A new era

Hyve Group plc
Annual Report and Accounts 2022

2022 has proven to be a landmark year for Hyve, resulting in a fundamentally transformed business with exciting growth prospects.

Strategic report

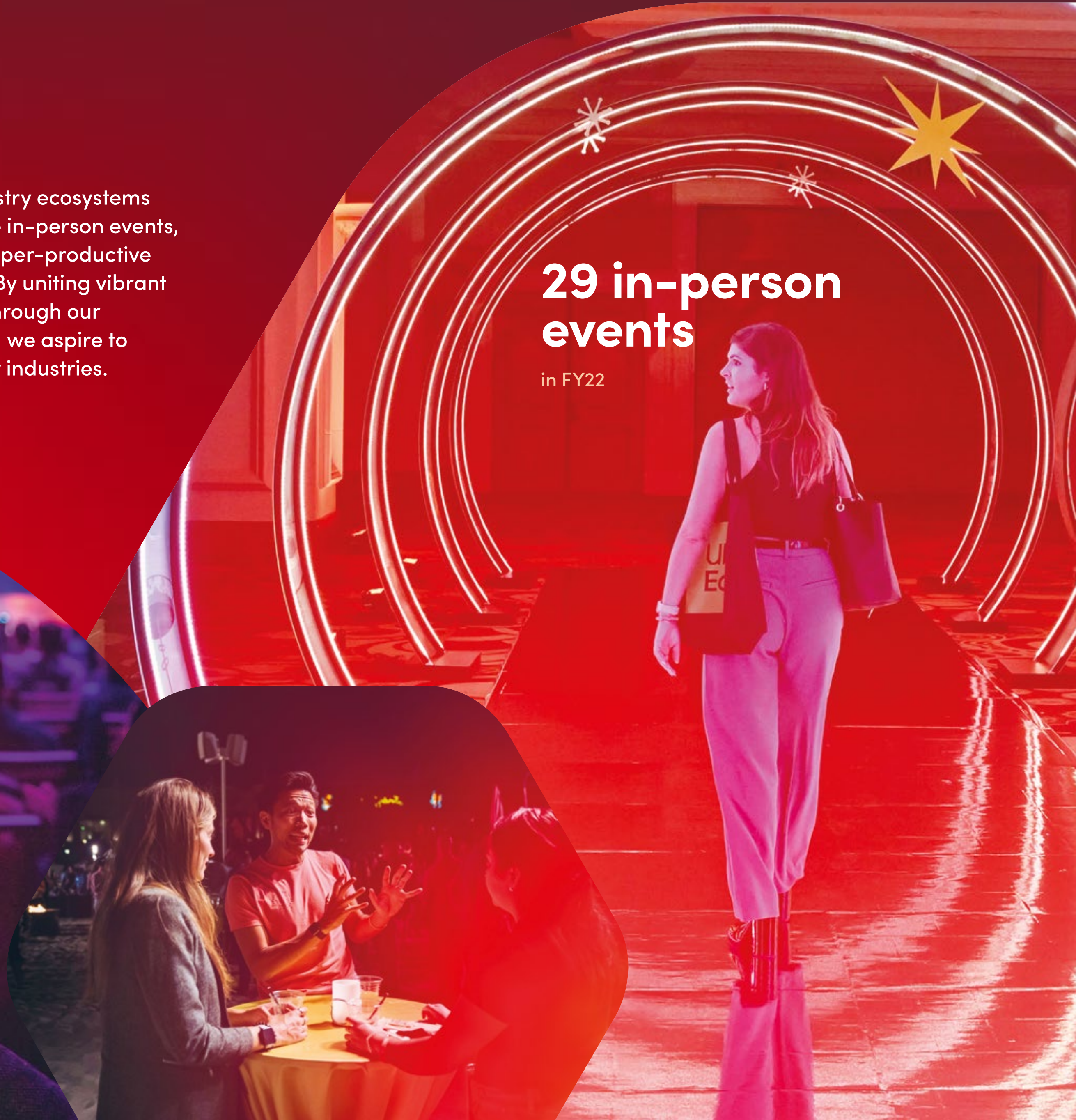
Governance

Financial statements

We are Hyve

When people come together, powerful things happen. Hyve Group plc is the next-generation events business powering global industry communities and creating platforms for progress.

We connect whole industry ecosystems through our unmissable in-person events, online platforms and hyper-productive meeting programmes. By uniting vibrant industry communities through our omnichannel platforms, we aspire to shape the future for our industries.



29 in-person events

in FY22

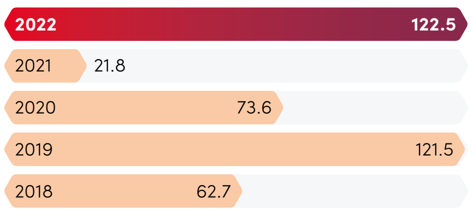
14 tech-enabled programmes

in FY22

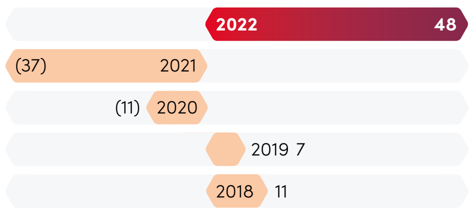
2022 Group performance

Performance by division

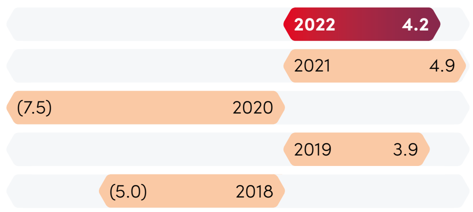
Revenue (£m)



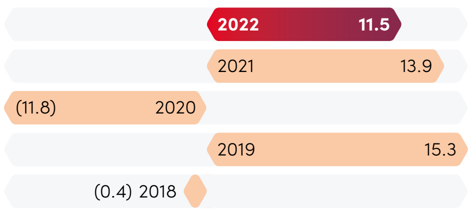
Like-for-like revenue growth (%)



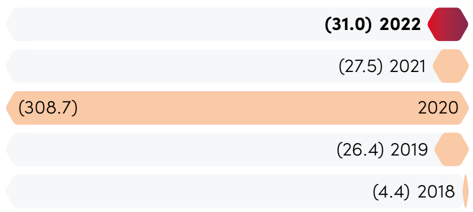
Headline diluted earnings per share (p)



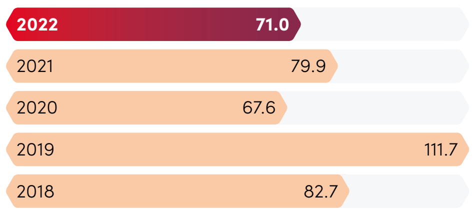
Headline profit/(loss) before tax (£m)



(Loss)/profit before tax (£m)



Adjusted net debt (£m)

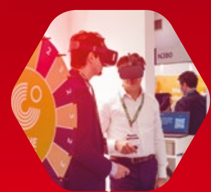


* All numbers reflect continuing operations.

2022 Group performance

Performance by division

The shape of Hyve's business has completely transformed, with almost 95% of events now taking place in advanced economies, compared with just 12% in 2017. We now principally report our performance by sector, rather than geography, reflecting the evolution of our strategy towards a focus on digital-ready and growing sectors.



£32.7m
2021: £1.0m

£45.0m
2021: £6.7m

EdTech & Natural Resources 26%	Retail, Manufacturing & Engineering 32%	RetailTech & FinTech 37%	Asia 5%

£39.0m
2021: £10.1m

£5.8m
2021: £4.1m

The start of a new era

Compared with five years ago, Hyve is unrecognisable.

Hyve's transformation began in 2017, with the return of one of our founders, Mark Shashoua, as CEO. He then spearheaded the ambitious Transformation and Growth (TAG) programme.

1 Creating a scalable platform

This saw the implementation of a centralised operating model, creating consistency right across the global business and instilling a best-practice ethos throughout every team and event – a vast departure from the Group's previous model, which was disconnected and siloed. With all events using the same systems, processes and policies, Hyve was able to ensure best practice across all events while driving industry-leading like-for-like organic growth.

2 Managing the portfolio

In order to focus on global, market-leading events with high growth potential which would benefit from our centralised operating model, Hyve needed to sell or close the majority of its smaller, regionally focused events. Over the course of the TAG programme, the number of events reduced from 269 to 130, with the average revenue per event more than trebling. That transformation has continued to today, with the Group now holding just 33 in-person events, but achieving a more than eight-fold increase in average revenue.

3 Product-led acquisitions

Crucial to the strategy was making product-led acquisitions to strengthen Hyve's portfolio. These acquisitions greatly contributed to the increase in average revenue and included events such as Spring Fair, Bett and Mining Indaba. Since the end of the TAG programme, Hyve has continued to acquire cutting-edge products, including Shoptalk, Retail Meetup and 121 Group.

Shape shifting

Following the conclusion of the TAG programme in 2019, Hyve's transformation has accelerated. Further significant disposals, including the Central Asian, Russian, Ukrainian and Turkish portfolios, have led to a swing from a majority emerging markets focus to almost 95% of Hyve's events being rooted in advanced economies. As such, Hyve no longer classifies its events by region, but by sector.

2017 by geography

Brands	Central Asia	Russia	Eastern & Southern Europe	Asia
12%	14%	47%	11%	16%

2022 by sector

EdTech & Natural Resources	Retail, Manufacturing & Engineering	RetailTech & FinTech	Asia
26%	32%	37%	5%

Q&A with Mark Shashoua, Chief Executive Officer

What does the transformation mean to Hyve?

The transformation we have undergone in recent years has seen Hyve flourish as a leading business with enormous opportunity for future growth. Our continued commitment to transformation and evolution allows us to remain at the forefront of our industry.

Importantly, the changes we made during the TAG programme, namely our ever-increasing focus on market leading events and our centralised operating model, are what have allowed us to not only survive COVID-19, but bounce back stronger.

Why did you succeed?

A huge part of our success is down to our people. I am enormously grateful to our colleagues around the world for always being open to change and embracing transformation. We couldn't have done it without them.

What are investors buying into now?

The Hyve of today is unrecognisable compared with the Hyve of five years ago. We used to be best known for our presence in emerging markets because that is how this business was founded in 1991. But emerging markets now make up only around 5% of our portfolio, and we now operate in sectors that previously didn't feature in our portfolio.

As such, it has become increasingly difficult for us in recent years to make year-on-year comparisons, because we are a fundamentally changed business. Therefore, looking ahead, we are drawing a line under our past and reporting on the business in new ways, focusing less on drawing comparisons with years gone by.

Will Hyve continue to change?

I believe evolution and transformation should be constant and that this is how we will continue to offer unrivalled return on investment to our customers. We have ambitious plans for our future which will rely on change and Hyve's signature pioneering spirit.

Focusing on market-leading brands

Our portfolio today of 33 in-person events and 23 tech-enabled products now consists solely of market leading brands. Since COVID-19, we have seen an increase in like-for-like customer spend of 14.2% (2021: +14.7%) across the portfolio, demonstrating the continued increase in demand for our products.

As such, we plan to double down on our focus on those events and prioritise organic growth.

Launching new events and geo-clones

This year we saw the launch of several new products, which were either geo-clones or extensions of our existing market-leading brands.

Hyve will prioritise the organic growth of these events throughout FY23, alongside further new launches and geo-clones.

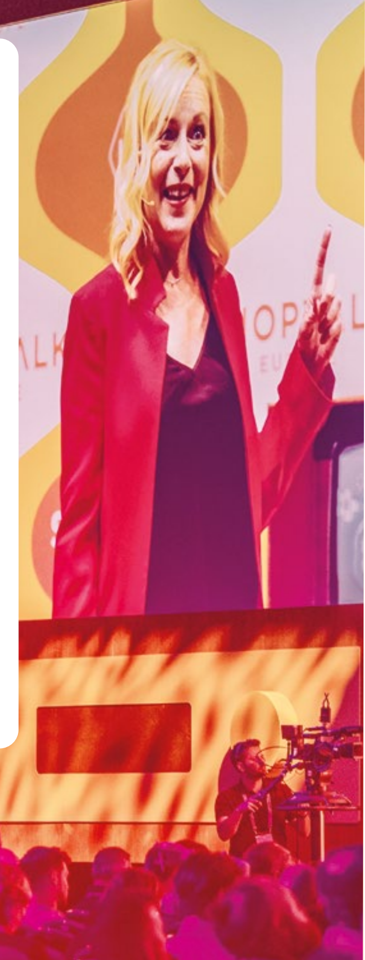
ahead by Bett / A Hyve Event HIGHER EDUCATION

In answer to demands for an event focused on higher education, Ahead by Bett launched in March 2022 alongside the main Bett event in London. The inaugural edition welcomed more than 4,000 visitors from over 80 countries. This amazing event exists to provide a place for the higher education community to congregate and tackle the plethora of business and pedagogical challenges faced by the sector.

SHOPTALK EUROPE

The successful European geo-clone of world-leading event Shoptalk was a resounding success, bringing together more than 3,500 decision-makers to hear from over 170 keynote speakers and attend in excess of 4,700 hosted meetings. After launching in London this year, Shoptalk Europe moves to Barcelona for the 2023 edition, retaining its status as the new home for Europe's boldest and bravest retail trailblazers.

Hyve's first sustainability-focused event was launched alongside Africa Oil Week just after the financial year end in October. The event saw over 1,000 delegates including global decision-makers and C-suite-level players, 67 countries represented, 50+ ministers and government officials and 400 companies in attendance. Green Energy Africa Summit is the global platform for driving deals and investment into energy projects. It looks to provide energy access and solutions for the African continent and, ultimately, to shape the future of Africa.



Continued brand development through product extensions where appropriate

	E-commerce for retail	E-commerce for grocery	EdTech	Natural Resources	FinTech	Giftware	Engineering
Market-leading event	SHOPTALK	Grocery shop	bett	Investing in African Mining Indaba AOW Africa Oil Week	FINTECH Meetup	AUTUMNFAIR SPRINGFAIR	CWIEME BERLIN
Geo-clone	SHOPTALK EUROPE	Launched 2022 as part of Shoptalk Europe	bett BRASIL				CWIEME SHANGHAI
Product extensions			ahead Launched 2022	Green Energy Africa Launched 2022		Source Home & Gift Launch 2023	

Making strategic acquisitions

During FY23, Hyve made two strategic acquisitions:

121 GROUP

The specialist omnichannel meetings platform for the global mining investment community. This acquisition added 10 tech-enabled in-person events and two fully online networking programmes to Hyve's portfolio, while also supporting our digital diversification.

The world's largest online fintech meetings event opened Hyve up to a brand new growth sector. The customer demand following the inaugural Fintech Meetup has resulted in the launch of an in-person event in 2023.

We continue to look for opportunities to diversify our portfolio with data-driven and tech-enabled products. Most recently, this has included the full launch of Connect programmes across three of our major events, Bett, CWIEME and Spring Fair, and the expansion of the existing programmes at Shoptalk, Shoptalk Europe and Groceryshop.

The Connect platform will transform the way our event communities connect and collaborate. It does this through creating thousands of individual meetings onsite at our events, which drive meaningful conversations that result in positive change.

The full launch at Bett in March is expected to enable thousands of education buyers to meet directly with over 500 solution providers for over 5,000 high-value, 15-minute meetings. To ensure they're valuable, all meetings are double-opt in (both people want to meet each other) and are scheduled based on individual availability.

Our digital diversification roadmap

	E-commerce for retail	E-commerce for grocery	EdTech	Natural Resources	FinTech	Giftware	Engineering
Market-leading event	SHOPTALK	Groceryshop	bett	Investing in African Mining Indaba	FINTECH Meetup	AUTUMNFAIR SPRINGFAIR	CWIEME BERLIN
Meetings programme	✓ 1st edition as Hyve: 8,000 meetings	✓ 2nd edition in 2022 6,500+ meetings	✓ Trial launch 2022 750 meetings	✓ 121 Group first year as part of Hyve	✓ Launch in 2023	✓ Launched 2022	✓ Launched 2022
Online meetings	✓ Retail Meetup	✓ Retail Meetup	Pending	✓ 121 Group first year as part of Hyve	✓ c.2,260 participants c.25,300 meetings 94% satisfaction rate	Not suitable for virtual format	Not suitable for virtual format

In 2022 we drew a line in the sand on the past and successfully completed the structural transformation of Hyve, from a portfolio of regionally focused, mixed-scale events in more volatile emerging markets, to large-scale, market leading, high-quality global brands in advanced economies and in key sectors with future growth trajectories. This is a significant achievement.

This plan was first articulated in 2017. Our proactive approach to managing the challenges of both COVID-19 and the Russian invasion of Ukraine has accelerated the business' transformation. Hyve today is unrecognisable from its form only five years ago. The portfolio is now de-risked and almost 95% is rooted in advanced economies, with our divisions of RetailTech & FinTech, EdTech & Natural Resources and Retail, Manufacturing & Engineering all operating through a centralised model of best practice.

> FY22 has been a landmark year for Hyve.

Established solid platform for growth

Mark Shashoua
Chief Executive Officer

Our efforts are now delivering results and we are beginning to create real value for shareholders. During the year:

- We achieved an industry-leading performance with circa 90%[1] recovery of revenues in FY22 and circa 110%[1] in H2, both excluding China[2];
- We de-risked the portfolio to almost 95% advanced economies and diversified our revenue mix, already delivering 14% of revenues through tech-enabled products after our first year of trials;
- The quality of our events was evident, with like-for-like customer spend increasing by 14.2% in FY22 and tracking at 14.8% into FY23 – the third consecutive year of double digit growth;
- We achieved above-average Net Promoter Scores (NPS) (visitors +36 and exhibitors 15);
- Our performance materially outperformed the industry at large, proving our focus on market-leading events and a centralised operating model is successful;
- We gained visibility over quality of future earnings from our forward bookings of £98m; and
- After strong cash generation, we have achieved net debt of £71m, which is at the lower end of the £70–90m guidance, while completing two value-creating acquisitions during the year.

In this landmark year we added further tech-enabled products to our portfolio through the acquisitions of 121 Group and Fintech Meetup, and drove significant organic growth through launching new product extensions, such as Shoptalk Europe and Ahead by Bett. In addition, we are rolling out full-scale meeting programmes for 2023, as the trials during 2022 have proven demand. New launches are planned, including an in-person extension of Fintech Meetup.

As we move into 2023, we have established ourselves as a highly resilient, next-generation global events business with good visibility of earnings, a stronger balance sheet and clear plans to drive further organic growth and explore further digital diversification, while delivering the highest-quality customer experience and return on investment.

Strong trading trajectory into 2023

Our financial performance for the full year ended 30 September 2022 delivered strong revenues of £122.5m (2021: £21.8m) from continuing operations, representing c. 90%[1] revenue recovery to pre-COVID-19 levels excluding China[2], and headline EBITDA excluding insurance proceeds of £4.4m (2021: loss of £37.0m).

Headline profit before tax from continuing operations was £11.5m (2021: £13.9m). Excluding the impact of insurance proceeds of £19.3m (2021: £65.0m) received in FY22, the Group's headline profits would have increased by £43.3m, which highlights our solid underlying trading and represents a return to positive headline EBITDA without reliance on insurance proceeds.

Hyve continues to focus on margin improvement across the new portfolio, while investing in future growth including new launches, geo-clones and full-scale meetings programmes.

Our adjusted net debt reduced to £71m (2021: £80m), reflecting the strong cash-generative qualities of our business. This is at the lower end of the previously guided range, despite significant movements in the portfolio. Post period end the refinancing was completed, with a new debt facility of £135m now in place.

The Group's liquidity position at year end was sustained at £129.6m despite the macroeconomic headwinds faced during the year.

Full revenue recovery in second half

Momentum in our post-COVID-19 recovery continued during FY22, with 12 in-person events held in H1 2022 and 17 in-person events in H2. These delivered revenues of £54.9m in H1 2022 and £67.5m in H2, achieving approximately 110%[1] recovery in the second half excluding China[2]. For the full year 2022, Hyve achieved revenues of £122.5m, circa 90%[1] revenue recovery excluding China[2]. This is an exceptional achievement, considering that during the first half of the financial year we faced Omicron-related uncertainty, as well as the Russian invasion of Ukraine.

To reflect our refocused portfolio, from FY22 we are reporting our divisional revenue breakdown by sector-centric divisions, rather than geographies, with 37% from RetailTech & FinTech; 32% from Retail, Manufacturing and Engineering; 26% from EdTech & Natural Resources and 5% from Asia. Of these total revenues, 14% comes from our tech-enabled meetings products, which we envisage will grow as we roll out more of our tech-enabled products.

1 Recovery is assessed with reference to pro forma FY19 revenues. The FY19 revenues have been adjusted to include the FY19 results of acquisitions made since September 2019 and to exclude the FY19 results of businesses that have since been disposed of. The FY22 revenues are after excluding discontinued operations in respect of Russia, Ukraine and Turkey.

2 As no events were able to run in China in the year, FY22 China revenues were £nil. The FY19 revenues for China have been removed to show the recovery level of events that were able to run during the year.

We have a streamlined and de-risked portfolio, 95% rooted in advanced economies.

We know that our customers prioritise market leading events, and our even further honed focus on these is paying off. Customers are returning with a higher allocation of marketing budgets, which has resulted in continued growth in like-for-like customer spend, increasing 14.2% from the previous edition. Momentum is continuing into FY23, tracking at 14.8%, which would be the third consecutive year of double-digit growth in like-for-like customer spend. The quality of our events resulted in above industry average Visitor NPS (at +36) and Exhibitor NPS (at +15).

Our forward bookings as at 12 December of £98m give us strong visibility of earnings, supporting the positive momentum as the business goes into 2023.

Portfolio transformation completed

The most significant change to our portfolio during the year was the sale of the Russian business, which reduced our total portfolio by 15 events and significantly changed the shape of Hyve. The sale was initiated following Russia's invasion of Ukraine and care was taken to find an outcome which overcame the moral, legal and compliance obligations of continuing to operate in Russia.

The Russian business has historically made a significant financial contribution to the Group but continuing to operate in the country became untenable following the Russian invasion of Ukraine. The decision to sell the business was taken after considering feedback from a number of the Group's stakeholders, including customers and shareholders, in order to protect the reputation of the Group.

The disposal ultimately achieved our objectives of protecting the future prospects of our strategically important, market-leading events outside Russia by exiting the Russian market in a prompt manner and with the prospect of value being returned to the Company. Importantly, this also provided stability to our 200+ former Russian colleagues.

As previously reported, we sold our Turkish business in October shortly after the management buy-out of the Ukrainian portfolio in July, thereby completing the disposal in full of our former Eastern and Southern Europe division. Earlier in the year, we also exited Indonesia and our ABEC Indian business.

Hyve's operations are now nearly 95% concentrated in advanced economies, with approximately 30% of revenues generated in the US, whereas in 2017, c.90% of our revenues were sourced from emerging markets and only c.10% came from advanced economies.

The portfolio transformation was supported by the acquisitions of 121 Group, a market leading omnichannel meetings programme organiser focused on Mining, and Fintech Meetup, the financial technology industry's leading online event, both contributing to the continued digital diversification of the Group's portfolio.

During the year, we continued to invest in our brands through launching product extensions such as Ahead by Bett and Shoptalk Europe, and invested in growing our omnichannel portfolio with the trials of Connect programmes for Bett, CWIEME and Spring Fair.

After the portfolio changes in the year we now have 33 in-person events and 14 tech-enabled programmes. This represents £3.7m revenue per event based on total FY22 revenues, compared to 2017 when we had a portfolio of 269 events and revenues of £0.5m per event. The marked increase in our average revenue per event endorses the investments we have made and the subsequent increased return on investment we provide our customers with.

As we move into 2023, the historical comparisons to pre-COVID-19 financial performance do not relate to the Hyve of today, owing to its streamlined portfolio and fundamentally different shape, centred around market-leading event brands in sectors of growth.

£3.7m
revenue per event

33 in-person events

Weaving ESG into our DNA

We made significant progress in 2022 in embedding environmental, social and governance (ESG) considerations throughout Hyve.

Having launched our 'Creating Platforms for Progress' strategy last year, we see our biggest impact as putting ESG issues on the agenda and inspiring change inside and outside our Company. That is why colleagues are being given one personal objective aligned to our strategy, and we have started to roll out Carbon Literacy Project-accredited training to deepen understanding.

In order to empower local communities, we set aside 0.5% of our headline profit before tax in FY22 to invest in community projects throughout FY23. We also rolled out volunteering schemes and agreed a new partnership with 'Making the Leap', a social mobility organisation, to help under-represented individuals find meaningful careers.

This year, a diversity and inclusion audit was undertaken, and we added an inclusion module to our employee engagement survey. We also launched Pryde, our inaugural employee resource group, to support LGBTQ+ colleagues, and used significant dates in the year such as International Women's Day and Black History Month to host important conversations and educational opportunities.

In terms of addressing our impact on the planet, we now comprehensively track our scope 1 and 2 carbon emissions and, for the first time, calculated the average carbon footprint of an attendee at one of our events (our scope 3).

From a governance point of view, we began to review and analyse the climate-related risks and opportunities facing Hyve and are now incorporating this into our overall Group risk review process. We will also now start to evaluate the financial impact that different climate scenarios would have on our Company.

0.5%
of our headline PBT in FY22 set aside to be invested in community projects throughout FY23

Reflections on 2022 and what's next

FY22 has been a landmark year for Hyve. We have successfully delivered on the ambitious structural transformation of the business first outlined in 2017. The de-risked portfolio is now 95% focused on advanced economies, with high-quality events in growing sectors. Hyve now has a strong platform to deliver organic growth.

Our numbers at year end show the tangible results of the refocused portfolio. The business performed strongly, with full revenue recovery on a pro-forma basis, excluding China, to pre-COVID-19 levels in H2 and 90% for the full year. Net debt is at the lower end of guidance following strong cash generation, and we have secured a new £135m debt facility.

Our relentless focus on market leading events makes us best placed to weather macroeconomic challenges ahead, as marketing spend continues to gravitate towards must-attend leading events that drive return on investment. The quality of our events was evident, with like-for-like customer spend increasing by 14.2%, tracking strongly into FY23, which would be the third consecutive year of double-digit growth. Our NPS scores are also significantly above the industry average.

In March 2023 we will be holding two Investor Days: one in Las Vegas at Shoptalk and the other in London at Bett UK to showcase those key brands. As well as bringing to life our unmissable in-person events, these events will showcase the best of our tech-enabled products, which are at the forefront of the global events industry.

Hyve has a very exciting future and we have made great progress executing our strategic priorities to date. With our cash-generative business model and forward bookings of £98m, we have good visibility of future earnings and remain confident as we enter 2023. The business is well positioned for growth and to deliver sustainable long-term value for all our stakeholders.

I would like to end by thanking all my colleagues for their commitment and hard work. I look forward to the year ahead with excitement as Hyve enters this new era and we reap the benefit of our transformation.

Mark Shashoua
Chief Executive Officer

Returning to growth

Post-COVID-19 recovery

Over the course of the year, we have seen the continued recovery of the majority of our events, with many now outperforming their pre-pandemic editions. This is with the exception of China, where all events in the financial year were cancelled, as the country continues to experience disruption.

