

COMPANY REGISTRATION NUMBER: 09465374

**Closerstill Media Holdings Limited**  
**Unaudited Annual Report and Financial Statements**  
**For the year ended 31 December 2021**



**Closerstill Media Holdings Limited**  
**Annual Report and Financial Statements**  
**Year ended 31 December 2021**

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# **Closerstill Media Holdings Limited**

## **Officers and Professional Advisers**

### **The board of directors**

P J Nelson  
P W Soar  
M J Westcott  
S J King  
A Maycock

### **Company secretary**

S J King

### **Registered office**

Exhibition House  
Addison Bridge Place  
London  
England  
W14 8XP

# **CloserStill Media Holdings Limited**

## **Strategic Report**

### **Year ended 31 December 2021**

The directors submit their strategic report for CloserStill Media Holdings Limited for the year ended 31 December 2021.

#### **Principal activities**

The principal activity of the Company during the year was to act as an intermediate holding company within the CloserStill Group Limited (formally CSM Topco Limited) Group of companies.

#### **Review of business performance and key performance indicators**

The business performance of the Company is entirely dependent on the trading performance from the exhibitions managed by the Company's subsidiaries. The directors monitor profitability and cash generation on a CloserStill Group wide basis.

The wider CloserStill trading Group, which has historically been very profitable with significant annual growth, has continued to operate throughout 2021 despite restrictions due to Covid-19 in various jurisdictions. 2021 saw the return of physical events principally since the fourth quarter across the Group but predominantly in the UK. Whilst the Group's event attendance during 2021 was generally lower than previous editions, exhibitors fed back that the audience quality was high and due to well managed expectations along with Covid safe environments meant exhibitor satisfaction was high. The events that the Group delivered in the fourth quarter demonstrated a strong rebound from Covid and delivered higher than normal rebook results which subsequently has helped generate a very strong book of business going into 2022.

#### **Outlook**

As regards the wider Group, all the events we have run since September 2021 and through to 2022 have exceeded our initial expectations and as such reinforces our view as to the undimmed demand for, and sustainability of, leading face to face events of the type that CloserStill operates. The Group went into the new year with an order book for 2022 that was c16% in excess of the like for like point in the pre-Covid 2019/2020 cycle. This is due not only to the strength of postponed events where customers have maintained their booking through to the postponed future event, but also due to very strong on-site rebooking for 2022 events after running successful 2021 editions, for which we have seen in total forward bookings that have been ahead of previous cycles by c10%.

We believe that the Group runs the No.1 events in our markets with predominantly domestic audiences and so are less impacted by travel restrictions and therefore management fully expect all events to run in 2022 in the belief that the geographies continue to remain open. Management have set 2022 budgets with strong top-line growth relative to the Covid disruption the Group has faced, whilst continuing to ensure we invest sufficiently in our post-Covid event delivery to best secure strong stakeholder satisfaction as well as invest in our content and audience delivery capabilities to ensure short- and medium-term organic growth. In addition, the Group continues to invest in structural improvements to our infrastructure in order to create better capability and capacity to execute upon our future in-organic and launch growth agenda.

The Group enters 2022 with the vast majority of its individual event clusters expecting to grow in size compared to the pre-Covid position which management considers hugely encouraging. This growth expectation is supported by the feedback on Q4 2021 and Q1 2022 events, the growth in order book compared to previous cycles and the recent sales trends in which we have seen several record sales weeks for the Group being recorded.

# Closerstill Media Holdings Limited

## Strategic Report *(continued)*

Year ended 31 December 2021

### Results and dividends

The profit for the year and total comprehensive income was £Nil (2020: £Nil). The directors do not recommend a dividend and none was paid during the year (2020: £Nil).

### Financial risks

The Company's principal financial instruments comprise of amounts receivable and payable from and to other CloserStill group companies. The financial position of the Company is managed on a group basis by the directors of CloserStill Group Limited. The Group and therefore the Company has sufficient available financing facilities and remains strongly cash generative.

### Environment

CloserStill Group is committed to promoting sustainable corporate business practices, both within our offices and at our events. We encourage all individual businesses within the Group to take steps to consider and improve their impact as a whole, under a framework of 'People, Profit and the Planet'. This includes considering the impacts relating to customers, employees, suppliers and our investors in how we manage our events. Our work in this area is evolving as we re-establish live events following the disruption caused by the pandemic.

#### *Streamlined Energy and Carbon Reporting (SECR)*

The Company is exempt from the SECR disclosure regime as a low energy user. The Group is not required to present SECR disclosures as all subsidiary companies are individually small. The Group intends to keep this matter under review and will consider voluntarily adopting disclosures, should the size/energy use thresholds not be met in future years.

