

Parent of Clarion Defence (UK) Limited 01062758

COMET BIDCO LIMITED

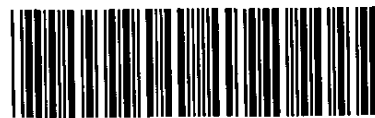
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2019

COMPANY NO 10866972

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COMET BIDCO LIMITED

COMPANY INFORMATION

Company registration number: 10866972

Registered office: Bedford House
London
United Kingdom
SW6 3JW

Directors: Mr L Y Assant
Mr H Hong
Mr S R Kimble
Mr R S Wilcox

Auditors: Ernst & Young LLP
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SE1 2AF

Solicitors: Joelson LLP
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COMET BIDCO LIMITED

STRATEGIC REPORT

The Directors present their strategic report for Comet Bidco Limited ("the Company") and its subsidiary undertakings (together "the Group") for the year ended 31 January 2019. This is the first full year of trading for the Group. The comparative figures represent the six months from the incorporation of the parent and four months of trading, and are therefore not directly comparable.

Review of strategy

The Group is one of the world's leading event organisers, producing and delivering innovative and market leading events since 1947. The Group is an international business, with a portfolio of events and media brands across a range of vertical markets. At 31 January 2019, we have over 2,200 employees based in 55 offices worldwide who specialise in delivering first class marketing, networking and information solutions in high value sectors, both in mature and emerging geographies.

Our purpose is to deliver exceptional customer outcomes and experiences, 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.

Business Model

We are market leaders in providing connectivity and business-critical insight across communities of buyers and sellers. We do this by focussing on our five pillars which create "must attend" events and valuable content to enable our customers to realise their investment in our products and services.

Customers use our range of exhibitions, conferences, tradeshows and websites to target new business, demonstrate their products, build deeper relationships with their clients and identify new opportunities for performance improvement. In helping them achieve this, we experience strong rebook rates and attract new customers.

We operate in stable, long term, vertical industries with significant international growth potential. Our business model evolves to ensure we continue to meet our customers' expectations.

COMET BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

Key performance indicators

Management use a number of financial and non-financial measures to monitor the Group's performance. These KPIs are aligned with our five strategic pillars and are used to drive the strategy and results of the business.

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

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 £ 000
Group revenue	342,446	85,631
Operating (loss)/profit	(9,592)	1,931
Interest-bearing loans and borrowings (note 17.2)	610,917	310,839

Given the significant changes in the Group structure during the year and the implementation of new reporting systems, a full data set is not yet available to externally report performance against all of our KPIs.

A number of these measures are already being reported on internally and as the business structure matures and our internal systems evolve, a greater range of Group financial and non-financial KPIs will be presented.

Review of the business

The Group analyses its business across 10 different sectors which are:

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

The year ended 31 January 2019 was a significant year for the Group with the acquisition of Global Sources in Hong Kong for £145.8 million and PennWell in the USA for £218.4 million, both in March 2018.

Group revenues were £342.4 million and the gross profit was £192.8 million.

The acquisitions of PennWell and Global Sources have been the main drivers of revenue growth in the year ended 31 January 2019, with PennWell contributing £41.5 million of revenue and Global Sources £108.0 million of revenue. The PennWell acquisition has enabled the Group to develop a truly global presence in the Energy and Resource sector as well enter into the Public Safety sector through the Fire Department Instructor's Conference. The Global Sources acquisition comprises twice-yearly shows in Hong Kong dedicated to Electronics, Mobile Electronics, Gift and Home and Fashion, along with an annual machinery show in Shenzhen, China.

Our Gaming portfolio, a particular strong sector for the Group, performed well due excellent results in the market leading ICE brand and in our iGaming brand which significantly strengthened its market position.

COMET BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

The Group has experienced improved performance in its Enthusiast portfolio due to growth in some of its longer standing UK brands such as Olympia Show Jumping, Spirit of Christmas and the Classic Motor Show. Increased demand in the US portfolio for our Pop Culture and Comic Con style events such as Anime NYC and Rose City Comic Con, contributed to this performance improvement.

In our Defence Portfolio, the Group successfully launched the Egypt Defence Expo which won the prestigious "Best International Trade Show" award at the Exhibition News Awards in March 2019.

In contrast to this, whilst our Retail & Home sector experienced overall growth during the year, it was against the backdrop of a challenging retail environment. We anticipate these challenges will continue and as discussed later in this report, management are taking positive action to improve revenues through customer initiatives.

Financial review

The Group's operating loss for the year ended 31 January 2019 was £9.6 million (period ended 31 January 2018: profit of £1.9 million). Before amortisation of acquired intangibles, the operating profit for the year ended 31 January 2019 was £28.1 million (period ended 31 January 2018: £9.7 million). The Group's growth is partly driven by acquisitions, and in each financial period it expects to incur advisers' fees for completed and aborted transactions, and costs of restructuring and integrating acquired businesses. The amount of such costs can vary significantly between financial periods, depending on the number and scale of transactions completed, and the level and timing of restructuring required by the acquisition case. The Group operating loss for the year ended 31 January 2019 included £36.1 million of such costs (period ended 31 January 2018: £13.9 million).

As at 31 January 2019, the Group's borrowing facilities were as follows:

	Facility	Maturity	Amount drawn down
Facility B	£315.0m	29/09/2024	£315.0m
Facility B2	\$415.8m	29/09/2024	\$415.8m
Revolving Credit Facility (RCF)	£75.0m	29/09/2023	-

During the year, the Group repaid its RCF which was increased from £50m to £75m during March 2018. Facility B2 requires repayments of 0.5% every 6 months. Current financial arrangements have limited covenants unless more than 40% of the RCF is utilised. The Group has operated within all covenants set out in the Senior Facilities Agreement ("SFA").

Leverage calculated in accordance with the SFA was 5.1x at the year end. The Group actively monitors its leverage ratio for compliance with its covenants under the SFA.

The Group plans to continue to reinvest excess cash into the business or into further acquisitions backed up by undrawn RCF.

A reconciliation of net debt is available in note 17 of these accounts.

COMET BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

Principal risks and uncertainties

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

The Directors have identified below the principal risks and uncertainties relating to the Group'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 Group'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 Group operates in wide variety of different sectors across a number of different countries. This allows us to minimise the exposure to one particular market or one particular region's instability. Revenue generated from many of our exhibitions is contracted far in advance of the event date with exhibitors paying in advance to minimise our exposure to credit risk.

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 Group has a Major Incidence Response Plan in place to mitigate any risks. The Group also has insurance policies in place to cover loss of earnings where possible.

Data privacy and compliance with GDPR regulations

The Group 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 Group assessed its compliance with the new regulations and implemented robust technical and security measures to mitigate any purported risk.

Financial risks

Currency fluctuations

As the overseas operations of the business have grown through acquisition, the Group is further exposed to currency fluctuations. Sterling is the functional currency of the Group.

The results of operations are affected by transactional exchange rate movements locally where sales are made in a currency other than the functional currency of the overseas operation. Further, Group's revenues, profits and earnings are affected by exchange rate movements on the translation of results of operations in foreign subsidiaries for financial reporting purposes.

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

COMET BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

Liquidity risk

The Group's policy is to ensure that there is sufficient funding and facilities in place to meet foreseeable cash requirements. The Group may be unable to convert certain securities or assets into cash to meet its debt repayment obligations.

To mitigate this risk, cash flow forecasting is performed by the operating entities of the Group monthly and aggregated by Group finance. 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 repayment requirements.

Operational risks

Cyber attack and data loss

The Group 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.

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 Group's strategies and business plans depend upon our ability to retain our skilled employees and key management personnel.

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

To mitigate against this, the Group cultivates an environment of opportunities and support for all employees. In order to retain talent, the Group offers training and development opportunities and encourages employees to take advantage of internal vacancies. The Group 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 Group's health and safety regulations either at an event or at one of our offices could cause serious personal injury or even death.

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

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

COMET BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

Breach of ethics and anti-bribery

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

To mitigate against breaches in ethics and anti-bribery, the Group 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 Group 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 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 Group operates in a competitive environment which is constantly evolving due to innovation, new competition and other factors. Failure to adequately adapt to these changes through the Groups own strategy, innovation and development could erode revenue and margins.

To mitigate this risk, the 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.

Trends and factors affecting future performance

The industry continues to evolve through advances in technology and modernisation. The Group plans to adapt to the changing landscape through its investment in innovation and the refreshing of its infrastructure networks. The Group 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 Group is using attendance initiatives in the US to strengthen its offering.

Environmental matters

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

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 Group's environmental footprint.

COMET BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

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 Group 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.

A Corporate and Social Responsibility Committee is in the process of being formed. This will consist 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 Group to take responsibility for its impact on a number of issues ranging from Human Rights to the Environment.

Employees

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

Employee objectives are aligned with business strategy, vision, and purpose. At 31 January 2019, we have over 2,200 employees globally, over 400 of these employees based in the UK.

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

COMET BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

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 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 are introducing 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.

Gender Diversity – Global

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

The table below provides a breakdown of the gender of directors, senior managers and employees as at 31 January 2019:

	Male	Male %	Female	Female %
Directors	4	100%	-	-
Senior Managers*	88	49%	93	51%
Employees	690	34%	1,341	66%
Total	782	35%	1,434	65%

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

COMET BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

Gender pay gap – UK only

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

The table below shows our mean and median hourly gender pay gap as at 5 April 2018 and our bonus gap for the twelve months to 5 April 2018:

	Mean	Median
Hourly pay	17.56%	6.26%
Bonus	43.73%	11.46%

The higher mean gap is largely driven by a higher proportion of men than women in our most senior positions. At present 82.3% of UK employees at Managing Director level and above are male, and 17.7% are female. This has a disproportionate impact on the mean, and therefore it is believed that the median figures are a more accurate representation as it removes any skewing of higher and lower pay.

The higher mean bonus gap is also influenced by the greater number of men than women in sales roles which attract higher commissions and performance-related bonuses. Approximately 29% of our UK employees work in sales-based roles, of which 71% are men and 29% are women.

Additionally, the bonus gap calculation looks at actual bonus paid and is not adjusted for part-time hours. Therefore, a bonus for a part-time female employee adjusted for part time work is compared to that of a full-time male employee which results in a bonus gap, even if they were paid the same salary and received the same bonus as a percentage of salary. As 74% of our permanent part-time roles are held by women, pro-rated bonus for women further influences our gender bonus gap.

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

- Opportunities and information for flexible working at all levels within the Company where possible, including senior roles and communicate the benefits of flexible and inclusive ways of working;
- Our annual pay and bonus review will continue to be interrogated and approved by our Management Board to ensure consistency, fairness and avoid unconscious bias;
- Training on diversity and unconscious bias will be included in Management Recruitment training, the Managers Guide and in manager briefings; and
- We have decided to strengthen our parental leave rights for fathers and second parents to help to tackle the gender pay gap. We have reviewed our policy on Shared Parental Leave pay and will move from paying fathers and second parents only statutory pay during the first 18 weeks to matching the enhanced Company maternity pay given to mothers.

Unconscious bias

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

By order of the Board

Russell Wilcox

Director

31 May 2019



COMET BIDCO LIMITED

DIRECTORS' REPORT

The directors present their report together with the audited financial statements for the year ended 31 January 2019.

Ownership

The Company's immediate parent undertaking is Comet Midco Limited. The Company's ultimate parent undertaking and controlling party is The Blackstone Group L.P. ("Blackstone"), a company incorporated in Delaware and listed on the New York Stock Exchange.

Blackstone is a leading global alternative asset manager, with total assets under management of \$472 billion as of 31 December 2018. As stewards of public funds, Blackstone looks to drive outstanding results for its investors and clients by deploying capital and ideas to help businesses succeed and grow. Blackstone's alternative asset management businesses include investment vehicles focused on real estate, private equity, hedge fund solutions, credit, secondary funds of funds and multi-asset class strategies. Blackstone also provide capital markets services.

Directors

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

Mr L Y Assant (European Head of Private Equity for Blackstone)
Mr H Hong (Managing Director in Blackstone's private equity group)
Mr S R Kimble
Mr R S Wilcox

No director had any material interest in any significant contract with the company during the period other than that noted in Note 29.

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

Senior Management Team

Simon Kimble - Executive Chairman

Simon served in the RAF for six years in the 1980s before entering the world of exhibitions in 1989. He then spent the first 10 years as a junior partner in an entrepreneurial events business, launching and then selling exhibitions to larger players. In 1999, he became MD of the joint venture between Haymarket Publishing and the BBC, responsible for the portfolio of TV-related content events in the UK.

In 2001 he joined Clarion Events as MD, a small UK exhibition organising company that was a subsidiary of the private equity backed Earls Court and Olympia Group. Clarion became a standalone business in 2004.

Since 2001, Simon has overseen and driven the growth of Clarion Events to become a leading international events company with interests in Exhibitions, Conferences, Publishing and Digital. Clarion has been owned by a succession of private equity companies, and was acquired by The Blackstone Group in September 2017. Simon continues to assume the role of Executive Chairman.

Russell Wilcox – Chief Executive Officer

Russell joined Clarion in 2008 following a buyout by Veronis Suhler Stephenson, and led the company's expansion into new international markets and product sectors. He has been a Board Member since 2010, and became CEO in 2013. Russell and the Clarion management team led a secondary buyout to Providence Equity in 2015, and in 2017 completed the sale of the business to the current owners, The Blackstone Group. In that time revenues have grown fivefold and the portfolio has expanded to more than 200 events worldwide.