Revenue for the financial year ending 30 September 2022 amounted to £122.5m (2021: £21.8m), which is above 2019's pre-COVID-19 revenue of £121.5m (restated to exclude discontinued operations).

Headline EBITDA for the financial year was £23.7m, compared to £28.0m in 2021. Excluding the impact of insurance proceeds of £19.3m (2021: £65.0m), headline EBITDA has increased by £41.4m to £4.4m (2021: loss of £37.0m).

This is a strong illustration of the value our customers place in market-leading in-person events.

"We have a streamlined and de-risked portfolio, almost 95% rooted in advanced economies."

Richard Last
Chair

Portfolio evolution

2022 brought further challenges, in particular Russia's invasion of Ukraine, which necessitated the sale of our Russian business. Since then, we have also sold the Ukrainian business to its management. The Turkish business has also been sold. This leaves Hyve with a streamlined and de-risked portfolio, more than 90% rooted in advanced economies.

In addition, we have continued to diversify our portfolio with additional tech-enabled products and events, through both acquisitions and new launches.

Dividends

We do not plan to recommence dividend payments this year, but will continue to keep this under review and reintroduce them when it becomes appropriate to do so, in line with a return to sustained cash generation and profitability.

ESG

Significant progress has been made this year towards our ESG strategy. We have measured our carbon footprint, including our scope 3 emissions, allowing us to better understand the impacts of our business on the planet. In addition, we have conducted an in-depth review of the climate-related risks facing our business and are providing disclosures in line with the TCFD's recommendations for the first time.

This important and necessary groundwork completed during the year provides us with the baseline needed to further develop our ESG strategy and targets, and contribute to the global drive to tackle climate change.

The Board

During the year, we successfully completed a Board evaluation process using a third-party provider, to measure the effectiveness of our governance and the accountability of our Board members. You can find further details in the Governance report.

Stephen Puckett, having completed nine years tenure, stepped down from the Board in February 2022. During his time Stephen was Chair of the Risk Committee and a member of the Audit Committee. Stephen was also the Senior Independent Director.

Sharon Baylay, who has served the Board since April 2014, stepped down in March 2022. During her time, Sharon was Chair of the Remuneration Committee and oversaw the formation of Hyve's ESG Committee. I would like to sincerely thank Stephen and Sharon for their excellent support during their time with Hyve and wish them well for the future.

Rachel Addison joined us as a Non-Executive Director in March 2022. Rachel brings nearly 30 years of finance and operational management experience and has most recently been Chief Financial Officer of Future plc, the global platform business for specialist media. Rachel is a chartered accountant, having started her career at Arthur Andersen, and is currently a Non-Executive Director at Marlowe Plc, Watkin Jones Plc, Gamma Communications Plc and Mango Publishing Group. Rachel is Chair of Hyve's Remuneration Committee and a member of the Risk and Audit Committees.

Anna Bateson also joined as a Non-Executive Director in March 2022; however, she resigned in September, as a requirement of being appointed Chief Executive Officer of Guardian Media Group. The recruitment process for Anna's replacement is underway.

Our people

I would like to take this opportunity to thank our teams around the world for their commitment to Hyve and their passion for our products. It has been this dedication which has driven the continued growth and evolution of our products, and led to the successful performance we have seen this year.

Looking ahead

We are cautious of ongoing macroeconomic headwinds – in particular the ongoing COVID-19 restrictions in China and the global recession. We do, however, remain confident in our ability to weather those challenges thanks to our de-risked and diversified portfolio, our strong forward bookings and the prospect of our new product launches in the coming 12 months.

Richard Last
Chair

What we deliver

Hyve events have the power to transform.

Creating game-changing impact

Trade

Through our deep industry knowledge and cutting-edge solutions, we help the right people to meet at the right time. At our events, deals are made, partnerships are formed, investments are secured and supply chains are optimised. Our platforms are playing a particularly important role as industries rebuild following the COVID-19 pandemic.

Network

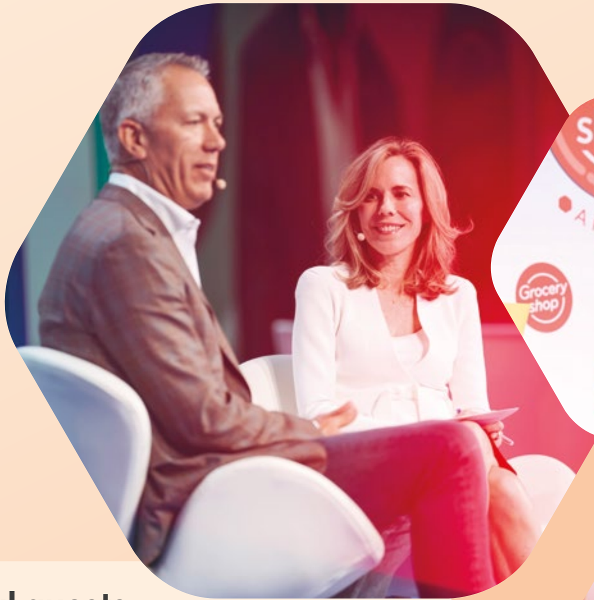
We bring together entire industry ecosystems using multiple formats, including in-person events, meetings programmes and online experiences. Our decades of experience put us at the heart of the industries and, through our platforms, business becomes personal and our customers meet the people who matter.

Learn

We curate the most relevant and representative content programmes to bring the latest trends and thought leadership to industries. Increasingly, we use our influence to educate, empower and drive positive change across the industries we work with on a global scale. At our events, today's leaders inspire tomorrow's.

Who our customers are

Our customers are buyers, sellers, businesses, investors, analysts, governments, educators, influencers and decision-makers – to name just a few.



The place to meet

Hyve events catalyse business communities around the world, providing a place to meet, discuss, do business and get inspired. At any one of our events, thousands of new and opportunity-filled connections are made.

Multiple sectors

We play a significant role across major sectors, such as education technology, e-commerce and energy, by hosting important discussions which have the power to influence the future.

Special guests

In addition to exhibitors and visitors, we also consider our sponsors, speakers and special guests to be our customers, as they too have something to add to and gain from our events, whether that be marketing, trading or influencing.

Marketing platforms

Our platforms are important marketing opportunities for our customers, and we see a clear trend towards increasing spend at market-leading events.

What we do

We offer two core products...

Unmissable events

Our 33 market-leading in-person event brands span major industries. From Bett, bringing together the world's leaders in education technology, to Fintech Meetup, which kickstarts the year for an entire industry, our events are important dates in the calendars of major industries, and are where our customers come to get inspired, expand their network and do business.

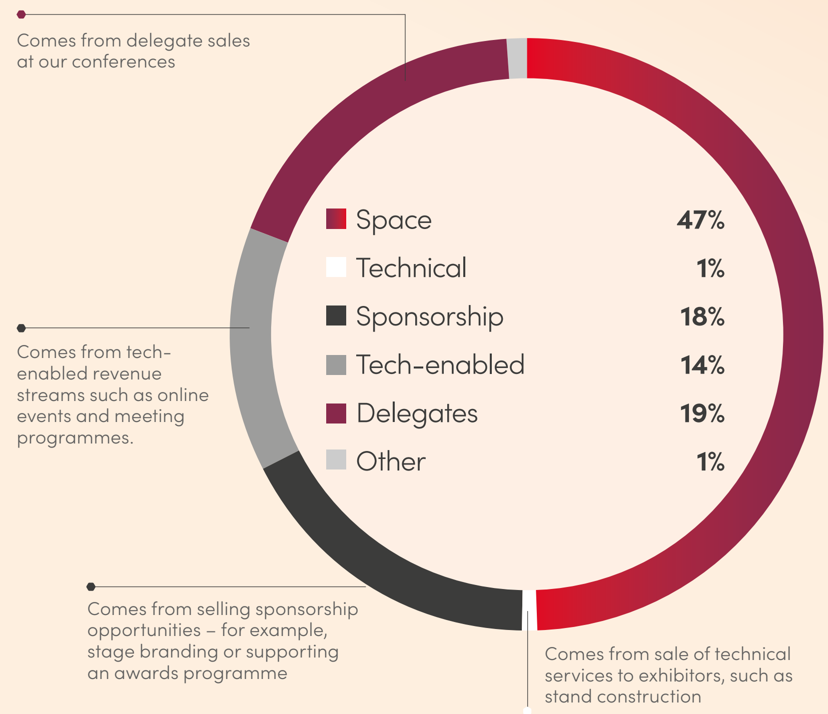
Tech-enabled meetings programmes

Our tech-enabled meetings programmes use data to expertly match customers ahead of our events, greatly improving their return on investment. These programmes mean that meeting the right people is no longer left to chance. These meetings programmes are being rolled out at our in-person events, as well as dedicated online events.

How we make money

Our revenue model is evolving as the shape of our business changes. We still receive a large percentage of our revenue (47)% from selling space at our in-person events to exhibitors, but revenue from delegates (19%) and our tech-enabled products (14%) is increasing with each year.

Space	Non-space
47%	**53%**
(2021: 60%)	**(2021: 40%)**



The Hyve way

We are unlike any other events company. Here's what sets us apart...

Centralised operating model
Our business operates as one unified global team. By implementing our centralised operating model, we ensure that no matter which Hyve event you attend, you know you will always be met with the same standard.

Data
By getting to know our attendees, we are able to build detailed profiles of our visitors and their reasons for attending our events. And this is highly valuable data both for our customers and for our forward planning.

Commitment to quality
We are absolutely committed to quality and delivering world-class products that provide enormous value for our customers.

Meetings products
Through the use of cutting-edge technology, we provide the most valuable meetings programmes in the business which are certain to deliver enormous returns on investment.

Tailored approach
We deliver a range of products to our customer communities, each with the aim of creating transformational impacts for them, year-round.

Our ambition

It all starts here. At Hyve, we pride ourselves on instilling an entrepreneurial spirit among our teams. We give people the freedom and space to do things their way, enabling us to benefit from a diverse wealth of experience and knowledge.

People powered

We consider ourselves experts in connecting people, and that doesn't stop with our customers. This year, as our business has almost fully recovered from COVID-19, we have been delighted to bring our people back together and create unmissable moments.

Listening to our people

It's undeniable that people's expectations of work are changing. At Hyve, the way we stay informed about this and navigate it is through Peakon, our monthly engagement pulse survey tool. Each month, we receive hugely valuable insights, direct from our people, on what they love and where they'd like to see improvements. Not only does this help to make sure our people feel heard, but it also helps us to hone our people strategy, making it work for our people as well as the business.

Top 25%

We have maintained an employee net promoter score (eNPS) in the top 25% of all companies using Peakon throughout the year

Inspiring opportunities

We know our event model works, and this year we've doubled down on taking some of the best bits and applying it to our culture. One great example is our schedule of inspiring talks and events that we have hosted specifically for our people. From a talk by self-titled Tech Humanist Kate O'Neill all about digital transformation, to an empowering conversation with Adelle Barker about her gender transition, there have been lots of opportunities for our global teams to get inspired.

Making time to talk

Social is big at Hyve and we know how to put on a party. Highlights include our British summer garden party which brought together our London team along with their family and friends, our spooky New York Halloween costume party and our New Delhi team's celebrations for Diwali.

150+

colleagues, friends and family attended our summer BBQ

Saying 'Hy'

During the year, we launched our new onboarding programme, allowing us to help our newest colleagues feel connected from day one. In addition to posting a welcome pack to the homes of new joiners to get them excited before they start, our new colleagues also receive a series of welcome emails during week one, get assigned a buddy who ensures they have someone to ask all those first-week questions to and line managers are better supported in how to manage new team members.

Jo Rabbett
Chief of Staff

Bettering our benefits

Peakon highlighted a number of ways our colleagues wanted to see our benefits improved, and we took action on those.

- Our people told us that our gym partnership wasn't good enough, so we signed a new partnership with Gympass giving the majority of our global teams free access to gyms worldwide.
- Feedback said that our private medical insurance was good, but could be better. As a result, we removed the cap on existing illnesses to make our policy more accessible.
- Our teams also told us that our parental pay policy didn't work for them, so this year we doubled paid parental leave for both new mums and new dads, including those who are adopting, fostering or having a baby using a surrogate.

We are now investigating local alternatives for our non-UK colleagues to also realise these enhanced benefits.

Prioritising our minds

We continue to invest in the mental health of our people, and this year we tried new and fun ways to support them, such as puppy therapy. We also continued to connect colleagues with free online therapy and implemented Summer Fridays, allowing our teams to take Friday afternoons off during summer to boost their work/life balance.

In addition, we rolled our mental health training to more than 40% of our line managers, and trained another 8 mental health first aiders, which Marketing Manager Alex describes perfectly:

Financial wellbeing has become more and more relevant this year, and so we hosted a series of financial wellbeing talks and workshops with industry experts. And in recognition of the significantly increased cost of living in the UK and USA, we introduced a one-off Cost of Living Allowance payment, which prioritised our lowest earners, by giving them a higher allowance.

Creating a culture of belonging

Once again, inclusion has been a core strand of both our people and ESG strategies.

We believe that work is never done with regard to inclusion and that we must all make a commitment to continue learning. Starting with our Executive team, we rolled out unconscious bias training to managers globally to help us all become more aware and inclusive.

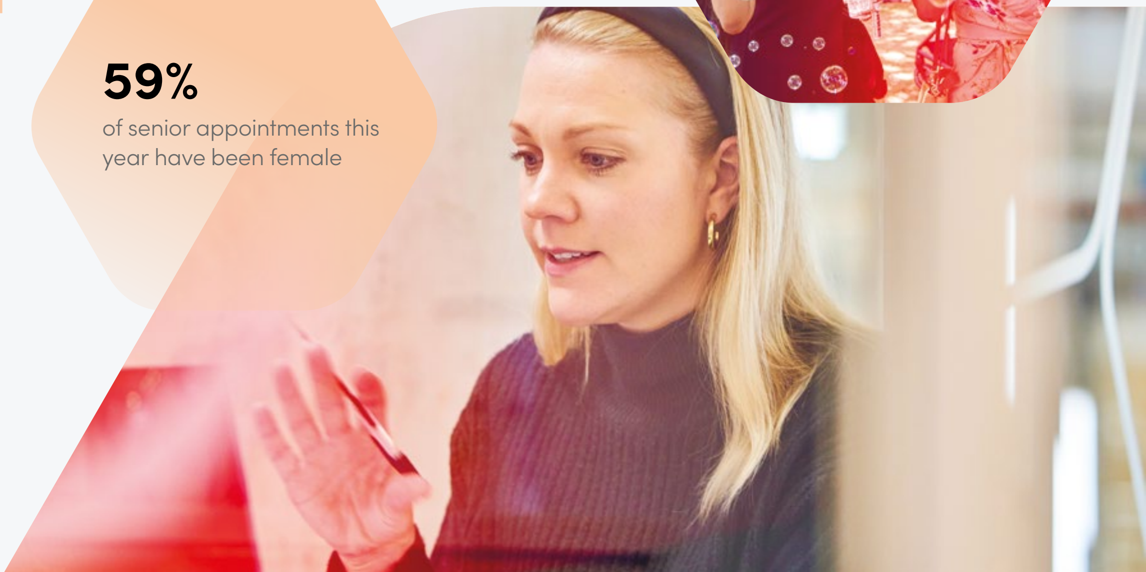
An initiative we're really proud of is the launch of flexible bank holidays, which allow our people to swap regular bank holidays for ones which mean more to them, such as Chinese New Year, Eid or Pride.

Read about more of the work we've done, including our global inclusion benchmark, on page 24.

> An incredibly rewarding yet challenging three-day training course with Robustmind Mental Fitness Ltd. Proud to say I am now a Mental Health First Aider.

Alex Jade Oxley
Marketing Manager

59%
of senior appointments this year have been female



With Pryde

This year we launched our first employee resource group, and we could not be more proud of its progress. Pryde is dedicated to supporting LGBTQ+ colleagues and, in its first year, has made an enormous impact on the business. Their work has included a full-scale review of Hyve's policies and participation in Stonewall's Workplace Equality Index, and the group is now beginning to work with our event teams to champion LGBTQ+ inclusion across the industries we operate in.

Helping our leaders to lead

Our annual Hyve Leadership Team (HLT) conference brought together our senior leaders from around the globe for two days of collaboration, just after the end of our financial year. In addition to connecting as a team and discussing Hyve's strategy, the leaders also took part in a cognitive behavioural session, learning more about becoming aware of their mind traps and realising untapped potential.

We are also better supporting our junior and middle managers through implementing leadership basics training, and launching a new email communication, Marvellous Managers, which offers tips, advice and reminders about their line management responsibilities.

Performance and development

This year we made changes to give our people the space and development to grow, while helping them connect to their place in the business. By implementing a brand new process which throws out the single annual review and instead encourages leaders to have ongoing conversations with their team about their performance, we help people to focus on what motivates an individual most about the work they do today, what career possibilities they would like to learn about and what support is needed for them to make progress. This is where we consider the value to be, and how we keep our talent within the organisation.

More than 80% of our colleagues have completed their strengths profile; a huge take-up for the new process.

We held a Careers Week earlier in the year to help people progress, and rolled out key skills training, including sessions on the basics of finance, presenting, Excel and giving feedback.

We also launched an emerging leader programme for our strong performers who hadn't had formal leadership training in the past. It consisted of three modules and three individual coaching sessions. The modules focused on leading teams through change, how to hold coaching conversations, adaptive leadership styles and preparing for their next challenge within the business.

Hy Five

Recognition is core to our culture, and each quarter we recognise some of our colleagues who have lived and breathed our values.

27

winners were taken to Henley Regatta and treated to a professional development session and dinner at The Ivy to celebrate winning the Hy Five award

Creating 'platforms for progress'

A year on from launching our ESG strategy, we are really proud of the progress we have made.

Our approach to ESG is one we believe will be increasingly impactful as the years progress, as it sees us embed a consciousness and collective call to action among our people. We have chosen to take this grassroots approach as we believe that it will allow us to make the greatest impact, by tapping into the passion and capabilities of each and every person who works in our business and creating a genuine sense of responsibility among us.

The response from our people has been overwhelmingly positive, and we have seen a surge in activity across the year, ranging from the formation of new partnerships, to the creation of new policies, and from investments into green solutions, to a rise in ESG-themed content at our events. We look forward to seeing this commitment blossom in future years.

Our ESG strategy is formed around four pillars, and this year significant progress has been made in each area.

Nikki Griffiths
Group Communications & ESG Director

1 Empowering communities

- Community engagement
- Social mobility
- Innovation, enterprise and trade

2 Broadening horizons

- Employee training and development
- Equality, diversity and inclusion
- Fair and decent work

3 Addressing impact

- Sustainable travel
- Sustainable supply chain
- Reducing carbon emissions

4 Inspiring change

- Global education and training
- Environmental awareness
- Customer sustainability awareness

1 Empowering communities

We have become more conscious of the communities we work within, making an effort to recognise the local struggles and issues facing those living in these areas.

A key area of focus for us has been the London Borough of Westminster, which surrounds our headquarters in Paddington, West London, and has one of the highest proportions of individuals living in poverty in London.[1] As such, this year we chose to become a Silver Partner for Making the Leap, a societal change charity with over 28 years of experience, whose aim is to 'transform the futures of disadvantaged young people in the UK by providing training to raise their aspirations and develop their skills, confidence and outlook to choose and succeed in a career'.

This partnership will offer Hyve the chance to contribute to the improvement of social mobility and will enable us to play a part in enriching the lives of local people who have had a less privileged start to life than others.

Through this partnership, we have already taken part in a social mobility careers fair, with further initiatives planned, including interview coaching at local schools, commercial awareness days with young people and student visits to our offices and events.

Going into FY23, we have committed to reinvesting 0.5% of our headline profit before tax into community projects local to either our offices or events.

Volunteering in Cape Town

Following their latest event, our Mining Indaba team spent a day transforming three classrooms at Thembani Primary School in Cape Town to create an inspiring space for the learners and teaching staff, meaning the school's stretched budget could be spent on books and educational materials rather than building repairs.

1 Trust for London | trustforlondon.org.uk/data/poverty-borough/

2 Broadening horizons

2022 welcomed a wealth of inclusion initiatives to support the development of our accepting culture, which celebrates uniqueness.

Inclusion calendar

Our inclusion calendar taps into globally celebrated dates, such as Pride, International Women's Day, Black History Month and Disability Awareness Week. While we recognise these are topics which should be talked about year-round, these dates provide an opportunity to have conversations around, learn about and celebrate different cultures.

Highlights from this year include our drag queen bingo party for Pride, a global conversation on imposter syndrome for International Women's Day, and our black talent marketplace event during Black History Month.

Launch of inaugural ERG

During the year, we launched our first employee resource group (ERG), Pryde, to help us in creating a welcoming culture for people from the LGBTQ+ community.

The group conducted a review of Hyve's policies, including launching a Transitioning at Work policy, organising volunteering opportunities including at UK Black Pride and raising money for the group's nominated charities, Diversity Role Models and KyivPride.

Peakon

To ensure that the improvements and initiatives are hitting the mark and genuinely improving diversity and inclusion at Hyve, we have added the 'Include' module to Peakon, our engagement survey (see more on page 19). In addition to collecting protected characteristic data, this module also allows us to gain feedback from our people on their thoughts about inclusion at Hyve.

Global benchmark

Recognising that work is never done with regard to inclusion, this year we also commissioned a third-party diversity specialist, MIX Diversity Developers, to conduct an analysis of Hyve's inclusion, against the global diversity, equity and inclusion benchmark.

The results show that we are out-performing peers in certain areas such as leadership and communication, and highlighted areas for us to work on, like the formalisation of an inclusion vision and strategy, providing us with a well-informed plan to continue improving inclusion at Hyve throughout the next 12 months.

+45 eNPS for D&I

At the end of the financial year, the overall eNPS with regard to diversity and inclusion was +45, which is ranked at the higher end of 'Good' by Peakon

3 Addressing impact

Our first step has been to build a clear picture of what our carbon footprint is, and where we have the biggest opportunities to reduce it.

663
Average kgCO_2e per attendee

The last 12 months have been spent meticulously measuring our carbon footprint.

For a business like Hyve, which relies heavily on travel and temporary infrastructure, this is a complex task requiring specialist knowledge.

As such, we partnered with carbon footprint experts eCollective, who we have worked with over the past year to develop not just an accurate picture of our scope 1, 2 and 3 emissions, but also a tool to allow us to accurately measure the carbon footprint of all future Hyve events.

Going forward, we will be focusing on the average carbon footprint per attendee, as this will allow us to track our progress regardless of whether our portfolio changes or not.

2022 Greenhouse Gas (GHG) emissions

For the first time this year, our GHG data includes emissions from our events. While this greatly improves the accuracy and transparency of our data, it is also responsible for a significant increase in our reported total emissions.

We analysed primary data provided directly from suppliers, providers and the business through specific surveys relating to the various business models. Where surveys were not fully completed, relevant industry averages provided by Department for Environment, Food & Rural Affairs and other similar sources were used.

For this first year of reporting, we focused on a sample of five events, using a cross-section of geographies and event types. This was then extrapolated across the event portfolio, using the average carbon footprint per attendee.

Our scope 3 emissions include those generated by customer travel, waste from events and the energy used to power them, among other things.

We will continue to report on the emissions of our total business, including events, and hold ourselves to account in the way we believe to be most honest and fair.

Our partnership with the Carbon Literacy Project

Towards the end of FY22, we designed our bespoke carbon literacy training programme, which was subsequently accredited by the Carbon Literacy Project. In 2023, this will be rolled out to colleagues, creating a wealth of knowledge in the business, and a team of motivated individuals to help us drive improvements in our sustainability.

Streamlined energy and carbon reporting (SECR) table

	Global emissions (tCO_2e)		
	2020–2021	**2021–2022**	Variance
Total scope 1	194.00	**60.45**	n/a
Total scope 2	778.00	**92.57**	n/a
Total scope 3	86.00	**450,052.19**	n/a
Total	1,058.00	**460,205.21**	n/a
Average carbon footprint per attendee (kg of CO_2e)	Unknown	**663**	n/a

Since this year we have overhauled our approach to our carbon emissions measurement and reporting, it is not appropriate to include the % variance from FY21 to FY22; however, we plan to resume this reporting next year.

Environmental, social and governance strategy continued

4 Inspiring change

Our fourth pillar focuses on the global education and training of ESG topics and centres on us using our position as the leading voice across major industries to drive positive change.

This focus, of course, starts within our business, and this year we have created numerous opportunities for our colleagues to learn. We also asked every single one of our colleagues to set a personal objective relating to ESG, which has led to a greater awareness and understanding of not only our ESG strategy, but the positive impact each individual can make.

Inaugural ESG-focused event

This year saw the launch of our first ever ESG-focused event, Green Energy Africa Summit. This connected ministers and government leaders with the global private sector and welcomed senior delegates across two days to drive deals and investment into green energy projects, provide energy access and solutions for the continent and, ultimately, shape the future of Africa.

This year's event was supported by key partners including PwC, Rio Tinto and Boston Consulting Group, with a thought-provoking agenda including sessions such as 'The Role of Technology in Driving the Energy Transition', 'The Mining Industry's Role in the Race to Net Zero' and a Pan African discussion panel titled 'The Green Transition. The Decade to Deliver'.

The majority of Hyve events now include sustainable development in their themes and agendas, and this focus is expected to grow throughout 2023 and beyond.

28
ministers and government officials
from across Africa and beyond convened at Green Energy Africa Summit to address the industry and set out the future direction of the African energy sector

Task Force on Climate-related Financial Disclosures (TCFD)

Background

The TCFD has developed a framework to help public companies and other organisations disclose climate-related risks and opportunities. As a premium listed company, Hyve is required to include a statement in our Annual Financial Report on whether we have made disclosures consistent with the TCFD recommendations, or to explain why not.

This is Hyve's first year of reporting against the TCFD recommendations.

In meeting the requirements of Listing Rule 9.8.6 R, we have concluded that for FY22:

- We fully comply with recommended disclosures 2, 8 and 10;
- We partially comply with recommended disclosures 1, 3 and 6; and
- We do not comply with recommended disclosures 4, 5, 7, 9 and 11.

TCFD pillar	TCFD recommended disclosures	Cross-reference or reason for non-compliance	Next steps and further comments
Governance	1) Describe the Board's oversight of climate-related risks and opportunities.	ESG Committee report (see pages 94 and 95) Risk Committee report (see pages 90 and 91) **Partially compliant** – Climate-related risks and opportunities are discussed as part of the Risk and ESG Board Committees; however, further work could be done to delve deeper into these topics by discussing the financial implications of such risks and opportunities.	We will ensure that the Board considers climate-related risks and opportunities as part of the ESG strategy in key decisions and disclose how the Board supervises progress against related targets. We will achieve this by formalising the review process during FY23.
	2) Describe management's role in assessing and managing climate-related risks and opportunities.	**Compliant**	We will continue to develop and disclose communication channels and the allocation of roles and responsibilities of climate-related issues within Hyve senior management.

