

Company Registration No. 09555514 (England and Wales)

ADVANCE BIDCO LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020



ADVANCE BIDCO LIMITED

COMPANY INFORMATION

Directors	A Reynolds G Morrison M Storey A Symons
Company number	09555514
Registered office	One Brunswick Square Third Floor Bristol BS2 8PE England
Auditor	RSM UK Audit LLP Chartered Accountants Hartwell House 55-61 Victoria Street Bristol BS1 6AD

ADVANCE BIDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present the strategic report for the year ended 31 December 2020.

Principal activities

The principal activity of the company is the provision of management services to the Advance Topco Limited group of companies, including Applied Market Information Limited and its subsidiary Applied Market Information LLC ('trading subsidiaries').

Review of the business

The company received management charges and sundry income of £504,461 (2019 - £612,363) for services rendered to group companies. The provision of these services, and the administration of the company, led to administrative expenses of £573,106 (2019 - £608,008) which relate to legal and professional fees, staff costs and other expenses. Consequently, the company made an operating loss of £68,645 (2019 – operating profit of £4,355).

The company's trading subsidiaries made an operating loss in 2020 compared to profits in 2019, due to the coronavirus pandemic. Consequently, no dividend was received in the year (2019 - Nil).

The trading subsidiaries have, like many companies in the sector, been significantly impacted by the Coronavirus pandemic. Full details of the impact, the actions and mitigations taken are provided in the consolidated accounts of the company's parent, Advance Topco Limited. However, in summary, the subsidiaries took action during the year to maintain customer relationships and protect advance bookings, develop virtual propositions to compensate for the inability to host in-person events and reduced their operational cost base.

To support the wider group, the company applied for, and had approved, a Coronavirus Business Interruption Loan ('CBIL'). The CBIL has allowed the group to replace short term debt with a loan on a longer amortising profile as well as providing additional working capital. This loan provides additional liquidity to enable the group to navigate through the disruption created by the trading restrictions due to COVID-19. The CBIL provider recognised the uncertainty in our sector and will make available an additional £0.5m of liquidity should the group require it.

The servicing of the company's loan notes, both capital and interest, are on hold. These loans are subordinate to the CBIL provider and servicing will not take place until that loan is repaid. Consequently, the accruing liability is considered to be a long-term liability.

Future developments

The global uncertainty created by the pandemic is not going away in the short term. The company's subsidiaries focus is to continue to develop our virtual proposition which provides a complementary, and in some instances a substitute offering for our physical conferences. We have c.50 events planned for 2021 with the programme being a mixture of live and virtual. This format of these events is fluid and our team will respond according to the local restrictions and feedback from delegates.

We are working closely with venues and local authorities to ensure that we are well prepared to return to live events once restrictions are removed.

We have two exhibitions planned for the second half of the year which are already well sold. Feedback from our exhibitors is that they are keen to come back to events as soon as we can hold them. We have started planning an additional exhibition in a new market segment for March 2022 in Detroit. This will be actively sold in 2021.

The Market Intelligence arm of the business has developed a programme of studies for the year with a particular focus on polymer recycling. We are confident that trading in this area will actually grow in 2021 and are actively seeking to strengthen the team.

We continue to manage the cost base carefully and will build back cautiously.

ADVANCE BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Going concern and COVID

The Strategic Report highlights the impact that COVID has had on the business during 2020 and how we plan to build back in the future both in our events and market intelligence businesses.

The first few months of 2021 has seen the continuation of trading restrictions caused by the virus through Europe and the US. The vaccine rollout in the UK, US and Europe is proving successful and we are seeing individual countries either relaxing restrictions or have roadmaps to do so.

The group actively rescheduled its event programme to the later part of 2021 with live events planned from September and a virtual event calendar planned for the first 9 months. The key uncertainties and risks surrounding COVID for the group are:

1. Timing of relaxation of restrictions in our key markets (Europe – notably Germany, Spain and Austria, USA and the UK).
2. Ability to travel to our events.
3. Willingness of delegates, exhibitors, sponsors and visitors to attend events.
4. Timing of bookings and the consequently impact on cashflow.