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

COMET BIDCO LIMITED

DIRECTORS' REPORT (CONTINUED)

Lisa Hannant – Group Managing Director

Lisa Hannant is Group Managing Director of Clarion Events. Lisa has 30 years' experience in the exhibition and live events sector working across a broad range of products, sectors and international markets.

Since joining Clarion in 2008, Lisa has been responsible for the strategic development and growth of Clarion's portfolios internationally. She has extensive experience of building market leading brands and positions both organically and through acquisition. Lisa was appointed Group Managing Director and joined the board in 2013.

Since 2013, Lisa has been part of the senior management team that has led and delivered a strategy of expansive growth, diversifying the Clarion business and portfolio mix and doubling the size of the business in the past two years.

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

Richard Johnson – Chief Financial Officer

Richard joined Clarion as Group CFO in April 2018 and has responsibility for all Group finance functions along with Group Procurement, Legal and Company Secretarial.

Richard has over 30 years' experience in finance across a number of industries and geographies. As well as the UK he has lived in Switzerland and Australia and managed finance teams in Europe, the USA, Asia and India. Most recently he was Group CFO for Ardent Leisure Group, an ASX listed leisure and entertainment group.

Adam Ford – Chief Operating Officer

Adam Ford joined Clarion Events in June 2018 as the Chief Operating Officer to lead improvements to Group operations, enable customer focussed value creation, and drive a high performance culture across Clarion.

Over the last 25 years, Adam has worked across a range of industries, geographies and scale of businesses with extensive experience of driving revenue and profit growth across start-ups and multinationals. Most recently Adam was the Group Commercial Director at Reed Exhibitions responsible for strategy, M&A, and sales and marketing excellence.

Andrej Moxnes – Chief Technology Officer

Andrej Moxnes joined Clarion Events as Group CTO in September 2018 to drive technology and digital innovation across the Group. Andrej has over 20 years of IT and transaction advisory experience working with Private Equity and Corporates across several industries.

Andrej joined from Alvarez & Marsal's Private Equity Performance Improvement team and has worked with Global Sources in Hong Kong and Singapore leading the IT post-merger integration programme. He previously worked at EY Transaction Advisory Services and Accenture Technology Consulting, and has lived and worked across Europe, Asia and US.

Corporate governance

During the year ended 31 January 2019 the Group strengthened its senior management team by the appointments of the Chief Financial, Chief Operating and Chief Technology Officers. In December 2018, Hein Pretorius joined the Board of a parent company of the Group as a non-executive director. Following the publication of the Wates Corporate Governance Principles for Large Private Companies, the Group is currently reviewing how its Board operates.

Dividends

Dividends of £848k (2018: £347k) were paid by the Group to minority shareholders during the period.

COMET BIDCO LIMITED

DIRECTORS' REPORT (CONTINUED)

Employee information

Detailed employee information is set out in the Strategic Report.

Going concern

The directors have prepared detailed forecasts of the Group's cash flows which show that the Group has headroom within, and remains compliant with the terms of its borrowing facilities for a period not less than one year from the date of signing the financial statements. The directors' assessment of going concern was prepared in accordance with the guidelines set out by the Financial Reporting Council and has been approved by the Board.

Based on this assessment, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Post balance sheet events

On 22 February 2019, the Group disposed of certain assets purchased as part of the PennWell acquisition for a headline price of \$35.3m with a further \$0.3m in earn out. These assets were identified as non-core before the acquisition of PennWell and held for sale.

On 25 March 2019, the Group purchased a 70% stake in Insuretech Connect LLC. Insuretech is the world's largest insurance technology event bringing together industry leaders, investors and entrepreneurs from across the global insurance industry. On 24 May 2019, the Group purchased 100% of Media 10 (Shanghai) Exhibition Company Ltd, an entity based in China that runs high end furniture and design events: Design Shanghai and Design China Beijing. The total consideration for these acquisitions was £49m

Financial Instruments

The financial assets and liabilities held by the Group, and its approach to financial risk management, are set out in Note 17.

Capital structure

Details of the Company's issued share capital and movements during the year are shown in note 24 to the financial statements of the Company. The Company has one class of ordinary shares which carry no right to fixed income.

Details of employee share schemes are set out in Note 25.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

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

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

By order of the Board


Russell Wilcox
Director
31 May 2019

COMET BIDCO LIMITED

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 group financial statements under IFRSs as adopted by the European Union. Under company law the directors must not approve the group financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and of the profit or loss of the group for that period.

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

- present fairly the financial position, financial performance and cash flows of the Group;
- select suitable accounting policies in accordance with IAS 8: *Accounting Policies, Changes in Accounting Estimates and Errors* and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements that are reasonable;
- provide additional disclosures when compliance with the specific requirements in IFRSs as adopted by the European Union is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance; and
- state whether the Group financial statements have been prepared in accordance with IFRSs as adopted by the European Union.

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.

REPORT OF THE INDEPENDENT AUDITOR

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

Opinion

We have audited the financial statements of Comet Bidco Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 31 January 2019 which comprise the Statement of consolidated profit and loss, the Statement of consolidated other comprehensive income, the Consolidated statement of financial position, the Parent company statement of financial position, the Consolidated statement of changes in equity, the Parent company statement of changes in equity, the Consolidated cash flow statement, the Parent company cash flow statement and the related notes 1 to 32, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the group's and of the parent company's affairs as at 31 January 2019 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

REPORT OF THE INDEPENDENT AUDITOR

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITOR

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Ernst + Young L.L.P.

Cameron Cartmel (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
31 May 2019

COMET BIDCO LIMITED**STATEMENT OF CONSOLIDATED PROFIT AND LOSS****FOR THE YEAR ENDED 31 JANUARY 2019**

		Year ended 31 January 2019 £ 000	Period ended 31 January 2018 Restated £ 000
	Notes		
Continuing operations:			
Revenue	5	342,446	85,631
Cost of sales		(149,613)	(43,191)
Gross profit		192,833	42,440
Administrative expenses		(164,703)	(32,780)
Amortisation of acquired intangible assets		(37,722)	(7,729)
Operating (loss)/profit	6	(9,592)	1,931
Finance costs	8	(63,056)	(9,959)
Share of profit of joint ventures (after tax)	12	574	526
Loss on continuing operations before taxation		(72,074)	(7,502)
Taxation	13	(2,543)	(2,826)
Loss on continuing operations after taxation		(74,617)	(10,328)
Discontinued operations			
Loss on discontinued operations	10	(1,206)	-
Loss for the year		(75,823)	(10,328)
Attributable to:			
Equity holders of the parent		(76,720)	(10,367)
Non-controlling interests		897	39
Loss for the financial year attributable to members of the parent company		(75,823)	(10,328)

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

COMET BIDCO LIMITED

STATEMENT OF CONSOLIDATED OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JANUARY 2019

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 Restated £ 000
Loss for the financial year	(75,823)	(10,328)
Other comprehensive income/(expense)		
<i>To be reclassified to profit or loss in subsequent periods (net of tax)</i>		
Exchange gain/(loss) on translation of foreign operations (tax nil for both periods)	24,486	(12,182)
Other comprehensive income/(expense) for the year, net of tax	24,486	(12,182)
Total comprehensive expense for the year, net of tax	(51,337)	(22,510)
Attributable to:		
Equity holders of the parent	(52,252)	(22,372)
Non-controlling interests	915	(138)
Loss for the financial year attributable to members of the parent company	(51,337)	(22,510)

• COMET BIDCO LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

COMPANY NO: 10866972

		31 January 2019	31 January 2018
	Notes	£ 000	Restated £ 000
Non-current assets			
Goodwill	14	636,205	381,606
Other intangible assets	14	488,867	299,281
Property, plant and equipment	15	6,558	2,775
Investment in joint ventures	12	1,273	685
Deferred tax assets	13	3,094	1,196
Total non-current assets		1,135,997	685,543
Current assets			
Inventory		569	-
Trade and other receivables	18	45,158	18,233
Cash at bank and in hand		53,827	12,008
		99,554	30,241
Assets held for sale	19	53,604	-
Total current assets		153,158	30,241
Total assets		1,289,155	715,784
Non-current liabilities			
Provisions	23	(1,081)	(131)
Interest-bearing loans and borrowings	17.2	(607,715)	(310,839)
Loan note	17.3	(147,325)	(138,985)
Other non-current financial liabilities	17.3	(16,116)	(5,109)
Deferred tax liabilities	13	(59,125)	(46,768)
Total non-current liabilities		(831,362)	(501,832)
Current liabilities			
Deferred revenue		(149,416)	(30,229)
Trade and other payables	20	(55,970)	(41,898)
Provisions	23	(2,997)	(331)
Interest-bearing loans and borrowings	17.2	(3,202)	-
Loan note	17.3	(146,778)	-
Other current financial liabilities	21	(2,488)	(16,216)
		(360,851)	(88,674)
Liabilities associated with assets held for sale	19	(4,253)	-
Total current liabilities		(365,104)	(88,674)
Total liabilities		(1,196,466)	(590,506)
Net assets		92,689	125,278

COMET BIDCO LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

COMPANY NO: 10866972

	Notes	31 January 2019 £ 000	31 January 2018 Restated £ 000
Capital and reserves			
Share capital	24	70,000	70,000
Share premium account	24	9,098	-
Capital contribution	24	73,688	73,688
Foreign currency translation reserve		12,279	(12,182)
Share based payment reserve	24	8,013	2,320
Retained earnings		<u>(87,275)</u>	<u>(10,155)</u>
Shareholders' funds		85,803	123,671
Non-controlling interests		6,886	1,607
Total equity		<u>92,689</u>	<u>125,278</u>

The financial statements on pages 18 to 90 were approved by the Board of Directors on 31 May 2019 and were signed on its behalf by:



Russell Wilcox
Director

COMET BIDCO LIMITED

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

COMPANY NO: 10866972

	Notes	31 January 2019 £ 000	31 January 2018 £ 000
Non-current assets			
Investments	16	339,701	193,886
		<u>339,701</u>	<u>193,886</u>
Current assets			
Trade and other receivables	18	738,802	385,012
Cash at bank and in hand		3	544
		<u>738,805</u>	<u>385,556</u>
Total assets		<u>1,078,506</u>	<u>579,442</u>
Non-current liabilities			
Interest-bearing loans and borrowings	17.2	(607,715)	(310,839)
Other non-current financial liabilities	17.3	(147,325)	(138,985)
		<u>(755,040)</u>	<u>(449,824)</u>
Current liabilities			
Interest-bearing loans and borrowings	17.2	(3,202)	-
Trade and other payables	20	(112,710)	(3,024)
Other current financial liabilities	17.3	(146,778)	-
		<u>(262,690)</u>	<u>(3,024)</u>
Total liabilities		<u>(1,017,730)</u>	<u>(452,848)</u>
Net assets		<u>60,776</u>	<u>126,594</u>
Capital and reserves			
Share capital	24	70,000	70,000
Share premium account	24	9,098	-
Capital contribution	24	73,688	73,688
Share based payment reserve	24	293	-
Retained earnings		(92,303)	(17,094)
Shareholders' funds		<u>60,776</u>	<u>126,594</u>

PARENT COMPANY STATEMENT OF PROFIT AND LOSS AT 31 JANUARY 2019

No profit and loss account is presented for Comet Bidco Limited as permitted under section 408 of the Companies Act 2006. The parent company's loss for the year ended 31 January 2019 is £75.2 million (period ended 31 January 2018: loss of £17.1 million)

The financial statements on pages 18 to 90 were approved by the Board of Directors on 31 May 2019 and were signed on its behalf by:



Russell Wilcox
Director

COMET BIDCO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital	Share premium account	Capital contribution	Share based payment reserve	Foreign exchange reserve	Retained earnings	Non-controlling interest	Total shareholders' funds
		£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
On incorporation		-	-	-	-	-	-	-	-
Loss for the period (restated)	4	-	-	-	-	-	(10,367)	39	(10,328)
Foreign exchange movement (restated)	4	-	-	-	-	(12,182)	-	(177)	(12,359)
Total comprehensive income		-	-	-	-	(12,182)	(10,367)	(138)	(22,687)
Change in accounting policy	4	-	-	-	-	-	423	-	423
Shares issued during the year		70,000	-	-	-	-	-	-	70,000
Capital contribution		-	-	73,688	-	-	-	-	73,688
Share based payment expense		-	-	-	2,320	-	-	-	2,320
Dividends paid to non-controlling interests		-	-	-	-	-	(211)	(136)	(347)
Non-controlling interest arising on business combinations		-	-	-	-	-	-	1,881	1,881
At 31 January 2018 (restated)	4	70,000	-	73,688	2,320	(12,182)	(10,155)	1,607	125,278
Loss for the financial year		-	-	-	-	-	(76,720)	897	(75,823)
Foreign exchange movement		-	-	-	7	24,461	-	18	24,486
Total comprehensive income		-	-	-	7	24,461	(76,720)	915	(51,337)
Capital contribution	24	-	9,098	-	-	-	-	-	9,098
Share based payment expense	24	-	-	-	5,686	-	-	-	5,686
Non-controlling interests arising on business combinations		-	-	-	-	-	-	4,521	4,521
Non-controlling interests acquired		-	-	-	-	-	(400)	(157)	(557)
At 31 January 2019		70,000	9,098	73,688	8,013	12,279	(87,275)	6,886	92,689