TCFD pillar	TCFD recommended disclosures	Cross-reference or reason for non-compliance	Next steps and further comments
Strategy	3) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	ESG Committee report (see pages 94 and 95) **Partially compliant** – Work has been done to understand the climate-related risks and opportunities facing Hyve during the financial year.	During FY23, we will disclose our significant climate-related risks and opportunities by time horizon (short, medium and long term). We will also provide detail on the process(es) used to determine the climate-related risks and opportunities in each time horizon which could have a material financial impact on our business.
	4) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	ESG Committee report (see pages 94 and 95) **Not compliant** – While work has started, we have not yet fully assessed how our commercial strategy will be impacted by our identified climate-related risks and opportunities, nor have we undertaken a financial impact assessment or outlined our mitigation strategies.	We plan to undertake a financial quantification assessment during FY23 and will review how our Group strategy and subsequent financial planning may be impacted by our identified climate-related risks and opportunities.
	5) Describe the resilience of the organisation's strategy, taking into consideration different future climate scenarios, including a 2°C or lower scenario.	ESG Committee report (see pages 94 and 95) **Not compliant** – While our temperature and timeline scenarios are defined in this report, there is more work to be done to better understand our resilience.	Next year, we will review and report the resilience of our Group strategy against our identified climate-related risks and opportunities and disclose where these risks and opportunities may have the greatest impact.
Risk management	6) Describe the organisation's processes for identifying and assessing climate-related risks.	ESG Committee report (see pages 94 and 95) **Partially compliant** – Our process for identifying and assessing climate-related risks has been included in this report, but we know development work is required to further categorise these risks.	We will communicate the current and future regulatory drivers of our approach to climate change and disclose key risk categories and terminology used within our TCFD risk register during FY23.
	7) Describe the organisation's processes for managing climate-related risks.	ESG Committee report (see pages 94 and 95) **Not compliant** – We are yet to detail our processes (e.g. risk mitigation, transference, acceptance or control) for managing climate-related risks. In addition, we have not yet detailed our determination of climate-related materiality.	We will review our decision-making processes for current and future risk controls and develop our methodology for determining climate-related materiality during FY23.
	8) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	ESG Committee report (see pages 94 and 95) **Compliant**	Our identified climate-related risks and opportunities are applied to our overall risk management processes.

TCFD pillar	TCFD recommended disclosures	Cross-reference or reason for non-compliance	Next steps and further comments
Metrics and targets	9) Disclose the metrics used by the organisation to assess climate-related risks in line with its strategy and risk management process.	ESG Committee report (see pages 94 and 95) **Not compliant** – We have not yet considered the integration of climate-related issues into remuneration policies. We are also yet to disclose metrics and their methodologies for historical periods. Metrics relating to energy are also now being analysed and reported (see page 25). Internal carbon prices have not yet been set.	We will explore additional climate-related performance metrics during FY25.
	10) Disclose scope 1, scope 2, and if appropriate, scope 3 greenhouse gas emissions, and the related risks.	ESG Committee report (see pages 94 and 95) **Compliant**	We are committed to continually reducing our scope 1, 2 and 3 greenhouse gas emissions. We are also committed to disclosing our calculation methodology.
	11) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	ESG Committee report (see pages 94 and 95) **Not compliant** – We are yet to disclose carbon emission, intensity-based or other targets and provide a narrative on our emissions reduction methodology.	We will disclose intensity-based carbon reduction targets with timeframes against the established baseline year. We will also disclose the methodologies used to calculate our carbon targets and measures. We aim to do this by the end of FY25.

Our progress in TCFD

At Hyve, we recognise the critical importance of tackling climate change and future-proofing our business to be more resilient. We see a huge opportunity to use our events to lead the discussion on how major industries are addressing climate change resilience and opportunities, as we collectively transition to net zero. We believe this is where our influence and impact will be at their greatest.

We care about doing the right thing and, as such, we have developed our climate disclosures in line with the 2021 guidelines of the TCFD for premium listed businesses. By aligning with the TCFD recommendations, we have identified key climate-related risks and opportunities facing our business. This will allow us to focus on mitigating potential climate impacts, which helps us be more resilient, and to realise the value of transitioning to a low-carbon economy.

We have reported across TCFD's four supporting thematic pillars:

- Governance;
- Strategy;
- Risk management; and
- Metrics and targets.

We will continuously monitor our progress against these four pillars and are working towards meeting the recommendations in full in line with the mandatory timeline. This will require us to report full disclosures in our Annual Report for our financial year ending in September 2023.

Governance

Our Board has overall accountability for managing the risks and opportunities associated with climate change. The Risk Committee reports to the Board and is responsible for evaluating and updating our overall risk register, ensuring it takes into account potential climate-related impacts for the business.

On an annual basis, a select group of Hyve's leadership team, comprising individuals who have responsibility for sustainability, finance, operations, governance and compliance, evaluates the likelihood and impact of current and emerging risks and opportunities. The ESG Committee (see page 94) also reports to the Board and is responsible for overseeing the implementation of climate change mitigation measures as part of our ESG strategy.

The senior and divisional leadership teams implement and operate the climate-related mitigation measures across the business. Specifically, the Group Communications and ESG Director, reporting to the CEO, is responsible for overseeing the implementation of these mitigation measures, as well as the fulfilment of the TCFD recommendations.

Strategy

We recognise we have a responsibility to play a role in protecting the environment by addressing our carbon emissions across scopes 1, 2 and 3. This is a key component of our ESG strategy, and the focus of our 'Addressing Impact' strategic pillar.

We aim to reduce our own carbon footprint while collaborating with the wider events industry, as well as our exhibitors, visitors and suppliers. This will predominantly be achieved through:

- Promoting and facilitating sustainable travel;
- Creating a sustainable supply chain;
- Reducing controllable carbon emissions; and
- Reducing waste.

Methodology

In 2022, working with sustainability consultancy Simply Sustainable, we conducted a climate scenario analysis based on two possible climate futures, in order to assess the climate resilience of our business strategy. The latest climate science was reviewed to understand how climate change could impact our business on a global basis. The chosen climate scenarios, known as Representative Concentration Pathways (RCPs), as defined by the Intergovernmental Panel on Climate Change (IPCC),[1] are detailed below.

Climate scenarios	Cautious scenario (RCP 4.5)	A predicted global temperature increase between 1.7°C and 3.2°C, in line with current trends, climate change policies, pledges and commitments.
	Worst-case scenario (RCP 8.5)	A global temperature increase between 3.2°C and 5.4°C, where carbon emissions continue growing unmitigated.

We also considered climate change risks and opportunities over the following geography and time horizons:

Geographical scope	The four regions where we operate the majority of our events.	• UK • South Africa • USA • Asia
Time horizons	Three periods of time to analyse the evolution of risks for our business.	• Short term (2022 to 2030) • Medium term (2030 to 2040) • Long term (2040 to 2050)

Consistent with TCFD, we classify climate-related risks into two distinct categories.

- **Physical risks:** Direct damage resulting from climate change phenomena. These can be event-driven (acute) or long-term shifts (chronic) in climate patterns.
- **Transition risks:** Policy and legal, technological, market and reputational impacts associated with the implementation of measures to reach a low-carbon economy.

Simultaneously, we also analysed climate-related opportunities that could add value to our business.

A sample of the risks and opportunities identified is summarised below.

TCFD physical risk category	Identified climate risks	Business impact
Acute	Natural disasters or extreme weather incidents (e.g. temperature increases and droughts could impact our Las Vegas events).	Transport or event venues may become unavailable, impacting visitor numbers. Employees might be unable to access our offices or systems, resulting in business disruption.
Chronic	Sea-level rise or extreme weather seasons (e.g. flooding could affect our coastal events such as those in Cape Town).	Cities or regions could be unavailable to host events, requiring new venues and markets to be identified.

1 Representative Concentration Pathways (RCPs) are a method to set different scenarios under economic, social and physical assumptions that might occur as a result of climate change. The RCPs compare projected global carbon emissions with pre-industrial levels and anticipate the effects on global warming from now until the end of the century.

TCFD transition risk category	Identified climate risks	Business impact
Policy and legal	Higher carbon taxes associated with operating our business.	Operating costs could increase with the introduction of carbon taxes and potential fines, resulting in reduced annual profit.
Market	Lack of employee participation or awareness of low-carbon and green skills, training and education.	Employee recruitment and retention may be impacted, resulting in impacts on productivity and, potentially, growth of the business.
Reputation	Reduced attractiveness to investors as low-carbon businesses and events become increasingly important.	Reputation could be damaged and, as a result, capital financing and investment may decrease.

TCFD opportunity category	Identified climate opportunity	Business impact
Markets	Strengthening our reputation as a responsible and low-carbon business.	Cementing our reputation as the organiser of market-leading events and growing customer market share through becoming the 'sustainable choice'.
Products and Services	Offering meetings with certified sustainable suppliers.	Increased revenue opportunities, and customers can improve the sustainability of their supply chain.

Risk management

At Hyve, we continually review and improve our risk management processes. From 2022 we identified climate-related risks, following TCFD guidelines and supervised by the financial management team and the ESG Committee.

We developed a tailored TCFD risk and opportunities register to assess the impact and likelihood of each climate-related financial risk to the business. Within the register, we identify current and future mitigation measures and controls for each risk, ensuring these are monitored over time.

Starting in FY23, our Risk Committee will review the climate-related financial risks and opportunities. These will assess the current risks against emerging climate science, as well as broader market and legislative changes, managing them as part of our global risk control measures.

Metrics and targets

As part of our ESG strategy, we are committed to robustly measuring and reducing our carbon footprint. To transition to a low-carbon future, we are working collaboratively with our teams to enhance accountability for our carbon emissions, such as setting individual ESG targets to support the delivery of our ESG strategy.

In 2022, we measured our full scope 1, 2 and 3 greenhouse gas emissions (see page 25). We will continue to monitor our carbon footprint and improve the accuracy of our reporting with each year. We also recognise the importance of the transition to net zero, and by 2025 we will commit to the Science Based Targets initiative (SBTi). This will strengthen our resilience against climate change and enhance our competitive market positioning through transparent and performance-led reporting.

Where next?

We know that calculating our carbon footprint will provide us with the necessary information to develop strategic actions to drive our net-zero journey. We are committed to reporting greenhouse gas emissions, establishing carbon reduction targets and, ultimately, building a roadmap to decarbonise our operations.

We use a range of financial and non-financial metrics to measure our performance both internally with our people (through monthly employee engagement surveys) and externally with our customers (through NPS scores and relationship management). This information sits alongside metrics relevant to our financial strength, engagement and impact on society and the wider environment. We aim to comply with the non-financial reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006. The table below, and the information it refers to, is intended to help stakeholders understand our position on key non-financial matters. The information required to be contained in the non-financial reporting statement pursuant to the Companies Act 2006 is set out below. Other relevant information about our business model and KPIs, as well as our approach to governance review and risk management, are detailed elsewhere in this report.

Reporting requirement	Policies and standards which govern our approach	Where to find additional information
Environmental matters	During the year, the ESG Committee continued to implement and monitor its ESG strategy, including making significant progress with regard to measuring its carbon footprint. The Company now discloses information regarding environmental matters in line with the TCFD requirements.	• More information on our ESG strategy can be found on pages 22 to 26 • We have included information about greenhouse gas emissions in the section on ESG on page 25 • The TCFD report can be found on pages 27 to 31
Employees	The Group's Code of Conduct sets out what is expected from every person working for, and with, our businesses anywhere in the world. The code acts as an umbrella for the following policies: Gifts and Hospitality, Whistleblowing, Anti-Bribery and Corruption, Anti-Modern Slavery/Human Trafficking, Conflict of Interest, Sanctions and Expenses	• We have included a statement about our whistleblowing arrangements in our Corporate governance report on page 80 • Information about our employees can be found in the 'Our People and values' section on pages 19 to 21, the Section 172(1) statement on pages 62 to 68 and in the Directors' report on pages 82 to 84
Human rights	Human Rights Policy Modern Slavery Statement Anti-Slavery and Human Trafficking Policy	• Our approach to human rights is covered by our Code of Conduct. Further information can be found in our Corporate governance report on page 81 and on our website: hyve.group/Responsibility/Human-Rights • We have included a statement about modern slavery in our Corporate governance report on page 81 • Our Modern Slavery Statement can be found on our website: hyve.group/Responsibility/Modern-Slavery-Statement
Social matters	As stated above, the Group continued to implement and monitor its ESG strategy. Diversity and Inclusion Policy	• More information on our ESG strategy can be found on pages 22 to 26 • Information on our social responsibility can be found on our website: hyve.group/Responsibility/Social-Responsibility
Anti-corruption and anti-bribery	Anti-Corruption Policy Gifts and Entertainment Policy	• We have included a statement about our Anti-Corruption Policy in our Corporate governance report on page 81 Further information can be found on our website: hyve.group/Responsibility/Anti-Corruption
Description of principal risks and impact of business activity		See pages 50 to 58 of this report
Description of business model		See pages 15 to 18 of this report
Non-financial KPIs		See pages 59 to 61 of this report

The speed of the recovery has accelerated beyond expectations, at a scale greater than anticipated

100%
revenue recovery achieved across events that ran in the second half of FY22

A faster recovery than expected

Faster than anticipated recovery

The pace of recovery in FY22, in particular the acceleration seen in the second half, gives us confidence going into FY23, while the debt refinancing since the year end gives us the financial stability to pursue our growth plans.

We successfully ran a full schedule of events outside of China. In total 29 (2021: 14) in-person events took place, excluding those that ran in the year prior to the disposals of Russia, Ukraine and Turkey. Total revenue for the year from continuing operations was £122m (2021: £22m), illustrating the extent of the recovery seen in the last 12 months.

Full year revenues in FY22 recovered to c.85%[1] of pre-pandemic levels, despite there being no revenue from Chinese events in the year and disruption in the first half due to the emergence of the Omicron COVID-19 variant. Despite this disruption which resulted in a number of event postponements, revenue still delivered 70%[1] of pre-pandemic levels in the first six months of the year. Since then, the extent and speed of the recovery has accelerated, outstripping expectations such that revenues in the second half fully recovered to their pre-pandemic levels.

John Gulliver
CFOO

1 Recovery is assessed with reference to pro forma FY19 revenues. The FY19 revenues have been adjusted to include the FY19 results of acquisitions made since September 2019 and to exclude the FY19 results of businesses that have since been disposed of. The FY22 revenues are after excluding discontinued operations in respect of Russia, Ukraine and Turkey.

Refinancing provides financial stability

In October 2022, subsequent to the year end, we repaid our existing debt facilities and refinanced the Group's debt with new facilities totalling £135m, split between a term loan of £115m and a revolving credit facility of £20m. With the previous facility due to expire in December 2023, this provides significant additional financial security for the Group until October 2026.

The completion of the refinancing was a notable achievement at a time when debt markets are volatile, there are significant macroeconomic headwinds and the business is still recovering from the effects of the COVID-19 pandemic. In light of this, the rate of interest payable has increased, to 7.5-8.0% over SONIA on the term loan and 2.5-3.5% over SONIA on the revolving credit facility, but the facility provides the financial stability to allow us to deliver our growth plans for the Group.

The debt facilities are subject to financial covenants, with a monthly £21m minimum liquidity covenant in place until August 2023, which is replaced by a quarterly leverage ratio covenant thereafter. The leverage ratio is based on a net debt to EBITDA ratio for the preceding 12-month period, starting at 4.4x in September 2023 and falling to 4.2x in December 2023 and 3.0x from March 2024.

Disposals have streamlined the event portfolio

Throughout FY22 we have continued our focus on managing the portfolio of events we run. This has been accelerated by geopolitical events during the year, not least the Russian invasion of Ukraine. During the year, we completed the disposals of our businesses in Russia, Ukraine and Indonesia, sold our ABEC Indian business and subsequent to year end sold our Turkish business.

This leaves us with a streamlined portfolio of 33 events, primarily in advanced economies and in markets that are less exposed to geopolitical volatility. This largely completes the portfolio management plans set out at the inception of the Group's Transformation and Growth (TAG) programme back in 2017 and leaves the business with a strong portfolio of market-leading products that are well positioned to continue the post-COVID-19 recovery and deliver the Group's growth plans.

The focus is now on maximising growth potential

The Group's products have significant growth potential, which we are committed to delivering in the coming years. Plans are well underway to roll out meetings programmes at a number of our key events in FY23 following successful trials in FY22. We are investing significantly in these events to cement their market-leading status and increase return on investment for our customers.

While FY22 has largely been about securing the recovery and executing the acquisitions and disposals, a number of growth initiatives were launched in the year. Expansion opportunities into new sectors were identified, with Ahead by Bett launched alongside Bett UK in March 2022 and Green Energy Africa Summit running as part of Africa Oil Week post year end. Satellite events have been reintroduced, such as Bett Asia, which relocated to Thailand and returned in October 2022.

We also continued to explore launch opportunities, particularly where there is significant demand for brand extensions into different sectors, formats or geographies. In FY22 Shoptalk Europe was successfully launched in London, and the second edition of the event is scheduled for Barcelona in FY23. Following the success of the acquired virtual Fintech Meetup event in March 2022, demand for an in-person event in FY23 has led to the planned launch being scheduled for March 2023 in Las Vegas.

These growth initiatives, in addition to further investments in FY23, provide a strong platform for organic growth. While planned investments into the growth initiatives will have a short-term impact on operating profit margins, the increased scale and breadth this will bring to our portfolio of products will have a positive impact on profitability and margins in the mid to long term.

Outlook

FY22 represented another significant step forward on the road to recovery and this continues apace as we enter FY23. Forward bookings for the year are now £98m, compared with £67m this time last year across the same portfolio of events, and customer like-for-like spend continues to increase. We remain conscious of challenges in the macroeconomic environment globally, in particular the threat of recession in a number of our markets. We are seeing resilience in customer bookings and trading KPIs, and this gives us confidence in the outlook for FY23.

John Gulliver
CFOO

Financial review

Overview

Revenue

Revenue for the year from continuing operations was £122.5m (2021: £21.8m), after excluding the discontinued operations of Russia, Ukraine and Turkey. With the exception of China, where there remains considerable disruption to event schedules, the Group successfully ran a full schedule of events in FY22, with 29 (2021: 14) in-person events taking place in the year (excluding events in Russia, Ukraine and Turkey) after COVID-19-related restrictions were lifted in the majority of the Group's markets by the end of FY21.

The pace of in-person event recovery accelerated throughout the financial year. Despite disruption caused by the Omicron variant in the first half of the year, revenues when compared with FY19 pro-forma revenues were 70%[1] in the first half. This increased in the second half to more than 100%[1], excluding the Group's events in China[2] in the final quarter of the financial year which did not take place due to COVID-19-related restrictions. Overall, the revenue delivered in FY22 represents c.85%[1] of FY19 revenues on a pro-forma basis, or more than 90%[1] excluding China[2]. A number of the Group's largest events outperformed their pre-COVID-19 editions, including Shoptalk and Groceryshop in the US, Mining Indaba in South Africa and Breakbulk Europe in the Netherlands.

The Group also ran 14 tech-enabled programmes in FY22, including its first Fintech Meetup event and seven 121 Mining Investment programmes following the acquisition of the businesses in November 2021 and March 2022 respectively.

Loss before tax

The Group reported a loss before tax from continuing operations of £31.0m (2021: £27.5m), after including adjusting items of £42.4m (2021: £41.4m).

Headline profit before tax[3] is an alternative performance measure used by the Group to measure underlying trading performance. After excluding adjusting items, headline profit before tax from continuing operations was £11.5m (2021: £13.9m). Excluding the impact of insurance proceeds received of £19.3m (2021: £65.0m), the Group's headline profits would have increased by £43.3m, which reflects the strong recovery of the Group's events.

Earnings per share (EPS)

Basic and diluted EPS from continuing operations were (8.6)p (2021: (8.3p)). Headline diluted EPS[3] from continuing operations was 4.2p (2021: 4.9p), primarily reflecting the reduced insurance proceeds received in the year. Please refer to note 11 to the consolidated accounts.

Financing and liquidity

Adjusted net debt[3] at the year end has decreased to £71.0m (2021: £79.9m), with the Group delivering a positive operating cash flow even when excluding the impact of insurance proceeds. Net operating cash inflows of £26.3m (2021: £27.2m) and the net proceeds from the share placement and share subscription of £28.1m, were partially offset by the initial and deferred consideration paid for the acquisitions of 121 Group and Fintech Meetup of £34.2m.

Net debt[3], including the Group's lease liabilities, was £86.3m (2020: £96.6m).

At 30 September 2022, £101.0m (2021: £124.4m) of a total available £201.0m (2021: £212.8m) was drawn on the Group's banking facility. Bank loans presented in the statement of financial position are £99.1m (2021: £121.6m), net of £1.9m (2021: £2.8m) of capitalised borrowing costs.

At 30 September 2022, the Group's banking facilities comprised a £150.0m (2021: £150.0m) revolving credit facility and a term loan of £51.0m (2021: £62.8m). During the year, the Group repaid £11.8m on its term loan. As at 30 September 2022, there were further scheduled repayments of the term loan of £6.0m in November 2022, £22.5m in November 2023 and a final repayment of £22.5m on the termination date.

In November 2021 we extended the previously obtained leverage ratio and interest cover covenant waivers from March 2022 to March 2023, with a minimum liquidity level of £40.0m required at the end of each month. At 30 September 2022 the Group had cash and undrawn facilities of £129.6m (2021: £130.1m) and therefore had headroom of £89.6m in respect of the minimum liquidity test.

In October 2022, the Group completed the refinancing of its debt facilities. The new facilities, totalling £135.0m, comprise a £115.0m term loan and £20.0m revolving credit facility. The £101.0m that was drawn on the previous facility was repaid in full on 20 October 2022, with the new term loan of £115.0m being fully drawn on the same date.

Under the new facilities a minimum liquidity covenant of £21.0m is in place up to and including August 2023. Thereafter, a leverage ratio applies, flatlining at 3x. Please refer to note 20 to the consolidated accounts.

1 Recovery is assessed with reference to pro forma FY19 revenues. The FY19 revenues have been adjusted to include the FY19 results of acquisitions made since September 2019 and to exclude the FY19 results of businesses that have since been disposed of. The FY22 revenues are after excluding discontinued operations in respect of Russia, Ukraine and Turkey.

2 As no events were able to run in China in the year, FY22 China revenues were £nil. The FY19 revenues for China have been removed to show the recovery level of events that were able to run during the year.

3 As defined in the Glossary on pages 209 to 212.

Headline reconciliation

In addition to the statutory results, headline results are presented, which are the statutory results after excluding a number of adjusting items, as the Board considers this to be the most appropriate way to measure the Group's performance. In addition to providing a more comparable set of results year-on-year, this is also in line with similar adjusted measures used by our peer companies and therefore facilitates comparison across the industry.

The adjusting items presented are consistent with those disclosed in the previous year. The adjusting items have been presented separately in order to report what the Board considers to be the most appropriate measure of underlying performance of the Group and to provide additional information to users of the annual report.

Reconciliation of headline profit before tax from continuing operations to statutory loss before tax from continuing operations

2022

Headline profit before tax from continuing operations

£11.5m

2021 (restated[1]): £13.9m

Operating items

Amortisation of acquired intangible assets

£(28.8)m

2021 (restated[1]): £(27.8)m

Definition	Explanation	Why adjusted?
Amortisation charge in respect of intangible assets acquired through business combinations.	The charge has increased in the period as a result of the recognition of acquired intangible assets in respect of the acquisitions of 121 Group and Fintech Meetup in the year, which increases the net book value of intangible assets being amortised.	To present the profitability of the business such that performance can be appraised consistently, whether from organic growth or through acquisition, and irrespective of whether or not acquired intangible assets have subsequently become fully amortised.

1 Results for the year ended 30 September 2021 have been restated for the treatment of the Russian, Ukrainian and Turkish businesses as discontinued operations as disclosed in note 17. All subsequent references to restatements throughout these results refer to the restatements for the prior period error disclosed in note 1 and the treatment of discontinued operations disclosed in note 17.

2022	Definition	Explanation	Why adjusted?
Impairment of assets **£(2.9)m** 2021 (restated[1]): £(19.0)m	Writedown of assets to fair value, where indicators of impairment have existed or following the completion of the annual impairment review.	Impairment charges of £2.9m have been recognised in respect of goodwill in relation to Fin-mark Srl (£2.1m) and deferred consideration receivable in relation to the disposal of ITE Expo LLC (£0.8m). In the prior year, impairment charges of £18.3m were recognised in respect of acquired intangible assets within the UK CGU as a result of downgrades to forecast trading due to the continuing impact of COVID-19 on our UK-retail events, as well as the allocation of additional central costs following revisions to the cost allocation methodology.	To exclude write-offs specific to circumstances that arose either in the current year or based on future performance expectations. These are often inconsistent in origin and amount year-on-year, and therefore the business performance is more comparable year-on-year without these charges.
Profit on disposal **£4.0m** 2021 (restated[1]): £0.2m	The profit or loss recognised following the disposal of part of the business, represented by the difference between the fair value of proceeds received net of related selling expenses and the disposed of net assets.	The profit on disposal in the year relates to the disposals of ABEC and the Group's 50% interest in Debindo. The losses recognised in the year in respect of the disposals of the Russian and Ukrainian businesses are included within the Group's results from discontinued operations – see note 17 to the consolidated accounts.	To exclude the non-recurring profit/loss from a disposal completed during the year, from which no future profit or loss will be recognised. This increases the comparability of the results year-on-year.

2022	Definition	Explanation	Why adjusted?
Transaction costs on completed, pending or aborted acquisitions and disposals **£(3.3)m** 2021 (restated[1]): £(0.7)m	Costs incurred that are directly attributable to acquisitions or disposals, whether completed, still being actively pursued or no longer being considered.	Transaction costs on completed and pending acquisitions and disposals relate principally to the acquisition of 121 Group in November 2021 and the acquisition of Fintech Meetup in March 2022. The most significant of these costs are professional and consultancy fees incurred in relation to the due diligence and legal procedures necessary for the completion of the deals. In the previous year the costs recognised primarily related to the acquisition of Retail Meetup completed in December 2020.	While transaction costs are typically incurred each year due to the acquisitive nature of the industry and the Group's focus on actively managing the existing portfolio of events while making selective product-led acquisitions, the costs incurred are not consistent year-to-year, fluctuating significantly based on the number and size of deals. Costs incurred in relation to an acquisition, while often commensurate to the size of the business being acquired, are more closely connected to the consideration payments than the performance of the business in the period. Excluding the costs increases comparability of performance each year.
Tax on income from joint ventures **£0.2m** 2021 (restated[1]): £(0.5)m	The tax credit/(charge) in respect of the share of profits recognised from joint ventures.	The tax credit in the period is directly linked to the share of profits recognised from joint ventures in the year. The movement in the year reflects that the Sinostar joint venture was loss-making in the year due to the cancellation of the ChinaCoat event.	Statutory reported profits from joint ventures are presented post-tax. In order to present a measure of profit before tax for the Group that is purely pre-tax, the tax on joint venture profits is added back. Instead, it is included in the headline post-tax measure of profit and therefore is applied consistently with the statutory measure of post-tax profit.