# **Closerstill Media Holdings Limited**

## **Strategic Report** *(continued)*

**Year ended 31 December 2021**

### **Statement of engagement with employees**

The CloserStill Group is committed to providing a great place to work for our people in which to develop a rewarding and fulfilling career. The focus on our people has never been greater, and we consider our people, and the way we organise, train, engage and motivate them, as a critical competitive advantage. In February 2020, the CloserStill Group featured in the Sunday Times '100 Best Companies to work for' list for the third year running. We hope to continue to receive such achievements in the future now the business is operating physical events, post Covid, which engages team ethos and CloserStill spirit.

The CloserStill Group aims to focus on employee engagement. We have worked hard to communicate openly and regularly with our employees as we recognise effective communication is a key part of building stronger levels of employee engagement. We share business news, successes and updates with employees frequently and invite feedback from our people as we know that how our people feel and how they are engaged ultimately drives business performance. We believe in transparency with our employees, so we send round weekly reporting on sales numbers and delegate registrations/revenue to all our teams.

We regularly engage with our teams through quarterly company meetings where we update on performance, introduce new starters, announce promotions, etc. We run annual awards for best sales, best operations, best finance, best marketing and best team where we acknowledge excellence in their fields which are announced at our Christmas party. As we continue to grow and develop the business, we are always interested in speaking to talented and passionate people who want to build a career in events. We run active graduate schemes in London, Singapore, New York and Germany and are also interested in hearing from experienced event professionals wanting to join our winning team.

Diversity and an employee base that brings different perspectives, backgrounds and ways of thinking is very important to our business. Fair consideration is given to all applications, including from those with disabilities. We make all reasonable efforts to be able to continue to employ those who become disabled during employment. Appropriate training is arranged for disabled persons, including retraining for alternative work of employees who become disabled, to promote their career development within the Group.

Many of CloserStill's employees are also shareholders and are therefore engaged in the future development of the business. The Board prides itself in the support and flexibility of the workforce to adapt and deliver events that are best in their category, as evidenced by the number of industry awards won by CloserStill events and employees.

### **CloserStill's reputation in the industry**

In the last 12 years, CloserStill has been repeatedly recognised as a leading innovator within the Exhibition Industry and has, we believe, won more awards than any other event business in the industry. We have won over 50 major industry awards, including the coveted 'Best Business Exhibition' seven times, featured in The Sunday Times 100 Best Places to Work three times (2018, 2019 & 2020) and have been voted by members of the Association of Exhibition Organisers as the 'Most Respected Company' in the exhibition industry. The awards are down to the people and teams that work together to deliver the events ensuring customer service and satisfaction. The accolades include: Best Trade Show (x7), Best Marketing (x9), Best Operations (x4), Best Sales (x5), Best Event Director (x4) and Best Launch or Brand Extension (x6). Adapting to digital during 2020, we have also won 4 awards at the new Digital Event Awards.

CloserStill looks to run, launch or acquire the number one event in the sector and geography that it operates in. We review our products, events and customer service on an ongoing basis with post event surveys and content reviews ensuring we provide the most appropriate content for the audience and the best possible networking ability for delegates and exhibitors.

# Closerstill Media Holdings Limited

## Strategic Report *(continued)*

Year ended 31 December 2021

### **Statement of engagement with suppliers, customers and others in a business relationship with the company**

CloserStill Group aims to deliver the best possible value for all our customers and stakeholders and deliver great experiences for everyone involved in our events.

#### *Organisational Structure*

The Board of Directors headed by the Chairman and the Chief Executive Officer are based in the UK. As at 31 December 2021 there were 330 Group employees consisting of sales, marketing, operations and administration staff, based in the following countries: United Kingdom 210, Germany 28, Spain 19, France 1, Singapore 20, Hong Kong 1 and USA 51.

The company is not involved in manufacturing and has strict employment policies and therefore we believe there is low risk of non-compliance amongst our direct employees.

#### *Suppliers*

The company organises trade shows and conferences in Healthcare and Technology market sectors. Our major suppliers are the venues where the events are held, the contractors who build exhibition stands, supply furniture, carpets, logistics and data registration services. Our major suppliers all have their own procedures and policies with regard to anti-slavery and anti-trafficking and we will continue to work with them to identify areas of risk further along the supply chain. We recognise that due diligence procedures with smaller suppliers needs to be enhanced.

