                             | 0.00%                               | 164            | 164            |
| Front Line Genomics Limited                   | 0.00%                               | -              | 39             |
| Clarion Events Deutschland GmbH               | 6.00%                               | 3,012          | 3,205          |
| Clarion Events PTE. Ltd                       | 6.00%                               | 8,328          | 7,402          |
| Clarion Fuarcilik Danismanlik Ltd STI         | 6.00%                               | 2,321          | 2,190          |
| Spintelligent LLC                             | 6.00%                               | 995            | 852            |
| Clarion UK Midco Limited                      | 0.00%                               | 3,477          | 3,477          |
| Clarion Acquisition Limited                   | 0.00%                               | 41,401         | 41,401         |
| Clarion Events USA Limited                    | 0.00%                               | 6,006          | 9,888          |
| PSPA Finance Limited                          | 0.00%                               | 25,976         | 25,975         |
| Clarion Conferences Limited                   | 0.00%                               | 13,447         | 13,447         |
| Clarion North America Limited                 | 6.00%                               | 627            | 538            |
| iGaming Business North America Inc            | 1.00%                               | 100            | 95             |
| Clarion Events West Africa                    | 6.00%                               | 1              | 1              |
| Gaming Summits BV                             | 0.00%                               | 27             | -              |
| Imago Techmedia Inc.                          | 0.00%                               | 409            | -              |
| Clarion Events Holdings Inc.                  | 0.00%                               | 26,065         | 3,711          |
|   |                                     | <b>164,827</b> | <b>145,012</b> |

All loans are repayable on demand.



# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 18. FINANCIAL INSTRUMENTS (CONTINUED)

|  |                                     | 2019           | 2018           |
|--|-------------------------------------|----------------|----------------|
|  | <i>Interest<br/>Rate<br/>Margin</i> | <i>£'000</i>   | <i>£'000</i>   |
| <b>Intercompany loan payables</b>                      |                                     |                |                |
| Clarion Defence (UK) Limited                           | 0.00%                               | 22,255         | 22,255         |
| Comet Bidco Ltd  | 0.00%                               | 121,185        | 55,990         |
| International Training Equipment<br>Conference Limited | 0.00%                               | 2,745          | 2,745          |
| Fintry 3 Limited                                       | 0.00%                               | 61,237         | 61,237         |
| Amusement Trades Exhibitions Limited                   | 0.00%                               | 982            | 982            |
| Furniture & Gift Fairs Limited                         | 1.00%                               | 983            | 333            |
| Clarion Energy Limited                                 | 0.00%                               | 1,217          | 1,217          |
| Freight Transport Logistics Expo<br>Limited            | 0.00%                               | -              | 253            |
| Affiliate Summit Corporation                           | 1.00%                               | 3,316          | 2,152          |
| Synergy BV   | 1.00%                               | 11,466         | 10,304         |
| Spintelligent Pty Limited                              | 1.00%                               | 113            | 388            |
| Energynet Limited                                      | 0.00%                               | 2,041          | 2,041          |
| Premium Exhibitions GmbH                               | 1.00%                               | 9,540          | 9,231          |
| PSPA Limited   | 0.00%                               | 138,784        | 138,784        |
| Slot Academy B.V.                                      | 1.00%                               | 132            | 269            |
| Gaming Summits B.V.                                    | 1.00%                               | -              | 17             |
| GetEnergy Events Limited                               | 1.00%                               | 500            | 489            |
| Imago TechMedia Limited                                | 1.00%                               | 16,858         | 8,935          |
| Imago TechMedia Inc.                                   | 1.00%                               | -              | 268            |
| Urban Expositions LLC                                  | 1.00%                               | 1,983          | 3,026          |
| iGaming Business Limited                               | 1.00%                               | 26,601         | 17,374         |
| January Furniture Show Ltd                             | 1.00%                               | 13,013         | 7,321          |
| Qualifa Limited  | 1.00%                               | 668            | 600            |
| Expo Holding I Limited                                 | 0.00%                               | 145            | -              |
| Comet Topco Limited                                    | 0.00%                               | 22             | -              |
| Qualifa USA LLC  | 1.00%                               | 18             | 16             |
| Global Sources   | 0.00%                               | 23,462         | -              |
|  |                                     | <b>459,266</b> | <b>346,227</b> |

All loans are repayable on demand.