2022	Definition	Explanation	Why adjusted?
Financing items Revaluation of liabilities on completed acquisitions and disposals **£(11.7)m** 2021 (restated[1]): £6.4m	The revaluation of future earn-out payments in respect of completed acquisitions recognised through profit or loss.	A number of the Group's acquisitions and disposals completed in recent years have future earn-out commitments through deferred or contingent consideration payments. These are held on the statement of financial position at fair value and therefore change based on the latest foreign exchange rates, the proximity of the settlement date and the latest expectation of the settlement value. The revaluation of assets and liabilities on completed acquisitions and disposals includes the imputed interest credit on the unwinding of the discount on the Group's deferred consideration receivable of £1.7m and a loss on the revaluation of the deferred consideration receivable of £1.1m, primarily in respect of the disposal of the Group's Central Asian event portfolios. Also included is the interest expense on the unwinding of the discount on the Group's deferred consideration payable of £5.5m and a loss on the revaluation of the deferred consideration payable of £6.8m, in respect of the earn-out payments for 121 Group and Fintech Meetup. In the prior year, revaluation of assets and liabilities on completed acquisitions and disposals included the gains from the revaluation of our equity options over non-controlling interests in our subsidiaries (credit of £8.8m), in relation to the then remaining 40% interest in ABEC; the imputed interest credit on the unwinding of the discount on the Group's deferred consideration receivable in relation to the disposals of ITE Expo LLC and its Central Asia event portfolios (credit of £1.6m); a loss on the revaluation of the ITE Expo LLC and Central Asia deferred consideration receivable (charge of £2.7m); and a loss on the revaluation of the deferred consideration payable for Retail Meetup (charge of £1.3m).	To exclude write-offs specific to circumstances that arose either in the current year or based on future performance expectations. These are often inconsistent in origin and amount year-on-year and therefore the business performance is more comparable year-on-year without these charges. As with transaction costs, the adjustment is in order to present results excluding deal-related costs that fluctuate year-to-year. While the costs vary based on the latest expectations of future consideration payments, often linked to performance, the outflows themselves are reflective of the cost of the acquisition rather than performance of the business in the year. Excluding the costs therefore aids comparability of the Group's performance year-on-year.

Loss before tax from continuing operations

£(31.0)m

2021 (restated[1]): £(27.5)m

Consolidated income statement

Trading summary

A detailed analysis of volumes, revenues and profits/(losses) is presented below:

		Square metres sold '000	Revenue £'m	Average yield £ per SQM	Headline profit/(loss) before tax (restated) £'m
2021	**Reported**	**211**	**55.2**	**262**	**20.8**
	Discontinued operations	(138)	(33.4)		(6.9)
2021	**Continuing operations**	**73**	**21.8**	**299**	**13.9**
	COVID-19 cancellations[1]	(29)	(4.0)		(4.5)
	COVID-19 cancellation costs[2]	–	–		7.7
	Non-recurring	–	(2.0)		(1.2)
	Disposals	(12)	(1.3)		1.3
	Insurance proceeds	–	–		(65.0)
2021	**Annually recurring**	**32**	**14.5**	**453**	**(47.8)**
	COVID-19 cancellations[3]	127	77.8		32.1
	Acquisitions	–	10.0		2.6
	Launches	3	7.8		(0.1)
	Foreign exchange	–	2.3		3.1
	Like-for-like growth	10	6.9		4.1
2022	**Annually recurring**	**172**	**119.3**	**694**	**(6.0)**
	COVID-19 cancellation costs[4]	–	–		(3.5)
	Biennial	17	3.2		1.7
	Insurance proceeds	–	–		19.3
2022	**Continuing operations**	**189**	**122.5**	**648**	**11.5**

1 Represents the prior period performance of events that were postponed or cancelled in the current period as a result of COVID-19.

2 Represents the costs incurred in the prior period in respect of the events that were cancelled in the prior period as a result of COVID-19.

3 Represents the current period performance of events that were postponed or cancelled in the prior period as a result of COVID-19.

4 Represents the costs incurred in the current period in respect of the events that were cancelled in the current period as a result of COVID-19.

Segmental results

	Revenue		Headline profit/(loss) before tax	
£'m	2022	2021 (restated)	2022	2021 (restated)
EdTech & Natural Resources	**32.7**	1.0	**1.0**	(7.9)
Retail, Manufacturing & Engineering	**39.0**	10.1	**5.8**	(7.0)
RetailTech & FinTech	**45.0**	6.6	**9.3**	(6.2)
Asia	**5.8**	4.1	**(2.1)**	(7.5)
Other income	**–**	–	**19.6**	66.1
Central costs	**–**	–	**(16.9)**	(15.2)
Foreign exchange gain/(loss)	**–**	–	**2.7**	(0.3)
Net finance costs	**–**	–	**(7.9)**	(8.1)
Total – continuing operations	**122.5**	21.8	**11.5**	13.9

During the year, the Group has made changes to its reportable segments. The Global Communities segment was divided into three new operating segments, reflecting the new management structure in place for these businesses. The three new operating segments are: EdTech & Natural Resources; Retail, Manufacturing & Engineering; and RetailTech & FinTech.

Following the Group's disposal of its Russian and Ukrainian businesses during the year and its disposal of the Turkish business subsequent to the year ended 30 September 2022, the Russian, Ukrainian and Turkish businesses are treated as discontinued operations in both the current and comparative periods. The Ukrainian and Turkish businesses together comprised the Eastern & Southern Europe division.

Refer to the Divisional trading summary (pages 44 to 49) for commentary on the performance of each operating segment.

Other income includes insurance proceeds of £19.3m (2021: £65.0m), which were received in relation to claims regarding the cancellation or postponement of a number of events that were scheduled to take place during FY20 and FY21.

Central costs include all costs that are not allocated to the Group's operating segments when headline profit before tax is reported to the Executive Team for the purposes of allocating resource and making strategic decisions. These include the Group's corporate overheads, which are the costs of running the head office in London and are primarily comprised of staff costs, which include the Group's executive and non-executive directors, depreciation of the Group's centrally held assets and professional fees.

Net finance costs include the interest cost on the Group's borrowings of £5.7m (2021: £5.2m), which has increased in the year due to rising interest rates. Net finance costs also include bank charges of £1.9m (2021: £2.4m) and the interest cost on the Group's lease liabilities of £0.6m (2021: £0.7m).

Foreign exchange

As a result of the territories in which we operate, we are exposed to changes in foreign exchange (FX) rates. Significant movements, particularly in the US dollar, can have a material impact on our results.

Further detail is provided on the impact of translational FX, which is included within the results of each division and only adjusted for when considering like-for-like measures of revenue or profit, transactional FX, which is presented separately in the income statement and is a gain of £2.7m in the year (2021: loss of £0.3m), and the impact on reserves recognised in the foreign currency translation reserve below.

Translational FX

Each month our subsidiary company results are translated into sterling from the functional currencies of the subsidiary companies on consolidation, using the prevailing foreign exchange rates for the month. Changes in foreign exchange rates result in fluctuations of the level of profits reported for the Group. The impact of the changes in foreign exchange rates is included within both the statutory and adjusted reported results, within the relevant lines in the consolidated income statement. To aid comparability of trading results, when presenting like-for-like performance we adjust for the impact of changes in foreign exchange rates on translation.

The US dollar was stronger against sterling compared with the comparative period, meaning the reported revenues from events in the US which took place in both periods were higher in FY22 than FY21 by £2.3m. The impact of the strengthening dollar at a headline profit level was £0.1m due to the costs incurred in running these events and the Group's US-based businesses.

Transactional FX

As well as translational foreign exchange movements arising on consolidation, the Group results are impacted by changes in foreign exchange rates within our subsidiary company results. Where monetary transactions are entered into in different currencies than the functional currency of the entity, this gives rise to revaluation gains and losses following changes in exchange rates between the transaction date, month end and settlement date. Each revaluation of the monetary assets and liabilities held on the statement of financial position results in gains and losses, which are reported within the consolidated income statement within the 'Foreign exchange gain on operating activities' line.

The strengthening of the US dollar relative to the pound has contributed to a gain of £2.7m (2021: loss of £0.3m) recognised in the year, which has arisen on the revaluation of foreign currency monetary assets and liabilities held in our subsidiary companies.

Foreign currency translation reserve

Finally, our results are impacted by the translation of the subsidiary company statements of financial position each month on consolidation into sterling. A change in foreign exchange rates gives rise to a movement which is recognised within reserves in the foreign currency translation reserve. This is on translation of the company statements of financial position of our subsidiary companies, which are reported in their functional currencies before being translated into sterling on consolidation, at the prevailing period end rates.

The foreign currency translation reserve decreased by £60.5m (2021: increased by £1.3m), largely due to the release of amounts previously recognised in the reserve in respect of the Russia, Ukraine and ABEC businesses which were disposed of in the year.

Acquisitions and disposals

On 26 November 2021, the Group completed the acquisition of 100% of the share capital of 121 Group (HK) Limited and 121 Partners Limited (121 Group) for initial cash consideration of £22.9m and deferred contingent consideration with a fair value at acquisition of £24.4m based on the financial performance of 121 Group over a three-year period. The first deferred consideration payment of £7.1m was made in July 2022 and there are two further earn-out payments due in FY23 and FY24. The fair value of the deferred contingent consideration at 30 September 2022 was £25.6m after revaluing the liability for the latest forecasts for 121 Group, changes in foreign exchange rates and the unwind of the discount recognised in respect of the liability. The revaluation of £2.0m and the unwind of the discount of £2.9m have been recognised through profit or loss. The foreign exchange movements of £3.5m have been recognised in the foreign currency translation reserve.

On 11 March 2022, the Group completed the acquisition of 100% of the share capital of Fintech Meetup, LLC for initial consideration of £4.2m and deferred contingent consideration with a fair value at acquisition of £19.9m based on the financial performance of Fintech Meetup over a three-year period. The fair value of the deferred contingent consideration at 30 September 2022 was £32.1m after revaluing the liability for the latest forecasts for Fintech Meetup, changes in foreign exchange rates and the unwind of the discount recognised in respect of the liability. The revaluation of £4.8m and the unwind of the discount of £2.6m have been recognised through profit or loss. The foreign exchange movements of £4.8m have been recognised in the foreign currency translation reserve.

As a key part of its strategy, Hyve is focused on running market-leading events in advanced economies and continues to actively manage its portfolio to align with this strategy.

On 12 November 2021 the Group completed the disposal of its shareholding in ABEC, a 60% owned subsidiary. The Group received upfront consideration of £1.0m in respect of the disposal.

On 13 May 2022 the Group completed the disposal of its Russian business to Rise Expo Limited for cash consideration of up to £72m, wholly structured as earn-out consideration payable over a 10-year period, with an additional value of approximately £10m retained from the Russian business prior to the completion of the sale. Given the jurisdictions in which the Russian business operates, the evolving sanctions landscape and the consideration payments being contingent on the performance of the business, there is a risk that the value realised is less than £72m or that minimal consideration is received. Reflecting this risk, a fair value of £nil has been reported for the consideration receivable at both the disposal date and at 30 September 2022. Refer to Note 17 to the Consolidated Accounts for further details.

On 23 June 2022 the Group completed the disposal of its 50% interest in its Indonesian joint venture Debindo for upfront consideration of £0.5m and future contingent consideration with a fair value of £0.5m at the disposal date. The carrying value of the Group's investment in Debindo was £nil at the disposal date having previously been fully impaired.

On 8 August 2022 the Group completed the disposal of its Ukrainian business to ProExpo (Europe) Limited, in a management buy-out led by Anatoly Sushon, the managing director of the Ukrainian business, for cash consideration of up to £3m, wholly structured as earn-out consideration payable over a seven-year period. At a time when due to the ongoing conflict in Ukraine no events can be held, the Group has agreed to support the Ukrainian business with funding of up to £1.2m to be repaid by 2027, dependent on future profitability. The fair value of the future consideration at the disposal date, net of the funding to be provided to the Ukrainian business, was £0.5m.

In October, subsequent to the year end, the Group completed the disposal of its Turkish business for consideration of up to £7.9m to ICA (JV) Limited. The Group has received consideration of £2m on completion, less customary working capital adjustments, and between £4m and £6m of deferred consideration is payable over the six-year period until December 2028 based on the profitability of the Turkish business. The assets and liabilities of the Turkish business are classified as held for sale at 30 September 2022.

Consolidated statement of financial position

The Group's consolidated statement of financial position at 30 September 2022 is summarised in the table below:

	30 September 2022 £m	30 September 2021 £m
Goodwill and other intangible assets	**336.8**	274.4
Interests in joint ventures	**33.2**	37.1
Other non-current assets	**35.5**	30.3
Total non-current assets	**405.5**	341.8
Trade receivables	**27.5**	20.3
Cash and cash equivalents	**28.1**	41.7
Other current assets	**18.5**	17.1
Total current assets	**74.1**	79.1
Deferred income	**(58.0)**	(72.3)
Bank loan	**(99.1)**	(121.6)
Other liabilities	**(133.4)**	(70.4)
Total liabilities	**(290.5)**	(264.3)
Share capital and share premium	**214.9**	186.8
Translation reserve	**6.6**	(53.9)
Other reserves	**(34.9)**	21.5
Non-controlling interests	**2.5**	2.2
Total equity	**189.1**	156.6

Total non-current assets
Goodwill and intangible assets totalling £72.7m have been recognised in the year in respect of the acquisitions of 121 Group and Fintech Meetup. This is partially offset by the annual amortisation charge on intangible assets of £28.8m (2021: £29.0m) and the disposal of £18.3m of goodwill and a £2.9m joint venture investment held in respect of the Russian business.

Total current assets
The increase in trade debtors in the period reflects the strength of the Group's forward bookings on future events, partially offset by the disposal of trade debtors held by the Russian business.

Cash balances decreased to £28.1m (2021: £41.7m). While net operating cash inflows of £26.3m (2021: £27.2m) and the net proceeds raised from the share placement and subscription of £28.1m, more than offset the initial and deferred cash consideration paid for the acquisitions of 121 Group and Fintech Meetup of £34.2m, the Group made net repayments of £23.4m (2021: net drawdowns of £2.4m) on its debt facility.

At 30 September 2022 assets of £3.0m are classified as held for sale in respect of the Turkish business.

Total liabilities
The decrease in deferred income in the period reflects the disposal of deferred income recognised in respect of the Russian business, partially offset by an increase in contractually agreed forward bookings on the Group's other retained businesses.

The bank loan balance of £99.1m (2021: £121.6m) has decreased, with repayments of £25.4m (2021: £67.2m) exceeding drawdowns of £2.0m (2021: £69.6m).

Contingent consideration payable of £58.0m is recognised at 30 September 2022 in respect of the earn-out payments for the in-year acquisitions of 121 Group and Fintech Meetup.

At 30 September 2022 liabilities of £2.9m are classified as held for sale in respect of the Turkish business.

Total equity
The foreign currency translation reserve decreased by £60.5m (2021: increased by £1.3m), largely due to the release of amounts previously recognised in the reserve in respect of the Russia, Ukraine and ABEC businesses which were disposed of in the year.

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

The NCI balance increased in the year due to dividends paid to the Group's non-controlling interests of £0.3m (2021: £0.7m), losses attributable to the Group's non-controlling interests of £0.7m (2021: profit of £0.9m), the disposal of the £1.0m non-controlling interest relating to ABEC (2021: disposal of £0.9m non-controlling interest relating to Fasteners) following the disposal of the business during the year, and foreign currency translation reserve movements of £0.4m (2021: £nil).

EdTech & Natural Resources

The EdTech & Natural Resources division includes the Bett portfolio, Africa Oil Week, Mining Indaba and the newly acquired 121 Group events.

Revenues and profits were significantly higher than the comparative period, with the division running a full schedule of events and benefiting from the acquisition of 121 Group in November 2021.

Bett took place for the first time since the beginning of the pandemic, and despite the postponement of the event from January to March due to Omicron, demand for the event remained high and the reduced space available in March was fully sold out. Its satellite event in Brazil took place in May and outperformed its last pre-COVID-19 edition.

Mining Indaba was postponed from February to May due to restrictions in South Africa and therefore took place in the second half of the financial year, but delivered revenues in excess of its last pre-COVID-19 edition. Africa Oil Week was also impacted by local restrictions but successfully relocated to Dubai in November 2021.

Seven 121 Mining Investment programmes have taken place since the acquisition of 121 Group in November 2021, with the acquired business performing in line with expectations. This included the first co-located event with Mining Indaba since Hyve's acquisition of 121 Group, which delivered over 1,800 meetings, making it the largest programme delivered by 121 Group to date.

Rachel Brodie
Divisional Managing Director

Revenue 2022

£32.7m

2021: £1.0m
change: +3170%

Headline profit/(loss) before tax 2022

£1.0m

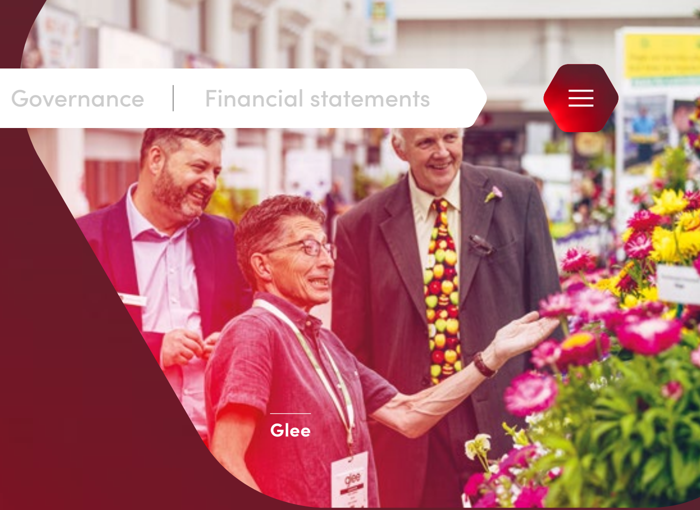
2021: £(7.8)m
change: +113%

121 Group

Bett

Africa Oil Week

Retail, Manufacturing & Engineering



Glee

The Retail, Manufacturing & Engineering division comprises the manufacturing and engineering portfolio (Breakbulk and CWIEME) and the UK retail portfolio, including Spring and Autumn Fair, Glee and the UK fashion events, Pure and Scoop.

Revenues were £28.9m higher than the comparative period with the division running close to a full schedule of events. Only CWIEME Shanghai was unable to take place due to ongoing restrictions in China.

Spring Fair took place in February, returning for the first time since the pandemic, and performed well despite the proximity of the event to the emergence of the Omicron variant.

Autumn Fair and Glee took place in June and September respectively and significantly outperformed their FY21 editions.

CWIEME Berlin and Breakbulk Europe both returned in May and delivered increases in like-for-like customer spend compared with their previous editions, and two other events from the Breakbulk portfolio ran in Dubai and the US.

Revenue 2022

£39.0m

2021: £10.1m
change: +286%

Headline profit/(loss) before tax 2022

£5.8m

2021: £(6.7)m
change: +183%

Rob Chillman took over as Interim Divisional Managing Director in December 2022.

Rob Chillman
Interim Divisional Managing Director

Breakbulk

RetailTech & FinTech

The RetailTech & FinTech division comprises the Shoptalk, Retail Meetup and Fintech Meetup brands, which are new acquisitions with high growth potential and reflect the Group's strategy to focus on omnichannel-ready industry sectors.


Shoptalk


Shoptalk Europe

Shoptalk and Groceryshop are two US-based market-leading e-commerce events focused on the retail and grocery segments respectively. Shoptalk ran for the first time under Hyve's ownership in March in Las Vegas and outperformed its last pre-COVID-19 edition and delivered the largest event by revenue the Group has ever run. Groceryshop took place in September, having run for the first time under Hyve's ownership in September 2021, and reported revenue more than 40% higher than its pre-COVID-19 edition.

Revenue 2022

£45.0m

2021: £6.7m
change: +572%

Headline profit/(loss) before tax 2022

£9.3m

2021: £(6.2)m
change: +250%

In addition, the Group launched the geo-cloned Shoptalk Europe in June. This inaugural event almost doubled expectations, attracting over 3,000 attendees from more than 50 countries.

In March 2022 the Group acquired Fintech Meetup LLC, the organiser of the leading US-based fintech facilitated meetings event. Following its 2021 maiden edition, revenue from Fintech Meetup 2022 more than doubled, taking place under the Group's ownership in March 2022. From 2023, Fintech Meetup will also be launching an in-person event, driven by customer demand, in addition to its market-leading virtual format.


Sophie Wawro
Global President – RetailTech


Jon Lear
Global President – FinTech

Asia

The Asia division comprises our businesses in India and China as well as our joint venture partnership Sinostar in China.

Revenue 2022

£5.8m

2021: £4.1m
change: +41%

Headline loss before tax 2022

£(2.1)m

2021: £(7.5)m
change: 72%

Revenues for the Asia division were up £1.7m from the comparative period, but were significantly impacted by the reintroduction of restrictions in China, which prevented the Group's events in the country from running.

The impact of cancellations in China was offset by a full schedule of events running in India. This included Paperex, the biennial paper event, which delivered revenues in excess of its pre-COVID-19 edition. In November 2021 the Group disposed of its 60% interest in ABEC, the operating company for the Acetech portfolio. Prior to the disposal, a small Acetech event ran in Bangalore in October.

A significant contributor to the division's results is the ChinaCoat event operated by our 50% owned joint venture partner, Sinostar. The event was unable to run in the year due to the restrictions in China, and therefore the joint venture contributed a loss of £1.0m (2021: profit of £1.9m) to headline profit before tax. The event is next scheduled to take place in February 2023.

Paperex

Tom Whelan
Divisional Director
Asia

Bett Asia

Discontinued operations

The Group's discontinued operations comprise the 2022 and 2021 results of its Russian and Ukrainian businesses, which were disposed of during the financial year, and its Turkish business, which was disposed of subsequent to the period end, but was classified as held for sale at 30 September 2022. The Group's results from discontinued operations for 2021 also includes the results of the Kazakhstan business, which was disposed of in April 2021.

Revenue 2022

£44.8m

2021: £33.4m
change: +34%

Headline profit before tax 2022

£15.8m

2021: £6.1m
change: +139%

Russia

Prior to the completion of its disposal in May 2022, the Russian business delivered revenues of £36.0m (2021: £27.3m) and profits of £15.2m (2021: £7.7m), driven by the return of YugAgro, which had been unable to take place in the comparative period due to regional restrictions in place in Krasnodar, and the growth of other large events such as Mosbuild. Prior to the conflict with Ukraine, the region's events were trading well and delivering a strong recovery from the pandemic, but the impact of sanctions on Western participation was felt in the months leading up to the disposal date, particularly in respect of events with significant international customers. In total, 13 (2021: 11) Russian events took place in the period.

Ukraine

The Ukrainian business delivered revenues of £1.2m (2021: £2.9m) and a loss of £0.7m (2021: £0.2m) before its disposal in July 2022. Five events took place in Ukraine prior to the beginning of the conflict with Russia. This included three events which ran for the second time since the pandemic and outperformed their previous editions. From March 2022 onwards, all events in the region were postponed.

Turkey

The Turkish business delivered revenues of £7.7m (2021: £3.2m) and profits of £1.2m (2021: loss of £0.7m), with a full schedule of events taking place in the period. TurkeyBuild and EMITT were both able to take place in the period after being cancelled in the previous year, as was the biennial event Eurasia Rail. Worldfood Istanbul, the portfolio's largest event, delivered significant growth compared with its previous edition.

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

2022

Headline profit before tax from discontinued operations

£15.8m
2021: £6.1m

Operating items
Loss on disposal of discontinued operation

£(46.3)m
2021: £(3.6)m

Definition

The profit or loss recognised following the disposal of a discontinued operation, represented by the difference between the fair value of proceeds received net of related selling expenses and the disposed of net assets.

Explanation

The loss in the year relates to the loss on disposals for the Russian business of £38.3m and the loss on disposal of the Ukrainian businesses of £8.0m.

In the previous year the Group disposed of its event portfolio in Kazakhstan and a loss on disposal of £3.6m was recognised.

Why adjusted?

To exclude the non-recurring profit/loss from a disposal of a discontinued operation, from which no future profit or loss will be recognised. This increases the comparability of the results year-on-year.

(Loss)/profit before tax from discontinued operations

£(30.5)m
2021: £2.5m

How we've managed

Our key risks

The Group has established risk management processes for identifying and monitoring risks and uncertainties affecting the Group.

The principal risks facing Hyve are reviewed regularly by both the Risk Committee and the Board, who confirm that they have carried out a robust assessment of the principal and emerging risks facing the Group, including those that could threaten its business model, future performance, solvency and liquidity.

The risks described below represent those that we consider have the greatest potential to impact on our ability to meet our strategic objectives. Standard operational risks are not presented in the list of principal risks and uncertainties below, as they are considered pervasive risks that are not Hyve-specific and would be risks for the majority of listed groups.