#### *Customers*

Our customers range from large pharmaceutical manufacturers to suppliers of kit for data centres and operators of care homes. Whilst we consider that our customer base is of generally very low risk, we undertake a review of our processes to ensure we identify where customers originate from areas of risk and enhancing our due diligence process to mitigate this risk. Our terms and conditions of business are under review with the aim of incorporating the expectation that people we work with should adhere to the same standards we set ourselves.

#### *Shareholders*

Providence Equity Partners are majority shareholders with a 65% controlling stake in the CloserStill Group. Management and employees hold the remaining 35%. The Board meets monthly to discuss the trade and operation of the Group with key strategy and decisions being discussed and agreed as part of these meetings. All acquisition considerations and longer-term plans are set out and approved with the support of Providence. The Board communicates to the employee shareholders quarterly at Group employee update meetings. The company also ensures a cascade of information where appropriate.

#### *Debt capital / credit facility providers*

The Group Chief Financial Officer and Group Financial Director are responsible for managing the relationships with our banks and for the Group's cash / debt management and financing activities. Regular reports are made to the board on these activities including the Group's plans to ensure appropriate access to debt capital, monitoring the headroom and maturity schedules of primary credit facilities.

Monthly financial information is shared with the banks on profitability and cashflow following the monthly Board Meetings. Quarterly review meetings also take place to ensure the banks are kept informed of trading and forecast expectations. Higher level of reporting during Covid-19 outbreak is in place as detailed in the going concern section of the Directors' report (page 7-9).

# Closerstill Media Holdings Limited

## Strategic Report *(continued)*

Year ended 31 December 2021

### HR Policies


The company has strict HR policies and procedures, which include identity verification and right to work checks. The company ensures that employees are paid fairly for their role with a competitive remuneration package. We undertake regular review and updates of our specific policies related to maintaining a high standard of employee conduct and a whistleblowing policy.

### Directors' Duties - Compliance with s.172 of the Companies Act 2006

Section 172 of the Companies Act 2006 ("s.172") requires directors to promote the success of the Company for the benefit of the members as a whole and in doing so have regard to the interest of the stakeholders including customers, employees, suppliers and the wider community in which it operates. The Board is focused on its responsibilities under s.172 and the impact of the business on key stakeholder groups is considered on a regular basis. The below table identifies where in the Annual Report information on factors the Board believe demonstrate its compliance with section 17(1)(a)-(f) are set out in more detail.

<b>The Board has had regard to the following matters:</b>	<b>More information:</b>
<b>(a) Long-term results</b> -the likely consequences of any decision in the long term	<b>Strategic Report:</b> Principal activities, <b>Page 2</b> Review of business performance & key performance indicators, <b>Page 2</b> Results and Dividends, <b>Page 3</b> Financial risk management, <b>Page 3</b>  <b>Directors' Report:</b> Going concern, <b>Page 7</b>
<b>(b) Our workforce</b> -the interest of the Company's employees	<b>Strategic Report:</b> Statement of engagement with employees, <b>Page 4</b>
<b>(c) Our business relationships</b> -the importance of the Company's business relationships with suppliers, customers and others	<b>Strategic Report:</b> CloserStill's business relationships, <b>Page 5</b>
<b>(d) The community and environment</b> - the impact of the Company's operations on the community and the environment	<b>Strategic Report:</b> Environment, <b>Page 3</b>
<b>(e) The company's reputation</b> - the desire to maintain a reputation for high standards of business conduct	<b>Strategic Report:</b> CloserStill's reputation in the industry, <b>Page 4</b>
<b>(f) Fairness between Shareholders</b> -the aim to act fairly as between members of the Company	<b>Strategic Report:</b> CloserStill's business relationships, <b>Page 5</b>

This report was approved by the board of directors on 26 September 2022 and signed on behalf of the board by:



S J King  
Director

Registered office:  
Exhibition House  
Addison Bridge Place  
London  
England  
W14 8XP



# **Closerstill Media Holdings Limited**

## **Directors' Report** *(continued)*

### **Year ended 31 December 2021**

The directors present their report and the unaudited Financial Statements of the company for the year ended 31 December 2021.

#### **Principal activities**

The principal activity of the Company during the year was to act as an intermediate holding company within the CloserStill Group Limited (formally CSM Topco Limited) Group of companies.

#### **Directors**

The directors who served the company during the year were as follows:

P J Nelson  
P W Soar  
M J Westcott  
S J King  
A Maycock

#### **Dividends**

The directors do not recommend a dividend and none was paid during the year (2020 - £Nil).

#### **Future developments**

The Company's Strategic Report (which is incorporated into this report by cross reference) sets out the major events for the year to 31 December 2021, including the impact of COVID-19. Enquiries and bookings for future editions of existing and new events are being taken, and these have increased significantly since the end of January 2022 with record Group sales being delivered through February ahead of the UK Tech event. As at March 2022 bookings versus budget are ahead of prior cycle as a percentage of total by 1% on H1 events and 6.7% ahead on H2 events on a like for like basis.