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 19. AUTHORISED, ISSUED AND CALLED UP SHARE CAPITAL

|                                    | 2019<br>£  | 2018<br>£  |
|------------------------------------|------------|------------|
| Authorised                         |            |            |
| 101 Ordinary shares of £1 each     | <u>101</u> | <u>101</u> |
|                                    |            |            |
| Allotted, called up and fully paid |            |            |
| 101 Ordinary share of £1 each      | <u>101</u> | <u>101</u> |

### 20. OPERATING LEASES

The Company entered into a number of operating leases. The leases are mainly for office space and office equipment. The typical lease terms are between 1 and 5 years.

Future minimum lease payments under non-cancellable operating leases are as follows:

|                            | Land and<br>buildings | Other         | Land and<br>buildings | Other         |
|----------------------------|-----------------------|---------------|-----------------------|---------------|
|                            | 2019<br>£'000         | 2019<br>£'000 | 2018<br>£'000         | 2018<br>£'000 |
| Less than one year         | 1,396                 | 38            | 1,396                 | 11            |
| Between two and five years | 2,891                 | 32            | 4,287                 | 8             |
|                            | <u>4,287</u>          | <u>70</u>     | <u>5,683</u>          | <u>19</u>     |

### 21. CONTINGENT LIABILITIES

The Company is both an obligor and guarantor in respect of external debt taken out by Comet Bidco Limited.

As at 31 January 2019, Comet Bidco Limited has debt financing consisting of:

- Facility B £315m (2018: £315m)
- Facility B2 \$415.8m (2018:\$nil)
- RCF facility £nil; (2018: £7.2m)

The subsidiaries acting as Guarantors to the facility must represent a minimum of 80% of the Comet Bidco Groups' Consolidated EBITDA.

### 22. CONTINGENT ASSETS

There were no contingent assets at 31 January 2019 (2018: £nil).

### 23. POST BALANCE SHEET EVENTS

No significant events have occurred subsequent to the balance sheet date.

### 24. CAPITAL COMMITMENTS

There were capital commitments of £nil (2018: £129,000) contracted for at the end of the financial year.

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 25. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption conferred by IAS 24 not to disclose related party transactions between subsidiary undertakings whose voting rights are 100% controlled within the Group. Details of transactions during the period, in the ordinary course of business, with other Group companies whose voting rights are not 100% controlled within the Group, and amounts owed to and from those companies at period end, are set out below.

| 2019  | Relationship | <i>Paid on<br/>behalf of<br/>group<br/>companies</i> | <i>Received<br/>on behalf of<br/>group<br/>companies</i> | <i>Due from<br/>group<br/>companies</i> | <i>Due to<br/>group<br/>companies</i> |
|---|--------------|--|--|---|---------------------------------------|
|   |              | £'000  | £'000  | £'000                                   | £'000                                 |
| Freight Transport Logistics<br>Expo Limited (100% owned)              | Subsidiary   | -  | 395  | -                                       | (822)                                 |
| International Training<br>Equipment Conference<br>Limited (90% owned) | Subsidiary   | -  | 166  | -                                       | (1,781)                               |
| Clarion Events Brasil Exibicoes<br>e Feiras Ltda (99.9% owned)        | Subsidiary   | -  | 1  | 11                                      | -                                     |
| GetEnergy Events Limited<br>(80% owned)                               | Subsidiary   | (38)   | -  | 1,192                                   | -                                     |
| IGaming Business Limited<br>(75.1% Owned)                             | Subsidiary   | (3,526)  | -  | -                                       | (12,436)                              |
| Leftfield Media LLC (75%)   | Subsidiary   | -  | -  | 10                                      | -                                     |
| iGaming Business North<br>America Inc (75.1% owned)                   | Subsidiary   | -  | 4  | 105                                     | -                                     |
| Slotacademy BV (81% owned)  | Subsidiary   | -  | 285  | 153                                     | -                                     |
| Gaming Summits BV<br>(81% owned)                                      | Subsidiary   | -  | 46   | 16                                      | -                                     |
| Urban Exposition, LLC<br>(99.778% owned)                              | Subsidiary   | -  | 1,287  | -                                       | (2,116)                               |
| Premium Exhibitions GmbH<br>(90%)                                     | Subsidiary   | (243)  | -  | -                                       | (9,463)                               |