Risk	Potential impact	Updates during the year	Mitigation	Change in risk rating from prior year
1 **Pandemic, natural disaster or terrorist incident**	Pandemic, extreme weather conditions, earthquake, storm damage, gas/oil explosion or terrorist incident could affect employees and events. Employees may be unable to access offices or Hyve systems. Should a venue become unavailable, the Group would be forced to source a new location, which would likely affect visitor numbers. Lockdowns and restrictions on mass gatherings limit access to offices and limit the ability to hold events. Event cancellation would result in reduced customer engagement and affect trading results.	In response to the COVID-19 pandemic, working from home was implemented across our global network and remains in place. With the exception of China, we have been able to run the majority of our events in FY22. In response to the pandemic, we have implemented our own Safe & Secure standards to ensure globally consistent best practice. The Group has event cancellation insurance for the largest events (by revenue). In FY20 and FY21 this insurance included cover for communicable diseases. The Group continued to benefit from insurance proceeds from this cover during the year, thereby mitigating some of the impact of the pandemic.	Venue contracts allow for a degree of recourse. Systems are in place to ensure that employees are able to work remotely and to access systems remotely. Office risk assessments are undertaken regularly. Event cancellation insurance for our largest events (by revenue) and business continuity insurance are in place; however, event cancellation cover for communicable diseases is not currently available.	↔
2 **Political and economic instability**	Political and economic volatility that makes it difficult for Hyve to continue operating in a country could have a damaging financial effect in terms of lost revenue and lead to reputational damage and dissatisfied customers. An economic downturn or period of uncertainty could reduce demand for exhibition space, which would, in turn, reduce the profitability of our events. Since the UK left the EU in 2020, there continues to be uncertainty in the UK regarding Brexit and what this will mean for business and the economy.	During the financial year, following Russia's invasion of Ukraine, Hyve exited the Russian market. In addition, Hyve sold its Ukrainian and Turkish businesses in an effort to focus on global growth industries. The Group also sold its 60% owned Indian business, ABEC Exhibitions & Conferences Pvt. Ltd, and 50% owned Indonesian joint venture, Debindo, further reducing its exposure. These changes have resulted in a portfolio which is almost 95% rooted in advanced economies, significantly reducing our exposure to this risk.	Over recent years, we have diversified our portfolio of events to be less geographically focused, which has resulted in expansion into new regions and markets as well as reducing our exposure in other countries, a number of which have been more exposed to political and economic instability. We operate across a wide range of sectors to minimise our exposure to any single industry sector. The nature of our business cycle is such that, with revenues largely generated in advance of the costs we incur, we can react to periods of economic instability to protect the profitability of our events. Through strong relationships with venues and staff, we have a relatively flexible cost structure, allowing us to manage our event margins in the short and medium term.	↓

Risk	Potential impact	Updates during the year	Mitigation	Change in risk rating from prior year
3 **Liquidity risk**	Significantly reduced trading over an extended and undetermined timeframe, combined with an inability to effectively manage expenditure if cash flows decline, could impact the business's ability to operate within and secure additional committed credit facilities.	The effects of the COVID-19 pandemic eased during the year, increasing operational cash flows and reducing liquidity risk. However, the Russian invasion of Ukraine, prior to the disposal of both components of the Group later in the year, caused significant disruption and increased liquidity risk. During the year, we agreed an extension to the waivers of our quarterly leverage ratio and interest cover bank covenant tests up to and including March 2023, instead working within a £40m minimum liquidity covenant. Subsequent to the year end, the Group has completed the refinancing of its debt facilities, securing access to a £115m term loan over a four-year period and a £20m revolving credit facility over a three-and-a-half-year period.	The Group has cancellation insurance policies to mitigate the liquidity risk of disruptions to our event schedule. During FY22, the Company received £19.3m (2021: £65.0m) in insurance proceeds. Further sums may be received during FY23 as the remaining claims are concluded. Event cancellation cover for communicable diseases is not currently available. There is flexibility in the Group's cost base should events not take place. Further cost control measures are available to management, should they be required to increase liquidity. Following the refinancing of the Group's debt facilities on 20 October 2022, the Group has access to £135m of long-term borrowing facilities over a minimum of three-and-a-half years.	↓
4 **Venue unavailability**	Damage to or unavailability of a venue could lead to event cancellation, impacting the Group's trading position. This could occur due to, among other things, severe weather events, terrorism or disputes with venue owners.	Cancellation insurance for our largest events (by revenue) was renewed during the financial year. Cover for communicable diseases is no longer available. During the year, the Group acquired Fintech Meetup and 121 Group, enhancing its offer of high-quality events in digital formats.	Event cancellation insurance for our largest events (by revenue) is renewed annually.	↔
5 **Repatriation of profits from subsidiaries**	The Group operates in a small number of countries, with complex local requirements surrounding overseas payments. There is a risk of cash being 'trapped' in subsidiaries, resulting in liquidity problems within the Group. This would also expose us to the risk of jurisdictions materially increasing the withholding tax rate on the payment of dividends.	During the financial year, the Group disposed of its operations in Russia, Ukraine, Indonesia and its 60% owned Indian business, ABEC Exhibitions & Conferences Pvt. Ltd, and subsequent to the financial year end also disposed of its operations in Turkey, significantly reducing the number of territories from which it needs to repatriate cash.	Overseas cash balances are monitored on a weekly basis by Group management and cash transferred whenever the opportunity arises. The Group has well-established payment mechanisms to repatriate cash from its subsidiaries. A franchise fee transfer pricing model is in operation in all key markets.	↓

Risk	Potential impact	Updates during the year	Mitigation	Change in risk rating from prior year
6 **Breach of anti-bribery laws or similar**	Should an employee or other associated party commit a bribery offence or contravene other similar laws, the Group could potentially be exposed to criminal or financial sanctions, reputational damage, exclusion from bidding for public sector contracts in the EU and a reduction in share price. Breaches also constitute a breach of facilities agreements, entitling lender(s) to call for early repayment of loans.	Policies covering matters such as anti-bribery and corruption, modern slavery, whistleblowing, gifts and hospitality and conflicts of interest fall under the umbrella of the Code of Conduct. During the financial year, the policies on anti-bribery and corruption, gifts and entertainment and modern slavery were reviewed and refreshed to ensure they remain fit for purpose. Anti-bribery and corruption and gifts and hospitality online training was rolled out across the Group between November 2021 and February 2022. Furthermore, employees across the Group received refresher notifications and updates about our gifts and hospitality policy and procedures in February 2022. Online reporting and registers were introduced within the financial year for accurate and streamlined reporting of gifts and hospitality matters.	Staff are instructed to adhere to the Group's unambiguous policies on business ethics, available on the intranet. These cover subjects such as anti-bribery and corruption, conflicts of interest and gifts and hospitality. Additionally, individual business units are required to record and obtain approval for certain expenditure. All new joiners are auto-enrolled on the Group's anti-bribery and corruption and gifts and hospitality online courses. The Group's Internal Audit function is outsourced to PwC, who perform periodic checks of compliance with record-keeping obligations and general awareness among staff of these policies. All Hyve Group terms and conditions, and precedent contracts, terms, contain anti-bribery and corruption provisions.	↔

Risk	Potential impact	Updates during the year	Mitigation	Change in risk rating from prior year
7 **Breach of sanctions**	Should an individual representing the Group trade with a restricted party, country or sector in a country to which sanctions apply, in contravention of those sanctions, this could expose the Group to risks including financial fines, reputational damage and a reduction in share price. Any extension of international sanctions regimes could reduce the volume of business the Group is able to transact. Sanction breaches also constitute a breach of facilities agreements, entitling lender(s) to call for early repayment of loans.	During the year, the Group disposed of its businesses in Russia, Ukraine, Dubai and, subsequent to year end, Turkey, thereby reducing the Group's exposure to sanctions put in place as a result of the conflict in Ukraine. An enhanced due diligence process was implemented within the financial year, and the governing sanctions policy was updated in line with macroenvironmental developments. Attendance of Russian customers and exhibitors is monitored by each division and on a case-by-case basis, subject to sanctions checking. The number and breadth of sanctions increased significantly over the period, so while the Group has taken appropriate steps to mitigate, the landscape itself has become more complex in breadth and depth.	Staff are instructed to adhere to the Group's unambiguous policy on sanctions, available on the intranet in a variety of languages. This details the sanctions risks, how to identify 'red flag' behaviour and when and how to report and conduct checks. Individual business units are required to record and obtain approval before transacting with persons or entities from sanctioned countries. Our Customer Relationship Management system is used to automatically flag sanctioned markets and individuals for approval, and we also make use of an external risk portal and third-party advisers to check sanctions lists. Regular updates and training on the application of the policy are provided to staff throughout Hyve.	↓

Risk	Potential impact	Updates during the year	Mitigation	Change in risk rating from prior year
8 **Breach of health and safety regulations**	A breach of regulations or policy during build-up/breakdown or while an event is running could lead to personal injury. This could result in financial loss due to fines and damages, lost revenue through customer attrition and reputational damage from negative press coverage. There could also be damaging effects on staff morale, together with the risk of personal liability for Directors. Our risk exposure may be greater when such a breach involves a joint venture or subsidiary that is not wholly owned by us, as we may not be able to exercise full operational control.	The year has been spent working with all teams to understand their specific event/portfolio risks, set health, safety and security goals, build out action plans and work collaboratively to progress through improvements in a focused manner. Best-practice blueprints relating to health, safety and security have been updated and are being introduced across divisions and portfolios where they were not fully implemented. Operations teams and senior event management have had refresher health and safety training, and this is also scheduled for the Executive Team in the coming months.	We recognise our reliance on the venues and contractors we use and we seek to ensure that such third parties adhere to our own health and safety policies, where practical, and to local regulations. A Health, Safety & Security Policy is embedded across the business, ensuring event-level major incident management plans are put in place event by event. Teams are given relevant training to ensure competency when planning and managing safety onsite. Regional management is held accountable for health and safety standards in their regions. Strategic events are monitored and audited throughout the year. The Board is immediately notified of any serious breaches.	↔

Risk	Potential impact	Updates during the year	Mitigation	Change in risk rating from prior year
9 **Breach of data protection regulations**	The need to comply with data protection legislation could affect the Group in a number of ways, including making it more difficult to grow and maintain marketing data and also through potential litigation relating to any data breach or misuse of personal data. A breach arising from inadequate controls over customer, visitor or employee data could result in sizeable fines and reputational damage arising from negative press coverage.	Hyve's Data Protection Officer (DPO) has developed a blueprint of initiatives to improve the Group's data protection, information security and information governance framework. This has set a timetable to move from adhering to compliance requirements to accountability over the next 12 months. Policies, procedures and contract templates have been refreshed in line with global legislative changes and distributed within the Group. A new risk assessment process has been developed, embedding privacy by design and default. A new data risk framework was developed together with the Group's Technology Team to align the Data and Tech risks to business objectives. Data privacy training (both in-person and online) has been delivered throughout the business; with more training planned for the coming financial year, as part of a continuous cycle of education and in order to highlight associated privacy risks. The DPO (together with the Group's Technology Team) is undertaking a review of the Group's cyber security insurance to determine the appropriate level of coverage.	The Group DPO has oversight of data protection at Hyve. The Group DPO (together with other subject matter experts (SMEs) from within the Group) reports to a Tech and Data Board monthly (comprising Group Executives from Legal, Finance and People workstreams) which in turn reports to the Risk Committee. A contract governance and procurement process requires that all suppliers and contracts undergo both data protection and information security due diligence before contracts are signed. The Group's standard terms and conditions and commercial contracts include appropriate data protection provisions. The Group maintains some cyber security insurance and is conducting a review of its level of cover. The Group invests in specialist roles and staff training to achieve an appropriate degree of internal expertise to mitigate data protection risks. Data workstreams are given Group leadership team exposure in order to elevate awareness of the need for continued compliance and assessment of the Group's data practices. The DPO undertakes regular global data landscaping exercises relevant to the territories in which the Group operates its business to keep up to date on legislative and other relevant data practices on a global basis. Notices, policies and procedures are then updated in line with those landscape scans.	↔

Risk	Potential impact	Updates during the year	Mitigation	Change in risk rating from prior year
10 **IT cyber/phishing attack resulting in data loss**	The inability to protect our IT systems or infrastructure against a targeted cyber or phishing attack could reduce our ability to make sales, damage our reputation and harm customer relationships. The same applies if internet restrictions are applied by the governments of any of the markets in which we operate. A complete loss of connectivity would potentially halt business operations. Any data loss could expose the Group to fines, while a systems breach could make us vulnerable to a ransomware attack.	A recruitment programme was completed in this financial year to significantly strengthen the IT team. During the financial year, cyber insurance was put in place for the Group's US businesses. Having implemented a number of improvements to our IT systems, the Group has been able to revise its cyber insurance requirements and is in the process of sourcing a suitable global cyber insurance policy. While we have put in place new measures, we perceive the external risk environment in this space to be high.	A programme of defensive measures is in place to reduce the risk of a cyber/phishing attack. In addition to the items put in place during the financial year, mitigation includes regular system penetration testing across the organisation, firewalls to protect computer networks, advanced endpoint protection for email-based links and data backups for our major offices. The Group implements solutions provided by large and trusted providers, and we continually review and update solutions to keep up with evolving security threats.	↑
11 **Acquisition integration**	Integration issues and a failure to realise planned operational and synergistic benefits are a risk to delivering the expected returns on our investments.	During the financial year, Hyve continued with its integration of Shoptalk, Groceryshop and Retail Meetup supported by our Chief Transition and Integration Officer, now based in New York, and by the appointment of a new Global President. In November 2021, the Group acquired 121 Group followed by the acquisition of Fintech Meetup in March 2022 to further accelerate Hyve's omnichannel strategy.	The Group employs experienced professionals to drive the acquisition process and perform financial, tax, legal and commercial due diligence to inform detailed integration plans, which aim to ensure that businesses are effectively integrated into the Group and any planned synergies are realised. A Chief Transition and Integration Officer sits on the Executive Team to give due focus to integration work.	↔
12 **Effective control over non-wholly-owned entities**	Day to day, management and control of non-wholly owned entities is often in the hands of local management, which may also be shareholders. The venture may not be run in a manner fully consistent with Hyve's policies.	In November 2021 the Group disposed of its 60% interest in Indian business ABEC Exhibitions & Conferences Pvt. Ltd. A small, 50% owned subsidiary based in Indonesia, PTE Debindo ITE, was also disposed of during the year.	We incorporate controls in the shareholder agreement or equivalent governing documents and have in place a Group authority matrix. The Hyve Finance team has management and oversight of the reporting and control environment.	↓

Risk	Potential impact	Updates during the year	Mitigation	Change in risk rating from prior year
13 **Pay and performance – for business benefit**	A lack of alignment between the business plan and individual objectives and associated reward metrics may cause confusion and demotivation. This may lead to targets not being met, potential revenue loss and poor business results.	At the beginning of the financial year, a stretching but achievable bonus plan for the financial year ended 30 September 2022 was put in place. The non-financial targets focused on the 'what' and the 'how' to support our cultural evolution and also on accountability of the leadership team in supporting and retaining our people in a year of ongoing uncertainty. We were keen to support employees with the rising cost of living, and for those on lower salaries we paid a one-off Cost of Living Allowance, on a tiered basis, with greater financial support provided to those on lower salaries. Ongoing benchmarking supported the process of ensuring that appropriate reward levels were maintained.	One of our key focus areas from Peakon (our employee engagement portal) is allowing our people the space and development to grow. We believe that our performance methodology and approach should therefore be focused on this and enable this. We will use the process to align people to the purpose of what they do, and ensure they understand how this fits in with the wider organisation's strategy. We will focus sessions on what motivates an individual most about the work they do today, what career possibilities they would like to learn about and what support is needed for them to make progress. This is where we consider the value to be and how we keep our talent within the organisation. As we evolve as a business, we have adopted a performance process that is agile and transparent and that aligns with our culture. Our new process encourages all-year-round and continuous feedback.	↔

Measuring our performance

Hyve has been on a journey of transformation over a number of years. That rate of change accelerated during this financial year, thanks to the acquisitions of 121 Group and Fintech Meetup, as well as the sale of large portfolios such as Russia, Turkey and Ukraine. This has resulted in a fundamentally changed business which is no longer comparable to how it was in the past.

Given the significance of these changes, presenting historical KPI results that are still useful comparators for the current business's performance is challenging. Comparatives for FY21 have been provided on a continuing basis, unless otherwise stated, to aid comparison with FY22.

Some of the KPIs reported this year are different from those presented in the previous year, to capture the key metrics used within the business in FY22 while recovering from COVID-19. As we continue to evolve we can expect new measures to be introduced, allowing us to better evaluate the success of our future, digitally diversified strategy, for instance the number of meetings we facilitate.

Drive sustainable revenue growth

Revenue (£m)

The revenue increase in the current year reflects the Group's continued recovery from COVID-19. The Group was able to run 29 events in the year compared with 10 in FY21. A number of the Group's events have now fully recovered and delivered revenues above their last pre-COVID-19 editions.

Forward bookings (£m)

Forward bookings have increased year-on-year across the same portfolio of events, reflecting the pace of recovery as we enter FY23.

Focus on profitability to increase shareholder value

Headline profit before tax (£m)

Headline profit before tax reduced in the year as a result of lower cancellation insurance proceeds received of £19.3m (2021: £65.0m), almost entirely offset by the strength of the recovery of the Group's events.

Headline diluted earnings per share[1] (p)

The change in headline diluted earnings per share in the year reflects the change in the Group's headline profits.

1 Headline diluted earnings per share for 2018 and 2019 has also been restated for the share consolidation and rights issue which took place in FY20.

Create a leading portfolio of must-attend events

Revenue per event (£m)

The 2021 metric includes discontinued revenues and events that are now presented as discontinued. The significant increase in 2022 illustrates the impact the disposals of Russia, Ukraine and Turkey have had, with the remaining portfolio consisting of fewer, bigger, market-leading events.

Customer like-for-like spend (%)

Customer like-for-like spend represents the increased spend from customers who attended both the 2022 event and the previous edition. The increase year-on-year reflects the value customers place on attending the number one events in particular geographies and industries, where they are able to realised a strong return on their investment.

Manage cash flows to ensure the long-term viability of the Group

Leverage (adjusted net debt: EBITDA)

Leverage has increased slightly during the year, as a result of the reduction in EBITDA with less cancellation insurance proceeds received in 2022, £19.3m (2021: £65.0m), offset to a large extent by the improvement in net debt to £71.0m (2021: £79.9m) and the improved trading performance as the majority of the Group's events returned in 2022.

Free cash flow (£m)

Free cash flow has increased year-on-year due to additional cash generated from operations, including strong cash collections on 2023 events prior to the end of 2022.

Working together with our stakeholders

In accordance with provision 5 of the 2018 UK Corporate Governance Code, we set out below how the Group engages with its key stakeholders and how the Board considers the matters set out in section 172(1) of the Companies Act 2006 in its discussions and in its decision-making process.

Employees

Hyve is a people business, and the contribution of our employees is vital to the success of the Group.

During the financial year, we expanded on previous initiatives as well as introducing new activities. We renewed Peakon and expanded it to capture diversity and inclusion statistics. We have also rolled out replies to comments. This allows us to start a dialogue with individuals to explore their comments and feedback in more detail.

One of the key people priorities for FY22 was reconnecting people after working remotely for so long. We ramped up our social activities, introduced competitions and hosted our first Summer Party in the UK and US. Other initiatives included a focus on wellbeing: we hosted our first puppy therapy session as well as increasing the number of mental health first aiders in the UK office. In order to ensure that our people managers are able to support employees who are struggling with their mental health, we rolled out mandatory mental health training for line managers.

Following on from our focus on Learning & Development in FY22, we launched two more cycles of the global management development programme, which allowed all employees who managed one or more individuals the opportunity to hone and develop their skills as a manager. We have also expanded this programme to focus on aspiring managers. In addition, we also ran a global Future Leaders Programme that focused on growth mindset, coaching and understanding our strengths. The strengths profile was so beneficial that we decided to incorporate it in our new performance cycle – we removed ratings and the prescriptive reporting form to ensure that all employees have meaningful development conversations.

More details on these initiatives can be found in the 'Our people and values' section on pages 19 to 21.

Suppliers

The Group has had longstanding relationships with a significant number of suppliers. In the majority of cases, these are venue owners and event services providers, but can also include providers of digital/technology support and services. In line with our Code of Conduct, we endeavour to treat our suppliers fairly at all times. We share event information with our suppliers via pre-event meetings and briefings to enable them to plan accordingly. Both parties benefit from our suppliers' familiarity with our events and requirements. It is paramount that our suppliers comply with anti-bribery and corruption legislation and modern slavery legislation across the territories that we operate in. Our supplier contracts include clauses covering these areas and are checked as part of our procurement, governance and approval processes. They are also reviewed via our internal audit and controls process.

As restrictions have eased or, in some cases, temporarily hardened, in our operating territories, we have continued to engage with venue owners and other suppliers on a regular basis. During the financial year, we have renegotiated the terms of contracts with some of our key suppliers to the mutual benefit of both parties; the Board was kept up to date with these negotiations and had final approval over the changes. The Board is kept informed of the status of relationships with key suppliers and with major transactions. Through our involvement with national and international event industry bodies, such as the Association of Event Organisers in the UK, the Society of Independent Show Organizers in the US, and UFI, the Global Association of the Exhibition Industry, we have continued to take a leading role in setting standards for the safe return to in-person events.

Customers

We engage with our exhibitors, visitors, vendors, buyers, sponsors and delegates through our sales, operations, customer success, marketing and content teams via all relevant channels, including website, email, social media, exhibitor portals, FAQ bots, calls and in-person meetings. Both during and following an event, customer surveys are undertaken with exhibitors and visitors. We also contact visitors who were due to attend events, but did not. Some of our events have steering groups or advisory panels which enable our major customers to share feedback with the Group. In the past year, we have engaged a research agency to support our data gathering on specific events.

We believe that our commitment to our customer communities has helped us to grow our customer market share, and customer support has been demonstrated by the strong growth in customer like-for-like spend at our events. We know from our communication with customers that there is significant demand for our market-leading in-person events, and our omnichannel strategy (which supports in-person events with online activity) continues to evolve as we explore new ways to support our customer communities. More details on our omnichannel strategy can be found on page 8.

Shareholders

The Group is committed to ongoing engagement with shareholders and has an established cycle of communication based on the Group's financial reporting calendar. The Executive Directors have dialogue with institutional shareholders and general presentations are given to analysts and investors covering the annual and interim results. The Board receives institutional and analysts' feedback following both the interim and annual results roadshows. Large shareholders are also contacted regarding remuneration matters (by the Chair of the Remuneration Committee) and major transactions, for example the acquisition of 121 Group (HK) Limited and 121 Partners Limited and the associated equity raise in November 2021. Queries from retail shareholders are usually answered by the Company Secretary or the Company's Registrar and, if necessary, escalated to the Executive Directors.

The Group issues trading updates on a regular basis to ensure that its shareholders (and other key stakeholders) are kept abreast of matters such as trading performance, recovery from the COVID-19 pandemic, rollout of the omnichannel strategy and liquidity.

Community and environment

The Group is committed to using its events as opportunities to lead the drive for sustainable development in their industries and make a positive impact on the world around us. Our new ESG strategy is driving our ambition to educate, empower and drive positive change on a global scale.

Last year, we developed the Group's ESG strategic framework in conjunction with Simply Sustainable, a sustainability and ESG consultancy. During the past financial year, we have worked on implementing our strategy with the aim of using our influence to put sustainable development on the agenda of some of the world's major industries. As the leading events in their sectors, we recognise that our events have a responsibility to effect change. We endeavour to empower communities, advance social mobility, guarantee representation and inspire industries, all while better understanding and addressing our own carbon footprint. More details on our ESG strategy can be found on pages 22 to 26.

The following case studies are examples of how the Board considers its key stakeholders when deciding on significant matters that are likely to have an impact on all or many of its key stakeholders.

Section 172(1) statement continued

Case study: Acquisition of Fintech Meetup, LLC

As described elsewhere in this annual report, the Group completed the acquisition of Fintech Meetup, LLC in March 2022.

The strategic rationale for this significant acquisition was presented to the Board, and during the decision process the Non-Executive Directors raised detailed and challenging questions to ensure that the acquisition was an appropriate fit for the Group and that it was in the best interests of the Group and its key stakeholders in the long term. Taking each part of section 172(1) in turn, the matters considered by the Board, in addition to the benefits of the acquisition for the shareholders of the Company, were as follows:

What are the likely consequences of the decision to acquire Fintech Meetup in the long term?

- The acquisition is part of Hyve's ongoing drive to strengthen its global footprint and advance the Group's long-term omnichannel strategy.
- The acquisition supports the Group's expansion into high-growth sectors and geographic diversification, strengthening the Group's presence in a key strategic market in the US.
- The acquisition provides the Group with a unique opportunity to create the world's largest virtual and in-person meetings programme for the fintech sector.
- The acquisition represents good value for Hyve with limited downside risk.
- The acquisition contributes towards the long-term development, diversification and sustainability of the Group.

How are the interests of the Company's employees affected by the acquisition of Fintech Meetup?

- The acquisition offers Hyve employees career development by widening the Group's offering and creating new and exciting opportunities.

Acquisition of Fintech Meetup, LLC continued.

How does the acquisition help to foster the Company's business relationships with suppliers, customers and others?

- Founded in 2021, Fintech Meetup has already become renowned as the leading online industry event in the US fintech industry.
- Fintech Meetup is expanding into in-person events in the US in 2023 and has significant potential for further geographical expansion.
- Hyve will leverage Fintech Meetup's deep industry knowledge and relationships, customer-enabling technologies and data-driven insights of target audiences.
- Fintech Meetup's platform is compatible with and will advance the Group's strategy of meetings programmes, thereby creating multiple channels for our customers to trade, network and learn.

What is the impact of the acquisition on the community and the environment?

- As a technological product for use at online events, the acquisition of Fintech Meetup from a community and environment perspective was not a significant issue for consideration.

How does the acquisition impact the desirability of the Company maintaining a reputation for high standards of business conduct?

- The Company's aim is to concentrate on market-leading events serving advanced economies, and Fintech Meetup is one of the largest and best-known US online fintech events.
- Hyve conducted a full diligence exercise on Fintech Meetup and was satisfied that the investment risks were minimal and well provided for through operational, legal and commercial means.
- The legal agreements put in place provide Hyve with solid risk protection and a strong cooperation framework with the management team going forward.

How does the acquisition meet the Board's need to act fairly as between members of the Company?

- The acquisition strengthens the Group's portfolio, and thereby its long-term profitability and sustainability, which benefits all of its key stakeholders.
- The earn-out-led transaction structure helps to de-risk the acquisition, with a significant majority of the potential total consideration contingent on the successful delivery of Fintech Meetup's strategy.

Case study: Disposal of the Ukraine business

As announced in July 2022, during the financial year, the Group disposed of its Ukrainian business via a management buy-out led by Anatoly Sushon, the managing director of the Ukrainian business.

Taking each part of section 172(1) in turn, the matters considered by the Board, in addition to the benefits of the disposal for the shareholders of the Company, were as follows:

£1.2m
funded to support Ukrainian businesses

What are the likely consequences of the decision to dispose of the Ukrainian business in the long term?

- Hyve will receive up to £3m via an earn-out consideration, which shall be paid annually until September 2027 based on the profitability of the Ukrainian business.
- At a time when, due to the ongoing conflict in Ukraine, no events can be held, Hyve has agreed to support the Ukrainian business with funding of up to £1.2m to be repaid by September 2027, also dependent on future profitability.
- The disposal has further accelerated the refocusing of Hyve's portfolio towards advanced economies and omnichannel-ready sectors.
- Non-core assets require a disproportionate time investment from the leadership team to manage comparatively with the returns received.
- The exit from Ukraine reduces Hyve's risk exposure.

How are the interests of the Company's employees affected by the disposal?

- The disposal resulted in the transfer of approximately 90 employees from Hyve to the new owner of the business.
- Hyve cares deeply about the employees and their families, and has supported them through the challenges presented by the conflict. Both parties believe that by transitioning ownership to the experienced and committed local management team, the business will have the agility to recover for the future and, therefore, this is in the best interests of the employees in the long term.

Disposal of the Ukraine business continued.

How does the disposal help to foster the Company's business relationships with suppliers, customers and others?

- The business was sold to ProExpo (Europe) Limited, a company established by Anatoly Sushon for the purpose of undertaking the management buy out. Anatoly is well known to local suppliers and customers and is best placed to rebuild those relationships as Ukraine recovers from the conflict.
- As a result of the disposal, some suppliers may be impacted by the cancellation of contracts.
- The business had not been identified as suitable for the Company's omnichannel offering to customers.
- The Company's debt facilities agreement requires lender consent for the disposal, and therefore a consultation process with the banks was undertaken.

What is the impact of the disposal on the community and the environment?

- Hyve has a long history with Ukraine and is keen to extend its support into the future where possible.
- The alternative options of doing nothing or closing down the business were not considered to be in the best interests of the local community.
- The disposal was not considered likely to have an impact on the environment.