#### **Directors indemnities**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the current year and through to the date of approval of the financial statements. A fellow group company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of the Company and its Directors.

#### **Events after the balance sheet date**

There are no subsequent events to report after the balance sheet date.

#### **Going concern**

At 31 December 2021, the Company had net current liabilities of £1,424,000 (2020: £1,424,000), net liabilities of £1,421,000 (2020: £1,421,000) and made a profit before tax of £Nil (2020: £Nil). The Company is reliant on its fellow subsidiaries to generate cash flows to service its costs incurred. The Directors consider the Company to be a going concern on the basis that the results since 31 December 2021 and forecasts prepared indicate that the Company, with the support provided by the Group, is able to meet its liabilities as they fall due.

The Directors monitor profitability and cash generation on a CloserStill Group wide basis.

# Closerstill Media Holdings Limited

## Directors' Report *(continued)*

### Year ended 31 December 2021

At 31 December 2021, the Group's financing arrangements consist of a £110m term loan (2020: £110m), a £35m (2020: £35m) CAPEX facility of which £25.7m (2020: £17.1m) had been drawn down, a £5m (2020: £5m) revolving credit facility and £7m (2020: £7.2m) of management loan notes. During the year, a draw down of the CAPEX facility was undertaken for \$5.5m on 29 December 2021 to fund 50% of the acquisition of Influence Group, LLC. The remaining 50% was funded by Providence Equity Partners (PEP) through a further issue of preference shares. £17.5m was drawn from PEP in the year (2020: £6m) through preference share issues against the Equity Commitment Letter (ECL) £32m facility which was put in place as part of the revised Senior Facilities Agreement with Hayfin. No further funding from PEP is expected in 2022.

The Group is ordinarily highly cash generative but due to Covid 19 related restrictions for most of 2020 and 2021, generation of cash was significantly reduced. The Group has prepared for 2022 with a budget that shows good like-for-like revenue growth versus the 2019 pre-Covid-19 pandemic period. *In addition, management has also prepared a sensitised downside scenario. Management believe that all events will run in 2022 in some form due to the easing of Covid-19 restrictions, however management can plausibly envisage a scenario where revenues are lower than current expectations due to the timing of returning to full confidence for all regions. As such the downside scenario reflects a significant reduction in revenue across some of the H1 smaller events and also a general reduction across H2 events where bookings are still to be secured. In reality, H2 bookings are ahead of expectations (and ahead of previous cycles on a like for like basis) and therefore whilst it is plausible that sales may reduce, management do not believe a materially significant reduction is likely. Some direct cost savings have been assumed against the reduced revenue, however an allowance for sunk costs and continued investment has been maintained given that, in reality, management would not wish to cut costs to the detriment of any future event. Management are confident that continued careful cash management under the budgeted scenario will require no further funding from PEP. This is the same case under the downside scenario as management have again assumed that they can work with suppliers to support a level of cash management and maintain minimal liquidity levels as required under the current SFA. If, however, this were not possible, there remains an available £8.5m in funding under the ECL commitment that has been received from PEP. Management therefore do not believe there is likely to be a liquidity shortfall in 2022.*

Whilst the Group has proven it can run events in 2021 and 2022 globally the Directors were aware in 2021 that the situation could change, and this could have a significant impact on the liquidity and covenant projections. For this reason, management again worked closely with PEP and Hayfin, to agree a further amendment to the SFA, which ensures the Group, under a no event scenario through to the end of March 2023, has sufficient liquidity and remains within banking covenants.

The agreement provides for a waiver on covenant submissions through to March 2023 with the first covenant test under the original 2018 SFA being due in June 2023. All liquidity tests and additional information agreed in the temporary amended SFA will continue.

A Bridge Liquidity arrangement was executed on 2 July 2020 through a PEP Equity Commitment Letter (with an availability of funds of no less than £32m) for general corporate and working capital purposes of the Group to ensure it maintains a minimum liquidity of £5m within the Group at each month end. The Bridge Liquidity arrangement remains in place for an open-ended period, to ensure there will be no liquidity issues for the foreseeable future, until such point that the Group can maintain liquidity to £5m and achieve covenants with a leverage of 5x using EBITDA as calculated under normal accounting rules. The Bridge Liquidity arrangement is also guaranteed by Citibank Europe PLC. As at 31 December 2021 the Group had drawn £23.5m. There remains a further £8.5m available to draw under the guaranteed facility.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