The group's ability to manage and influence these uncertainties and risks are limited. However, preparations are underway to ensure that as soon as we are able to relaunch live events we can do so quickly and safely.

We are seeing national and local authorities gearing up to actively support the events sector to return to trading. This includes offering financial incentives both in the short and medium term. The group will seek to benefit from these incentives where we qualify.

The group performs regular scenario plans which are shared with the Board and with our lenders. The scenarios provide a range of potential outcomes for the financial position of the group based on a progressively worsening set of trading assumptions. The core variation is the reduction in sales and ultimately a postponement of a large part of the live event programme.

It should be recognised that such analysis is challenging due to the inherent uncertainty that exists in performing this analysis due to the risks and uncertainties noted above.

The scenarios analysis show that under the base case scenario, where we are able to host live events in the later part of the year and achieve planned numbers of delegates, sponsors and exhibitors, the bank lending covenants are forecast to be met. Under some of the scenario planning some covenants may not be met. Our lender has visibility of these scenarios and has indicated that they will work with us if such a scenario should arise. This includes the ability to drawdown a further £0.5m of working capital.

The group's loan note holders continue to be very supportive. In particular, they accepted subordination to the CBIL loan provider. Consequently servicing and repayment of the loan notes are on hold.

COVID-19 is clearly creating significant uncertainty for many businesses, particularly those in the events and hospitality sectors. Whilst we believe the business has strong foundations with good products, a respected brand, and a track record of profitability, the restriction on being able to deliver our services unencumbered by social distancing restrictions is creating significant uncertainty. We are confident that as soon as we are able to run events then cash flow and profitability will start to be restored.

The directors, having taken these steps, believe the company has sufficient prospect of trade and working capital to continue to trade for a period of not less than 12 months from approval of these financial statements. These events and conditions give rise to a material uncertainty that inherently may cast significant doubt on the company's ability to continue as a going concern. With the steps outlined above, the directors believe the company has sufficient prospect of trade and working capital to continue to trade for a period of not less than 12 months from approval of these financial statements.

ADVANCE BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Principal risks and uncertainties

The principal risk and uncertainty facing the business is the coronavirus pandemic. As noted above it is having a profound impact on the trading subsidiaries due to the restrictions on hosting conferences and exhibitions. This in turn reduces the ability to generate cash flow, profits and dividends.

We are seeking to mitigate an element of this risk by developing and hosting virtual events. We do recognise that this is unlikely to provide a direct replacement for income that can be generated from traditional events.

In normal trading circumstances the subsidiaries minimises risk by delivering a relatively large number of highly focused conferences to a diversified range of market sectors within the plastics market. The entry into the exhibition market complements, and further diversifies, our operating model. However, the diversification within our operating model cannot fully prevent the group from being affected by economic factors in each of the sectors or geographic regions.

The subsidiaries would be impacted by an act of terrorism, a freak weather event, global pandemic or local public health scare if it led to a widespread reduction in air travel, travel bans, or an unplanned closure of a conference or exhibition venue at short notice prior to an event.

The UK left the European Union on 31st January 2020. The transition period for leaving the single market and customs union came to an end in early 2021. Our key risk is the free movement of our staff and collateral to support events in the EU. Given the restrictions on travel due to COVID we have yet to test this. However, to date there has been no material negative impact from Brexit.

Interest rate risk

Both the company's funding facilities utilise fixed interest rates and therefore do not have the risk of interest rate fluctuations.

Liquidity risk

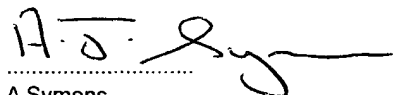
Advance Bidco Limited is a part of the Advance Topco Limited group of companies and consequently the risks facing the company are directly linked to the performance of its fellow subsidiaries and the group as a whole.

The group seeks to manage liquidity risk by ensuring sufficient liquid funds are held within current accounts at the bank. A significant proportion of turnover is generated through advance sales of delegate spaces for conferences and exhibitions. The group does have long term borrowing obligations which have a defined repayment schedule. Our financial plans monitor both the servicing and repayment of these facilities enabling effective management of cash flow.