How does the disposal impact the desirability of the Company maintaining a reputation for high standards of business conduct?

- The disposal reduces the risk profile of the business, reduces the impact on Company resources and supports the Company's aim to concentrate only on market-leading events.
- Hyve is committed to supporting Anatoly Sushon and his team through continued cooperation and through its international network wherever it can as it gets back to business.

How does the disposal meet the Board's need to act fairly as between members of the Company?

- The disposal of the business forms part of the Company's portfolio management strategy, which is considered to be in the best long-term interests of the business and its stakeholders.
- The transaction was classified as a smaller related party transaction under Listing Rule 11.1.10 R by virtue of Anatoly Sushon being deemed a related party of the Group at the time of the transaction.

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

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

In October 2022, the Group completed the refinancing of its debt facilities. The new facilities, totalling £135m, comprise a £115m term loan and £20m revolving credit facility. The £101.0m that was drawn at 30 September 2022 on the previous facility was repaid in full on 20 October 2022, with the new term loan of £115m being fully drawn on the same date. The term loan will be repaid in full upon the expiry of the facility in October 2026. Under the new facilities, a minimum liquidity covenant of £21m is in place up to and including August 2023. Thereafter, a quarterly leverage ratio applies, set at 4.4x in September 2023, 4.2x in December 2023 and at 3x thereafter.

With the exception of China, the Group ran a full schedule of events in FY22. The pace of in-person event recovery has quickened throughout the financial year, alongside a number of other positive trends, including increased like-for-like customer spend, improved NPS scores, the return of international attendance and strong forward bookings for next year's events. The Group's recovery has been supported by the acquisitions of 121 Group in November 2021 and Fintech Meetup in March 2022, which have accelerated the Group's omnichannel strategy.

The Group has modelled a number of scenarios based on different assumptions, regarding the next 12 months. For the purposes of considering the Group's going concern assessment, we have focused on two scenarios:

- A Base Case; and
- A Downside Case.

The Base Case, which represents the Directors' current best estimate, assumes a full schedule of events will take place in FY23. This considers the latest information available in respect of COVID-19 restrictions in China and reflects that we currently expect to be able run our events in the region but with some Q1 events postponed until later in FY23, including the ChinaCoat event, operated by our 50% joint venture Sinostar, which will result in no dividend from the joint venture being received in FY23 as the event moves into Sinostar's year ending December 2023. Under the Base Case scenario, available liquidity is expected to remain in excess of £43m throughout the 12-month period from the date of the annual report.

The Downside Case has been modelled for the purposes of ensuring the minimum liquidity covenant and leverage covenant are not breached during the period of assessment, even if the Group's trading is impacted by a deterioration of the wider macroeconomic environment, including the impact of a possible recession, or if its event schedule in China is disrupted by the continuation of COVID-19 restrictions, or a combination of these events.

The Downside Case considers the impact a global recession could have on the Group's financial performance and takes account of the relative strength of the industries and geographies that the Group's events operate in and how exposed they could be to an economic downturn. For example, the latest economic forecasts suggest that the UK could face a worse recessionary environment than many other countries, and we have therefore applied larger reductions to the UK retail and fashion event projections. In conjunction with this trading decline, we have also considered the impact that a reasonably possible increase in interest rates would have under the Group's new debt facilities. A margin of 7.75% is payable on the £115m term loan plus a variable rate of interest based on SONIA, which in the Downside Case we assume increases to 5%. Finally, the Downside Case assumes that due to an extension of COVID-19 restrictions in China, the Group's events in the region will not be able to take place for their next scheduled edition, and therefore that no events will take place in China until FY24. In response to this scenario playing out, modest cost savings have been assumed, including reduced discretionary bonus payments and variable event savings as a result of the reduced revenues and event cancellations. Liquidity is expected to remain in excess of £34m throughout the 12-month period from the date of the annual report.

Throughout the 12-month period of assessment, both scenarios have material headroom over and above both the £21m minimum liquidity covenant in place through to the end of August 2023 and the leverage ratio covenant after its introduction in September 2023.

The Directors have also modelled a reverse stress test, which assesses the liquidity and covenant position if an even more extreme deterioration in event performance were to occur. This has been reflected through a 20% reduction to all event revenues throughout the forecast period, except where forward bookings are already in excess of this level. This is in addition to the cancellation of the Group's Chinese events in FY23 and an increase in the variable interest rate paid on the Group's debt.

As in the Downside Case, variable event savings have been modelled in response to the reduced revenues. Given the significance of the reductions, additional cost actions over and above those assumed in the Downside Case have also been assumed, reflecting a reduction in discretionary spend that could be implemented if required.

Under this scenario, the Group would still have available liquidity of at least £30m within the period of assessment and therefore would have material headroom above the minimum liquidity covenant, but would breach the leverage covenant when introduced in September 2023 and would therefore require a covenant waiver. The Directors feel that the assumptions applied in this reverse stress test are remote, given the performance of the Group's recent events and the current level of forward bookings for FY23.

Further, the Group could still implement a number of additional mitigating actions if required. The Group implemented a material cost savings programme in response to the COVID-19 outbreak and has demonstrated an ability to quickly action cost reductions if necessary. Further cost savings over and above those assumed in the reverse stress test scenario could be actioned to help ease liquidity if required, including:

- A delay in planned investments, including the rollout of meetings programmes;
- A further reduction in discretionary staff bonus payments;
- A hiring freeze on staff vacancies; and
- A reduction in discretionary spend in other areas, including travel, technology and people-related investments such as reward and training.

These mitigating actions would enable the Group to meet the leverage covenant in September 2023 even if the reverse stress test scenario were to play out. The Group also has a number of additional actions that could be taken, including staff redundancies, disposal of events or portfolios of events or an equity raise, all of which have been successfully actioned in recent years since the start of the COVID-19 pandemic.

Based on the current and projected levels of liquidity, under a range of modelled scenarios, the Directors believe that the Group is well placed to manage its financial obligations and other business risks satisfactorily. The Directors have been able to form a reasonable expectation that the Group has adequate resources to continue in operation for at least 12 months from the signing date of these financial statements. The Directors therefore consider it appropriate to adopt the going concern basis of accounting in preparing the annual report financial statements.

Viability statement

In accordance with the UK Corporate Governance Code, the Directors have considered the long-term viability of the Group to determine whether it can continue to operate and meet its liabilities, taking into account its current position and principal risks. In assessing viability, the Board considered a number of factors, including the Group's business model (see pages 15 to 18), strategy (see pages 4 to 8), risk appetite (see page 50 to 58) and principal risks and uncertainties (see pages 50 to 58). Particular attention has been paid to the risks and associated impact of a global recession, as well as the knock-on impact of risks related to economic stability and liquidity.

The Board is required to assess the Group's viability over a period greater than 12 months. A four-year period has been chosen on the basis that it reflects an appropriate balance between certainty over assumptions and a longer-term view for investors and other stakeholders. This period also aligns with the term of the Group's new debt facilities and the forecast period upon which the Board assesses the Group's financial outlook.

The Group's long-term projections have been reviewed against its banking covenants, which include a monthly £21m minimum liquidity covenant up to and including August 2023, before reverting to a quarterly leverage ratio from September 2023. Details of the quarterly leverage test that resumes from September 2023 are presented below:

- Adjusted net debt must be less than 4.4x times adjusted EBITDA across the last 12 months for the quarter ending 30 September 2023.
- Adjusted net debt must be less than 4.2x times adjusted EBITDA across the last 12 months for the quarter ending 31 December 2023.
- Adjusted net debt must be less than 3.0x times adjusted EBITDA across the last 12 months for all subsequent quarters until the expiry of the facility.

The Directors considered the Group's financial position over the period from FY23 to FY26, which was recently approved by the Board when assessing viability as part of the annual budget process. The Directors considered the strength of the in-person event portfolio, in particular the Group's market-leading events, which have proven in the past that they are more resistant to downturns than second- and third-tier events and have recovered quickly post-COVID-19. Consideration was also given to the continued rollout of the Group's omnichannel strategy and the additional resilience this provides through revenue streams that would not be adversely impacted by in-person event disruption. Finally, consideration was also given to the geographical and industry sector diversity of the portfolio, which provides protection against location-specific and sector-specific issues.

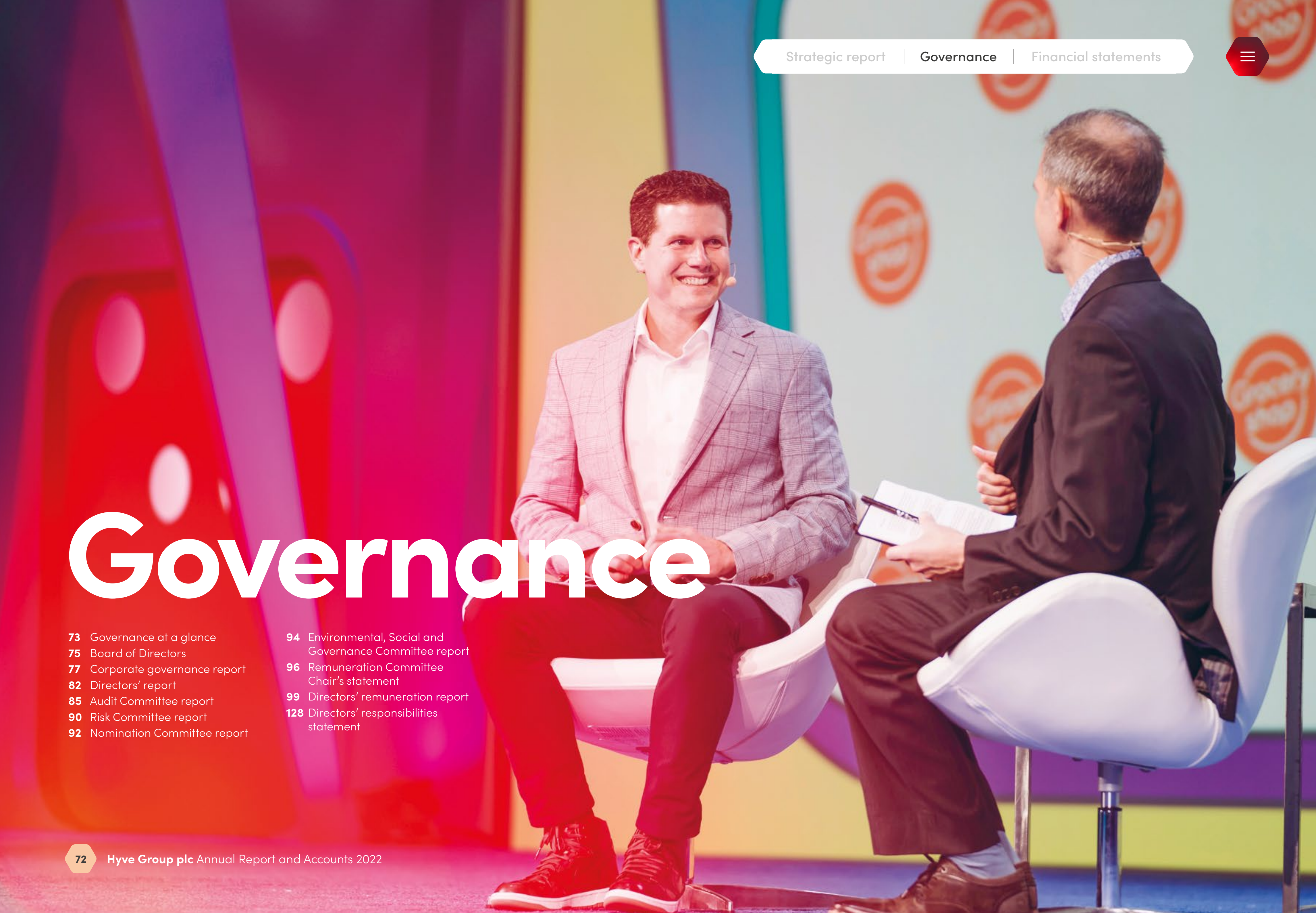
The Directors have considered a downside scenario, which takes account of the impact a global recession could have on the Group's financial performance, including the impact that a reasonably possible increase in interest rates would have under the Group's new debt facilities, as well as the impact of a prolonged period of COVID-19 restrictions in China resulting in the Group's events in the region not being able to take place for their next scheduled edition, and therefore assumes that no events will take place in China until FY24. The Directors have also considered a reverse stress test scenario where there is an extended and more severe trading decline as a result of a deterioration of the macroeconomic environment.

Based on the various scenarios considered, the Group is expected to have material available liquidity throughout the four-year period. Only under the reverse stress test scenario, outlined in further detail in the going concern section, would the minimum liquidity covenant or leverage ratio tests be breached. Given that the reverse stress test scenario is remote based on the performance of the Group's recent events and the current level of forward bookings for FY23, the Directors are confident that the Group remains viable during the period of assessment.

The maturity date for the Group's current debt facilities is October 2026 and therefore falls within the final months of the four-year period of viability assessment. The likelihood of the Group's ability to refinance its debt facilities has therefore been considered as part of the Directors' viability assessment. Based on the recent completion of a refinancing in challenging market conditions while the business is still recovering from the COVID-19 pandemic, in addition to the forecast deleveraging of the business in the coming years, the Group has confidence in its ability to refinance its debt facilities. This confidence is strengthened by there being just less than four years until the current facilities expire and by the optimism around the continued recovery of the business during that period.

Since the outbreak of COVID-19, management has taken significant action to strengthen the Group's liquidity position and protect its long-term financial prospects. These measures include raising £126.6m through a rights issue in May 2020, delivering significant cost savings, renegotiating banking covenants on more than one occasion and, most recently, completing a full refinancing in October 2022. These measures have protected the business against the prolonged impact of COVID-19 and provide confidence in the Group's ability to withstand any new disruption over the next four years. With close to a full schedule of events running in FY22 outside of China, the Group has seen a number of positive trends during FY22 that have continued into FY23, including increased like-for-like customer spend, recovery of revenues from international customers, improved NPS scores and strong forward bookings.

The Group's available liquidity means that even under downside scenarios, the business would continue to have significant liquidity headroom on its existing facilities. In all assessments, there is an option to extend the potential mitigations available, such as further reduction in expenditure, raising additional capital via the equity markets, or the disposal of assets, if required. The Audit Committee reviews the output of the viability assessment in advance of final evaluation by the Board. Having reviewed the current performance, forecasts, debt servicing requirements, total facilities and risks, the Board has a reasonable expectation that the Group has adequate resources to continue in operation, to meet its liabilities as they fall due, and to retain sufficient available cash across all four years of the assessment period. The Board therefore has a reasonable expectation that the Group will remain commercially viable over the period of assessment.



Governance

The Board considers that the Group has been in compliance with all the principles and relevant provisions of the Code throughout the year ended 30 September 2022 and to the date of this report. Details of how the principles have been applied are as follows:

Board leadership and company purpose

Principles

A. A successful company is led by an effective and entrepreneurial board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society.

- Directors' biographies on pages 75 and 76
- Our strategy on pages 4 to 8
- Business model on pages 15 to 18

B. The board should establish the company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.

- Our strategy on pages 4 to 8
- Our people and values on pages 19 to 21

C. The board should ensure that the necessary resources are in place for the company to meet its objectives and measure performance against them. The Board should also establish a framework of prudent and effective controls which enable risk to be assessed and managed.

- Key performance indicators on pages 59 to 61
- Principal risks and uncertainties on pages 50 to 58
- Audit Committee report on pages 85 to 89
- Risk Committee report on pages 90 and 91

D. In order for the company to meet its responsibilities to shareholders and stakeholders, the board should ensure effective engagement with, and encourage participation from, these parties.

- Section 172(1) statement on pages 62 to 68

E. The board should ensure that workforce policies and practices are consistent with the company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern.

- Section 172(1) statement case studies on pages 65 to 68
- Corporate governance – Our commitment to compliance and Whistleblowing arrangements, both on page 80

Division of responsibilities

Principles

F. The chair leads the board and is responsible for its overall effectiveness in directing the company. They should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information.

- Corporate governance report on pages 77 to 81

G. The board should include an appropriate combination of executive and non-executive (and, in particular, independent non-executive) directors, such that no one individual or small group of individuals dominates the board's decision-making. There should be a clear division of responsibilities between the leadership of the board and the executive leadership of the company's business.

- Corporate governance report on pages 77 to 81

H. Non-executive directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account.

- Corporate governance report on pages 77 to 81
- Nomination Committee report on pages 92 and 93

I. The board, supported by the company secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently.

- Corporate governance report on pages 77 to 81

Composition, succession and evaluation

Principles

J. Appointments to the board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

- Nomination Committee report on pages 92 and 93

K. The board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the board as a whole and its membership should be regularly refreshed.

- Directors' biographies on pages 75 and 76
- Corporate governance report on pages 77 to 81

L. Annual evaluation of the board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.

- Corporate governance report on pages 77 to 81

Audit, risk and internal control

Principles

M. The board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself on the integrity of financial and narrative statements.

- Audit Committee report on pages 85 to 89

N. The board should present a fair, balanced and understandable assessment of the company's position and prospects.

- Strategic report on pages 1 to 71
- Audit Committee report on pages 85 to 89
- Directors' responsibility statement on page 128
- Financial statements on pages 129 to 208

O. The board should establish procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives.

- Audit Committee report on pages 85 to 89
- Risk Committee report on pages 90 and 91
- Principal risks and uncertainties on pages 50 to 58

Remuneration

Principles

P. Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values and be clearly linked to the successful delivery of the company's long-term strategy.

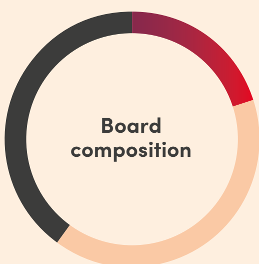
- Our strategy on pages 4 to 8
- Directors' remuneration report on pages 99 to 127

Q. A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No director should be involved in deciding their own remuneration outcome.

- Directors' remuneration report on pages 99 to 127

R. Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.

- Directors' remuneration report on pages 99 to 127



Chairman	1
Executive Director	2
Non-Executive Director	2

0–3 years	1
3–6 years	2
6–9 years	0
9+ years	0

Male	236 (41.6%)
Female	324 (57.0%)
Prefer not to say	8 (1.4%)

Male	21 (53.8%)
Female	18 (46.2%)

All data as at 30 September 2022.

Board of Directors

Richard Last

Non-Executive Chairman

Richard joined Hyve Group plc as Chairman and Non-Executive Director in February 2018. He is a member of the Company's Environmental, Social and Governance Committee. Richard is also the Chairman of Gamma Communications plc, a leading supplier of Unified Communications as a Service (UCaaS) in the UK, German, Spanish and Benelux business markets; the Chairman of Tribal Group plc, an international technology solutions provider for the higher and further education sectors; and a Non-Executive Director of Corero Network Security plc, which develops and implements cyber security DDOS security systems. In September 2021, Richard joined the board of Greenstone+ Ltd, a private company providing software and solutions which support sustainability strategies.

Richard, who is a fellow of the Institute of Chartered Accountants in England and Wales, is an experienced chairman, with over 30 years of public company board experience.

Richard is keen to promote the use of technology to improve customer experience, efficiency and profitability. He is also very passionate about the promotion and development of young talent and promoting wider diversity in organisations.

Rachel Addison

Non-Executive Director

Rachel was appointed as a Non-Executive Director of the Group on 1 March 2022. She is Chair of Hyve's Remuneration Committee and a member of the Risk and Audit Committees.

Rachel has nearly 30 years of finance and operational management experience. Rachel is currently a Non-Executive Director of the business-critical services and software provider Marlowe plc, where she is also Chair of the Audit Committee; a Non-Executive Director of housing developer and manager Watkin Jones plc, where she is also Chair of the Audit Committee and a member of the Remuneration and Nomination Committees. Rachel is also a Non-Executive Director of Gamma Communications plc, a leading supplier of UCaaS in the UK, German, Spanish and Benelux business markets; and a Non-Executive Director of Mango Publishing Group, an innovative independent publisher based in Florida, USA. From July 2020 to October 2021, Rachel was the Chief Financial Officer at Future plc. Prior to that she was Chief Financial Officer at TI Media Limited and has held a number of senior financial, operational and board level roles at Trinity Mirror (now Reach) Regionals, Local World Limited, Northcliffe Media Limited and Boots the Chemist; where she was Head of Risk Management.

Rachel is a chartered accountant and is a member of the Institute of Chartered Accountants in England and Wales. She enjoys working with businesses with ambitious strategies to innovate and develop at pace to meet the ever-changing needs of their customers and consumers.

Nicholas Backhouse

Non-Executive Director

Nicholas was appointed a Non-Executive Director of the Group on 1 May 2019 and Chair of the Audit Committee in January 2020. He is also the Senior Independent Director and a member of the Remuneration and Risk Committees.

Nicholas has extensive experience at board level and is currently the Senior Independent Director of both Hollywood Bowl Group plc and Loungers plc and the Chairman of the Giggling Squid restaurant group. He is a Trustee of Chichester Harbour Trust. Nicholas has also held positions as Senior Independent Director of Guardian Media Group plc and Non-Executive Director of Marston's PLC, All3Media Limited, Eaton Gate Gaming Limited and Chichester Festival Theatre. Nicholas was previously the Deputy Chief Executive Officer of the David Lloyd Leisure Group, Group Finance Director of National Car Parks and Chief Financial Officer of both the Laurel Pub Company and Freeserve PLC. He is a fellow of the Institute of Chartered Accountants in England and Wales and has an MA in Economics from Cambridge University.

Nicholas has significant experience with companies undergoing operating model and cultural change.

Mark Shashoua

Chief Executive Officer

Having co-founded the business (then called ITE Group) in 1991, Mark returned as Chief Executive Officer in 2017 with a strong vision for the company's potential and initiated a Group-wide transformation to future-proof the business. That transformation saw the company radically evolve. It changed from siloed working to a centralised model of best practice, from an emerging markets focus to a portfolio 95% rooted in advanced economies, and from a sprawling portfolio of mixed quality products to a streamlined focus on only market-leading events. This led to the average revenue per event increasing more than eight-fold, and attention is now on expanding the company's digital products. Thanks to Mark's leadership, the Hyve of today has resilience, diversity and enormous scalability.

Transforming businesses is in Mark's DNA and prior to re-joining Hyve, Mark was CEO of i2i Events Group, the event arm of Ascential plc, where he led the internationalisation and diversification of the business. It was at i2i that he first adopted a market leading event only approach that led to turning a declining business to one of consistently high organic growth. This was supplemented by a number of leading acquisitions including Money20/20, which grew substantially under his guidance.

Mark is driven by his ambition to reimagine the events industry, disrupting it through digitisation. His aim is to transform everyone's expectations of what's really possible at events and help customers to realise the game changing possibilities that Hyve events hold for businesses and beyond.

John Gulliver

Chief Finance and Operations Officer

John was appointed as Chief Finance and Operations Officer in October 2020 and is responsible for Hyve's finance function as well as Technology & Data, and a number of other operational functions. He joined Hyve as Chief Operations Officer in October 2017 and oversaw the rollout of the Transformation and Growth (TAG) Programme including the implementation and maintenance of our best-practice operating model across our global portfolio.

Prior to joining, John held senior financial positions in the media sector, including Interim CFO at Emap/Top Right Group and also Divisional CFO at Ascential, as well as CFO of i2i Events Group from June 2012 to June 2017, where he worked alongside Mark Shashoua, CEO. Prior to that, John was Finance Director at Precise Media from 2008 to 2010.

John's background in finance and operational transformation, as well as his experience in the events sector, underpins his passion for bringing about positive change and disruption within the industry. John enjoys working in a change-led environment and loves the passion, energy and sense of achievement that occur as the company, and the people working within it, realise their potential.

The Group is committed to high standards of corporate governance and supports the principles laid down in the UK Corporate Governance Code issued by the Financial Reporting Council (FRC) in July 2018 (the Code).

This statement, together with the Committee reports, the Strategic report, the Directors' report and the s172(1) statement, describes how the principles of the Code are applied and reports on the Company's compliance with the Code's provisions.

The Board

As at 30 September 2022 the Board of Directors (the Board) has five members, comprising the Non-Executive Chairman, the Chief Executive Officer, the Chief Finance and Operations Officer and two independent Non-Executive Directors. During the financial year Stephen Puckett, having completed nine years' tenure, and Sharon Baylay, having completed eight years' tenure, stepped down from the Board, on 3 February 2022 and 1 March 2022 respectively. On 1 March 2022, Rachel Addison and Anna Bateson joined the Board. Following her appointment as Chief Executive Officer of Guardian Media Group, Anna Bateson was required to relinquish all her non-executive roles and therefore stepped down from the Board on 16 September 2022. We are actively seeking to appoint a new Non-Executive Director.

On 3 February 2022, Nicholas Backhouse was appointed as Senior Independent Director, replacing Stephen Puckett.

All of the Directors bring strong judgement to the Board's deliberations. During the year, the Board has been of sufficient size and diversity that the balance of skills and experience was considered to be appropriate for the requirements of the business.

The Non-Executive Directors, including the Chairman, are all independent of management and free from any business or other relationship, including those relationships and circumstances referred to in provision 10 of the Code that could materially impair the exercise of independent and objective judgement. The Group considered that Richard Last was independent on his appointment as Chairman.

Board Committees

There are a number of standing Committees of the Board to which various matters are delegated. They all have formal Terms of Reference approved by the Board, which are available on the Group's website (hyve.group). The Committee reports are set out on pages 85 to 98.

Role and responsibilities of the Board

The Board has overall responsibility to shareholders for the proper management of the Group. It met 16 times during the financial year, these include both scheduled and ad hoc meetings. Regular Board update calls were also held during the year.

Attendance by Directors at the formal Board meetings held during the financial year is set out below.

Board members	Meeting attendance
Richard Last (Chairman)	16/16
Rachel Addison[1]	11/11
Nicholas Backhouse	16/16
Anna Bateson[2]	10/11
Sharon Baylay[3]	5/6
John Gulliver	15/16
Stephen Puckett[4]	3/3
Mark Shashoua	16/16

1 Rachel Addison joined the Board on 1 March 2022.
2 Anna Bateson joined the Board on 1 March 2022 and stepped down from the Board on 16 September 2022.
3 Sharon Baylay stepped down from the Board on 1 March 2022.
4 Stephen Puckett stepped down from the Board on 3 February 2022.

Details of attendance at Committee meetings can be found in the relevant Committee reports.

The Board has a formal Schedule of Matters reserved to it for decision-making, including responsibility for the overall management and performance of the Group. This includes: development and approval of its strategy; long-term objectives and commercial initiatives; approval of annual and interim results; annual budgets; material acquisitions and disposals; material agreements and major capital commitments; approval of treasury policies and assessment of its going concern position. During the financial year a detailed review of the formal Schedule of Matters was undertaken to ensure that it remained fit for purpose. Board discussions are held in an open and collaborative atmosphere, with sufficient time allowed for debate and challenge.