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 25. RELATED PARTY TRANSACTIONS (CONTINUED)

| 2018  | Relationship | <i>Paid on<br/>behalf of<br/>group<br/>companies</i> | <i>Received<br/>on behalf of<br/>group<br/>companies</i> | <i>Due from<br/>group<br/>companies</i> | <i>Due to<br/>group<br/>companies</i> |
|---|--------------|--|--|---|---------------------------------------|
|   |              | £'000  | £'000  | £'000                                   | £'000                                 |
| Freight Transport Logistics Expo Limited (90% owned)            | Subsidiary   | 2,924  | (2,158)  | -                                       | (1,217)                               |
| International Training Equipment Conference Limited (90% owned) | Subsidiary   | 2,440  | (1,347)  | -                                       | (1,947)                               |
| Clarion Events Brasil Exibicoes e Feiras Ltda (99.99% owned)    | Subsidiary   | 80   | (82)   | 10                                      | -                                     |
| GetEnergy Events Limited (80% owned)                            | Subsidiary   | 2,731  | (1,083)  | 1,230                                   | -                                     |
| iGaming Business Limited (75.1% Owned)                          | Subsidiary   | 7,040  | (9,266)  | -                                       | (8,910)                               |
| Imago Techmedia Limited (100% Owned)                            | Subsidiary   | 9,989  | (12,311)   | -                                       | (4,135)                               |
| Front Line Genomics Limited (75% owned)                         | Subsidiary   | 2,699  | (2,183)  | 426                                     | -                                     |
| iGaming Business North America Inc (75.1% owned)                | Subsidiary   | 150  | (150)  | 101                                     | -                                     |
| Slotacademy BV (61% owned)                                      | Subsidiary   | 2,781  | (2,734)  | -                                       | (132)                                 |
| Gaming Summits BV (61% owned)                                   | Subsidiary   | 388  | (403)  | -                                       | (30)                                  |
| Urban Exposition, LLC (86.287% owned)                           | Subsidiary   | 72,180   | (73,523)   | -                                       | (3,403)                               |
| Premium Exhibitions GmbH (90%)                                  | Subsidiary   | 7,997  | (17,216)   | -                                       | (9,220)                               |

Russell Wilcox, as at 31 January 2019 has an interest free loan of £6,322 (2018: £5,166) which is repayable on demand.

During the year the company invoiced, or was invoiced, the following amounts to the companies in which Blackstone has an interest.

|                               | Sales   | Purchases | Year end balance |
|-------------------------------|---------|-----------|------------------|
|                               | £       | £         | £                |
| Alight solutions              | -       | 39,296    | -                |
| Ascend Software               | -       | 38,684    | 6,610            |
| Incomm                        | 899     | -         | -                |
| JDA SOFTWARE Netherlands B.V. | 2,552   | -         | -                |
| Laird Technologies            | 77      | -         | -                |
| Ncr Limited                   | 1,398   | -         | -                |
| NEC Group Birmingham          | -       | 1,437,547 | (281,033)        |
| Paysafe                       | 118,077 | -         | -                |
| Rubix Construction (UK) Ltd   | -       | 15,002    | -                |
| Tetra Tech                    | 9,750   | -         | 9,750            |

There are no other related party transactions for the year ended 31 January 2019 or 31 January 2018.