# Closerstill Media Holdings Limited

## Directors' Report *(continued)*

Year ended 31 December 2021

### Statement of directors' responsibilities


The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

This report was approved by the board of directors on 26 September 2022 and signed on behalf of the board by:



S J King  
Director

Registered office:  
Exhibition House  
Addison Bridge Place  
London  
England  
W14 8XP

# **Closerstill Media Holdings Limited**

## **Statement of Comprehensive Income**

**Year ended 31 December 2021**

During the financial year and the preceding financial year, the company has not traded and has not received any income nor incurred any expenditure. Consequently, during these periods the company has made neither a profit nor a loss. The opening and closing balance on the retained earnings account accordingly remains at £(2,472,118).

The company had no other comprehensive income and accordingly, a statement of other comprehensive income and expense has not been presented.

The notes on pages 13 to 21 form part of these Annual Report and Financial Statements.

# Closerstill Media Holdings Limited

## Statement of Financial Position

31 December 2021

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Investments	6	3	3
<b>Current assets</b>			
Debtors	7	4,817	4,817
<b>Creditors: amounts falling due within one year</b>	8	(6,241)	(6,241)
<b>Net current liabilities</b>		(1,424)	(1,424)
<b>Total assets less current liabilities</b>		(1,421)	(1,421)
<b>Capital and reserves</b>			
Share capital	9	—	—
Share premium account	10	1,051	1,051
Retained earnings	10	(2,472)	(2,472)
<b>Shareholders deficit</b>		(1,421)	(1,421)

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

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

These Financial Statements on pages 10 to 21 were approved by the board of directors on 26 September 2022, and are signed on its behalf by:



S J King  
Director

Company registration number: 09465374

The notes on pages 13 to 21 form part of these Annual Report and Financial Statements.

# Closerstill Media Holdings Limited

## Statement of Changes in Equity

Year ended 31 December 2021

	Called up share capital £000	Share premium account £000	Retained earnings £000	<b>Total £000</b>
<b>At 1 January 2020</b>	–	1,051	(2,472)	(1,421)
Profit for the year	–	–	–	–
<b>At 31 December 2020</b>	–	1,051	(2,472)	(1,421)
Profit for the year	–	–	–	–
<b>At 31 December 2021</b>	–	1,051	(2,472)	(1,421)

The notes on pages 13 to 21 form part of these Annual Report and Financial Statements.

# Closerstill Media Holdings Limited

## Notes to the Annual Report and Financial Statements

Year ended 31 December 2021

### 1. General information

The Company is a private company limited by shares, incorporated in England and Wales. The address of the registered office is Exhibition House, Addison Bridge Place, London, W14 8XP, England.

The Company's principal activities and the nature of its operations are disclosed in the Strategic Report.

### 2. Statement of compliance

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

### 3. Accounting policies

#### Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity, and all monetary amounts have been rounded to the nearest £000.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group and company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed on page 19.

#### Going concern

At 31 December 2021, the Company had net current liabilities of £1,424,000 (2020: £1,424,000), net liabilities of £1,421,000 (2020: £1,421,000) and made a profit before tax of £Nil (2020: £Nil). The Company is reliant on its fellow subsidiaries to generate cash flows to service its costs incurred. The Directors consider the Company to be a going concern on the basis that the results since 31 December 2021 and forecasts prepared indicate that the Company, with the support provided by the Group, is able to meet its liabilities as they fall due.

The Directors monitor profitability and cash generation on a CloserStill Group wide basis.

# Closerstill Media Holdings Limited

## Notes to the Annual Report and Financial Statements *(continued)*

### Year ended 31 December 2021

#### 3. Accounting policies *(continued)*

At 31 December 2021, the Group's financing arrangements consist of a £110m term loan (2020: £110m), a £35m (2020: £35m) CAPEX facility of which £25.7m (2020: £17.1m) had been drawn down, a £5m (2020: £5m) revolving credit facility and £7m (2020: £7.2m) of management loan notes. During the year, a draw down of the CAPEX facility was undertaken for \$5.5m on 29 December 2021 to fund 50% of the acquisition of Influence Group, LLC. The remaining 50% was funded by Providence Equity Partners (PEP) through a further issue of preference shares. £17.5m was drawn from PEP in the year (2020: £6m) through preference share issues against the Equity Commitment Letter (ECL) £32m facility which was put in place as part of the revised Senior Facilities Agreement with Hayfin. No further funding from PEP is expected in 2022.