During the coronavirus pandemic, liquidity risk has increased as sales for future events are curtailed due to the uncertainty over when events can be held. Cash flow is being monitored regularly and shared with the Board. As noted above we have refinanced the business which provides us with greater liquidity to enable us to navigate our way through the coronavirus pandemic.

The servicing and repayment of the loan notes has been postponed.

On behalf of the board



A Symons
Director

Date: 30.6.2021

ADVANCE BIDCO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020. Information on financial risk management and future developments is not shown in the directors' report as it is included in the strategic report as permitted by s414C(11) of the Companies Act 2006.

Principal activities

The principal activities of the company are disclosed in the strategic report on page 1.

Results and dividends

The results for the year are set out on page 9. No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Reynolds
G Morrison
M Storey
A Symons

Directors' insurance

Qualifying third party indemnity provisions were in place for the directors during the current and previous year.

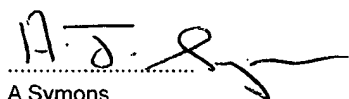
Auditor

RSM UK Audit LLP has indicated its willingness to be reappointed for another term and is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



A Symons
Director

Date: 30.6.2021

ADVANCE BIDCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 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.

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

Opinion

We have audited the financial statements of Advance BidCo Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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. We are independent of the 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.

Material uncertainty related to going concern

We draw attention to note 1 - going concern accounting policy which indicates that the company may continue to be adversely affected by the impact of the COVID-19 (Coronavirus) outbreak and the significant uncertainty that this has brought to the conferencing and exhibitions sector. Whilst the directors are taking action to mitigate the impact of COVID-19, given the unpredictable nature and impact of the outbreak, and how rapidly the responses to the outbreak are changing, the directors are unable to predict the full extent of the impact with regards to the going concern basis of accounting and its related disclosures. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this 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 the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVANCE BIDCO LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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 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 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADVANCE BIDCO LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing the appropriateness of journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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.

Thomas Morgan Audit LLP

Thomas Morgan (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol

BS1 6AD
30 JUNE 2021

ADVANCE BIDCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020


	Notes	2020 £	2019 £
Administrative expenses		(573,106)	(608,008)
Other operating income	3	504,461	612,363
Operating (loss)/profit	3	(68,645)	4,355
Interest payable to group undertakings	6	(209,210)	(246,130)
Other interest payable and similar expenses	6	(1,268,635)	(949,001)
Loss before taxation		(1,546,490)	(1,190,776)
Tax on loss	7	176,414	99,804
Loss for the financial year		(1,370,076)	(1,090,972)

The income statement has been prepared on the basis that all operations are continuing operations.

ADVANCE BIDCO LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investments	8		16,743,336		16,743,336
Current assets					
Debtors	9	431,565		279,390	
Cash at bank and in hand		1,358,029		3,042	
		<u>1,789,594</u>		<u>282,432</u>	
Creditors: amounts falling due within one year	10	<u>(1,960,808)</u>		<u>(6,078,193)</u>	
Net current liabilities			(171,214)		(5,795,761)
Total assets less current liabilities			<u>16,572,122</u>		<u>10,947,575</u>
Creditors: amounts falling due after more than one year	11		(17,976,740)		(10,982,117)
Net liabilities			<u>(1,404,618)</u>		<u>(34,542)</u>
Capital and reserves					
Called up share capital	15		63,451		63,451
Profit and loss reserves	16		(1,468,069)		(97,993)
Total equity			<u>(1,404,618)</u>		<u>(34,542)</u>

The financial statements were approved by the board of directors and authorised for issue on 30.6.2021 and are signed on its behalf by:


A Symons
Director

ADVANCE BIDCO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2019	63,451	992,979	1,056,430
Year ended 31 December 2019:			
Loss and total comprehensive income for the year	-	(1,090,972)	(1,090,972)
Balance at 31 December 2019	63,451	(97,993)	(34,542)
Year ended 31 December 2020:			
Loss and total comprehensive income for the year	-	(1,370,076)	(1,370,076)
Balance at 31 December 2020	63,451	(1,468,069)	(1,404,618)

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Advance BidCo Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is One Brunswick Square, Third Floor, Bristol, England, BS2 8PE.