COMET BIDCO LIMITED

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium account	Capital contribution	Share based payment reserve	Retained earnings	Total shareholders' funds
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
On incorporation	-	-	-	-	-	-
Loss for the period	-	-	-	-	(17,094)	(17,094)
Total comprehensive income	-	-	-	-	(17,094)	(17,094)
Capital contribution	-	-	73,688	-	-	73,688
Shares issued during the period	70,000	-	-	-	-	70,000
At 31 January 2018	70,000	-	73,688	-	(17,094)	126,594
Loss for the year	-	-	-	-	(75,209)	(75,209)
Total comprehensive income	-	-	-	-	(75,209)	(75,209)
Share based payment expense	-	-	-	293	-	293
Capital contribution	-	9,098	-	-	-	9,098
At 31 January 2019	70,000	9,098	73,688	293	(92,303)	60,776

COMET BIDCO LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2019

	Year ended 2019 £ 000	Period ended 31 January 2018 £ 000
Operating activities		
Operating (loss)/profit from continuing operations	(9,592)	1,931
Operating loss from discontinued operations	(1,206)	-
Operating (loss)/profit	(10,798)	1,931
Amortisation of intangible assets	44,407	8,012
Depreciation of property, plant and equipment	2,970	451
Loss on disposal of property, plant and equipment	601	16
Share based payments	5,686	2,320
Change in fair value of financial instruments	1,328	-
Currency translation differences	653	-
Dividends charged to administrative expenses	848	-
Working capital movements:		
Change in receivables	(5,449)	(1,035)
Change in payables	(10,704)	(9,571)
	29,542	2,124
Bank interest paid	(38,294)	(5,422)
Income tax paid – UK	(2,629)	(259)
Income tax paid – Overseas	(11,917)	(1,926)
Net cash used in operating activities	(23,298)	(5,483)
Investing activities		
Purchase of property, plant and equipment	(4,325)	(359)
Purchase of intangible assets - software	(4,262)	(2,727)
Disposal of properties	121,329	-
Acquisition of subsidiaries	(234,378)	(243,315)
Cash acquired with subsidiaries	64,986	34,844
Dividends received from associate	-	288
Net cash used in investing activities	(56,650)	(211,269)
Financing activities		
Proceeds from borrowings	298,237	322,200
Debt issue costs	(13,116)	(11,946)
Repayment of borrowings	(149,060)	(360,169)
Issue of share capital	-	70,000
Loan from parent company	-	210,000
Acquisition of non-controlling interests	(13,557)	(929)
Dividends paid to non-controlling interests	(848)	(347)
Net cash generated from financing activities	121,656	228,809

COMET BIDCO LIMITED

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2019

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 £ 000
Net increase in cash	41,708	12,057
Currency translation	111	(49)
Cash and cash equivalents brought forward	12,008	-
Cash and cash equivalents carried forward	53,827	12,008
 Analysis of cash and cash analysis equivalents		
Cash at bank and in hand	53,827	12,008

COMET BIDCO LIMITED

PARENT COMPANY CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2019

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 £ 000
Operating activities		
Operating loss	(24,816)	(7,562)
Working capital movements:		
Debtors	21,291	(275)
Creditors	(5)	2,123
	(3,530)	(5,714)
Bank interest paid	(36,015)	(5,422)
Share based payment expense	293	-
Net cash used in operating activities	(39,252)	(11,136)
Investing activities		
Acquisition of subsidiaries	-	(193,886)
Loans made to subsidiary undertakings	(236,160)	(384,688)
Net cash used in investing activities	(236,160)	(578,574)
Financing activities		
Proceeds from borrowings	298,237	322,200
Debt issue costs	(13,116)	(11,946)
Repayment of borrowings	(10,327)	-
Issue of share capital	-	70,000
Loan from parent entity	-	210,000
Net cash generated from financing activities	274,794	590,254
Net (decrease)/increase in cash	(618)	544
Cash and cash equivalents brought forward	544	-
Currency translation	77	-
Cash and cash equivalents carried forward	3	544
Analysis of cash and cash equivalents		
Cash at bank and in hand	3	544
	3	544

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019

1. ACCOUNTING POLICIES

1.1 Corporate information

The consolidated financial statements of Comet Bidco Limited and its subsidiaries (collectively, the Group) for the year ended 31 January 2019 were authorised for issue in accordance with a resolution of the directors on 31 May 2019. Comet Bidco Limited (the "Company" or the "parent") is a limited company incorporated and domiciled in the United Kingdom and is a private company. The registered office is Bedford House, London SW6 3JW.

The principal activities of the Group are described in the Strategic Report which accompanies these financial statements. Information on the Group's structure is provided in Note 32. Information on other related party relationships of the Group is provided in Note 29.

1.2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and individual non-current assets or disposal groups to be disposed of by sale or otherwise in a single transaction that have been measured at fair value. The consolidated financial statements are presented in sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand (£ 000), except when otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period, which comprised 4 months of trading. The comparative information has been adjusted as discussed in Note 4.

The principal accounting policies of the Group are consistent with those of the principal subsidiaries and are set out below.

Following a review of the balance sheet, some prior year balances for in these financial statements have been represented within different balance sheet captions to better reflect the nature of the balances.

1.3 Going Concern

The directors have prepared detailed forecasts of the Group's cash flows which show that the Group has headroom within, and remains compliant with, the terms of its borrowing agreements for a period not less than one year from the date of signing the financial statements. The directors' assessment of going concern was prepared in accordance with the guidelines set out by the Financial Reporting Council and has been approved by the Board.

Based on this assessment, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 January 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

1.4 Basis of consolidation (continued)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

1.5 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of IFRS 9, it is measured in accordance with the appropriate IFRS.

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

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal.

1.6 Interest in a joint venture and associates

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. An associate is an investment over which the investor has significant influence.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

1.7 Foreign currency translation

The Group's consolidated financial statements are presented in sterling, which is also the parent company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group 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.

1.7 Foreign currency translation (continued)

Group companies

The assets and liabilities of foreign operations 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.

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

1.8 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 Group 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.

1.9 Taxes

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 tax

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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

1.10 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

1.10 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.

1.11 Inventory

Physical goods purchased for resale are stated at the lower of cost or net realisable value.

1.12 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.

1.13 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.

Group 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

1.14 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.

1.14 Intangible assets (continued)

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.

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.

1.15 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 Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

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

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

Trade and other receivables

Trade and other receivables are classified as 'loans and receivables' and recognised when it is probable that a future economic benefit will flow to the Group. 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 Group'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).

1.15 Financial instruments (continued)

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.

Put options

Any contract with a single or multiple settlement option that contains an obligation for the Group to purchase equity in a subsidiary for cash gives rise to a financial liability for the present value of the purchase price. An amount equal to the liability is recorded against the investment on initial recognition of a written put option. The liability is subsequently remeasured through the Income Statement. Where considered significant, the Group'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 Group 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 Group'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 Group always recognises lifetime expected credit losses ("ECL") for trade receivables and contract assets. The ECL on these financial assets are estimated based on the Group'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 Group 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 Group 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

1.15 Financial instruments (continued)

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 Group.

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.

The Group 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

1.16 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating 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 Groups 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 Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group'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.

1.16 Impairment of non-financial assets (continued)

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

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.

1.17 Provisions

Provisions are recognised when the Group 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 Group 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.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less (when appropriate) cumulative amortisation recognised in accordance with the requirements for Provisions (IAS 37 – Provisions).

1.18 Pensions and other post-employment benefits

A number of subsidiaries make contributions to schemes which provide employees with retirement benefits. Contributions accruing under the schemes are charged to administrative expenses in the Income Statement.

1.19 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.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

1.20 Subsidiaries exempt from audit under section 479A Companies Act 2006

The subsidiaries set out below are exempt from the requirements of the Companies Act relating to the audit of individual accounts under section 479A of the Companies Act 2006. Comet Bidco Limited has given a guarantee under section 479C and all members of the companies agree to the exemption of an audit for the year ended 31 January 2019. Below are the subsidiaries exempt under this Act:

Held by the Company:	Registration number
Amusement Trades Exhibitions Limited	00346691
Amusement Trades Limited	05304201
Clarion Acquisition Limited	06501939
Clarion Conferences Limited	06404568
Clarion Defence (UK) Limited	01062758
Clarion Defence and Security Limited	06567404
Clarion Energy Limited	07098632
Clarion Events Limited	00454826
Clarion Events Birmingham Limited	05361393
Clarion Events Group Limited	05170380
Clarion Events Holding Limited	05170525
Clarion Events USA Limited	09700546
Clarion UK Holdco Limited	06501951
Clarion UK Midco Limited	06501933
Clarion UK Topco Limited	06501958
Energynet Limited	02832809
Fintry 3 Limited	05170671
Freight Transport Logistics Expo Limited	06423329
Front Line Genomics Limited	10421716
Furniture & Gift Fairs Limited	03194033
GetEnergy Events Limited	05037116
iGaming Business Limited	05013405
Imago Techmedia Limited	04865455
International Training Equipment Conference Limited	02367068
Internet Retailing Event Limited	07081797
January Furniture Show Limited	08944163
PSPA Limited	09359116
Qualifa Holdings Limited	08230206
Qualifa Ltd	06854037
PSPA Midco Limited	09370042
PSPA Finance Limited	10026760
PSPA Holdco Limited	09359005
PSPA Topco Limited	09369835
PennWell International Limited	02779246
Revo Media Partners Limited	07335390

2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Financial instruments risk management and policies Note 17.5
- Sensitivity analysis disclosures Note 17

Significant judgements

Acquisition of Global Sources

The acquisition of Global Sources from a parent company during the year was a common control transaction without arm's length consideration. Management is required to apply judgment in assessing if the common control transaction had commercial substance. After considering all the fact and circumstances around the transaction management considers that this transfer of control had commercial substance, as it created a new enlarged group under a single management team with a more balanced portfolio, both geographically and by business sector.

As the transaction has commercial substance, there is a choice whether to account for it by applying the acquisition method set out in IFRS 3 or by a "pooling of interests" method. Management considered that applying the acquisition method will provide more relevant information by identifying and measuring the intangible assets of Global Sources on a consistent basis with those already recorded by the group.

Significant estimates and assumptions

Allocation of purchase price for business combinations and contingent considerations

Under the acquisition method of accounting for business combinations, the cost of an acquisition is measured as the aggregate of the acquisition date fair value of consideration transferred, and the amount of any non-controlling interest in the acquired business. For certain transactions consideration is dependent on the performance of the acquired business in future periods. A change to management's judgement of the likelihood of the business achieving certain levels of future performance could result in a materially different estimate of the acquisition date fair value of consideration transferred.

In order to measure acquired goodwill, the fair value of consideration is compared to the fair value of net identifiable assets acquired and liabilities assumed. In certain transactions identifiable assets include intangible assets such as trade names and customer relationships. The acquisition date fair values of these assets are derived from valuation methods which require assumptions to be made about, inter alia, the future trading performance of the acquired business, the rate of customer attrition, the current market royalty rates for comparable trade names, the level of contributory assets required to support the future trading performance, and a discount rate that appropriately reflects the risks inherent in the operation of the asset. A change to management's judgement of the appropriate assumptions to adopt could result in a materially different estimate of the acquisition date fair value of the intangible assets.

In order to allocate acquired intangible assets to cash generating units, the purchase price of acquisitions is allocated across CGUs on the basis of a discounted cash flow model with the following assumptions:

- The five-year business plan on the basis of which the transaction was financed;
- An estimate of the long term growth rate for each market in which the Group operates;
- Estimates of normalised levels of cash absorption for capital expenditure and working capital to support the growth of the business; and
- Estimates of the long term normalised margins for each CGU.

A weighted average cost of capital was estimated for each CGU, incorporating an equity risk premium of a level to discount the forecast cash flows to the enterprise value implicit in the transaction. A change to management's estimate of the appropriate assumptions to adopt could result in a materially different allocation of the purchase price, and hence a materially different carrying amount of goodwill in each CGU.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

Acquisition of Global Sources

The acquisition of Global Sources from a parent company during the year was a common control transaction without arm's length consideration. The purchase price allocation required an estimate of the fair value of the consideration, which in turn required an estimate of the fair value of the equity instrument acquired. Global Sources had been acquired by the Blackstone Group less than eight months before the acquisition by Comet Bidco Limited, and management considered the market value ascribed to the business at the transaction best reflects the fair value of the business given the Global Sources group had no significant changes in the intervening period.

Taxation

The calculation of the Group'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.

Impairment of non-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 Group 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. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed in Note 14.

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 25.

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.

The assumptions and models used for estimating fair value for put and call option assets and liabilities are discussed further below in Note 17.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

3 STANDARDS NOT YET EFFECTIVE

Standards issued but not yet effective up to the date of issuance of the Group's financial statements are listed below. This listing is of standards and interpretations issued, which the Group reasonably expects to be applicable at a future date. The Group 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 Group'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 group 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 Group's Statement of Financial Position, as there will be an increase in lease assets and financial liabilities recognised, and the Group'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 Group 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.