The Group is ordinarily highly cash generative but due to Covid-19 related restrictions for most of 2020 and 2021, generation of cash was significantly reduced. The Group has prepared for 2022 with a budget that shows good like-for-like revenue growth versus the 2019 pre-Covid-19 pandemic period. In addition, management has also prepared a sensitised downside scenario. Management believe that all events will run in 2022 in some form due to the easing of Covid-19 restrictions, however management can plausibly envisage a scenario where revenues are lower than current expectations due to the timing of returning to full confidence for all regions. As such the downside scenario reflects a significant reduction in revenue across some of the H1 smaller events and also a general reduction across H2 events where bookings are still to be secured. In reality, H2 bookings are ahead of expectations (and ahead of previous cycles on a like for like basis) and therefore whilst it is plausible that sales may reduce, management do not believe a materially significant reduction is likely. Some direct cost savings have been assumed against the reduced revenue, however an allowance for sunk costs and continued investment has been maintained given that, in reality, management would not wish to cut costs to the detriment of any future event. Management are confident that continued careful cash management under the budgeted scenario will require no further funding from PEP. This is the same case under the downside scenario as management have again assumed that they can work with suppliers to support a level of cash management and maintain minimal liquidity levels as required under the current SFA. If, however, this were not possible, there remains an available £8.5m in funding under the ECL commitment that has been received from PEP. Management therefore do not believe there is likely to be a liquidity shortfall in 2022.

Whilst the Group has proven it can run events in 2021 and 2022 globally the Directors were aware in 2021 that the situation could change, and this could have a significant impact on the liquidity and covenant projections. For this reason, management again worked closely with PEP and Hayfin, to agree a further amendment to the SFA, which ensures the Group, under a no event scenario through to the end of March 2023, has sufficient liquidity and remains within banking covenants.

The agreement provides for a waiver on covenant submissions through to March 2023 with the first covenant test under the original 2018 SFA being due in June 2023. All liquidity tests and additional information agreed in the temporary amended SFA will continue.

A Bridge Liquidity arrangement was executed on 2 July 2020 through a PEP Equity Commitment Letter (with an availability of funds of no less than £32m) for general corporate and working capital purposes of the Group to ensure it maintains a minimum liquidity of £5m within the Group at each month end. The Bridge Liquidity arrangement remains in place for an open-ended period, to ensure there will be no liquidity issues for the foreseeable future, until such point that the Group can maintain liquidity to £5m and achieve covenants with a leverage of 5x using EBITDA as calculated under normal accounting rules. The Bridge Liquidity arrangement is also guaranteed by Citibank Europe PLC. As at 31 December 2021 the Group had drawn £23.5m. There remains a further £8.5m available to draw under the guaranteed facility.



# Closerstill Media Holdings Limited

## Notes to the Annual Report and Financial Statements *(continued)*

### Year ended 31 December 2021

#### 3. Accounting policies *(continued)*

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

#### Disclosure exemptions

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 33 'Related Party Disclosures' - Compensation for key management personnel

#### Consolidation

The Company has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006. Consequently, these financial statements present the financial position and financial performance of the Company as a single entity.

#### Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting year. Tax is recognised in profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current period. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

#### Investments

Interests in subsidiaries are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in the Statement of Comprehensive Income.

# Closerstill Media Holdings Limited

## Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2021

### 3. Accounting policies *(continued)*

#### **Impairment of fixed assets**

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments. All impairment losses are recognised in the Statement of Comprehensive Income.

#### **Financial instruments**

The Company has elected to apply the provision of Section 11 'Basic Financial Instruments' in full to all its financial instruments.

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Other financial assets**

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

# Closerstill Media Holdings Limited

## Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2021

### 3. Accounting policies *(continued)*

#### Other financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

#### Classification of financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Loan notes, bank loans and preference shares are recorded at their fair value. Transaction costs incurred in securing loan notes are measured at amortised cost, and deducted from the value of the loan notes. The difference between the liability recognised and the principal payable at maturity is recognised as an interest expense over the expected life of the instrument.

#### Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

##### *Estimates*

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

##### *Judgements*

##### a) Going concern

The directors' assessment of Company's ability to continue as a going concern involved the estimation of future sales, expenses, taxation and cash flows in order to meet its obligations as they fall due. Further detail is provided above in this note.

### 4. Operating (loss)/profit

Directors' remuneration was borne by CloserStill Acquisitions Limited in the year ended 31 December 2021 and year ended 31 December 2020.

# Closerstill Media Holdings Limited

## Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2021

### 5. Staff costs

There are no employees. However, there are five (2020: five) directors.