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 26. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent company is Fintry 3 Limited and its ultimate parent undertaking and controlling party is The Blackstone Group Inc., a company incorporated in Delaware and listed on the New York Stock Exchange.

The largest and the smallest group of which this Company is a member for which group accounts are prepared are Comet Midco Limited and Comet Bidco Limited. Copies of these consolidated accounts may be obtained from the registered office at Bedford House, 69-79 Fulham High Street, London, SW6 3JW.

### 27. CHANGE OF ACCOUNTING POLICY AND RESTATEMENT OF COMPARATIVE AMOUNTS

#### Prepaid event costs

Following the acquisitions of Global Sources and PennWell, the Group re-assessed its accounting for event costs relating to exhibitions. The Group had previously carried forward in inventory all the costs of bringing the exhibition to its present condition, which included marketing and advertising costs, whereas Global Sources and PennWell only carried forward prepaid expenses. To ensure consistency across the Group, the Company has elected to change its accounting policy so that the only costs deferred are those which arise when future goods and services are paid for in advance. This change in policy has been applied retrospectively.

#### Trade receivables

Following the acquisitions of Global Sources and PennWell, the Group re-assessed its accounting for trade receivables and deferred revenue. The Group had previously recognised trade receivables and deferred revenue at the point of invoicing. Once the amounts were received deferred revenue would be re-classified as amounts received in advance. Global Sources and PennWell only recognised amounts received from customers in advance of the event or trade receivable once the event has taken place. To ensure consistency across the Group, the Company has elected to change its accounting policy to align to the Global Sources and PennWell policy. This change in policy has been applied retrospectively.

The effect of these changes in accounting policies on the income statement and the statement of financial position for the year 2018 can be set out as follows:

|                                      | Original<br>£'000 | Adjustment<br>£'000 | Restated<br>£'000 |
|--------------------------------------|-------------------|---------------------|-------------------|
| <b>Year ended 31 January 2018</b>    |                   |                     |                   |
| Cost of Sales                        | (35,095)          | 421                 | <b>(34,674)</b>   |
| Administrative Expenses              | (33,074)          | 153                 | <b>(32,921)</b>   |
|                                      |                   | <u>574</u>          |                   |
| <b>As at 31 January 2018</b>         |                   |                     |                   |
| Deferred event costs                 | 7,693             | (7,693)             | -                 |
| Trade Receivables - Net              | 7,335             | (6,197)             | <b>1,138</b>      |
| Prepaid event costs                  | -                 | 5,381               | <b>5,381</b>      |
| Other prepayments                    | 958               | -                   | <b>958</b>        |
| Trade Payables                       | (8,675)           | (1,560)             | <b>(10,235)</b>   |
| Accruals and deferred income         | (31,435)          | 7,757               | <b>(23,678)</b>   |
|                                      |                   | <u>(2,312)</u>      |                   |
| Foreign currency translation reserve | (127)             | (10)                | <b>(137)</b>      |
| Retained earnings                    | 19,982            | (2,302)             | <b>17,680</b>     |
|                                      |                   | <u>(2,312)</u>      |                   |

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 28. COMPANY SUBSIDIARIES

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiaries, associates and joint ventures as at 31 January 2017 is disclosed below, along with the principal activity, the country of incorporation and the effective percentage of equity owned.