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

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

FRS 102 reduced disclosure exemptions

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements on the basis that the company is wholly owned and its parent publishes this information in its publically available consolidated financial statements;

- Section 7 'Statement of Cash Flows' - Presentation of Statement of Cash Flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instruments Issues' - Carrying amounts, interest income/ expense and net gains/ losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and
- Section 33 'Related party disclosures' - Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Advance TopCo Limited. The consolidated financial statements of Advance TopCo Limited can be obtained from its registered office, One Brunswick Square, Third Floor, Bristol, England BS2 8PE.

Group accounts

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Going concern

The company is included in a group where the parent company is Advance TopCo Limited. The company holds bank debt and loan notes as part of its funding structure and is dependent on the trading results of Applied Market Information Limited ('AMI') and Applied Market Information LLC ('AMINA') in providing cash flows for servicing those debts. The company itself is in a net liability position and is reliant on support and cash flow from AMI as the trading business, which will continue to provide financial support for a period of at least 12 months from the date of approval of the accounts, subject to trading conditions set out below. The reader of these accounts should refer to the directors' report, strategic report and going concern statement held therein as this provides a holistic assessment of the performance of the group and the risks facing it due to COVID-19.

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Going concern (Continued)

The Strategic Report highlights the impact that COVID has had on the business during 2020 and how we plan to build back in the future both in our events and market intelligence businesses.

The first few months of 2021 has seen the continuation of trading restrictions caused by the virus through Europe and the US. The vaccine rollout in the UK, US and Europe is proving successful and we are seeing individual countries either relaxing restrictions or have roadmaps to do so.

The group actively rescheduled its event programme to the later part of 2021 with live events planned from September and a virtual event calendar planned for the first 9 months. The key uncertainties and risks surrounding Covid for the Group are:

1. Timing of relaxation of restrictions in our key markets (Europe – notably Germany, Spain and Austria, USA and the UK).
2. Ability to travel to our events.
3. Willingness of delegates, exhibitors, sponsors and visitors to attend events.
4. Timing of bookings and the consequently impact on cashflow.

The group's ability to manage and influence these uncertainties and risks are limited. However, preparations are underway to ensure that as soon as we are able to relaunch live events we can do so quickly and safely.

We are seeing national and local authorities gearing up to actively support the events sector to return to trading. This includes offering financial incentives both in the short and medium term. The group will seek to benefit from these incentives where we qualify.

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The group's loan note holders continue to be very supportive. In particular, they accepted subordination to the CBIL loan provider. Consequently servicing and repayment of the loan notes are on hold.

COVID-19 is clearly creating significant uncertainty for many businesses, particularly those in the events and hospitality sectors. Whilst we believe the business has strong foundations with good products, a respected brand, and a track record of profitability, the restriction on being able to deliver our services unencumbered by social distancing restrictions is creating significant uncertainty. We are confident that as soon as we are able to run events then cash flow and profitability will start to be restored.

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ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loan stock and amounts due to group undertakings, 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. Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

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. Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are not taxable or deductible, or that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The judgements, estimates and assumptions which are considered to have a material impact on amounts recognised in the financial statements are set out below.

Impairment of investments

The company considers whether investments are impaired on a periodic basis. Where an indication of impairment is identified the estimation of the recoverable value requires estimation of the recoverable value of the cash generating units. This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

It is the judgement of management that the company's investment in its wholly owned subsidiary should be maintained at its current value, due to the expected future income streams forecast at the year end which includes the strategic decisions made during 2020.

3 Operating (loss)/profit

	2020	2019
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	112,202	(116,039)
Government grants	(16,928)	-
Fees payable to the company's auditor for the audit of the company's financial statements	29,350	26,600

Other operating income includes management fees received from other group companies of £487,533 (2019: £571,056). The audit fee for the group of £29,350 (2019: £26,600) is borne by the company.

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Management	3	3

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Employees (Continued)

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	300,376	320,580
Social security costs	38,289	46,827
Pension costs	12,250	13,971
	<u>350,915</u>	<u>381,378</u>

5 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	149,750	191,652
Company pension contributions to defined contribution schemes	7,438	8,500
	<u>157,188</u>	<u>200,152</u>

Some directors remunerated by Advance BidCo Limited also provide director services to other group entities. Their full remuneration is paid by this company and is disclosed above. The apportionment of services between group entities cannot be easily apportioned and thus the full cost of the remuneration has been incurred by Advance BidCo Limited.