The average monthly number of persons employed by the company during the year, including the directors, amounted to:

	2021 No.	2020 No.
Management staff	5	5
	-	-

The emoluments of the Directors are paid by CloserStill Acquisitions Limited, a fellow group company. The services of the Directors to this Company and to a number of fellow group companies are of a non-executive nature and their emoluments are deemed to be wholly attributable to the trading companies within the CloserStill Group Limited group. Accordingly, these financial statements include no emoluments in respect of the Directors.

### 6. Investments

	Shares in group undertakings £000
<b>Cost</b>	
At 1 January 2021 and 31 December 2021	3
	-
<b>Impairment</b>	
At 1 January 2021 and 31 December 2021	-
	-
<b>Carrying amount</b>	
At 31 December 2021	3
	-
At 31 December 2020	3

# Closerstill Media Holdings Limited

## Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2021

### 6. Investments *(continued)*

The Company held more than 20% of the ordinary share capital in following undertakings:

Company	Effective share holding	Registered	Principal activity
^CloserStill Finance Limited	100%	England <sup>1</sup>	Intermediary holding company
^^CloserStill Acquisitions Limited	100%	England <sup>1</sup>	Intermediary holding company
^^CloserStill Cloud Expo Europe Franco Limited	100%	England <sup>1</sup>	Organisation of exhibitions
^^CloserStill Smart IOT Limited	100%	England <sup>1</sup>	Organisation of exhibitions
^^CloserStill Cloud Security Expo Limited	100%	England <sup>1</sup>	Organisation of exhibitions
^^German Vet Limited	100%	England <sup>1</sup>	Organisation of exhibitions
^^CloserStill E-Commerce Limited	90%	England <sup>1</sup>	Organisation of exhibitions
*CloserStill Learning GmbH	100%	Germany <sup>2</sup>	Intermediary holding company
*OEB Learning Technologies Europe GmbH	100%	Germany <sup>2</sup>	Organisation of exhibitions
^^CloserStill Media 1 Limited	100%	England <sup>1</sup>	Intermediary holding company
^^CloserStill Media 2 Limited	100%	England <sup>1</sup>	Intermediary holding company
^^CloserStill Media 3 Limited	100%	England <sup>1</sup>	Intermediary holding company
^^France Vet Limited	100%	England <sup>1</sup>	Organisation of exhibitions
^^CloserStill Media Limited	100%	England <sup>1</sup>	Organisation of exhibitions
*CloserStill Learntech Asia Pte. Limited	90%	Singapore <sup>3</sup>	Organisation of exhibitions
*Cloud Expo Asia Pte. Limited	100%	Singapore <sup>3</sup>	Organisation of exhibitions
^^CloserStill Nominees Limited	100%	England <sup>1</sup>	Holder of employee shares
^^CloserStill Powering The Cloud Limited	100%	England <sup>1</sup>	Organisation of exhibitions
^^Pharmagora Limited	100%	England <sup>1</sup>	Organisation of exhibitions
*CloserStill Media Hong Kong Limited	100%	Hong Kong <sup>4</sup>	Organisation of exhibitions
^^CloserStill Big Data Limited	100%	England <sup>1</sup>	Organisation of exhibitions
*CloserStill Vet US LLC	100%	USA <sup>5</sup>	Organisation of exhibitions
*CloserStill France SARL	100%	France <sup>6</sup>	Organisation of exhibitions
^^DE France Limited	100.0%	England <sup>1</sup>	Organisation of exhibitions
*Big Data World Europe GmbH	50.01%	Germany <sup>2</sup>	Organisation of exhibitions
^^Closerstill France Limited	100%	England <sup>1</sup>	Intermediary holding company
*CloserStill MVM LLC	80%	USA <sup>7</sup>	Intermediary holding company
*Modern Veterinary Media Inc	80%	USA <sup>10</sup>	Organisation of exhibitions
*Wild West Veterinary Conference LLC	80%	USA <sup>10</sup>	Organisation of exhibitions
*Chicagoland Veterinary Conference LLC	80%	USA <sup>10</sup>	Organisation of exhibitions
*CloserStill Learning Technologies LLC	100%	USA <sup>7</sup>	Intermediary holding company
*CSM Learning LLC	100%	USA <sup>8</sup>	Organisation of exhibitions
*FocusZone Media Inc	100%	USA <sup>9</sup>	Organisation of exhibitions
*CloserStill Limited	100%	England <sup>1</sup>	Intermediary holding company
*CSM Finance Limited	100%	England <sup>1</sup>	Intermediary holding company
^^CloserStill Exhibitions Limited	100%	England <sup>1</sup>	Intermediary holding company
^^CloserStill Media Holdings Limited	100%	England <sup>1</sup>	Intermediary holding company

# Closerstill Media Holdings Limited

## Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2021

### 6. Investments *(continued)*

*^Healthcare Publishing & Events Limited	100%	England <sup>1</sup>	Organisation of exhibitions
*Interalia, Ferias Profesionales y Congresos, S.A.	80%	Spain <sup>11</sup>	Organisation of exhibitions
*Closerstill Technologia SLU	100%	Spain <sup>11</sup>	Organisation of exhibitions
*Spring Messe Management GmbH	100%	Germany <sup>12</sup>	Organisation of exhibitions
*CloserStill US Holding Company Inc	100%	USA <sup>13</sup>	Intermediary holding company
*Influence Group, LLC	60%	USA <sup>14</sup>	Organisation of exhibitions

The subsidiaries in the table above are included in the consolidated financial statements.