#### 100% Wholly Owned Companies – organisation of exhibitions and shows

| Name                                  | No. of shares              | Nominal value               | Registered office   | Country of incorporation |
|---------------------------------------|----------------------------|-----------------------------|---|--------------------------|
| Clarion Defence (UK) Ltd              | 10,526 Ordinary Shares     | £1.00 each                  | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW                | United Kingdom           |
| Clarion Defence and Security Ltd      | 1 Ordinary Share           | £1.00 each                  | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW                | United Kingdom           |
| Furniture & Gift Fairs Ltd            | 100 Ordinary Shares        | £1.00 each                  | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW                | United Kingdom           |
| Internet Retailing Events Ltd         | 800 Ordinary Shares        | £1.00 each                  | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW                | United Kingdom           |
| January Furniture Show Ltd            | 100,980 Ordinary Shares    | £0.10 each                  | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW                | United Kingdom           |
| Imago Techmedia Ltd                   | 101,000 Ordinary shares    | £0.01 each                  | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW                | United Kingdom           |
| Clarion Fuarcilik Danismanlik Ltd STI | No Shares                  | € 25,000                    | Maslak Mah Eski Büyükdere Cad. No:9/78 Oda:9-GK İz Plaza Giz Giriş Kat Sarıyer/İstanbul | Turkey                   |
| Clarion Events PTE. LTD               | 100 Ordinary Shares        | \$1.00 (SGD) each           | 78 Shenton Way, #20-02/03, Singapore 079120   | Singapore                |
| Clarion Events West Africa            | 10,000,000 Ordinary shares | \$1.00 (NGN) each           | 56A Oladipo Bateye Street, G.R.A. Ikeja, Lagos State, Nigeria                           | Nigeria                  |
| Clarion Events Deutschland GmbH       | No shares                  | €25,000                     | Clarion Events Deutschland GmbH, Meisenstraße 94, 33607 Bielefeld                       | Germany                  |
| Clarion Events USA Inc                | 1,000 Shares               | No nominal value for shares | 2340 Perimeter Park Drive, Suite 100, Atlanta, GA 30341-1318                            | Georgia, USA             |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 27. COMPANY SUBSIDIARIES (CONTINUED)

## 100% Wholly Owned Companies – organisation of exhibitions and shows

| <b>Name</b>                          | <b>No. of shares</b>  | <b>Nominal value</b>        | <b>Registered office</b>   | <b>Country of incorporation</b> |
|--------------------------------------|---|-----------------------------|--|---------------------------------|
| Imago Techmedia Inc                  | 1,000 Shares  | No nominal value for shares | 1690 Roberts Blvd, #111, Kennesaw, Georgia 30144, United States          | Georgia, USA                    |
| Affiliate Summit Corp                | 1,000 Common Shares   | No nominal value for shares | 35 Clark Street Summit, New Jersey, 07901                                | New Jersey, USA                 |
| Freight Transport Logistics Expo Ltd | 100 Ordinary Shares   | £1.00 each                  | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| PennWell Corporation                 | 195,390.23 Class A Capital Stock,<br>197,775.69 Class C Non Voting Common Capital Stock | \$0.50 each                 | 1421 South Sheridan Avenue, Tulsa, Oklahoma 74112                        | Oklahoma, USA                   |
| Revo Media Partners Limited          | 10,000 Ordinary shares  | £1.00 each                  | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**27. COMPANY SUBSIDIARIES (CONTINUED)**

**100% wholly owned companies – organisation of conferences**

| <b>Name</b>                    | <b>No. of shares</b>      | <b>Nominal value</b> | <b>Registered office</b>   | <b>Country of incorporation</b> |
|--------------------------------|---------------------------|----------------------|--|---------------------------------|
| Clarion Energy Ltd             | 100 Ordinary Shares       | £1.00 each           | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW             | United Kingdom                  |
| Energynet Ltd                  | 30,001 Ordinary Shares    | £1.00 each           | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW             | United Kingdom                  |
| Spintelligent Pty Ltd          | 1,000 Ordinary Shares     | £0.01 ZAR each       | 2nd Floor, North Wing, Great Westford, 240 Main Road, Rondebosch, 7700, South Africa | South Africa                    |
| Pennwell International Limited | 4,912,699 ordinary shares | £1.00 each           | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW             | United Kingdom                  |
| Synergy BV                     | 18,001 Ordinary Shares    | €1.00 each           | Bisonspoor 6000, 3605LT Maarssen, The Netherlands                                    | Netherlands                     |