Board meeting agendas are agreed in advance by the Chairman, the CEO and the Company Secretary. Board members receive appropriate documentation in advance of each Board meeting, which normally includes a formal agenda, a detailed report on current trading and full papers on matters which require the Board to make a decision or give approval. An update from the Chair of each Board Committee is provided at Board meetings as appropriate. Board papers are delivered through an electronic platform, improving the efficiency of communications and reducing paper usage.

There is an established procedure for the preparation and review, at least annually, by the Board of medium-term plans and the annual budget. Management accounts are circulated to the Board on a monthly basis and business performance and any significant variances to budget or reforecast are formally reviewed at scheduled Board meetings.

During the year, the Chairman met with the Non-Executive Directors without the Executive Directors present. The Non-Executive Directors also met without the Chairman or Executive Directors present at a meeting chaired by the Senior Independent Director.

Board activities during the financial year

In addition to the regular reports from the CEO, the Chief Finance and Operations Officer, the Chief of Staff and the General Counsel plus the Committee updates and updates or presentations from other senior members of the leadership team on relevant matters, the main issues discussed and/or approved during the financial year included:

- Annual budget forecast, and reforecasts;
- Acquisition of Fintech Meetup, LLC (including financing);
- Acquisition of 121 Group (HK) Ltd and 121 Partners Ltd and associated placing of shares to fund the acquisition;
- Refinancing of debt facilities;
- Financial results for the year ended 30 September 2021 and the half year ended 31 March 2022;
- Investor feedback on financial results;
- Strategy review;
- M&A updates;
- Disposals, including sale of Russian business;
- Reorganisation of corporate structure;
- Continued impact of COVID-19 on events in China;
- Insurance claims under event cancellation insurance;
- Approval of awards granted under the Value Creation Plan (VCP) scheme;
- Environmental, Social and Governance strategy, including TCFD implementation;
- Internal Board and Committees evaluation;
- Board composition;
- Directors' duties under s172 of the Companies Act 2006;
- Policy reviews and approvals;
- Matters reserved for the Board and division of responsibilities;
- Terms of reference for Board Committees; and
- Modern Slavery Statement.

The Directors

The biographical details of the Board members are set out on pages 75 and 76.

All of the Directors have occupied, or occupy, senior positions in UK and/or international listed companies and have substantial experience in business. At all times at least half the Board, excluding the Chairman, has comprised independent Non-Executive Directors.

The Non-Executive Directors were all appointed for an initial three-year term. As set out in provision 18 of the Code, the Non-Executive Directors (in common with the Executive Directors) will be subject to re-election each year by shareholders at the Company's Annual General Meeting, providing the Board continues to be satisfied that they remain independent. All five Directors will offer themselves for re-election. The Board believes that the five Directors continue to be effective in their roles and believes that the Group and its shareholders should support their re-election at the Annual General Meeting scheduled for 1 February 2023.

The Non-Executive Directors do not participate in any of the Group's pension schemes or in any of the Group's bonus, share option or other incentive schemes.

The Chairman and Chief Executive Officer

The different roles of the Chairman and Chief Executive Officer are acknowledged. The division of responsibilities statement was reviewed and revised during the financial year.

For the Chairman, those responsibilities include, among other matters, setting an agenda focused on strategy, performance, people and governance; ensuring that the members of the Board receive high-quality, accurate, timely and clear information; and shaping the culture of the Board and leading meetings that promote open and constructive debate among all directors.

For the Chief Executive Officer, those responsibilities include, among other matters, developing and proposing Hyve's strategy to the Board and delivering that strategy; keeping the Board updated on progress against the agreed strategy; and providing leadership to management and other employees to promote Hyve's desired culture, values and behaviour.

The review of the responsibility statement included the addition of the key responsibilities for the Senior Independent Director and for the Designated Non-Executive Director for gathering the views of Hyve's workforce. A copy of the responsibility statement is available on the Group's website (hyve.group) or can be obtained from the Company Secretary.

Board effectiveness review

In FY21 an external independent evaluation of the Board and its Committees was conducted by Kieran Moynihan, managing partner of Board Excellence, a company with no connection to Hyve or any of its directors.

The key recommendations from the evaluation included:

- The recruitment of additional Non-Executive Directors with a focus on greater Board diversity;
- A more formalised induction process for new board directors;
- A review of the process for reviewing Group-wide policies and other critical policies; and
- The expansion of the Group's ESG policies, business adoption and reporting.

In March 2022 the Board appointed two Non-Executive Directors resulting in an increase in female representation on the Board from 16.7% to 33.3%. As noted above, Anna Bateson stepped down from the Board in September 2022 which has reduced level of female representation to 20%. The Nomination Committee continues to seek to appoint additional Non-Executive Directors with an ongoing focus on greater board diversity.

The Company Secretary prepared and implemented an extensive and detailed induction process for the new Non-Executive Directors who joined the Board in March 2022. This process included meetings with leaders of functions and operating divisions across the business, detailed briefings on strategy, an introduction to the Group's key policies, an explanation of the workings of the Board and its Committees and the opportunity to attend one or more of the Group's key events.

The Group has made significant progress on ESG matters. More detail can be found on pages 94 and 95.

During the financial year an internal evaluation of the Board and its Committees was undertaken. The evaluation required the completion of the same online questionnaire from the FY21 external evaluation (extended to include a new section on ESG) by the Board directors only. The questionnaire covered a wide range of areas including (but not limited to) the performance of the Board and its Committees, Board composition and succession planning, corporate governance, organisational culture and the performance of the Executive Team and its execution of the Group's strategy. The consensus was that the Board is operating effectively, a key contributor to this effectiveness being the high quality of the Board papers and the flow of information provided by management. It was felt that during Board meetings there is an appropriate balance between time spent on performance, strategic, operational, risk and governance issues and that the Chairman allows and encourages sufficient time for open and constructive debate. Key areas of focus for FY23 are the improvement of Board diversity and greater engagement between the Board and the workforce.

As part of the evaluation process, the Chairman met with the Non-Executives individually to discuss performance and to consider areas for development/training. Following these discussions, the Chairman confirmed that each Director continues to make a valuable contribution to the Board and devotes sufficient time to their role. The Chairman's evaluation was undertaken by the Senior Independent Director, taking into account the views of the other Directors. The Senior Independent Director provided feedback to the Chairman.

Support and advice

The Board has access to the advice and services of the Company Secretary, who is responsible for ensuring that all Board procedures have been complied with. The Board has approved a procedure for all Directors to take independent legal and financial professional advice at the Company's expense, if required to support the performance of their duties as Directors of the Group. No such advice was sought by any Director during the year.

Training and development

An induction programme is arranged for newly appointed Directors, which includes presentations on the business, current strategy and shareholder expectations. Guidance is also given on the duties, responsibilities and liabilities of a director of a listed company and key Board policies and procedures. Business familiarisation involves Directors visiting exhibitions in markets in which the Group operates to gain a greater understanding of the Group's activities and to meet senior managers throughout the business.

Every Director is encouraged to continue their own professional development through attendance at seminars and briefings.

Conflicts of interest

The Company's articles of association, in line with the Companies Act 2006, allow the Board to authorise potential conflicts of interest that may arise and impose limits or conditions as appropriate. The Group has established a procedure whereby any decision of the Board to authorise a conflict of interest is only effective if it is agreed without the conflicted Director(s) voting or without their votes being counted. In making such a decision, the Directors must, as always, act in a way they consider in good faith to be most likely to promote the success of the Group.

The Company has a Conflicts of Interest Policy which sets out for all employees across the Group the actions that are expected from them in the event that a potential conflict of interest arises.

Shareholder relations

Details of shareholder engagement can be found in the s172(1) statement on pages 62 to 68. A trading update will be released on the day of the Annual General Meeting, which is scheduled to take place on 1 February 2023. Previous trading updates and other announcements and press releases can be found on the Group's website (hyve.group).

Strategic report and principal risks and uncertainties

The Strategic report set out on pages 1 to 71 details the financial performance of the Group. The principal risks and uncertainties the Group identifies and monitors are laid out on pages 50 to 58.

Our commitment to compliance

Hyve is committed to building and maintaining a culture of compliance and effective governance. The Group's Code of Conduct clearly sets out what is expected from every person working for, and with, our businesses, anywhere in the world. The Code of Conduct, like most of our policies, is provided in a variety of relevant languages on the Company's intranet. Underpinning the Code of Conduct is a strong global policy framework covering areas such as anti-bribery and corruption, gifts and hospitality, whistleblowing and modern slavery/human trafficking. Over the course of the financial year updates to all of the Group's compliance policies have been undertaken. Those updates have the changing macro environment relevant to Hyve and the reflected changes in the structure and scale of the Hyve business. Policies are also reviewed regularly to ensure information, points of contact, language, terminology and explanations are correct, clear and concise, as well as ensuring the correct use of pronouns, inclusive language and routes to raise questions and suggest improvements.

Furthermore, in its holistic approach to compliance Hyve operates a framework of policies and codes addressing related matters, including conflicts of interest, share dealing codes, market abuse policies and procedures and a variety of supplemental data and personnel policies.

Whistleblowing arrangements

The Group adopted a new Whistleblowing Policy in FY20, with such Policy being reviewed and updated during each prior financial year, including this one, to ensure that it remains fit for purpose. Since 2019 the Group has provided a fully independent whistleblowing service. The appointment of an independent partner to manage a fully confidential whistleblowing service allows for anyone to raise their concerns, anonymously if preferred, in their language of choice. The availability of this language functionality is provided in order to reduce any perceived barriers to the reporting of concerns. The Policy also sets out the various other channels available to personnel and external parties through which concerns relating to compliance with our policies and illegal or unethical behaviour in our business or supply chains can be raised.

Anti-Corruption Policy

Hyve takes a zero-tolerance position in relation to all bribery and corruption, wherever and in whatever form that may be encountered. The Anti-Corruption Policy (adopted in 2019 and updated annually as a minimum) applies to all individual employees, agents, sponsors, intermediaries, consultants and any other people or bodies associated with Hyve or any of our subsidiaries and employees, and it sets out their responsibilities in terms of charity donations and sponsorships, facilitating payments, gifts and hospitality. The prevention, detection and reporting of bribery and corruption is the responsibility of all of our employees. Awareness of the Policy is assessed as part of the internal audit process.

Our Gifts and Hospitality Policy requires business units to maintain a gift and hospitality register which records information such as the name of the receiver of the gift or hospitality and the estimated value of the gift or hospitality. To ensure ease of access for reporting, all registers are available electronically via the Group's internal pages, 'the Buzz', which are accessible to all. The registers are controlled and accessed by a limited group for internal auditing purposes. The rollout of this online reporting tool for gifts and entertainment began in September 2021 and continues to date. Questions in relation to gifts and hospitality receipts are addressed by the General Counsel as required, with screening of internal parties (for donations or charitable nominations) being undertaken by the Group's legal advisers from time to time.

Human rights

We are committed to treating all our employees, world-wide, with dignity and respect. We recognise that we operate in many different markets with diverse cultures and we respect those differences while being committed to supporting and upholding the provision of basic human rights and eliminating discriminatory practices. We respect the dignity of all individuals and seek to enable all of our employees to perform and deliver their best work by accepting and valuing different talents, experiences and backgrounds.

Sitting within its Code of Conduct, Hyve's Human Rights Policy emphasises our commitment to basic human rights in the way we do business. We support our employees in creating and maintaining a work culture which prohibits forced labour and ensures the human rights of all employees. This Policy also provides for maintaining an environment that fosters open and direct communication between managers and employees as the most effective way to work together for the resolution of differences, and respects employees' rights to participate in collective bargaining via unions should they so choose. Employees are expected to report any behaviour that violates this Policy.

Modern slavery

Hyve recognises that human rights violations, including forced labour and trafficking, can occur in all sectors and countries. As a responsible business, we are committed to playing our part to help eliminate such violations. Our Modern Slavery Statement details the steps we take to help prevent any incidence of modern slavery, both in our own business and in our supply chains. It is available at the following address: hyve.group/Responsibility/Modern-Slavery-Statement. Hyve elects to file its Modern Slavery Statement annually with the UK Government's Modern Slavery Statement Registry. The Group has an Anti-Slavery and Human Trafficking Policy in place. Again, this is available in multiple languages. The Policy gives workers, contractors and other business partners guidance on identifying, reporting and preventing Modern Slavery and clearly states the measures in place to tackle Modern Slavery in its business and supply chains. Hyve also undertook an assessment of its current risks in this area based upon the findings of the Global Slavery Index Report, which was made available to the Group's Risk Committee.

The Directors have pleasure in submitting their report and the audited financial statements for the year ended 30 September 2022.

Principal activities and review of the business

The principal activities of the Group comprise the organisation of physical and online trade exhibitions and conferences.

The main subsidiary and associate undertakings which affect the profits or net assets of the Group in the year are listed in note 5 to the financial statements of the Company and note 18 to the financial statements of the Group.

Details of the Group's performance during the year and expected future developments are contained in the Chief Executive's report on pages 9 to 12, the Chief Finance and Operations Officer's statement on pages 33 to 43 and the Divisional trading summary on pages 44 to 49. Details of the Group's Risk Committee report are on pages 90 and 91 and the Principal risks and uncertainties are on pages 50 to 58.

Financial risk management

Details of the Group's financial risk management is given in note 23 to the consolidated accounts.

Results and dividends

The audited accounts for the year ended 30 September 2022 are set out on pages 139 to 208. The Group loss for the year, after taxation, was £58.8m (2021: loss of £20.0m).

As stated in the interim results announcement, which was issued on 24 May 2022, the suspension of dividends (announced in May 2020) remains in place and will be kept under review.

Capital structure

Details of the Company's issued share capital and movements during the year are shown in note 25 to the financial statements of the Group. The Company has one class of ordinary shares which carry no right to fixed income. Each share carries the right to one vote at general meetings of the Company.

There are no specific restrictions on the size of a holding or on the transfer of shares, which are both governed by the general provisions of the articles of association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights. No person has any special rights of control over the Company's share capital and all shares are fully paid.

Details of employee share schemes are set out in note 28 to the financial statements of the Group. The Trustee of the Hyve Group Employees Share Trust is not permitted to vote on any unvested shares held in the Trust unless expressly directed to do so by the Company. A dividend waiver is in place in respect of the Trustee's holding, apart from the shares which are held in the Trust as part of the Directors' Deferred Bonus Share Plan.

There are a number of agreements that take effect, alter or terminate upon a change of control of the Company, such as commercial contracts, bank facility agreements, property lease arrangements and employee share plans. None of these are considered to be significant in terms of their likely impact on the business of the Group as a whole. Furthermore, the Directors are not aware of any agreements between the Company and its Directors or employees that provide compensation for loss of office or employment that occurs because of a takeover bid.

Articles of Association

The Company's articles of association may be amended by a special resolution at a general meeting of the shareholders. At the AGM on 1 February 2023, shareholders will vote on the proposed amendment to Article 98 of the Company's Articles of Association, to increase the aggregate fee limit from £450,000 to £600,000.

The Directors

The Directors who served during the year were as follows:

Executive Directors

- Mark Shashoua
- John Gulliver

Non-Executive Directors

- Richard Last – Chairman
- Rachel Addison (appointed 1 March 2022)
- Nicholas Backhouse
- Anna Bateson (appointed 1 March 2022; resigned 16 September 2022)
- Sharon Baylay (resigned 1 March 2022)
- Stephen Puckett (resigned 3 February 2022)

Sharon Baylay and Stephen Puckett stepped down from the Board, as they had completed eight-and-nine-year tenures respectively. Anna Bateson stepped down as a Non-Executive Director due to her appointment as CEO of Guardian Media Group: on appointment she was required to resign all Non-Executive roles. The biographical details of the Board of Directors (as at the date of signing this report) are set out on pages 75 and 76.

In accordance with its articles of association and in compliance with the Companies Act, the Company has granted a qualifying third-party indemnity to each Director. Directors' and officers' insurance cover is also provided by the Company, in line with normal market practice, for the benefit of Directors in respect of claims arising in the performance of their duties.

Company Directors' shareholdings

The Directors who held office at 30 September 2022 had the following interests (including family interests) in the ordinary shares of the Company:

Name of Director	Number of shares as at 30 September 2022	Number of shares as at 30 September 2021
Executive Directors		
Mark Shashoua	**838,747**	**637,594**
John Gulliver	**148,962**	**59,735**
Non-Executive Directors		
Richard Last	**305,163**	**195,000**
Nicholas Backhouse	**16,250**	**16,250**
Rachel Addison	**0**	**N/A**

The Directors, as employees and potential beneficiaries, have an interest in up to 815,470 (2021: 1,643,128) shares held by the Hyve Group Employees Share Trust at 30 September 2022. The Hyve Group Employees Share Trust held 671,757 (2021: 771,375) ordinary shares at 30 September 2022.

In line with the Company's approved Directors' Remuneration Policy, Executive Directors are required to defer a third of the value received under the Group's Bonus Plan, which is held in the Hyve Group Employees Share Trust. Details of the Annual Bonus payments due to Executive Directors are set out on page 107 of the report.

Company's shareholders

At 30 November 2022, the Company had been notified under Rule 5 of the Financial Conduct Authority's Disclosure and Transparency Rules of the following interests in its ordinary shares:

Name of holder	Number of shares	Percentage held
Strategic Value Partners	**47,775,625**	16.38%
Helikon Investments[1]	**43,754,878**	15.00%
RWC Partners	**33,791,252**	11.59%
Goldman Sachs	**16,499,702**	5.66%
JPMorgan Securities	**16,169,551**	5.54%
Jupiter Asset Management	**15,848,275**	5.43%
Aberforth Partners	**13,701,158**	4.70%
Amiral Gestion	**13,494,775**	4.63%
Wellington Management	**12,406,505**	4.25%
Janus Henderson Investors	**11,182,013**	3.83%
UBS	**10,354,295**	3.55%

1 This relates to CfD holding only.

Authority to purchase the Company's shares

At the Annual General Meeting on 3 February 2022, shareholders authorised the Company to make one or more market purchases of up to 29,164,090 of the Company's ordinary shares to be held in treasury at a price between 10.0p (exclusive of expenses) and 105% of the average closing middle market price of a share for the five business days immediately preceding the date on which the share is purchased.

No purchases were made during the year and the Directors propose to renew this authority at the 2023 Annual General Meeting.

Charitable and political donations

The Group made £38,312 of charitable donations (2021: £21,309) during the year. No political donations were made (2021: nil).

Employees

The Group's people strategy is to attract, develop and retain high-performing, motivated and talented employees and enable them to achieve brilliant results. The Group cascades the key priorities and business objectives throughout the organisation, ensuring that employees understand how their personal contribution supports the Group's success. The Group links incentives to delivering on objectives, and the Remuneration Policy is designed to reinforce this approach. The Group places great importance on the growth and development of its people to support the business in meeting its objectives. This is reflected through the Performance Management Framework, which encourages year-round continuous feedback, and the resulting learning and development initiatives.

It is the Group's policy to fully consider applications for employment from anyone qualified to apply, regardless of their status, disability, age, gender, gender identification or expression, sexual orientation or belief. To reflect this policy, opportunities for career progression and development are offered on merit and regardless of the factors noted above. In the event of a member of staff becoming disabled, every effort would be made to ensure their continued employment and progression in the Group, and it is Group policy that training, career development and promotion of disabled employees match that of other employees as far as possible.

More information on our employees can be found in the 'Our people and values' section on pages 19 to 21 and in the Section 172(1) statement on pages 62 to 68.

Supplier payment policy

The Company's policy, which is also applied to the Group, is to agree payment terms with suppliers when entering into each transaction to ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. Hyve Group plc has no trade creditors. Trade creditors of the Group (consolidated) at 30 September 2022 were equivalent to 12 days' (2021: 10 days) purchases, based on the average daily amount invoiced by suppliers during the year.

Annual General Meeting

The notice convening the Annual General Meeting to be held at 09:00am on 1 February 2023 is contained in a circular sent to shareholders at the same time as this report.

Auditor

BDO LLP was appointed as the Group's new auditor at the Company's Annual General Meeting held on 23 January 2020. The Committee believes that BDO LLP has a strong team with the skills and experience to provide rigour and challenge in the audit. A resolution to reappoint BDO LLP as the Company's auditor and to authorise the Directors to determine the auditor's remuneration will be proposed at the Company's Annual General Meeting in February 2023.

Post-balance-sheet events

On 20 October 2022, the Group completed the refinancing of its debt facilities. The new debt facilities, totalling £135m, comprise a £115m, term loan and a £20m super senior revolving credit facility. The new debt facilities replace the Group's previous debt facilities, and the £101m drawn down as at 30 September 2022 was repaid in full on 20 October 2022 when the new funds were drawn. In advance of the debt refinancing, on 10 October 2022, the Group terminated its interest rate swap contract which was due to expire in November 2022.

On 24 October 2022, the Group completed the disposal of Hyve Fuarcılık Anonim Şirketi and its subsidiaries ('the Turkish business') for consideration of up to £8m to ICA (JV) Limited. The Group has received upfront consideration of £2.0m in respect of the disposal and expects to receive between £4m and £6m of deferred contingent consideration, payable over the six-year period until December 2028 based on the profitability of the Turkish business. The assets and liabilities of the Turkish business have been classified as held for sale as at 30 September 2022 in accordance with IFRS 5, 'Non-Current Assets Held for Sale and Discontinued Operations'.

Fair, balanced and understandable statement

Each of the Directors considers that the annual report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

Directors' statement as to disclosure of information to auditors

Each Director of the Company at the date when this report was approved confirms:

- So far as he/she is aware, there is no relevant audit information (as defined by the Companies Act 2006) of which the Company's auditors are unaware; and
- He/she has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given in accordance with section 418 of the Companies Act 2006.

John Gulliver
Chief Finance and Operations Officer

13 December 2022

Committee members	Meeting attendance
Nicholas Backhouse (Chair of the Committee)	**7/7**
Rachel Addison[1]	2/2
Anna Bateson[2]	2/2
Sharon Baylay[3]	5/5
Stephen Puckett[4]	4/5

1 Rachel Addison was appointed as a member of the Committee w.e.f. 8 March 2022.

2 Anna Bateson was a member of the Committee from 8 March 2022 to 16 September 2022.

3 Sharon Baylay stepped down from the Committee w.e.f. 1 March 2022.

4 Stephen Puckett stepped down from the Committee w.e.f. 3 February 2022.

The Audit Committee (the Committee) was in place throughout the financial year and is chaired by Nicholas Backhouse. The Board considers that Nicholas has the appropriate financial expertise, as required by provision 24 of the UK Corporate Governance Code (the Code), as he is a Chartered Accountant, has held executive roles in financial positions in other companies and has chaired other listed companies' Audit Committees. All members of the Committee are independent Non-Executive Directors and they are considered to provide a wide range of international, financial and commercial expertise necessary to fulfil the Committee's duties. Members of the Committee are appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chairman of the Audit Committee, for an initial period of three years, which can then be followed by an additional two further three-year periods. All Committee members played an active role in all Committee meetings held throughout the year.

All members of the Board have an open invitation to attend Committee meetings. Representatives of BDO, the external auditor, attend each meeting along with the Chief Finance and Operations Officer, the Group Finance Director and the Company Secretary, unless there is a conflict of interest. Other relevant people from the business are also invited to attend certain meetings or parts of meetings to provide a deeper level of insight into certain key issues and developments. The Chairman of the Committee reports to the Board, as part of a separate agenda item, on the activity of the Committee and matters of particular relevance to the Board in the conduct of their work.

The Chairman of the Committee has also held meetings with the Chairman of the Board, the Chief Executive Officer, the Chief Finance and Operations Officer and other members of management and the finance team during the year to identify matters which require meaningful discussion at Committee meetings. He also meets the external audit partner privately to discuss any matters they wish to raise or concerns they have.

Terms of Reference

The Audit Committee's Terms of Reference are available on the Group's website (hyve.group) or can be obtained from the Company Secretary. The Terms of Reference are reviewed annually and presented to the Board for approval.

Audit Committee responsibilities include:

- Reviewing the integrity of the Group's financial statements and reporting to and advising the Board on whether the Committee believes the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy;
- Monitoring compliance with relevant statutory and listing requirements;
- Reporting to the Board on the appropriateness of the accounting policies and practices;
- Overseeing the relationship with the external auditor, advising the Board on the appointment of the external auditor, agreeing their audit scope and audit fees and assessing the independence and effectiveness of the external audit process;
- Reviewing the effectiveness of the Group's internal controls and assessing the effectiveness of the Group's internal audit provider and process; and
- Monitoring the Group's whistleblowing, bribery prevention and fraud detection policies and processes.

Effectiveness Evaluation

During the financial year, an internal evaluation of the Committee was undertaken reusing the questionnaire prepared for the FY21 external evaluation. The questionnaire was completed by all Board members. The consensus was that during the financial year the Committee had effectively discharged its responsibilities in regard to financial reporting, internal controls, internal audit and the external audit. It was felt that the Committee has strong oversight of the appropriateness of the Group's accounting policies, management's material estimates and judgements, the clarity and completeness of the disclosures in the financial statements and the quality of the Group's finance teams. More details about the evaluation of the Board and its Committees can be found on page 79.

The role and responsibilities of the Committee

The Board Committee meets at least three times a year and as and when required. The Committee is responsible for monitoring the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance, and for providing effective corporate governance over the appropriateness of the Group's financial reporting. The Committee works with the Risk Committee, and this ensures effective and sufficient coverage of financial reporting risks within the Group's risk management processes.

While geopolitical issues and travel restrictions have made it difficult for the individual members of the Committee to visit some of the Group's offices and events, the members have held regular meetings with the management teams of the Group's overseas offices, in addition to holding regular meetings with Group management and senior members of the finance team to follow up on any matters pertaining to the overseas offices identified by either external or internal audits.

Activities during the financial year

Seven meetings were held during the year, with the following areas of focus:

Meeting	Key areas of focus
19 October 2021	The final external audit plan for the year ended 30 September 2021 and an early view of key judgements and audit matters in advance of the year-end audit commencing
8 November 2021	Discussion of the FRC's Audit Quality Review on the external audit of the Group for the year ended 30 September 2020 and how the external auditor planned to address the findings in the audit approach for the year ended 30September 2021
24 November 2021	Progress of the year-end audit and the findings up to the date of the meeting
1 December 2021	The review of the Group's full year results for the year ended 30 September 2021 and an update on the progress of the year-end audit and findings to date and the external auditor's year-end report
10 December 2021	The final review of the Group's full year results for the year ended 30 September 2021 prior to the Board's approval and the external auditor's finalised year-end report
12 May 2022	The review of the Group's interim results for the period ended 31 March 2022 and the external auditor's interim review report
30 June 2022	The external auditor's scope and plan for the audit of the year ended 30 September 2022

Three Committee meetings were held subsequent to the period end and focused on:

Meeting	Key areas of focus
18 October 2022	The final external audit plan for the year ended 30 September 2022 and an early view of key judgements and audit matters in advance of the year-end audit commencing
30 November 2022	The review of the Group's full year results for the year ended 30 September 2022 and an update on the progress of the year-end audit and findings to date and the external auditor's year-end report
7 December 2022	The final review of the Group's full year results for the year ended 30 September 2022 prior to the Board's approval and the external auditor's finalised year-end report

During the year and subsequent to the period end prior to the approval of the full year results for the year ended 30 September 2022, in addition to the areas of focus above, the Committee focused on the following:

1. Alternative performance measures, ensuring an appropriate balance between the prominence given to statutory and adjusted results;
2. The presentation of adjusting items;
3. Acquisition accounting in respect of the 121 Group and Fintech Meetup acquisitions;
4. Accounting treatment for disposals completed during the year or subsequent to the period end, including the Russia, Ukraine and Turkey disposals;
5. The impairment review of goodwill and acquired intangible assets;
6. Tax provisions, the recoverability of deferred tax assets and transfer pricing;
7. The effectiveness of the Group's internal controls and risk management;
8. Internal audit, including a review of the scope, timetable and reports issued during the year;
9. The progress made by management in addressing findings from the internal and external auditors as a result of their respective audit work; and
10. An assessment of the appropriateness of the going concern and long-term viability statements.