Key to the above table:

\*Held indirectly through subsidiaries of the Company.

^Subsidiaries audit exempt under s479A-C of the Companies Act 2006

<sup>1</sup>Address: Exhibition House, Addison Bridge Place, London, W14 8XP

<sup>2</sup>Address: Leibnizstrasse 32, 10625 Berlin

<sup>3</sup>Address: 10-05 Anson House, 72 Anson Road, Singapore 079911

<sup>4</sup>Address: 6th Floor, Wyndham Place, 40-44 Wyndham Street, Central, Hong Kong

<sup>5</sup>Address: Suite 1202, 266 West 37<sup>th</sup> Street, New York, 10018, USA

<sup>6</sup>Address: Bureau 122, 16-18 Rue de Londres, 75009 Paris, France

<sup>7</sup>Address: 1675 S State St Ste B, Dover, Kent, DE, USA, 19901

<sup>8</sup>Address: 3500 S Dupont Hwy, Dover, Kent, DE, USA, 19901

<sup>9</sup>Address: 120 Stony Point Road, Suite 125, Santa Rosa, CA, USA 95401

<sup>10</sup>Address: 10 S Jefferson St, Ste 1400, Roanoke, VA, 24011

<sup>11</sup>Address: Rambla de Catalunya nº 60, 3º 1º, 08700 Barcelona, Spain

<sup>12</sup>Address: Theodor-Heuss-Anlage 2, 68165, Mannheim

<sup>13</sup>Address: 266 West 37th Street, Suite 1202, New York, NY 10018

<sup>14</sup>Address: 85 Broad Street 18<sup>th</sup> Floor, New York, 10004

### 7. Debtors

	2021	2020
	£000	£000
Amounts owed by group undertakings	4,817	4,817

The amounts owed by group undertakings are unsecured, non-interest bearing, have no fixed date of repayment and are repayable on written demand by the Company.

### 8. Creditors: amounts falling due within one year

	2021	2020
	£000	£000
Amounts owed to group undertakings	6,241	6,241

The amounts owed to group undertakings are unsecured, non-interest bearing, have no fixed date of repayment and are repayable on written demand by the counterparty.

# Closerstill Media Holdings Limited

## Notes to the Annual Report and Financial Statements *(continued)*

Year ended 31 December 2021

### 9. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
<b>Amounts presented in equity:</b>				
Ordinary A1 shares of £0.001 each	46,676	47	46,676	47
Ordinary A2 shares of £0.001 each	3,335	3	3,335	3
Ordinary B shares of £0.10 each	1,152	115	1,152	115
Ordinary C shares of £0.001 each	11,757	12	11,757	12
Ordinary D shares of £0.001 each	32,716	33	32,716	33
Ordinary F shares of £0.001 each	4,365	4	4,365	4
Deferred shares of £0.001 each	3,675	4	3,675	4
	103,676	218	103,676	218
<b>Amounts presented in liabilities:</b>				
Preference shares of £0.00001 each	996,666	10	996,666	10

The A, B, C, D, and F shares rank pari passu in all respects of rights, voting and dividends, but constitute separate classes of shares.

Deferred shares are not entitled to dividend distributions and do not carry voting rights in respect of any written resolution of the Company.

### 10. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Retained earnings - This reserve records retained earnings and accumulated losses.

### 11. Events after the end of the reporting period

There are no subsequent events to report after the balance sheet date.

### 12. Controlling party

The immediate parent undertaking in the UK is CloserStill Exhibitions Limited. The ultimate parent undertaking in the UK is CloserStill Group Limited. The ultimate parent undertaking and controlling party is Providence Equity Partners VIII L.P. (Cayman Islands), which is one of the holding companies for Providence Fund VIII.

The consolidated financial statements of CloserStill Group Limited are the largest group in which the Company was consolidated for the period ended 31 December 2021. Copies of the consolidated financial statements are publicly available from Companies House, Crown Way, Cardiff, CF14 3UZ.