**100% wholly owned companies – organisation of lead generation**

| <b>Name</b>     | <b>No. of shares</b>   | <b>Nominal value</b>              | <b>Registered office</b>   | <b>Country of incorporation</b> |
|-----------------|------------------------|-----------------------------------|--|---------------------------------|
| Qualifa Ltd     | 100 Ordinary Shares    | £1.00 each                        | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| Qualifa USA LLC | LLC - no shares issued | LLC - no nominal value for shares | Suite 844, Level 8, 315 Montgomery Street, San Francisco, CA, 94104      | California                      |

**100% wholly owned investing companies**

| <b>Name</b>            | <b>No. of shares</b>                   | <b>Nominal value</b>                   | <b>Registered office</b>   | <b>Country of incorporation</b> |
|------------------------|--|--|--|---------------------------------|
| Clarion Events USA Ltd | 47,198,436 Ordinary Shares             | £1.00 each                             | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| Qualifa Holdings Ltd   | 840 A Ordinary Shares and 110 B Shares | £1.00 each and £1.00 each respectively | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 27. COMPANY SUBSIDIARIES (CONTINUED)

## 100% wholly owned investing companies

| <b>Name</b>                       | <b>No. of shares</b> | <b>Nominal value</b> | <b>Registered office</b>                                     | <b>Country of incorporation</b> |
|-----------------------------------|----------------------|----------------------|--|---------------------------------|
| Clarion Events North America Inc. | 1,000 Common Shares  | \$1.00 (US) each     | 2340 Perimeter Park Drive, Suite 100, Atlanta, GA 30341-1318 | Georgia, USA                    |
| Clarion Events Holdings Inc.      | 1,000 Common Shares  | \$0.001 (US) each    | 2340 Perimeter Park Drive Suite 100, Atlanta, GA 30341-1318  | Delaware, USA                   |

## 100% Wholly owned dormant companies

| <b>Name</b>                                    | <b>No. of shares</b>                                 | <b>Nominal value</b>                   | <b>Registered office</b>   | <b>Country of incorporation</b> |
|--|--|--|--|---------------------------------|
| Amusement Trades Ltd                           | 1 Ordinary Share and 1 Preference share              | £1.00 each and £1.00 each respectively | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| Amusement Trades Exhibitions Ltd               | 8,485 ordinary shares and 101 Preference shares      | £1.00 each                             | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| Avren Events Ltd                               | 10 Ordinary Shares                                   | £1.00 each                             | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| Avren Ltd                                      | 100 Ordinary Shares                                  | £1.00 each                             | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| Clarion Events Birmingham Ltd                  | 1 Ordinary Share                                     | £1.00 each                             | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| Clarion Events Publications and Promotions Ltd | 100 Ordinary Shares                                  | £1.00 each                             | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| DSEI Limited                                   | 1,000 Ordinary Shares                                | £1.00 each                             | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |
| Niche Events Ltd                               | 120 Ordinary Share A Shares and 80 Ordinary B Shares | £1.00 each                             | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom                  |

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 27. COMPANY SUBSIDIARIES (CONTINUED)

#### 100% Wholly owned dormant companies

| Name                    | No. of shares          | Nominal value                     | Registered office  | Country of incorporation |
|-------------------------|------------------------|-----------------------------------|--|--------------------------|
| Phacilitate Ltd         | 100 Ordinary Shares    | £1.00 each                        | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom           |
| The Energy Exchange Ltd | 100 Ordinary Shares    | £1.00 each                        | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom           |
| Transec Events Ltd      | 1 Ordinary Share       | £1.00 each                        | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom           |
| Clarion Conferences Ltd | 1 Ordinary Share       | £1.00 each                        | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom           |
| Spintelligent LLC       | LLC – no shares issued | LLC – no nominal value for shares | 311 S Division St., Carson City, NV, 89703                               | Nevada, USA              |