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

4 CHANGES IN ACCOUNTING POLICIES AND NEW AND AMENDED STANDARDS

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 Group 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 Group has elected to change its accounting policy to align to the Global Sources and PennWell policy. This change in policy has been applied retrospectively.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

4 CHANGES IN ACCOUNTING POLICIES AND PRIOR YEAR ADJUSTMENT (CONTINUED)

The effect of these changes in accounting policies on the income statement for the period ended 31 January 2018 and the statement of financial position as at 31 January 2018 can be set out below. To enable users understanding of the various restatements the table includes as well as the above, the finalisation of the PSPA Topco Limited (see note 11) to arrive at the total restated opening balance sheet.

	Original £'000	Prepaid event costs £'000	Trade Receivables £'000	Finalisation of PPA £'000	Restated £'000
Period ended 31 January 2018					
Cost of sales	(43,424)	233	-	-	(43,191)
Taxation	(2,717)	(44)	-	(65)	(2,826)
		189	-	(65)	
As at 31 January 2018					
Goodwill (D)	379,438	4,918	-	(2,750)	381,606
Other acquired intangibles	298,697	-	-	584	299,281
Work in progress (B)	15,937	(15,937)	-	-	-
Prepaid event costs (A)	-	7,323	-	-	7,323
Trade receivables	27,584	-	(24,994)	-	2,590
Deferred revenue	(53,226)	-	25,417	(2,420)	(30,229)
Trade payables	(18,988)	2,208	-	-	(16,780)
Current tax liability (C)	(3,227)	1,677	-	-	(1,550)
Deferred tax liability	(48,603)	-	-	1,835	(46,768)
		189	423	(2,751)	
Foreign currency translation reserve	(10,692)	-	-	(1,490)	(12,182)
Retained earnings	(10,702)	189	423	(65)	(10,155)
Non-controlling interests	2,803	-	-	(1,196)	1,607
		189	423	(2,751)	

A – Year end work in progress that is reclassified to prepaid event cost

B – Total work in progress that is either reclassified to prepaid event cost (A), written off in the acquisition balance sheet resulting in a change in goodwill (D) or charged to the income statement

C – Tax implication on writing of cost to the pre-acquisition profit and loss

D – Resulting impact on the opening balance sheet from change in accounting policy booked to goodwill

New and amended standards and interpretations

During the year ended 31 January 2019 the Group 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 Group's accounting policies or had any other material impact on the financial position or performance of the Group.

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 parent company has recognised an impairment loss of £21m against loans receivable from subsidiary undertakings in the current year. The carrying amount of the Group's trade receivables was unchanged, as there was no change to the level of impairment provision recognised on the new basis.

4 CHANGES IN ACCOUNTING POLICIES AND PRIOR YEAR ADJUSTMENT (CONTINUED)**New and amended standards and interpretations (continued)***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 Group adopted IFRS 15 using the modified retrospective method. The adoption of the new standard did not have an impact on the Group's reported revenue, because no additional performance obligations were identified, and there was no change in the timing of revenue recognition as the Group 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 Group expects to recover them. The Group 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 Group 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.

5 REVENUE*Analysis of revenue from contracts with customers:*

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 £000
Type of service		
Event organisation	294,508	84,716
Subscriptions to publications and on-line databases	47,938	915
	342,446	85,631
Geographical markets		
United Kingdom	107,797	47,239
North & South America	81,862	15,906
Europe	26,866	17,327
Middle East	5,439	2,017
Asia	113,304	1,104
Africa	7,178	2,038
	342,446	85,631
Timing of revenue recognition		
Services transferred at a point in time	299,608	84,716
Services transferred over time	42,838	915
	342,446	85,631

The principal revenue streams are as follows:

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

5 REVENUE (continued)

Event organisation

The Group 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 Group 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.

No individual customer contributed more than 10% of the Group's revenue in the year ended 31 January 2019 or the period ended 31 January 2018.

Contract assets consist of trade receivables and accrued income. The increase between 31 January 2018 and 31 January 2019 is largely the result of business combinations. Contract liabilities consist of deferred revenue. The increase between 31 January 2018 and 31 January 2019 is largely the result of business combinations.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

6 OPERATING PROFIT

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 Restated £ 000
This is stated after charging:		
Depreciation of property, plant and equipment	2,970	451
Loss on disposal of property, plant and equipment	601	16
Amortisation of other intangible assets	44,407	8,012
Loss on translation of assets and liabilities denominated in foreign currency	653	721
Operating lease rentals - land and buildings	5,955	1,456
- plant and machinery	282	12
Auditors' remuneration (see Note 7)	2,249	1,479

7 AUDITORS' REMUNERATION

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 £ 000
The remuneration of the auditors is further analysed as follows:		
Audit of the financial statements	1,076	270
Other fees to auditors - Local audits for subsidiaries	165	20
- Audit related assurance services	3	-
- Taxation services	659	458
- Corporate finance services	346	731
	2,249	1,479

8 FINANCE COSTS

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 £ 000
Finance expense		
Bank loans	41,216	6,209
Commitment and monitoring fees	249	151
Unwinding of discount	8,243	2,983
Loss on translation of borrowings denominated in foreign currency	9,937	-
Other interest	6	30
	59,651	9,373
Amortisation of debt issue costs	3,405	586
	63,056	9,959

COMET BIDCO LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)****9 DIRECTORS AND EMPLOYEES**

Staff costs included in administrative expenses:

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 £ 000
Wages and salaries	92,963	16,767
Social security costs	10,589	991
Pension costs	4,370	294
Share-based payment charge	5,686	2,320
	113,608	20,372

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

	2019 Number	2018 Number
Exhibition	1,333	420
Conferences	140	242
Administration	795	159
Publishing	472	31
Telemarketing	122	29
	2,862	881

Directors' emoluments:

	Group Year ended 31 January 2019 £ 000	Group Period ended 31 January 2018 £ 000
Wages and salaries	855	234
Defined contribution pension contributions	61	25
Share-based payment	3,881	1,396
	4,797	1,655

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 £507,328 (2018: £118,776). Their pension cost was £13,333 (2018: £9,591).

There were 2 directors accruing benefits in a defined contribution pension scheme.

10 DISCONTINUED OPERATIONS

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

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

	2019
	£ 000
Operating	(959)
Investing	-
Financing	-
Net cash outflow	<u>(959)</u>

11 BUSINESS COMBINATIONS*Acquisitions during the year*

On 29 March 2018 the Group acquired 100% of Global Sources Limited and its subsidiaries ("Global Sources") from its parent company for £145.8 million of consideration settled by loan notes and the issue of a share. Global Sources is a leading exhibitions organiser and online B2B marketplace operator based in Hong Kong. At the date of acquisition Global Sources owned four investment properties, of which three were sold before 31 January 2019 and the sale of the fourth is in progress. These properties have been classified as held for sale.

On 30 March 2018 the Group acquired 100% of PennWell Corporation for cash consideration of £218.4 million. PennWell is a B2B media, conference and exhibition company based in Oklahoma. The Group's acquisition case was based on retaining only select exhibitions and publications, and disposing of the remaining business after restructuring. The disposal was completed in February 2019. As the assets disposed of were acquired with the intention to sell, the trading results of the business under the Group's ownership have been classified as discontinued operations.

On 8 March 2018 the Group acquired 70% of Independent Grocers Management LLP, a newly formed entity owning the rights to hold the National Grocers Association show in the United States, for £9.5 million of consideration comprising cash, put and call options and payments contingent on future performance. As the put and call options over the remaining shares of the entity are on symmetrical terms, it has been accounted for as wholly owned.

On 29 August 2018 the Group acquired 80% of Traffic and Conversion Summit LLC, which operates digital marketing conferences in the United States, for £14.2 million of consideration comprising cash, put and call options and payments contingent on future performance. As the put and call options over the remaining shares of the entity are on symmetrical terms, it has been accounted for as wholly owned.

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

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

11 BUSINESS COMBINATIONS (CONTINUED)

	Global Sources £ 000	PennWell £ 000	Other £ 000	TOTAL £ 000
Customer relationships	23,433	57,659	4,828	85,920
Trade names	50,203	60,784	6,715	117,702
Software	4,332	2,135	-	6,467
Property, plant and equipment	2,013	941	13	2,967
Held for sale	146,323	24,936	-	171,259
Prepaid event costs	8,660	3,312	1	11,973
Trade and other receivables	4,218	9,829	2,271	16,318
Cash and cash equivalents	47,942	17,044	-	64,986
Trade and other payables	(30,932)	(17,247)	(1,671)	(49,850)
Deferred revenue	(89,228)	(19,115)	(1,468)	(109,811)
Provisions	(2,553)	(997)	-	(3,550)
Borrowings	(128,518)	-	-	(128,518)
Current tax	(6,271)	-	-	(6,271)
Deferred tax	(12,843)	-	-	(12,843)
	16,779	139,281	10,689	166,749
Non-controlling interests	(4,521)	-	-	(4,521)
Goodwill	133,558	79,109	13,155	225,822
Fair value of assets	145,816	218,390	23,844	388,050
Settled by:				
Cash consideration	-	218,390	14,325	232,715
Deferred and contingent consideration	-	-	2,402	2,402
Fair value of financial instruments	136,718	-	7,117	143,835
Fair value of equity	9,098	-	-	9,098
Consideration	145,816	218,390	23,844	388,050
Post-acquisition revenue	108,010	41,532	-	149,542
Post-acquisition operating profit/(loss)	9,865	(53)	(744)	9,068

If all business combinations had taken place at the beginning of the reporting period, Group revenue would have been £359.6 million and the operating loss would have been £8.4 million. The acquired receivables for all acquired businesses are all current and their fair value is not materially different. There are no contractual cash flows that are not expected to be collected. No other contingent liabilities, not included in the net assets above, have been identified on these acquisitions. The fair values of the assets and liabilities acquired during the period are provisional pending the completion of the valuation exercises.

The goodwill of £225.8 million arises from a number of factors. As well as expected synergies, including cost reductions from purchasing and processing efficiencies, and unrecognised assets such as the assembled workforces and a pipeline of event launches, the businesses have strategic value. Goodwill arising on the acquisition of PennWell is expected to be deductible for tax purposes.

Acquisition costs relating to these transactions amounting to £4.1 million have been recognised in operating profit and are included in the operating cash flows in the statement of cash flows.

11 BUSINESS COMBINATIONS (CONTINUED)

Acquisitions in the previous period

On 29 September 2017 Comet Bidco Limited acquired PSPA Topco Limited and its subsidiaries (the "Clarion Group") for £194 million of cash consideration, and immediately repaid its £360 million of existing borrowings. PSPA Topco is the owner of Clarion Events, the largest privately owned global pure-play events' organiser, which has a diversified portfolio of market leading brands, with a strong presence in the UK, Asia, North America and Europe and established positions in high growth markets of the Middle East and Africa and Latin America. During the period ended 31 January 2018 Comet Bidco acquired the business of PSPA Topco, and carried out a preliminary purchase price allocation. As part of this exercise, acquired intangible assets and residual goodwill were classified within cash generating units on the basis of the profitability and operating currency of the events, the cash flows of which ultimately determine the recoverability of these assets. During the year ended 31 January 2019 the Group finalised its purchase price allocation, resulting in a revised classification within cash generating units of certain events (and portfolios of events), and also a revised assessment of the profitability of individual events after absorbing manpower and overheads. The change in accounting policy for prepaid event costs has also changed the amount of residual goodwill arising on the acquisition. See note 4 for more detail.

On 5 October 2017 the Group completed the acquisition of Premium Exhibitions GmbH, the organiser of a portfolio of German fashion shows. Consideration comprised £48 million of cash and deferred consideration which is not dependent on the continued employment of the vendor.

In November 2017 the Group acquired the 5% of Imago Techmedia Ltd not previously owned for £0.9m on exercise of a call option.

On 8 December 2017 the Group invested £4 million in PT Adhouse Clarion Events, an Indonesian organiser of property market events.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

11 BUSINESS COMBINATIONS (CONTINUED)

	PSPA Topco Group Restated £ 000	Premium £ 000	Other £ 000	TOTAL £ 000
Customer relationships	91,000	17,237	681	108,918
Trade names	178,000	11,016	1,325	190,341
Software	9,847	-	-	9,847
Property, plant and equipment	2,423	484	-	2,907
Prepayments	8,931	58	-	8,989
Trade and other receivables	32,338	2,327	-	34,665
Cash and cash equivalents	29,218	5,626	-	34,844
Trade and other payables	(60,374)	(753)	-	(61,127)
Deferred revenue	(64,792)	(1,644)	-	(66,436)
Borrowings	(360,169)	-	-	(360,169)
Current tax	928	(549)	-	379
Deferred tax	(37,049)	(9,237)	-	(46,286)
	(169,699)	24,565	2,006	(143,128)
Non-controlling interests	(934)	-	-	(934)
Goodwill	364,519	23,871	1,780	390,170
Fair value of assets	193,886	48,436	3,786	246,108
Settled by:				
Cash consideration	(193,886)	(45,643)	(4,715)	(244,244)
Fair value of financial instruments	-	(2,793)	929	(1,864)
Consideration	(193,886)	(48,436)	(3,786)	(246,108)
Post-acquisition revenue	77,749	7,882	-	85,631
Post-acquisition profit/(loss)	(702)	2,400	-	1,698

The combinations with PSPA Topco and Premium took place when the company commenced trading. If the other combination had taken place at the same time, Group revenue and operating profit would not have been significantly different.