6 Interest payable and similar expenses

	2020 £	2019 £
Interest on bank loans	79,967	76,792
Interest payable to group undertakings	209,210	246,130
Exchange differences on financing transactions	112,202	(116,039)
Other interest - loan stock	1,076,466	988,248
	<u>1,477,845</u>	<u>1,195,131</u>

Disclosed on the income statement as follows:

Interest payable to group undertakings	209,210	246,130
Other interest payable and similar expenses	<u>1,268,635</u>	<u>949,001</u>

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Taxation

	2020 £	2019 £
Deferred tax		
Origination and reversal of timing differences	(176,414)	(99,804)

The total tax credit for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2020 £	2019 £
Loss before taxation	(1,546,490)	(1,190,776)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(293,833)	(226,247)
Tax effect of expenses that are not deductible in determining taxable profit	79,152	72,666
Group relief	39,750	42,035
Deferred tax not recognised	11,931	-
Remeasurement of deferred tax	(13,414)	11,742
Taxation credit for the year	(176,414)	(99,804)

Factors that may affect future tax charges

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020.

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Fixed asset investments

	2020 £	2019 £
Investments in subsidiaries	16,743,336	16,743,336

The company holds 100% of the ordinary share capital of Applied Market Information Limited, a company incorporated in the United Kingdom and registered in England and Wales. Its registered office is One Brunswick Square, Third Floor, Bristol, England BS2 8PE. The nature of the business is the provision of market intelligence, conferences and exhibitions to the global plastics industry.

Applied Market Information Limited holds 100% of the ordinary share capital of Applied Market Information LLC, an entity incorporated in the USA. Its registered office is 111 N. Sixth Street, Reading, PA 19601, USA. The nature of the business is the provision of conferences and exhibitions to the global plastics industry.

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2020 & 31 December 2020	16,743,336
Carrying amount	
At 31 December 2020	16,743,336
At 31 December 2019	16,743,336

9 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	30,424	11,985
Prepayments and accrued income	110,710	153,388
	141,134	165,373
Deferred tax asset (note 13)	290,431	114,017
	431,565	279,390

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Loan stock	12	-	2,584,976
Bank loans	12	-	172,652
Trade creditors		2,403	-
Amounts due to group undertakings		1,876,231	3,193,178
Other taxation and social security		13,777	14,957
Other creditors		1,890	66,159
Accruals and deferred income		66,507	46,271
		<u>1,960,808</u>	<u>6,078,193</u>

11 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Loan stock	12	11,416,372	7,754,929
Bank loans	12	3,000,000	1,381,214
Amounts due to group undertakings		3,560,368	1,845,974
		<u>17,976,740</u>	<u>10,982,117</u>

The bank loan for £3,000,000 was drawn down under the UK Government's Coronavirus Business Interruption Loan Scheme. See note 12 for further details.

Within amounts due to group undertakings, there is a £2,250,000 loan which bears interest at 10% and had staged repayment terms. As part of the group refinancing, the loan repayment terms have been amended to require the holder, the company's parent company, to provide notice of one year and one day for repayment. Interest is now accrued and requires the same notice period for payment. As such the group loan and interest is presented within creditors due after more than one year.

12 Borrowings

	2020 £	2019 £
Loan stock	11,416,372	10,339,905
Bank loans	3,000,000	1,553,866
	<u>14,416,372</u>	<u>11,893,771</u>
Payable within one year	-	2,757,628
Payable after one year	<u>14,416,372</u>	<u>9,136,143</u>

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Borrowings (Continued)

Loan stock

The loan stock is categorised as A1 and bears interest at 10% per annum.

A1 loan stock of £11,416,372 (2019 - £10,339,906) includes rolled up interest of £2,048,927 (2019 - £972,461).

By extraordinary resolution, the stockholders have the power to:

- sanction any scheme for the reconstruction, consolidation, amalgamation or merger of the company;
- sanction the conversion of loan stock into shares, stock, debentures or other obligations; and
- sanction the release of the company from the payment of all or part of the principal sums of loan stock outstanding.