#### Partly owned businesses (50% or more)

| Name  | No. of shares                                | Nominal value                            | Registered office  | Country of incorporation | Type  |
|---|--|--|--|--------------------------|---|
| Slotacademy BV (81%)                                  | 810 A Shares                                 | €1.00 each                               | Bisonpoor 6000, 3605LT, Maarssen   | Netherlands              | Organisation of conferences                 |
| International Training Equipment Conference Ltd (90%) | 900 Ordinary Shares                          | £1.00 each                               | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom           | Organisation of exhibitions and conferences |
| Getenergy Events Ltd (80%)                            | 887 Ordinary Shares                          | £0.10 each                               | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom           | Organisation of exhibitions and shows       |
| iGaming Business Ltd (75.1%)                          | 826,100 Ordinary Shares and 1 Deferred Share | £0.0001 each and £1.00 each respectively | Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW | United Kingdom           | Organisation of exhibitions and shows       |
| Awesome Con, LLC (52.38%)                             | LLC - no shares issued                       | LLC - no nominal value for shares        | 1209 Orange Street, Wilmington, Delaware 1908, United States             | Delaware, USA            | Organisation of exhibitions and shows       |

## Clarion Events Limited

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### 27. COMPANY SUBSIDIARIES (CONTINUED)

Partly owned businesses (50% or more)

| Name   | No. of shares           | Nominal value                                   | Registered office   | Country of incorporation | Type                                  |
|--|-------------------------|---|---|--------------------------|---------------------------------------|
| Inapex Pte. Ltd.<br>(70%)                            | 70 shares               | 1SGD each                                       | 78 Shenton Way, #20-03, Singapore (079120)  | Singapore, SG            | Organisation of exhibitions and shows |
| Leftfield Media LLC<br>(75%)                         | LLC - no shares issued  | LLC - no nominal value for shares               | Suite 125, 35 Nutmeg Drive, Trumbull, Connecticut, 6611, United States                  | Delaware, USA            | Organisation of exhibitions and shows |
| Urban Exposition, LLC<br>(99.778%)                   | LLC - no shares issued  | LLC - no nominal value for shares               | 1209 Orange St., Wilmington, DE 19801   | Delaware, USA            | Organisation of exhibitions and shows |
| Clarion Events Brasil Exbicoes e Feiras Ltda (99.9%) | 149,999 Ordinary Shares | \$1.00 (BRL) each                               | Alameda Santos, 2.441 – 9 <sup>th</sup> floor – São Paulo – SP - Brazil                 | Brazil                   | Organisation of exhibitions and shows |
| Clarion Quartier Exibições e Feiras Ltda (99.9%)     | 39,999 Ordinary Shares  | \$1.00 (BRL) each                               | Alameda Santos, 2.441 – 9 <sup>th</sup> floor – São Paulo – SP - Brazil                 | Brazil                   | Organisation of exhibitions and shows |
| Pennwell ICCI Sektorel (50%)                         | 25,050,000              | TRY 0.01 each                                   | Buyukdere Cad. Sari Is Merkezi No:103 B Blok Kat: 5 Medcidiyekoy                        | Turkey                   | Organisation of exhibitions and shows |
| PT Adhouse Clarion Events (PMA)<br>(70%)             | 7,000 ordinary shares   | Nominal value: Rp1,000,000 (one million Rupiah) | Menara MTH, 9th Floor, Sebelah Barat, Jl. MT Haryono Kav.23, Jakarta Selatan, Indonesia | South Jakarta, ID        | Organisation of exhibitions and shows |
| iGaming Business North America Inc<br>(75.1%)        | 100 Shares              | No nominal value for shares                     | 1209 Orange Street, Wilmington, Delaware, 19801, County of New Castle                   | Delaware, USA            | Organisation of exhibitions and shows |