The acquired receivables for all acquired businesses are all current and their fair value is not materially different. There are no contractual cash flows that are not expected to be collected. No other contingent liabilities, not included in the net assets above, have been identified on these acquisitions.

The goodwill of £390.1 million arises from a number of factors. As well as expected synergies, including cost reductions from purchasing and processing efficiencies, and unrecognised assets such as the assembled workforces and a pipeline of event launches, the business has strategic value as the largest privately-owned pure-play events business globally, with opportunities to consolidate a high-growth but fragmented sector.

Acquisition costs relating to these transactions amounting to £6.5 million have been recognised in operating profit and are included in the operating cash flows in the statement of cash flows.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

12 JOINT VENTURES AND PARTLY OWNED SUBSIDIARIES

Majority owned subsidiaries

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

	Non - controlling interest %	Call option only	Call and put options
Premium Exhibitions GmbH	10.0		Yes
Bright Verwaltungs GmbH	10.0		Yes
Bright GmbH & Co. KG	10.0		Yes
Rose City Comicon LLC	20.0		Yes
iGaming Business Ltd	24.9		Yes
Leftfield Media LLC	25.0		Yes
Traffic & Conversion Summit LLC	20.0		Yes
Independent Grocers Show Management LLC	30.0		Yes
Inapex Pte Ltd	30.0		
PT Adhouse Clarion Events	30.0		
Awesome Con LLC	30.0		
Play Fair LLC	49.0		
Gift Ventures LLC (non-trading)	38.9		
Getenergy Events Ltd	20.0	Yes	
Slotacademy BV	19.0	Yes	
Gaming Summits BV	19.0	Yes	
International Training Equipment Conference Ltd	10.0		
Huanxi Information Consulting (Shenzhen) Co., Ltd	30.0		
Shenzhen Xieguang Convention & Exhibition Co., Ltd	20.0		
Urban Expositions LLC	0.22		
Clarion Events Brasil Exibicoes e Feiras Ltda	0.01		
Clarion Events Quartier Exibições e Feiras Ltda	0.01		

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

Joint Ventures

Halloween Party & Expo

Urban Expositions LLC has a 45% interest in Halloween Party & Expo, a joint venture involved in the Halloween and Party trade show in Houston. The Group's interest in Halloween Party & Expo is accounted for using the equity method in the consolidated financial statements. The Group's carrying amount of the joint venture at 31 January 2018 was £1.3 million (2018: £0.7 million). The Group's share of the result for the period before tax was a profit of £0.6 million (2018: £0.5 million).

The joint venture had no other contingent liabilities or commitments as at 31 January 2019. Halloween Party & Expo cannot distribute its profits without the consent from the two venture partners.

COMET BIDCO LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)****13 TAXATION****(a) Tax charged in the statement of profit and loss**

The tax charge for the period is based on the results for the period and represents:

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 Restated £ 000
Current tax		
United Kingdom corporation tax at 19%		
In respect of the current year	-	1,884
In respect of prior years	(876)	(488)
Foreign tax		
In respect of the current year	4,718	1,028
In respect of prior years	(46)	-
Total current tax	3,796	2,424
Deferred tax		
Origination and reversal of temporary differences	(1,791)	816
Derecognition of deferred tax assets	483	-
Impact of change in tax laws and rates	55	(414)
Total deferred tax	(1,253)	402
Tax charge on loss on ordinary activities	2,543	2,826

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

13 TAXATION (CONTINUED)**(b) Factors affecting the tax charge for the period**

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

	Year ended 31 January 2019 £ 000	Period ended 31 January 2018 £ 000
Loss on ordinary activities before tax	(72,074)	(7,502)
Loss on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19%	(13,694)	(1,425)
Effect of:		
Income that is exempt from taxation	(6,962)	(3,470)
Expenses that are not deductible in determining taxable profit	15,488	6,354
Different tax rates of subsidiaries operating in other jurisdictions	5,128	596
Impact of changes in tax rate	56	(768)
Adjustments in respect of prior periods for acquired companies	(1,299)	-
Adjustments to tax charge in respect of previous periods	(471)	(134)
Group relief	1,584	-
Movement in unrecognised deferred tax assets	2,713	1,673
Total tax	2,543	2,826

Factors that may affect future tax charges

The UK rate of corporation tax will reduce to 17% from 1 April 2020. As this change was substantively enacted on 15 September 2016 the reduction has been taken into account in the calculation of the net deferred tax liability provided at the balance sheet date as the rate for the years over which most deferred tax liabilities are expected to reverse.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

13 TAXATION (CONTINUED)

(c) Deferred tax (liability)/asset

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

	2019	2018
	£ 000	£ 000
Deferred tax liability		
Accelerated capital allowances	(300)	-
Temporary differences	(4,478)	(1,240)
Fair value of intangible assets	(54,347)	(45,528)
	(59,125)	(46,768)
Deferred tax asset		
Accelerated depreciation	446	452
Other temporary differences	253	226
Tax losses carried forward	2,395	518
	3,094	1,196

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority the Group intends to settle its current tax assets and liabilities on a net basis.

At the balance sheet date deferred tax assets relating to tax losses of £8.3 million and other taxable temporary differences of £2.0 million have not been recognised because it is not certain that future taxable profits will be available against which the Group can utilise these benefits.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

14 GOODWILL AND INTANGIBLE ASSETS

	Software £ 000	Customer relationships Restated £ 000	Trade names Restated £ 000	Other Intangibles Total £ 000	Goodwill Restated £ 000
Cost:					
Acquisition of subsidiary undertakings	9,847	108,918	190,341	309,106	390,170
Additions	2,750	-	-	2,750	-
Currency translation	-	(1,599)	(2,964)	(4,563)	(8,564)
At 1 February 2018	12,597	107,319	187,377	307,293	381,606
Acquisition of subsidiary undertakings	6,467	85,920	117,702	210,089	225,822
Additions	4,262	-	-	4,262	-
Disposal	(1,004)	-	-	(1,004)	-
Currency translation	439	7,872	12,215	20,526	28,777
At 31 January 2019	22,761	201,111	317,294	541,166	636,205
Amortisation:					
Charge for the period	283	4,499	3,230	8,012	-
At 1 February 2018	283	4,499	3,230	8,012	-
Charge for the year	6,685	20,726	16,996	44,407	-
Currency translation	-	(59)	(61)	(120)	-
At 31 January 2019	6,968	25,166	20,165	52,299	-
Net book value					
Net book value at 31 January 2019	15,793	175,945	297,129	488,867	636,205
Net book value at 31 January 2018	12,314	102,820	184,147	299,281	381,606

Acquisitions during the year

All business combinations throughout the year have intangible assets in the form of customer relationships and trade names. Goodwill acquired through business combinations is allocated to the various cash generating units ("CGUs"). The purchase price of the acquisitions was allocated across CGUs on the basis of discounted cash flow models with the following assumptions:

- The five-year business plan on the basis of which the transaction was financed;
- An estimate of the long term growth rate for each market in which the Group operates;
- Estimates of normalised levels of cash absorption for capital expenditure and working capital to support the growth of the business; and
- Estimates of the long term normalised margins for each CGU.

A weighted average cost of capital was estimated for each CGU, incorporating an equity risk premium of a level to discount the forecast cash flows to the enterprise value implicit in the transaction.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

14 GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

Carrying amount of goodwill, customer relationships and trade names allocated to each CGU

	Defence & Security £ 000	Energy & Resources £ 000	Public safety £ 000	Electronics £ 000	Enthusiast £ 000	Gaming £ 000	Retail & Home £ 000	Technology £ 000	US Food £ 000	Fashion £ 000	Other £ 000	Total £ 000
2019												
Goodwill	55,889	111,427	22,687	106,990	35,167	70,511	45,933	18,961	29,754	60,211	78,675	636,205
Trade names	27,197	63,984	24,753	44,030	16,299	36,328	20,656	10,289	13,375	17,893	22,325	297,129
Customer relationships	17,820	31,232	33,882	18,637	8,995	17,380	8,963	1,348	5,395	19,347	12,946	175,945
	<u>100,906</u>	<u>206,643</u>	<u>81,322</u>	<u>169,657</u>	<u>60,461</u>	<u>124,219</u>	<u>75,552</u>	<u>30,598</u>	<u>48,524</u>	<u>97,451</u>	<u>113,946</u>	<u>1,109,279</u>
2018 restated												
Goodwill	53,678	48,712	-	-	34,622	70,506	32,937	18,642	23,142	46,863	52,504	381,606
Trade names	28,063	27,386	-	-	16,999	38,273	19,385	10,741	11,153	16,210	15,937	184,147
Customer relationships	19,283	8,524	-	-	10,351	19,319	9,377	2,547	4,406	20,084	8,929	102,820
	<u>101,024</u>	<u>84,622</u>	<u>-</u>	<u>-</u>	<u>61,972</u>	<u>128,098</u>	<u>61,699</u>	<u>31,930</u>	<u>38,701</u>	<u>83,157</u>	<u>77,370</u>	<u>668,573</u>

The category "Other" includes events in the healthcare, pharmaceutical, digital marketing, airport retailing, agricultural, logistics and machine tools markets. The recoverable amount of the CGUs as at 31 January 2019 has been estimated based on value in use calculations using cash flow projections from financial budgets approved by senior management covering a five-year period. The pre-tax discount rates applied to cash flow projections ranged from 13% to 21% and cash flows beyond the five-year period were extrapolated using a growth rate of 2.0% to 2.5%. It was concluded that the carrying amount of goodwill and intangible assets did not exceed the recoverable amount, and accordingly no impairment charge has been recognised.

14 GOODWILL AND INTANGIBLE ASSETS (CONTINUED)**Key assumptions used in value in use calculations and sensitivity to changes in assumptions**

The most sensitive assumptions underlying the estimates of value in use are the discount rate, the long term growth rate, and the margin achieved in the year from which the terminal value of cash flows is estimated.

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

Long term growth rates – the growth rates used to extrapolate beyond the five year forecast period represent estimates of the sustainable growth in nominal GDP in the territories in which the CGU operates.

EBITDA margin – the terminal value represents a significant proportion of the estimated value in use, and is partly determined by the margin achieved in the fifth year of the forecast period.

The cash generating unit with the lowest headroom of value in use over carrying amount is US Food. To support the conclusion that no impairment charge is required, management has assessed the effect on headroom of the following sensitivities:

- An increase of 0.5% in the estimated WACC underlying the discount rates.
- A reduction of 0.5% in the estimated long term growth rate.
- A reduction of 2 percentage points in the margin achieved in the fifth year of the forecast period

Cash generating unit	Headroom of value in use over carrying amount				
	Base case £ 000	Discount rate sensitivity £ 000	Growth rate sensitivity £ 000	Year 5 margin sensitivity £ 000	All three sensitivity £ 000
US Food	3,412	460	1,159	1,608	(3,041)

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

15 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements £ 000	Fixtures and fittings £ 000	Total £ 000
Cost:			
Acquisition of subsidiary undertakings	992	1,915	2,907
Additions in the period	68	291	359
Disposals in the period	(113)	(54)	(167)
Currency translation	1	(4)	(3)
At 1 February 2018	948	2,148	3,096
Acquisition of subsidiary undertakings	1,082	1,885	2,967
Additions in the year	2,248	2,077	4,325
Disposals in the period	(513)	(345)	(858)
Currency translation	47	(43)	4
At 31 January 2019	3,812	5,722	9,534
Depreciation:			
Charge for the period	110	341	451
Disposals in the period	(94)	(39)	(133)
Currency translation	1	2	3
At 1 February 2018	17	304	321
Charge for the year	903	2,067	2,970
Disposals in the period	(33)	(282)	(315)
At 31 January 2019	887	2,089	2,976
Net book value at 31 January 2019	2,925	3,633	6,558
Net book value at 31 January 2018	931	1,844	2,775

As at 31 January 2018 and 2019, there was no property, plant and equipment relating to the parent company.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

16 INVESTMENTS

	Subsidiary undertakings £ 000
Parent Company	
Cost:	
On incorporation	-
Additions	193,886
At 31 January 2018	193,886
Additions	145,815
At 31 January 2019	339,701

Refer to Note 32 for details of subsidiary undertakings.