The Company entered into a new senior debt agreement during the year. Under the terms of this agreement the loan stock ranks as Junior Debt and no repayments are made whilst the Senior Debt remains outstanding. The Senior Debt constitutes the Coronavirus Business Interruption Loan as detailed in the other loans section below. As the Senior Debt is expected to be outstanding for a period of greater than 12 months all loan stock and corresponding interest is not expected to be repaid for a period of greater than one year and is presented within creditors falling due after more than one year.

Bank loans

The bank loans were split into two facilities, A and B, and were denominated in Euros.

Facility A had a principal amount of €1,632,250 and was repaid in quarterly instalments of €102,016 starting on 30 September 2016 until termination on 31 March 2020. Interest was variable, based on EURIBOR and was subject to changes by the lender.

Facility B had a principal amount of €1,632,250. Interest was variable based on EURIBOR and was subject to changes made by the lender. In December 2020 the company refinanced the business which included the early settlement of facility B.

On 4 December 2020, the company received £3,000,000 in respect of a Coronavirus Business Interruption Loan. The loan is split into two facilities, A and B.

Facility A has a principal amount of £900,000 and is repayable in monthly instalments commencing 13 months from the date of drawdown until termination on 4 December 2025. Interest is charged at 7.75% per annum and is reimbursed by a Government grant for the first 12 months of the loan.

Facility B has a principal amount of £2,100,000 and is repayable in full on 4 December 2025. Interest is charged at 7.75% per annum and is reimbursed by a Government grant for the first 12 months of the loan.

The loans are secured by way of a fixed and floating charge over all the assets of the group.

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2020 £	Assets 2019 £
Balances:		
Losses and other deductions	49,595	10,675
Short term timing differences	240,836	103,342
	<u>290,431</u>	<u>114,017</u>
Movements in the year:		2020 £
Asset at 1 January 2020		(114,017)
Credit to profit or loss		(176,414)
Asset at 31 December 2020		<u>(290,431)</u>

It is not possible to estimate reliably the extent to which the deferred tax assets shown above will reverse within the next twelve months.

14 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>12,250</u>	<u>13,971</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions of £1,890 (2019 - £2,100) were outstanding at the reporting date and are included within other creditors. The contributions were paid after the year end in accordance with agreed timetables.

15 Share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	<u>63,451</u>	<u>63,451</u>	<u>63,451</u>	<u>63,451</u>

The shares have attached to them full voting, dividend and capital distribution rights, including on winding up, and are not redeemable.

ADVANCE BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

16 Reserves

Profit and loss reserves

Profit and loss reserves reflect cumulative profits and losses net of distributions to owners.

17 Financial commitments, guarantees and contingent liabilities

The company is a member of a group VAT registration and is jointly and severally liable for group VAT liability. The members of the VAT group are Advance TopCo Limited, Advance BidCo Limited and Applied Market Information Limited. The group was in a repayment position at the year end.

18 Related party transactions

The company has taken advantage of the exemption included in FRS 102 Section 33 and has not disclosed details of transactions or balances between wholly-owned companies in the group headed by Advance TopCo Limited. Details of transactions with other related parties are set out below.

Loan stock (note 12) includes £11,416,372 (2019 - £10,339,905) owed to Alcuin GP Limited as security trustee. Alcuin GP Limited is connected to Alcuin GP III LLP, a shareholder in the company's parent, Advance TopCo Limited. Interest of £1,076,466 (2019 - £972,461) was charged during the year.

During the year, management charges of £102,500 (2019 - £105,000) were paid by the company to a business that has some common directors.

19 Ultimate controlling party

The company is a wholly-owned subsidiary of Advance TopCo Limited, a company incorporated in the United Kingdom and registered in England and Wales. Advance TopCo Limited heads the largest and smallest group into which the results and financial position of the company are consolidated. The consolidated financial statements of Advance TopCo Limited can be obtained from its registered office, One Brunswick Square, Third Floor, Bristol, England BS2 8PE.

The group's ultimate controlling party is Alcuin GP III LLP, an entity incorporated in England and Wales.