# Clarion Events Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 27. COMPANY SUBSIDIARIES (CONTINUED)

Partly owned businesses (50% or more)

| Name   | No. of shares                 | Nominal value                     | Registered office   | Country of incorporation | Type                                  |
|--|-------------------------------|-----------------------------------|---|--------------------------|---------------------------------------|
| Premium Exhibitions GmbH (90%)                 | 438,750 Shares                | €1.00 each                        | Luckenwalder Strasse 4-6 10963 Berlin                                 | Berlin, GER              | Organisation of exhibitions and shows |
| Rose City LLC (59.87%)                         | 80,000 membership units (80%) | LLC = no nominal value            | 1209 Orange Street, Wilmington, Delaware 1908, United States          | Oregon, USA              | Organisation of exhibitions and shows |
| Traffic & Conversion Summit, LLC (80%)         | LLC - no shares issued        | LLC - no nominal value for shares | 16192 Coastal Highway Delaware  | Delaware, USA            | Organisation of exhibitions and shows |
| Bright Verwaltungs GmbH (90%)                  | 25,000 Shares                 | €1.00 each                        | Luckenwalder Strasse 4-6 10963 Berlin                                 | Berlin, GER              | Organisation of exhibitions and shows |
| Gaming Summits BV (81%)                        | 18,000 Ordinary shares        | €1.00 each                        | Bisonpoor 6000, 3605LT, Maarssen                                      | Netherlands              | Organisation of conferences           |
| Gift Ventures, LLC (99.778%)                   | LLC - no shares issued        | LLC - no nominal value for shares | 2016 Goldleaf Parkway, Canton, Georgia, United States, 30114          | Delaware, USA            | Organisation of exhibitions and shows |
| Lift Event Management, LLC (99.778%)           | LLC - no shares issued        | LLC - no nominal value for shares | 3753 Howard Hughes Pkwy, Las Vegas, NV 89169                          | Nevada, USA              | Organisation of exhibitions and shows |
| Exhibit Freight Solutions, LLC (99.778%)       | 700 ownership units           | \$1.00 (USD) each                 | 1690 Roberts Blvd, #111, Kennesaw, Georgia 30144, United States       | Georgia, USA             | Organisation of exhibitions and shows |
| Independent Grocers Show Management, LLC (70%) | 700 Membership Units          | LLC - no nominal value for shares | 1209 Orange Street, Wilmington, Delaware, 19801, County of New Castle | Delaware, USA            | Organisation of exhibitions and shows |
| SAM Media LLC (75.1%)                          | LLC - no shares issued        | LLC - no nominal value for shares | 3993 Howard Hughes PKWY STE 600, Las Vegas, NV                        | Nevada, USA              | Organisation of exhibitions and shows |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 27. COMPANY SUBSIDIARIES (CONTINUED)

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

| <b>Name</b>   | <b>No. of shares</b>   | <b>Nominal value</b>              | <b>Registered office</b>  | <b>Country of incorporation</b> | <b>Type</b>                           |
|---|------------------------|-----------------------------------|---|---------------------------------|---------------------------------------|
| The Halloween and Party Show, LLC (45%)             | LLC - no shares issued | LLC - no nominal value for shares | 1690 Roberts Blvd, #111, Kennesaw, Georgia 30144, United States         | Georgia, USA                    | Organisation of exhibitions and shows |
| Playfair, LLC (38.17%)                              | LLC - no shares issued | LLC - no nominal value for share  | 1209 Orange Street, Wilmington, Delaware 1908, United States            | Delaware, USA                   | Organisation of exhibitions and shows |
| V111 GmbH (previously Premium Digital GmbH) (40.5%) | 11,250 shares          | € 1.00 each                       | Luckenwalder Strasse 4-6 . 10963 Berlin                                 | Berlin, GER                     | Organisation of exhibitions and shows |
| Clarion Greenfield Exhibicoes e Feiras Ltda (50%)   | 5,000 Ordinary shares  | \$1.00 (BRL) each                 | Alameda Santos, 2.441 – 9 <sup>th</sup> floor – São Paulo – SP - Brazil | Brazil                          | Organisation of exhibitions and shows |