17 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

17.1 Financial assets:

	2019 £ 000	2018 Restated £ 000
Financial assets at amortised cost		
Trade receivables	11,431	2,590
Loans and receivables	684	720
Total financial assets	12,115	3,310
 Current	 12,115	 3,310

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

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

17 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

17.2 Financial liabilities: Interest-bearing loans and borrowings

Interest-bearing bank loans and borrowings	Interest rate	Maturity date	Drawdown availability	Group 2019	Company 2019
			£ 000	£ 000	£ 000
Term loan	LIBOR +525	29 Sep 2024	-	315,000	315,000
Term loan	LIBOR +545	29 Sep 2024	-	316,990	316,990
Revolving credit facility	LIBOR +350	29 Sep 2023	75,000	-	-
				631,990	631,990
Unamortised loan issue costs			-	(21,073)	(21,073)
Total interest-bearing bank loans and borrowings			75,000	610,917	610,917
Current			-	3,202	3,202
Non-current			-	607,715	607,715

Interest-bearing bank loans and borrowings	Interest rate	Maturity date	Drawdown availability	Group 2018	Company 2018
			£ 000	£ 000	£ 000
Term loan	LIBOR +525	29 Sep 2024	-	315,000	315,000
Revolving credit facility	LIBOR +350	29 Sep 2023	42,800	7,200	7,200
Unamortised loan issue costs			-	(11,361)	(11,361)
Total non-current interest-bearing bank loans and borrowings			42,800	310,839	310,839

Loan issue costs

During the period, the Group paid £13.1 million (2018: £11.9 million) of bank arrangement fees. Group bank loans are stated net of unamortised loan issue costs at 31 January 2019 of £21.1 million (2018: £11.4 million). For all financial instruments measured at amortised cost, finance costs are recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset/liability. Interest income and expenses are included in finance costs in the statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

17 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)**17.3 Other financial liabilities**

	Group 2019 £ 000	Group 2018 £ 000	Company 2019 £ 000	Company Restated 2018 £ 000
Other financial liabilities				
Loan notes due to parent companies	294,103	138,985	294,103	138,985
Finance lease obligations	14	-	-	-
Put option liabilities	18,591	21,319	-	-
	<u>312,708</u>	<u>160,304</u>	<u>294,103</u>	<u>138,985</u>
 Total current	 <u>149,266</u>	 <u>16,216</u>	 <u>146,778</u>	 <u>-</u>
Total non-current	<u>163,442</u>	<u>144,094</u>	<u>147,325</u>	<u>138,985</u>
 Financial liabilities at fair value through profit or loss				
Put option liabilities	<u>18,591</u>	<u>21,319</u>	<u>-</u>	<u>-</u>
 Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings				
Loan notes due to parent companies	294,103	138,985	294,103	138,985
Trade payables (Note 20)	11,160	16,780	19	25
	<u>305,263</u>	<u>155,765</u>	<u>294,122</u>	<u>139,010</u>

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

Loan notes due to parent companies are interest free. One note is repayable on demand. Repayment of the other note can be deferred until the current bank facility is discharged, and accordingly this amount has been discounted to present value at the Group's incremental borrowing rate and is unwound over the period to contract maturity.

17.4 Fair value

Management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the Group's interest-bearing borrowings and loans is considered to be equivalent to the carrying amount, as the interest rate on these borrowings is considered to be a market rate for the credit of the issuer, and the own non-performance risk as at 31 January 2019 was assessed to be insignificant.

Certain financial liabilities are stated at fair value, which is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale. The fair values of the liabilities arising on put options are determined by using the DCF method using the latest estimate of future performance by which the exercise price is determined and a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 January 2019 was assessed to be insignificant. The change in fair value is recognised in administrative expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

17 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)**17.4 Fair value (continued)**

	Put option liabilities £ 000
Arising on acquisitions	22,623
Unwind of discount	315
Settled	(929)
Currency translation	(690)
As at 31 January 2018	21,319
Arising on acquisitions	7,117
Settled	(13,031)
Change in fair value	1,252
Currency translation	1,934
As at 31 January 2019	18,591

17.5 Risk Management

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, and financial assets and derivative financial instruments held at fair value.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Impact on profit or loss £ 000
2019		
GBP	+100	(6,320)
GBP	-50	3,160
2018		
GBP	+100	(3,222)
GBP	-50	1,611

17 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

17.5 Risk Management (continued)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Currency risk

The Group is exposed to foreign exchange risk as it operates in overseas markets. The Group's realised loss on foreign exchange for the year was £653k (2018: £721k).

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

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

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Outstanding customer receivables are regularly monitored. Impairment of receivables is analysed on an individual basis. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 17.

The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty's failure.

The Group's maximum exposure to credit risk for the components of the statement of financial position is the carrying amounts as illustrated in Note 17 except for financial guarantees and derivative financial instruments. The Group's maximum exposure for financial guarantees and financial derivative instruments are noted in Note 26 and in the liquidity table below.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

17 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

17.5 Risk Management (continued)

Liquidity risk

Liquidity risk is the risk that the Group may be unable to convert certain securities or assets into cash to meet its debt repayment obligations.

The Group's policy is to ensure that there is sufficient funding and facilities in place to meet foreseeable borrowing requirements. Cash flow forecasting is performed by the operating entities of the Group monthly and aggregated by Group finance. Group finance monitors the 52 week 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 repayment requirements.

The maturity profile of the Group's borrowings is set out in Note 17.2.

The below table summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 January 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings	-	10,075	33,396	173,887	643,009	860,367
Loan notes due to parent companies	146,778	-	-	-	210,000	356,778
Trade payables	-	11,160	-	-	-	11,160
Put option liabilities	-	1,427	-	21,269	-	22,696
	146,778	22,662	33,396	195,156	853,009	1,251,001
As at 31 January 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings	-	4,600	13,800	73,602	349,513	441,515
Amounts due to parent company	-	-	-	-	210,000	210,000
Trade payables	-	16,780	-	-	-	16,780
Put option liabilities	-	4,229	12,637	5,611	-	22,477
	-	25,609	26,437	79,213	559,513	690,772

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

17 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)**17.6 Fair value of financial instruments**

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Fair value measurement hierarchy for assets and liabilities as at 31 January 2019

	Fair value measurement using		
	Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
Total £ 000	£ 000	£ 000	£ 000
Assets held for sale			
Properties	27,288	-	27,288
Fair value of PennWell Media	25,399	-	25,399
	<u>52,687</u>	<u>-</u>	<u>52,687</u>
Financial liabilities at fair value through profit or loss			
Put option liabilities	18,591	-	18,591

Fair value measurement hierarchy for assets and liabilities as at 31 January 2018

	Fair value measurement using		
	Quoted prices in active markets (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)
Total £ 000	£ 000	£ 000	£ 000
Financial liabilities at fair value through profit or loss			
Put option liabilities	21,319	-	21,319

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

17 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

17.7 Net Debt

Net debt comprises the Group's cash and cash equivalents and bank loans and borrowings.

	At 1 February 2018 £ 000	Acquired £ 000	Non-cash items £ 000	Cash flow £ 000	Currency translation £ 000	At 31 January 2019 £ 000
Cash and cash equivalents	12,008	64,986	-	(23,278)	111	53,827
Net cash	12,008	64,986	-	(23,278)	111	53,827
Interest-bearing loans and borrowings	(310,839)	(137,894)	(3,405)	(136,799)	(21,980)	(610,917)
Borrowings	(310,839)	(137,894)	(3,405)	(136,799)	(21,980)	(610,917)
Net debt	(298,831)	(72,908)	(3,405)	(160,077)	(21,869)	(557,090)

	At incorporation £ 000	Acquired £ 000	Non-cash items £ 000	Cash flow £ 000	Currency translation £ 000	At 31 January 2018 £ 000
Cash and cash equivalents	-	-	-	12,057	(49)	12,008
Net cash	-	-	-	12,057	(49)	12,008
Interest-bearing loans and borrowings	-	(360,169)	11,361	37,969	-	(310,839)
Borrowings	-	(360,169)	11,361	37,969	-	(310,839)
Net debt	-	(360,169)	11,361	50,026	(49)	(298,831)

Non-cash items relate to unamortised loan issue costs.

17.8 Capital Management

The capital structure of the group is typical of that for a private equity controlled business. The majority of the financing of the group is provided by operating cash flows, bank borrowings, loans from parent companies and share capital.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

18 TRADE AND OTHER RECEIVABLES

	Group	Group	Company	Company
	2019	2018	2019	2018
	£ 000	Restated	£ 000	£ 000
		£ 000		
Trade receivables – gross	14,550	5,382	-	-
Less: impairment	(3,119)	(2,792)	-	-
Trade receivables – net	11,431	2,590	-	-
Amounts due from subsidiary undertakings	-	-	738,694	384,688
Income tax	3,300	954	-	-
Prepaid event costs	18,944	7,323	-	-
Other prepayments	4,487	2,727	108	299
Accrued income	2,273	688	-	-
Other receivables	4,723	3,951	-	25
Total trade and other receivables	45,158	18,233	738,802	385,012

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

As at 31 January 2019, trade receivables of an initial value of £3.1 million were impaired and fully provided for with the following provisions. See below for the movements in the provision for impairment of receivables (see credit risk disclosure in Note 17 for further guidance).

	Group
	£ 000
Provision for impairment of trade receivables	2,792
Provision at 31 January 2018	2,792
Provision for impairment of trade receivables	2,692
Provision utilised during the year	(2,007)
Provision released during the year	(358)
As at 31 January 2019	3,119

See Note 17 on credit risk of trade receivables, which explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

As at 31 January, the ageing analysis of gross trade receivables is as follows:

	2019	2018
		Restated
	£ 000	£ 000
< 30 days	7,999	2,898
30-60 days	1,713	696
61-90 days	1,277	283
91-120 days	955	320
>120 days	2,606	1,185
	14,550	5,382

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

19 ASSETS AND LIABILITIES HELD FOR SALE

On 29 March 2018 the Group acquired Global Sources, with the intention of disposing of its portfolio of investment properties. At 31 January 2019 the one remaining property has been classified as held for sale, and disposal is expected within a year from the reporting date.

On 30 March 2018 the Group acquired PennWell Corporation with the intention of disposing of part of the business after restructuring. The disposal of PennWell Media, a portfolio of events and publications, was completed in February 2019. A freehold property owned by PennWell Corporation was being actively marketed at 31 January 2019 and a sale is expected within a year from the reporting date.

The assets and liabilities classified as held for sale at 31 January 2019 can be analysed as follows:

	£ 000
Properties	27,288
Fair value of PennWell Media	25,399
Inventories	337
Receivables	580
	<u>53,604</u>
Deferred revenue	(3,888)
Other liabilities	(365)
	<u>(4,253)</u>

20 TRADE AND OTHER PAYABLES

	Group 2019 £ 000	Group 2018 Restated £ 000	Company 2019 £ 000	Company 2018 £ 000
Trade payables	11,160	16,780	19	25
Amounts owed to subsidiary undertakings	-	-	107,922	-
Income tax	3,348	1,550	-	-
Accruals	27,825	15,096	4,731	2,999
Other taxes and social security	816	1,116	38	-
Other payables	4,778	1,634	-	-
Deferred consideration	3,534	3,685	-	-
Contingent consideration	4,509	2,037	-	-
	<u>55,970</u>	<u>41,898</u>	<u>112,710</u>	<u>3,024</u>

The terms and conditions of the above financial liabilities can be summarised as:

- Trade payables are non-interest bearing and are normally settled on 60 day terms.
- Other payables are non-interest bearing and have an average term of six months.
- For terms and conditions with related parties, refer to Note 29.
- Amounts owed by subsidiary undertakings are repayable on demand.

Deferred consideration is payable in respect of Traffic and Conversion, National Grocers Association, January Furniture Show Limited, Affiliate Summit Corporation and Hauntcon LLC. Contingent consideration is payable in respect of Traffic and Conversion, National Grocers Association, Premium Exhibitions GmbH, PT Adhouse Clarion Events and Affiliate Summit Corporation.

The comparatives have been restated to include accruals and other tax and social security, these amounts have previously been included in other current financial liabilities.

For explanations on the Group's liquidity risk management processes, refer to note 17.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

21 OTHER CURRENT FINANCIAL LIABILITIES

	Group 2019 £ 000	Group 2018 Restated £ 000	Company 2019 £ 000	Company 2018 £ 000
Finance lease liabilities	14	6	-	-
Put option liabilities	2,474	16,210	-	-
	2,488	16,216	-	-

22 OPERATING LEASES

The Group has entered into a number of operating leases, mainly for office space, office equipment and venue hire for set intervals over a number of years. The typical lease terms are between 1 and 8 years.

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

	Land & buildings 2019 £000	Other 2019 £000	Total 2019 £000
Less than one year	8,381	350	8,731
Between two and five years	13,107	632	13,739
More than five years	576	-	576
As at 31 January 2019	22,064	982	23,046

	Land & buildings 2018 £000	Other 2018 £000	Total 2018 £000
Less than one year	3,123	64	3,187
Between two and five years	6,483	95	6,578
More than five years	914	-	914
As at 31 January 2018	10,520	159	10,679

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

23 PROVISIONS

	Levies on revenue £ 000	Lease dilapidations £ 000	Onerous operating leases £ 000	Total £ 000
Acquisition of a subsidiary	-	279	-	279
Arising during the year	-	58	150	208
Utilised	-	-	(26)	(26)
Unwinding of discount and changes in discount rate	-	1	-	1
As at 31 January 2018	-	338	124	462
Acquisition of a subsidiary	2,553	-	997	3,550
Arising in the year	-	505	-	505
Utilised	-	-	(620)	(620)
Unwinding of discount and changes in discount rate	-	5	-	5
Currency translation	189	-	(13)	176
As at 31 January 2019	2,742	848	488	4,078
Current	2,742	279	196	2,997
Non-current	-	569	292	1,081

Levies on revenue

A provision has been recognised for the estimated costs of settling the Group's obligations to pay levies on revenue, in jurisdictions where the application of relevant regulations to the Group's operating model has not yet been determined with certainty. The provision will be utilised as certainty is attained and the Group settles its obligations.

Lease dilapidations

A provision has been recognised for the costs associated with restoring buildings to their original state before any leasehold improvements. These are calculated over the period of the leases and will be utilised between December 2019 and April 2027.

Onerous operating leases

Provisions have been recognised for the costs associated with unutilised properties following the acquisition of a subsidiary. The provisions will be utilised over the period to December 2025.

24 SHARE CAPITAL AND RESERVES

Authorised shares

	Millions
Ordinary shares issued and fully paid	
Ordinary shares at £0.0001	700,000
As at 31 January 2018	700,000
Ordinary share at £1	-
As at 31 January 2019	700,000

Issued and paid share capital

	£ 000
Ordinary shares issued and fully paid	
As at 31 January 2018 and 2019	70,000

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

24 SHARE CAPITAL AND RESERVES (continued)

Share premium account

	£ 000
As at 31 January 2018	-
Arising in the year	9,098
As at 31 January 2019	<u>9,098</u>

During the year ended 31 January 2019 the Group acquired Global Sources from its parent company in exchange for a loan note and one £1 share. The amount by which the value of the equity acquired exceeded the value of the loan note has been taken to the share premium account.

Capital contribution

	£ 000
As at 31 January 2018 and 2019	<u>73,688</u>

During the year ended 31 January 2018 the Group received a loan of £210 million from its immediate parent company to finance the acquisition of PSPA Topco Limited. As the loan is interest-free, and repayment can be deferred until the current bank facility is discharged, the amount was discounted to present value, and the discount treated as a capital contribution.

Dividends paid in the year

The Group paid £848k (2018: £347k) of dividends to minority shareholders during the year. In the year ended 31 January 2019 the full £848k was charged to the income statement, as non-controlling interests were not recognised in respect of the minority shareholders. In the period ended 31 January 2018, £136k was allocated to non-controlling interests, and the remaining £211k charged to retained earnings.

Other reserves

The Group has a management incentive plan under which shares in an employee benefit trust have been granted to certain executives and senior employees.

	Share based payment reserve Group £ 000	Shared based payment reserve Company £ 000
Share based payments expense during the period	2,320	-
As at 31 January 2018	<u>2,320</u>	-
Share based payments expense during the year	5,686	293
Foreign exchange movement	7	-
As at 31 January 2019	<u>8,013</u>	<u>293</u>

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

25 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 £5.7 million (2018: £2.3 million). At 31 January 2019, the total shares granted were 579,288 (2018: 436,696) and are held by Directors and senior management in group subsidiaries. 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

26 CAPITAL COMMITMENTS

Management has committed £24k (2018: £129k) for capital expenditure at the year-end.

27 CONTINGENT LIABILITIES AND ASSETS

Guarantees

The Group has provided the following guarantees as at 31 January 2019:

- VAT registration guarantee in Switzerland, £23,025; and
- Performance guarantee in respect of a subsidiary £10,385.

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

- Facility B £315m; and
- Facility B2 \$415.8m.

Within the context of this debt financing, guarantees are provided by several operating subsidiaries within the Comet Bidco group including Comet Bidco Limited. The subsidiaries acting as Guarantors to the facility must represent a minimum of 80% of the Group's Consolidated EBITDA and Gross Assets (excluding goodwill and intra-group items) in the Senior Financing Arrangement.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

28 RETIREMENT BENEFIT SCHEMES

A number of subsidiaries make contributions to schemes which provide employees with retirement benefits. Contributions accruing under the schemes are charged to administrative expenses in the profit and loss account. The charge for the period was £4.4 million (2018: £0.3 million).

29 TRANSACTIONS WITH RELATED PARTIES AND KEY MANAGEMENT

Related Party Transactions

Russell Wilcox as at 31 January 2019 has an interest free loan of £6,322 which is repayable on demand.

Simon Williams, a director of International Training Equipment Conference Ltd, is also a director of Reddrig Ltd. Reddrig Ltd was paid £105,563 for the year for consultancy services. As at 31 January 2019 they were owed £nil.

Philip James Andrews, a director of Getenergy Events Ltd, is also a director of Getenergy Intelligence Ltd and Getenergy Ltd. Getenergy Ltd was paid £44,440 and Getenergy Intelligence Ltd was paid £5,760 in the period for consultancy services. As at 31 January 2019 they were both owed £nil.

Michael Caselli, a director of iGaming Business Ltd, is also a director of Lyceum Digital Ltd. Lyceum Digital Ltd was paid £234,322 in the period for consultancy services. As at 31 January 2019 they were owed £8,750.

Timothy C Vongal, is the son of Tim C Vongal, who was a part owner of Urban Expositions LLC until 30 August 2018. Mr Vongal works for Carceron, a company which the Group contracts for IT services. During the period the parties were related, £33,579 was paid for IT services. At 31 January 2019 they were owed £nil.

As at 31 January 2019, Greg Topalian, a director in Leftfield Media LLC, has a loan of £588,168 with the Group. Interest is accrued at 2% on the principal amount and is included in the loan. The loan is repayable upon the earlier of any distribution payments made from the company to Greg Topalian or an exercise of a call/put option.

Jimmy Walker is the brother-in-law of Doug Miller, a director in Urban Expositions LLC. During the period, Jimmy Walker invoiced £156,135 for contracting services. As at 31 January 2019, he was owed £nil.

Paula Brister is the wife of Ron Brister, a director of Rose City LLC. During the period, Paula Brister invoiced £28,371 for contracting services. As at 31 January 2019, she was owed £nil.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

29 TRANSACTIONS WITH RELATED PARTIES AND KEY MANAGEMENT (CONTINUED)

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
Cheniere	32,987	-	-
De Nora	1,804	-	-
Distribution International, Inc.	15,059	-	-
FourPoint Energy LLC	3,557	-	-
Gridliance GP, LLC	6,947	-	-
Incomm	4,761	-	-
JDA SOFTWARE Netherlands B.V.	3,328	-	-
Kosmos Energy	26,714	-	-
Laird Technologies	3,396	-	-
Legacy Reserves	2,329	-	-
LLOG Exploration Company	757	-	-
Lombard Insurance	1,855	-	927
Mphasis	2,044,706	-	1,459,359
Ncr Limited	1,398	-	-
NEC Group Birmingham	-	1,437,547	(281,033)
Paysafe	225,649	-	-
RGIS LLC	3,431	-	-
Rubix Construction (UK) Ltd	-	15,002	-
Schenck Process	4,104	-	4,104
Steiner Optics	4,727	-	-
SunGard	42,172	-	-
Tetra Tech	149,731	-	10,800
Tradesmen International	9,780	-	-

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

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

29 TRANSACTIONS WITH RELATED PARTIES AND KEY MANAGEMENT (CONTINUED)

Prior year related party transactions

Russell Wilcox, as at 31 January 2018 has an interest free loan of £5,166 which is repayable on demand.

Simon Williams, a director of International Training Equipment Conference Ltd, is also a director of Reddrig Ltd. Reddrig Ltd was paid £41,663 for the period for consultancy services. As at 31 January 2018 they were owed £17,847.

Philip James Andrews, a director of Getenergy Events Ltd, is also a director of Getenergy Intelligence Ltd and Getenergy Ltd. Getenergy Ltd was paid £9,000 in the period for consultancy services. As at 31 January 2018 they were owed £nil.

Michael Caselli, a director of iGaming Business Ltd, is also a director of Lyceum digital Ltd. Lyceum Ltd was paid £99,550 in the period for consultancy services. As at 31 January 2018 they were owed £1,847.

As at 31 January 2018, Greg Topalian, a director in Leftfield Media LLC, has a loan of £178,191 with the Group. Interest is accrued at 2% on the principal amount and is included in the loan. The loan is repayable upon the earlier of any distribution payments made from the company to Greg Topalian or an exercise of a call/put option.

Jimmy Walker is the brother-in-law of Doug Miller, a director in Urban Expositions LLC. During the period, Jimmy Walker invoiced £28,087 for contracting services. As at 31 January 2018, he was owed £nil.

Paula Brister is the wife of Ron Brister, a director in Rose City LLC. During the period, Paula Brister invoiced £8,233 for contracting services. As at 31 January 2018, she was owed £nil.

There were no other related party transactions for the year ended 31 January 2018.

Key Management compensation

	Group 2019 £ 000	Group 2018 £ 000
Defined contribution pension scheme contributions	85	25
Share-based payment	5,101	1,396
Wages and salaries	1,651	234
Total compensation paid to key management personnel	6,837	1,655

The definition of key management personnel has changed with the establishment of the Senior Management team as at 1 February 2018.

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

30 POST BALANCE SHEET EVENTS

On 22 February 2019, the Group disposed of certain assets purchased as part of the PennWell acquisition for a headline price of \$35.3m with a further \$0.3m in earn out. These assets were identified as non-core before the acquisition of PennWell.

On 25 March 2019, the Group purchased a 70% stake in Insuretech Connect LLC. Insuretech is the world's largest insurance technology event bringing together industry leaders, investors and entrepreneurs from across the global insurance industry. On 24 May 2019, the Group purchased 100% of Media 10 (Shanghai) Exhibition Company Ltd, an entity based in China that runs high end furniture and design events: Design Shanghai and Design China Beijing. The total consideration for these acquisitions was £49m. The additional IFRS3 disclosures are not given because the initial accounts for business combinations is incomplete at the time the financial statements are authorised for issue.

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

31 IMMEDIATE AND ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

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

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

COMET BIDCO LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)****32 GROUP SUBSIDIARIES**

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiaries, associates and joint ventures as at 31 January 2019 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
Clarion Events Ltd	101 Ordinary Shares	£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 Iz Plaza Giz Giriş Kat Sarıyer/Istanbul	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
Lift Event Management, LLC	LLC - no shares issued	LLC - no nominal value for shares	3753 Howard Hughes Pkwy, Las Vegas, NV 89169	Nevada, USA
Event Marketing Services Limited	100 Ordinary shares	\$10.00 (HK) each	30th Floor, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong	Hong Kong

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

32 GROUP SUBSIDIARIES (CONTINUED)

100% Wholly owned companies – organisation of exhibitions and shows

Name	No. of shares	Nominal value	Registered office	Country of incorporation
<i>China Media Advertising, Inc.</i>	<i>1 share</i>	<i>No par value</i>	<i>80 Broad Street, Monrovia, Liberia</i>	<i>Liberia</i>
Targeted Marketing Promotions Corp.	1 share	No par value	80 Broad Street, Monrovia, Liberia	Liberia
SAM Media LLC	LLC - no shares issued	LLC - no nominal value for shares	3993 Howard Hughes PKWY STE 600, Las Vegas, NV	Nevada, USA
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
Exhibit Freight Solutions, LLC	700 ownership units	\$1.00 (USD) each	1690 Roberts Blvd, #111, Kennesaw, Georgia 30144, United States	Georgia, USA
Imago Techmedia Inc	1,000 Shares	No nominal value for shares	1690 Roberts Blvd, #111, Kennesaw, Georgia 30144, United States	Georgia, USA
iGaming Business North America Inc	100 Shares	No nominal value for shares	1209 Orange Street, Wilmington, Delaware, 19801, County of New Castle	Delaware, 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
Amusement Trades Exhibitions Ltd	8,485 ordinary shares 101 Preference shares	£1.00 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
Shenzhen Huanyue Convention & Exhibition Co., Ltd	LLC - no shares issued	RMB 500,000	Unit 1203, Block A, Xinian Center, West Tairan Ninth Road, South Shennan Road, Futian district, Shenzhen.	China

32 GROUP SUBSIDIARIES (CONTINUED)

100% Wholly owned companies – organisation of exhibitions and shows

Name	No. of shares	No. of shares - branch	Nominal value	Registered office	Country of incorporation
Claron Events Limited (Dubai branch)	No shares - branch	No shares - branch	No shares - branch	1906 Al Shafar Tower 1, TECOM, Dubai, UAE	UAE
PennWell Corporation	195,390,23 Class A Capital Stock, 197,775.69 Class C Non Voting Common		\$0.50 each	1421 South Sheridan Avenue, Tulsa, Oklahoma 74112	Oklahoma, USA
Gift Ventures, LLC	LLC - no shares issued	LLC - no nominal value for shares		2016 Goldleaf Parkway, Canton, Georgia, United States, 30114	Delaware, 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
Bright Verwaltungs GmbH	25,000 Shares	€1.00 each		Luckenwalder Strasse 4-6 10963 Berlin	Berlin, GFR
100% Wholly owned companies – operating sales company					
Name	No. of shares	Nominal value	Registered office	Country of incorporation	
ASM Business Services Limited	100 Ordinary shares	\$1.00 (US) each	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P. O. Box 32322, George Town, Grand Cayman, KY1-1209, Cayman Islands	Cayman Islands	
China Sourcing Fairs HK Co Limited	10,000 Ordinary shares	\$1.00 (HK) each	30th Floor, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong	Hong Kong	
Smart Advisory Limited	10 Ordinary shares	\$1.00 (HK) each	30th Floor, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong	Hong Kong	
Trade Media Marketing Service Limited	2 Ordinary shares	\$1.00 (HK) each	30th Floor, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong	Hong Kong	
Global Sources Exhibitions & Events (India) Private Limited	1,043,288 Ordinary shares	INR 10 each	Office No. 4, Shilpa, 7th Floor, Prabhat Colony, Santacruz (E), Mumbai – 400055, Maharashtra, India	India	
Beijing Chuangyu Advertising Co., Ltd.	LLC - no shares issued	\$800,000	Unit 1818, 18F, Beijing Gemdale Plaza No 91, Jianguo Rd., Chaoyang District, Beijing, PRC100025	China	

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

32 GROUP SUBSIDIARIES (CONTINUED)

100% Wholly owned companies – operating sales company

Name	No. of shares	Nominal value	Registered office	Country of incorporation
Shanghai Yuanbo Exhibition & Advertising Co., Ltd.	LLC - no shares issued	\$500,000	Unit01/02/03A, 27F, No.666, West Huaihai Road, Changning District, Shanghai	China
Global Sources Advertising (Shenzhen) Co., Ltd	LLC - no shares issued	RMB 1m	Unit 3301-3310, Shenzhen International Chamber of Commerce Tower, No 168 Fuhua 3rd Road, Futian, Shenzhen	China
Global Sources Direct (Shenzhen) Co., Ltd	LLC - no shares issued	\$100,000	Unit 3310B, 33F, Shenzhen International Chamber of Commerce Tower, No 168 Fuhua 3rd Road, Futian, Shenzhen	China
Zhuoyu Advertising & Exhibition (Shenzhen) Co., Ltd.	LLC - no shares issued	\$800,000	Unit 3401-3410, Shenzhen International Chamber of Commerce Tower, No 168 Fuhua 3rd Road, Futian, Shenzhen 518048, China	China
Guangzhou Huanwei Advertising Co., Ltd	LLC - no shares issued	\$800,000	Unit 2401-2404, Block B, China International Center, No 33 Zhongshan 3rd Road, Yuexiu District, Guangzhou	China
Global Sources Exhibition (Xi'an) Co., Ltd.	LLC - no shares issued	\$2m	Unit 12A, Building 1 Zhongjing technology plaza, No.11 Tuanjie South Road, High-tech District, Xi'an	China
Global Sources Advertising & Exhibitions (Vietnam) Company Limited	LLC - no shares issued	\$10,000	7th Floor, Central Park Building, No. 117-119-121 Nguyen Du, Ben Thanh Ward, District 1, Ho Chi Minh City, Vietnam	Vietnam
Xi'an Kaibo Advertising Co., Ltd.	LLC - no shares issued	RMB 1m	Unit 13C, Building 1 Zhongjing technology plaza, No.11 Tuanjie South Road, High-tech District, Xi'an	China
Global Sources Exhibition (Shanghai) Co., Ltd.	LLC - no shares issued	\$1.35m	Unit 04/06, 27F & Unit01/02/03/04/05/06, 28F, No. 666 West Huai Hai Road, Changning District, Shanghai	China
Magic Exhibitions Hong Kong Limited- Korea Branch	No shares - branch	No shares - branch	5F, 248 Gangnam-daero, Gangnam-gu, Seoul 06266, Republic of Korea	South Korea
Publishers Representatives Limited	101 Ordinary shares	HKD 10 each	30th Floor, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong	Hong Kong
Media Data System Pte Ltd Taiwan Branch	No shares - branch	Registered capital is NT\$ 500,000.	14F, No. 18, Sec. 4, Nanjing East Road, Taipei 10553, Taiwan	Taiwan

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

32 GROUP SUBSIDIARIES (CONTINUED)

100% wholly owned companies – organisation of conferences

Name	No. of shares	Nominal value	Registered office	Country of incorporation
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 Westerford, 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
Gaming Summits BV	18,000 Ordinary shares	€1.00 each	Bisonpoor 6000, 3605LT, Maarssen	Netherlands
				Organisation of conferences

100% wholly owned companies – organisation of lead generation

Name	No. of shares	Nominal value	Registered office	Country of incorporation
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 companies – publishing company

Name	No. of shares	Nominal value	Registered office	Country of incorporation
World Executive's Digest Limited	100,000 Ordinary shares	USD 1.00 each	4th Floor, Century Yard, Cricket Square, Elgin Avenue P.O. Box 32322, George Town, Grand Cayman, KY1-1209, Cayman Islands	Cayman Islands
Media Data System Pte Ltd	18,825,000 ordinary shares	SGD 1.00 each	333 North Bridge Road #08-00 KH KEA Building Singapore 188721	Singapore

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

32 GROUP SUBSIDIARIES (CONTINUED)

100% wholly owned companies – operating service company

Name	No. of shares	Nominal value	Registered office	Country of incorporation
Global Sources Exhibition Co., Ltd.	100,000 Ordinary shares	NTD 10 each	Room B, 14F No. 18 Sec. 4, Nan Jing East Road, Taipei, Taiwan	Taiwan

100% wholly owned investing companies

Name	No. of shares	Nominal value	Registered office	Country of incorporation
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
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
Comet US LLC	LLC - no shares issued	LLC - no nominal value for shares	200 Bellevue Parkway, Suite 210, Wilmington, New Castle County, Delaware 19809	Delaware, USA
Global Sources Ltd	2 Common shares	\$1.00 (US) each	Crawford House, 50 Cedar Avenue, Hamilton, HM 11, Bermuda	Bermuda
Global Sources Direct Limited	3,200,000 Ordinary shares	\$1.00 (US) each	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Topranch Limited	10 Ordinary shares	\$1.00 (US) each	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Global Sources Auctions Ltd.	200 Ordinary shares	\$1.00 (US) each	PO Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands	Cayman Islands

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

32 GROUP SUBSIDIARIES (CONTINUED)

100% Wholly owned investing companies

Name	No. of shares	Nominal value	Registered office	Country of incorporation
Media Advertising Ltd	100 Ordinary shares	\$1.00 (US) each	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209, Cayman Islands	Cayman Islands
Trade Management Software Limited	1 Ordinary share	\$1.00 (US)	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209, Cayman Islands	Cayman Islands
Trade Media Limited	100 Ordinary shares	\$1.00 (US) each	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209, Cayman Islands	Cayman Islands
Trade Media Holdings Limited	Class A: 9001 Ordinary Shares	\$1.00 (US) each	4th Floor, Century Yard, Cricket Square, Elgin Avenue, P.O. Box 32322, George Town, Grand Cayman, KY1-1209, Cayman Islands	Cayman Islands
	Class B: 999 Ordinary Shares (Non-voting)			
Global Sources Properties Limited	2 Ordinary shares	\$1.00 (HK) each	30th Floor, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong	Hong Kong
Magic Exhibitions Hong Kong Limited	1 Ordinary share	\$1.00 (HK)	30th Floor, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong	Hong Kong
Fertile Valley Pte Ltd	2 Ordinary shares	SGD 1.00 each	333 North Bridge Road #08-00 KH KEA Building Singapore 188721	Singapore
Expo Propco Ltd	201 Ordinary shares	£1.00 each	Intertrust Corporate Services (Cayman) Limited	Cayman Islands

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

32 GROUP SUBSIDIARIES (CONTINUED)

100% Wholly owned dormant companies

Name	No. of shares	Nominal value	Registered office	Country of incorporation
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
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
Fernshade Ltd	1,960,001 Ordinary Shares	£1.00 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
China Sourcing Fairs (SA) Pte. Ltd.	100,000 Ordinary shares	SGD 1.00 each	333 North Bridge Road #08-00 KH KEA Building Singapore 188721	Singapore
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
Phacilitate Ltd	100 Ordinary Shares	£1.00 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
ASM Business Services Limited RHQ	No shares - branch	No shares - branch	15/F Citibank Center, 8741 Paseo de Roxas, 1226 Makati City, Philippines	Philippines

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

32 GROUP SUBSIDIARIES (CONTINUED)

100% Wholly owned dormant companies

Name	No. of shares	Nominal value	Registered office	Country of Incorporation
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 Acquisition Ltd	65,099,375 Ordinary Shares	£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
Clarion Events Group Ltd	13,960,001 Ordinary Shares	£1.00 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
Clarion Events Holding Ltd	322,153,847 Ordinary Shares	£0.01 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
Clarion UK Topco Ltd	3,050,028 Ordinary Shares	£1.00 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
Clarion UK Midco Ltd	102,514,166 Ordinary Shares and 4,200,000 Ordinary Shares	£1.00 each and \$1.00 (US) each respectively	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
Clarion UK Holdco Limited	102,514,166 Ordinary Shares and 4,200,000 Ordinary Shares	£1.00 each and \$1.00 (US) each respectively	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
Fintry 3 Ltd	26,710,001 Ordinary Shares	£1.00 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
PSPA Topco Ltd	11,856,604	£0.01 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
PSPA Finance Ltd	135,199,074 Ordinary Shares	£0.01 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
PSPA Holdco Ltd	135,199,074 Ordinary Shares	£0.01 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

32 GROUP SUBSIDIARIES (CONTINUED)

100% Wholly owned dormant companies

Name	No. of shares	Nominal value	Registered office	Country of incorporation
PSPA Midco Ltd	11,856,604 Ordinary Shares	£0.01 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
E-Commerce International Ltd.	12,000 Common share	\$1.00 (US) each	Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda	Bermuda
China Sourcing Fairs Limited	1,000 Ordinary shares	\$1.00 (US) each	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Earldom Limited	10 Ordinary shares	\$1.00 (US) each	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Export Media Ltd.	1 Ordinary share	\$1.00 (US)	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Global Silver Ocean (Shanghai) Limited	100 Ordinary shares	\$1.00 (US) each	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Global Sources Investment Holdings Limited	10,000 Ordinary shares	\$1.00 (US) each	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Global Sources Research Foundation Limited	10 Ordinary shares	\$1.00 (US) each	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Hillcrest Services Limited	10 Ordinary shares	\$1.00 (US) each	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Lazenby Services Limited	2 Ordinary shares	\$1.00 (US) each	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
Steady Access Resources Limited	1 Ordinary share	\$1.00 (US)	Vistra (BVI) Limited, Vistra Corporate Services Centre, Wickhams Cay II, Tortola VG1110, British Virgin Islands	British Virgin Islands
A.S. Mediaconsult Ltd	1,000 Ordinary shares	€1.71 each	Elenion Building, 2nd Floor, 5 Themistocles, Derviz Street, CY-1066 Nicosia, Cyprus	Cyprus
Global Sources Direct (HK) Limited	10,000 Ordinary shares	\$1.00 (HK) each	30th Floor, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong	Hong Kong
Global Sources Limited	1,000 Ordinary shares	\$1.00 (HK) each	30th Floor, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong	Hong Kong

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

32 GROUP SUBSIDIARIES (CONTINUED) 100% Wholly owned dormant companies

Name	No. of shares	Nominal value	Registered office	Country of incorporation
Global Sources Business Consultant (Shanghai) Co., Ltd.	LLC - no shares issued	LLC - no nominal value for shares	Unit05, 27F, No 666, West Huaihai Road, Changning District, Shanghai	China
Global Exhibitions (Singapore) Pte. Ltd	100,000 Ordinary shares	SGD 1.00 each	1 Sims Lane, #08-01 Singapore 387355	Singapore
Global Sources USA, Inc.	100 shares	No par value	1013 Centre Road, Wilmington, DELAWARE 19805, USA	USA (Delaware)
PSPA Ltd	135,199,074 Ordinary Shares	£0.01 each	Bedford House, 69-79 Fulham High Street, London, United Kingdom, SW6 3JW	United Kingdom
Trade Media Limited RHQ	No shares - branch	No shares - branch	15/F Citibank Center, 8741 Paseo de Roxas, 1226 Makati City, Philippines	Philippines
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

32 GROUP SUBSIDIARIES (CONTINUED)

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)

Partly owned businesses (50% or more)

Name	No. of shares	Nominal value	Registered office	Country of incorporation	Type
Awesome Con, LLC (70%)	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
Playfair, LLC (51%)	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
Inapex Pte. Ltd (70%)	70 shares	1SGD each	78 Shenton Way, #20-03, Singapore (079120)	Singapore, SG	Organisation of exhibitions and shows
Leftfield Media LLC (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 (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 Exibicoes e Feiras Ltda (99.9%)	149,999 Ordinary Shares	\$1.00 (BRL) each	Alameda Santos, 2.441 – 9 th 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 th floor – São Paulo – SP – Brazil	Brazil	Organisation of exhibitions and shows
Pennwell ICCI Sektorel (50%)	25,050,000	TRY 0.01 each	Buyukdere Cad. Sarli Is Merkezi No:103 B Blok Kat: 5 Medciyeyekoy	Turkey	Organisation of exhibitions and shows
PT Adhouse Clarion Events (PMA)(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

32 GROUP SUBSIDIARIES (CONTINUED)

COMET BIDCO LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (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 (80%)	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
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
Huanxi Information Consulting (Shenzhen) Co., Ltd. (70%)	LLC - no shares issued	LLC - no nominal value for shares	Unit 1202, Block A, Xinian Center, West Tairan Ninth Road, South Shennan Road, Shatou Street, Futian district, Shenzhen	China	Investing company
Shenzhen Xieguang Convention & Exhibition Co., Ltd (80%)	LLC - no shares issued	LLC - no nominal value for shares	Unit 1218, Block A, Xinian Center, Tairan Ninth Road, South Shennan Road, Futian district, Shenzhen	China	Organisation of exhibitions and shows

32 GROUP SUBSIDIARIES (CONTINUED)

COMET BIDCO LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 JANUARY 2019 (CONTINUED)****Share in Joint Venture or Associate (20-50%)**

Name	No. of shares	Nominal value	Registered office	Country of incorporation	Type
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
V111 GmbH (previously Premium Digital GmbH) (45%)	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 th floor – São Paulo – SP - Brazil	Brazil	Organisation of exhibitions and shows