In assessing the appropriateness of the financial statements, the Committee concentrated on the key matters summarised below. These were discussed with the external auditor, BDO, throughout the year and at the Committee meetings as well as during the year-end audit.

Impairment of goodwill, intangible assets and investments

This involves measuring the carrying value of goodwill, intangible assets and investments against the value in use of each of the cash generating units (CGUs) and investments. There are a number of judgements and estimates to consider in the value in use calculations, principally regarding the forecast cash flows, the discount rates used and the long-term growth rates applied. Forecast cash flows are based on the Board-approved budget and three-year plan. Discount rates are selected to reflect the risk-adjusted cost of capital for the respective territories. Growth rates reflect management's view of the long-term forecast rates of growth using third-party sources such as the International Monetary Fund's World Economic Outlook reports. Impairment charges of £2.1m have been recognised during the year in respect of Fin-mark Srl, which previously organised the Aquatherm event in Ukraine. No other impairment charges have been recognised on goodwill, intangible assets and investments and the Committee is satisfied that each of the Group's CGUs has a value in use in excess of the carrying value of its assets.

Acquisition accounting

Following the acquisitions of 121 Group and Fintech Meetup in the year, there is a level of judgement involved in identifying and valuing the assets acquired through business combinations. The Committee assesses the processes used in the identification and valuation of acquired assets and liabilities, including the reasonableness of any assumptions used. The Committee also assesses the purchase price allocation of consideration and the allocation between goodwill and identified intangible assets. The Committee reviewed management's papers, the acquisition accounting calculations and underlying estimates and assumptions for the 121 Group and Fintech Meetup acquisitions. The Committee agreed that the assets and liabilities were recognised at their fair value at acquisition.

Disposal accounting

The Committee has considered the Group's accounting in respect of the disposal of the Russian business, including the judgements involved in valuing the contingent consideration payable and the treatment of the Russian business as a discontinued operation. The Committee reviewed management's papers and the underlying assumptions for the disposal and is satisfied that contingent consideration has been recognised at fair value at disposal.

Alternative performance measures

Consideration has been given to whether there is an appropriate balance between the prominence given to statutory results and alternative performance measures in the Annual Report. Separately disclosed items of income and expenditure have been presented as adjusting items to allow a set of headline results to be presented in addition to statutory results. The FRC thematic reviews and ESMA guidelines on alternative performance measures have been used when considering the appropriateness of the adjusting items, the alternative performance measures presented and the disclosures in the Annual Report. The Committee is satisfied that the disclosures included in the Annual Report are fair and balanced.

Going concern and viability

The Committee has reviewed the Group's assessment of going concern over a period greater than 12 months. In assessing the Group's going concern status as well as its viability over a four-year period, the Committee has considered the Group's financial position presented in the Group's Budget plus Three Year Plan (the Budget for the year ending 30 September 2023 plus forecasts for the subsequent three financial years) recently approved by the Board. In the context of the challenging macroeconomic environment, recessionary risks in a number of the Group's geographies and the possibility of further COVID-19 restrictions in China, a number of alternative scenarios have also been considered, including the modelling of additional downside sensitivities. These were based on the potential financial impact of a recession, taking account of the relative strength of the industries and geographies that the Group's events operate in and how exposed they could be to an economic downturn, in addition to further event cancellations in China over the coming months. The Committee has concluded that the assumptions considered are appropriate when assessing the Group's going concern status and longer-term viability. The Committee has also reviewed the Group's reverse stress test in a further downside scenario. In addition, the Committee has reviewed this with management and is satisfied that this is appropriate in supporting the Group as a going concern. The Committee received regular updates on the steps taken by management prior to the going concern assessment being made, including the refinancing of the Group's debt facilities completed in October 2022.

Internal control and risk management

The Internal Audit function is outsourced to PricewaterhouseCoopers (PwC), who provide independent assurance through planned audit activities on a rotational basis, assessing whether the controls in place are adequately designed and implemented and making recommendations for improvement.

The Committee annually approves the schedule and scope of upcoming internal audit reviews over a two-to-three-year period, ensuring that the planned work covers the Group's key risk areas, primary markets and certain key financial controls. During the year, PwC performed internal audit reviews at the Group's offices in London, Brazil and India, in addition to a review of the Group's primary finance system.

The reports, findings and recommendations are presented for the Committee's review at the meetings held throughout the year. The Committee reviews the reports and considers progress against the recommendations. The Group operates across a number of territories and the role of internal audit and the follow-up process on the findings in internal reports are important parts of the Group's overall control environment.

The effectiveness of the internal control process is assessed throughout the year through discussions with head office, local management teams and others involved in the process.

The Group maintains an internal controls matrix, identifying all financial, operational and compliance controls in place across the Group. The matrix was updated in the year to ensure that all key controls identified were either in the scope of PwC's internal audit reviews or were sufficiently reviewed by Group management.

The findings of internal audit and Group management reviews were presented to the Committee, who found the current internal controls process to be operating effectively.

The Group's risk management process is covered in detail in the report of the Risk Committee on pages 90 and 91.

External audit

The effectiveness of the 2021 external audit process was formally assessed by the Committee at the beginning of 2021. Feedback was sought from various participants in the process (Audit Committee members, Executive Directors, members of the finance team and management of subsidiary units). The effectiveness of the audit partner and the audit team, as well as their approach to audits, including planning and execution, communication, support and value, was assessed and discussed. Overall, the effectiveness of the external audit process was assessed to be performing as expected.

During the year, the Audit Committee also considered the findings of the FRC's Audit Quality Review on BDO's audit of the Group for the year ended 30 September 2020, which was published on 24 September 2021. In particular, the Audit Committee reviewed BDO's proposed approach to addressing the points raised and how this had been incorporated into the audit approach for the year ended 30 September 2022.

Sandra Thompson replaced Andrew Viner as the Lead Audit Partner in the current year, following his rotation from the audit. Sandra is an experienced Audit Partner, having worked for 30 years in the profession and spent time as a

Global Chief Financial Officer of an AiM-quoted company. She brings with her a wealth of experience across many sectors, with her specialism more latterly in the Technology & Media arena.

The effectiveness of the external audit process is dependent on appropriate audit risk identification at the start of the audit cycle. A detailed audit plan is received from the auditor, which sets out the key risks identified. For the financial year ended 30 September 2022, the primary risks identified by BDO were as set out on pages 132 to 134.

BDO provided the Committee with their views on these issues at the Committee meetings held to consider the financial statements. In addition, they provided the Committee with details of any identified misstatements greater than £32,000 and any other adjustments that were qualitatively significant which management had not corrected on the basis that the misstatements were not, individually or in aggregate, material.

Private meetings were held with BDO throughout the year to provide additional opportunities for open dialogue and feedback from the Committee and the auditor without management being present. Matters discussed were the preparedness and efficiency of management with respect to the audit, the capabilities of the financial management team, confirmation that no restriction on scope had been placed on them by management and how they had exercised professional judgement.

During the year, BDO and member firms of BDO charged the Group £764,000 (2021: £728,000) for audit and audit-related services.

Non-audit services

To safeguard the objectivity and independence of the external auditor from becoming compromised, the Committee has a formal policy governing the engagement of the external auditor to provide non-audit services. No material changes have been made to this policy during the year. Non-audit fees on any project regardless of size, with the exception of assurance services in respect of the half-year review, are submitted for approval by the Committee Chairman, who must report to the Committee on the use of this delegated authority at the next Committee meeting.

Our policy ensures that the Committee challenges the decision to use the external audit firm where suitable, practical and reasonably priced alternatives exist. In addition, the Committee considers the overall level of non-audit fees and would not expect these fees to be in aggregate greater than the audit fee. During the year, the external auditor performed non-audit services totalling £315,000 (2021: £81,000), which represents 41% (2021: 13%) of the audit fee. The services provided in the year included £84,000 in respect of the interim review and £231,000 in respect of the reporting accountant work performed for the circular published in connection with the Group's disposal of its Russian business. The Audit Committee approved the appointment of BDO on the basis that they were best placed to provide the services and there was no conflict of interest with their role as external auditor. Refer to note 4 to the financial statements of the Group for further information.

On behalf of the Audit Committee

Nicholas Backhouse
Chairman of the Audit Committee

13 December 2022

Committee members	Meeting attendance
John Gulliver (Interim Chair)	**4/4**
Rachel Addison[1]	3/3
Nick Backhouse	4/4
Sharon Baylay[2]	1/1
Stephen Puckett[3]	1/1

1 Rachel Addison was appointed as a member of the Committee w.e.f. 8 March 2022.

2 Sharon Baylay stepped down from the Committee w.e.f. 1 March 2022.

3 Stephen Puckett stepped down from the Committee w.e.f. 3 February 2022.

Membership

The Risk Committee (the Committee) was in place throughout the financial year. Following completion of a nine-year tenure, Stephen Puckett stepped down as Chair of the Committee at the same time as he stepped down from the Board on 3 February 2022. In light of two Non-Executive Directors stepping down and two new Non-Executive Directors joining Hyve within a short space of time, it was agreed that an Executive Director, John Gulliver, should be appointed as an interim Chair of the Committee with effect from 3 February 2022. Consequently, since 3 February 2022 the Committee has comprised two independent Non-Executive Directors and one Executive Director. Regular attendees at Risk Committee meetings include the Chairman of the Board, the Chief Executive Officer, the General Counsel and the Company Secretary. Leaders of key functions across the Group, for example Health & Safety and IT, were invited to present to the Committee on their respective areas.

Attendance at the Committee meetings during the financial year is set out below. All Non-Executive Directors are invited to attend Committee meetings.

Terms of Reference

The Committee's Terms of Reference are available on the Group's website (hyve.group) or can be obtained from the Company Secretary. The Terms of Reference are reviewed annually and presented to the Board for approval. During the financial year, the Terms of Reference were amended to permit the appointment of John Gulliver, an Executive Director, as interim Chair of the Committee.

The role and responsibilities of the Committee

The Committee meets a minimum of twice a year and as required; during the financial year, the Committee met on four occasions. The Board is ultimately responsible for the Group's risk management framework. The Committee oversees the financial and non-financial risks faced by the Group, reporting to the Board in respect of these and making recommendations where appropriate.

Risk Committee activities during the financial year:

The main issues discussed and/or approved during the financial year under review included:

- A continued review of the content and format of the Risk Register;
- The key risk areas to be covered at Committee meetings during the financial year;
- Changes to risk ratings of the risks listed in the Risk Register;
- A review of three to four key risk areas at each Committee meeting;
- The risk reporting process at regional Board level and the key risks raised at regional Board level;
- A review of the standard operational risks;
- A review of crossover of the scope of internal audit with the work of the Committee;
- Identifying and reporting key risks to the Board and responding to feedback from the Board;
- Compliance with the Group's governance framework; and
- The Committee's Terms of Reference.

The purpose of the Committee is to identify, assess, monitor and manage risks faced by the Group over time with the intention of exposing threats to be mitigated and opportunities to be exploited. The Committee works closely with the Audit Committee, which remains responsible for risks arising in financial reporting. The Non-Executive Directors on the Committee are also members of the Audit Committee.

The Committee's work is primarily driven by the assessment of its principal risks and uncertainties and its emerging risks. These risks and uncertainties are the output of a series of risk registers, which are developed across the Group and then accumulated and reviewed by the Committee. The Committee reviews these assessments and makes adjustments to the overall risk plan as appropriate.

Assessment of the Group's risk profile

Details of the principal risks and uncertainties are set out in the Strategic report. Wherever possible, action plans are in place to provide future mitigation against these key risks. As these are implemented, they will be reported on in future reports.

Effectiveness of the Committee

During the financial year an internal evaluation of the Committee was undertaken using the same questionnaire from the FY21 external evaluation. The questionnaire was completed by all Board members. The consensus was that during the financial year the Committee had effectively discharged its responsibilities such as overseeing the key risk areas for the Group, ensuring the maintenance of the Risk Register, and identifying new risks and the steps taken to mitigate them. The Board was also of the view that there was sound risk governance in place across the Company's operations and that the Group's risk management framework, policies and procedures provided the Committee and the Board with a thorough understanding of the potential high risks issues that could impact the organisation.

It was felt that the changes implemented in FY21 following a review of the workings of the Committee had significantly improved its performance and contribution to the Group's risk management. More details about the evaluation of the Board and its Committees can be found on page 79.

On behalf of the Risk Committee

John Gulliver
Chair of the Risk Committee

13 December 2022

Committee members	Meeting attendance
Richard Last (Chair of the Committee)	**6/6**
Rachel Addison[1]	3/3
Nicholas Backhouse	6/6
Anna Bateson[2]	3/3
Sharon Baylay[3]	3/3
Stephen Puckett[4]	3/3

1 Rachel Addison was appointed as a member of the Committee w.e.f. 8 March 2022.

2 Anna Bateson was a member of the Committee from 8 March 2022 to 16 September 2022.

3 Sharon Baylay stepped down from the Committee w.e.f. 1 March 2022.

4 Stephen Puckett stepped down from the Committee w.e.f. 3 February 2022.

Membership

The Nomination Committee (the Committee) was in place throughout the financial year and is chaired by the Chair of the Group. All of the members of the Committee who served during the year were independent Non-Executive Directors.

Attendance at the Committee meetings during the financial year is set out in the table.

The Chief Executive Officer and other individuals (internal and external) may also be invited to attend meetings, unless they have a conflict of interest. During the year, the Chief Executive Officer and the Chief of Staff attended certain Committee meetings, either partially or fully. The Company Secretary attended each Committee meeting in order to take the minutes and provide guidance where necessary.

Terms of Reference

The Committee's Terms of Reference are available on the Group's website (hyve.group) or can be obtained from the Company Secretary. The Terms of Reference are reviewed annually and presented to the Board for approval.

The role and responsibilities of the Committee

The Committee meets a minimum of twice a year and as required; during the financial year the Committee met on six occasions. The Committee has delegated responsibility from the Board for appointments to the Board and for succession planning for Directors and other senior executives. As part of its duties, the Committee:

- Regularly reviews the structure, size and composition (including the skills, knowledge, experience and diversity) required of the Board and makes recommendations to the Board with regard to any changes;
- Takes into account, when considering succession planning, the challenges and opportunities facing the Group and what skills and expertise are therefore required on the Board in the future;
- Identifies, and nominates for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- Keeps under review the leadership needs of the Group; and
- Agrees the evaluation process for the Board and its committees.

Appointments to the Board follow a formal, rigorous and transparent process, which involves the Committee interviewing candidates proposed by either existing Board members or external search consultants. Careful consideration is given to ensure appointees have sufficient time available to devote to the role and that the balance of skills, knowledge, experience and diversity on the Board is either maintained or improved. Additional external appointments are not undertaken by Board members without prior approval of the Board.

The Committee recognises the benefits of having a diverse Board and sees increasing diversity at Board level as an important element in maintaining a competitive advantage. A truly diverse Board in its broadest sense will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills and experience that the Board, as a whole, requires to be effective.

Hyve is a multinational company with many different cultures working together to achieve its goals. Our Diversity and Inclusion Policy prohibits discrimination against others based on their gender and gender identification, sexual orientation, age, disability, religion or belief, nationality, marital status, colour, or any other characteristic that is protected by law. Our discipline and grievance procedure is intended to enforce appropriate standards of behaviour. The Diversity and Inclusion Policy is available to employees on the Company's intranet.

Information on gender balance of those in senior management and their direct reports can be found on page 74.

Effectiveness of the Committee

During the financial year an internal evaluation of the Committee was undertaken reusing the questionnaire prepared for the FY21 external evaluation. The questionnaire was completed by the Non-Executive Directors on the Board only. The consensus was that during the financial year the Committee had effectively discharged its responsibilities, had fulfilled its commitment to providing guidance to the Board on areas such as composition of the Board and composition of its five Committees, Board diversity and succession planning, and had good oversight of areas such as employee talent management. Key areas of focus for the Committee in FY23 are the appointment of additional Non-Executive Directors, the improvement of Board diversity and the strengthening of the Board's succession planning. More details about the evaluation of the Board and its Committees can be found on page 79.

On behalf of the Nomination Committee

Richard Last
Chair of the Nomination Committee

13 December 2022

Nomination Committee activities during the financial year:

The main issues discussed and/or approved during the financial year under review included:

- The balance of skills and experience on the Board;
- The Company's succession plans for the Company's Board, its Executive Team and other senior roles across the Group plus immediate stand-ins;
- Appointments to roles which report directly to the CEO;
- Employee talent management and succession planning;
- The identification of skills required for the appointment of the next Non-Executive Director(s);
- The appointment of new Non-Executive Directors;
- The appointment of the Blackwood Group to support Non-Executive Director recruitment (the Blackwood Group does not have any other connections with the Company or with any of the individual directors);
- The appointment of Nicholas Backhouse as the Board's Senior Independent Director;
- The requirements of the Hampton-Alexander Review and the Parker Review and the consideration of the recommendations of these reviews in regard to the Board and in regard to the Group's ESG goals;
- The internal evaluation of the Board and its Committees with support from Board Excellence, the firm which undertook last year's external evaluation (Board Excellence does not have any other connections with the Company or with any of the individual directors);
- The changes to the membership and Chairs of the Board's Committees following changes to the Board;
- The time commitment required from the Non-Executive Directors;
- The Committee report for the FY22 Annual Report;
- The Committee's Terms of Reference;
- The Committee's Schedule of Matters for the next financial year; and
- The programme for engagement between the Non-Executive Directors and employees and the appointment of the Designated Non-Executive Director.

Committee members	Meeting attendance
Jo Rabbett (Interim Chair)	**4/4**
Anna Bateson[1]	1/1
Sharon Baylay[2]	2/2
Nikki Griffiths	4/4
John Gulliver	4/4
Richard Last	3/4
Mark Shashoua	4/4

1 Anna Bateson was Chair of the Committee from 8 March 2022 to 16 September 2022.

2 Sharon Baylay stepped down as Chair of the Committee w.e.f. 1 March 2022.

Membership

The Environmental, Social and Governance (ESG) Committee (the Committee) was in place throughout the financial year. Membership of the Committee comprises the Chairman of the Board, the CEO, the Chief Finance and Operations Officer, the Chief of Staff and the Group Communications and ESG Director. Under the Committee's Terms of Reference, membership must comprise at least two independent directors. This requirement was met during the financial year. Following the departure of Anna Bateson from the Group, it was agreed that Jo Rabbett should be appointed as interim Chair of the Committee.

Attendance at the Committee meetings during the financial year is set out below. All Non-Executive Directors are invited to attend Committee meetings.

Other individuals (internal and external) may also be invited to attend meetings, unless they have a conflict of interest. The Company Secretary attended each Committee meeting in order to take the minutes.

Terms of Reference

The Committee's Terms of Reference are available on the Group's website (hyve.group) or can be obtained from the Company Secretary. The Terms of Reference are reviewed annually and presented to the Board for approval. During the financial year, the Terms of Reference were amended to permit the appointment of Jo Rabbett, a member of the Executive Team, as interim Chair of the Committee.

The role and responsibilities of the Committee

The Committee meets a minimum of twice a year and as required; during the financial year the Committee met on four occasions. The Committee has delegated responsibility from the Board to define and guide the implementation of the Company's strategy relating to ESG matters. As part of its duties, the Committee:

- Oversees the development of and makes recommendations to the Board regarding the Group's ESG strategy;
- Oversees the establishment of ESG policies and codes of practice and their effective implementation, and monitors and reviews their ongoing relevance, effectiveness and further development;
- Ensures that the Company monitors and reviews current and emerging ESG trends, relevant international standards and legislative requirements; identifies how those are likely to impact on the strategy, operations and reputation of the Company; and determines whether and how these are incorporated into or reflected in the Company's ESG policies and objectives;
- Sets appropriate strategic goals, as well as shorter-term KPIs and associated targets related to ESG matters and oversees the ongoing measurement and reporting of performance against those KPIs and targets;
- Makes recommendations to the Board in relation to the required resourcing and funding of ESG-related activity and, on behalf of the Board, oversees the deployment and control of any resources and funds; and
- Oversees the implementation of climate change mitigation measures as part of our ESG strategy.

As an organiser of market-leading events, we recognise that we have a responsibility to take a more proactive approach to sustainability and to lead by example. We believe it is our obligation to bring together powerful changemakers as well as to raise awareness, lead the debate and facilitate solutions. Hyve aims to deliver a strong, forward-looking ESG approach with a strategy that encompasses all regions, to connect the different activities happening across the business. Details of the Company's ESG strategy can be found on page 22. Details of our greenhouse gas emissions can be found on page 25. Details of our climate-related financial risk review can be found on pages 27 to 31.

Effectiveness of the Committee

During the financial year, an internal evaluation of the Committee was undertaken using an online questionnaire. The questionnaire was completed by all Board members. The consensus was that during the financial year the Committee had effectively discharged its responsibilities to oversee the development of the Group's ESG strategy, including the setting of appropriate strategic goals and the measurement of performance against specified key performance indicators (KPIs). It was felt that the Committee has a progressive approach towards ESG and sustainability and that significant progress had been made since the Committee was established in June 2021. More details about the evaluation of the Board and its Committees can be found on page 79.

On behalf of the ESG Committee

Jo Rabbett
Chair of the ESG Committee

13 December 2022

ESG Committee activities during the financial year:

The main issues discussed and/or approved during the financial year under review included:

- Membership and Chair of the Committee;
- The ESG Strategy Framework;
- The proposed KPIs and targets for the ESG strategy;
- Progress of the rollout of the ESG strategy and performance against the KPIs and targets;
- Membership of the working groups established to support the ESG strategy;
- The work to be undertaken by Simply Sustainable to support the Group's ESG strategy;
- The Group's disclosure requirements in respect of the TCFD recommendations;
- Proposals to improve inclusivity across the Group;
- The Schedule of Matters for the Committee for the financial year; and
- The Committee's Terms of Reference.

Dear Shareholder

I am pleased to present the Remuneration Committee's report for the year to 30 September 2022, having taken over the role of Committee Chair on 1 March 2022.

I would like to take this opportunity to thank my predecessor Sharon Baylay for her strong stewardship and guidance of the Committee over the past five years.

What is in this report?

The report includes details of the payments made to our Executive and Non-Executive Directors for the year ended 30 September 2022. It also includes a summary of our approved Directors' Remuneration Policy (the Policy), and information on how this Policy will be implemented during the financial year ending 30 September 2023.

This annual statement and the Directors' remuneration report (set out on pages 99 to 127) will be subject to an advisory vote at this year's Annual General Meeting to be held on 1 February 2023. The Directors' Remuneration Policy, which was approved at our 2021 General Meeting, is not subject to a shareholder vote this year; a summary of the Policy is included on pages 117 to 127.

Business context

This year has been a transitional year in which we have experienced the impact of ongoing disruption from COVID-19 and the Russian invasion of Ukraine.

Despite the challenges faced, the Group has delivered resilient trading results and continued strong like-for-like customer spend, forward bookings and cash collection in a year that was disrupted in the first half due to the emergence of the Omicron COVID-19 variant, no revenue from Chinese events in the year and the disposal of its Russian and Ukraine businesses.

In early April, the Company confirmed its intention to dispose of the Russian business (which accounted for c.30% of Hyve's total revenue) with Rise Expo Limited ('Rise') purchasing the Russian business on 13 May 2022. On 19 July, the Company subsequently announced the sale of its Ukraine business to ProExpo (Europe) Limited in a management buy-out.

The decision to exit the Russian and Ukrainian markets was not taken lightly and was a forced decision made only because Russia had invaded Ukraine. With over 11,000 sanctions in place, it was clear that keeping the business was untenable.

The management team has consistently outperformed expectations alongside focusing on executing and further developing its strategy of growth opportunities in the US and Western Europe.

Having refocused the portfolio, accelerated the omnichannel evolution and secured the balance sheet, the focus is now on continuing growth and driving back value in the Group's equity.

Revenue for the full year was £122.5m, after excluding revenues from discontinued operations in respect of Russia, Ukraine and Turkey, having successfully run a full schedule of events outside China in FY22. Headline profit before tax from continuing operations was £11.5m and in addition, net cash from operating activities was £29.2m for the year ended 30 September 2022, which is a significantly improved position compared to expectations set at the start of the year.

The speed of recovery has surpassed expectations and, combined with strong like-for-like customer spend, demonstrates that the demand for high-quality market-leading events continues to grow. This has resulted in another year of headline profitability and a return to positive EBITDA without the aid of insurance proceeds.

Remuneration performance and reward outcomes for 2022

For the 2022 financial year, annual bonus targets and weightings were designed to reinforce delivery of sustainable profit growth, building and maintaining a strong cash position, developing a successful refinancing strategy and the achievement of strategic objectives. The weightings for the annual bonus were changed for the 2022 financial year to better reflect Hyve's priorities in the year, with 60% based on financial targets, 20% on strategic financial targets and the remaining 20% on strategic targets linked to our key objective of repositioning the business for the future.

During the course of the year, the Committee has been mindful of the incentivisation and retention of the Executive Team, considering the forced disposal of the Russian business and the subsequent management buy-out of the Ukraine business entity. After careful consideration, the Committee adjusted the original bonus targets for these disposals but then added a significant element of performance stretch to adjusted targets to incentivise management to achieve a result materially ahead of rebased expectations.

The adjusted financial and strategic targets we set were exceeded, and the overall outcome for Executive Directors was 100% of maximum. The Committee considered this reflected the strong performance of management in a year where they had materially over-delivered against expectations; please see page 104 for more detail regarding the original and adjusted bonus targets as well as actual performance against these.

There was no vesting of long-term incentive awards in relation to the current Executive Directors in the year. The performance conditions for the awards granted in January 2020 became unachievable a few months after they were granted, due to the impact of COVID-19. The Committee previously stated that it would not make any adjustments to these awards.

Awards were made to Executive Directors and other members of the Executive and Senior Management Teams under the Value Creation Plan (VCP). Further details of awards made can be found on page 108.

VCP adjustment

The Committee has recently engaged in a communication process with shareholders regarding the ongoing incentivisation and retention of the Executive Team, particularly in respect of the (the 'VCP'), considering the forced disposal of the Russian business and the subsequent management buy-out of the Ukraine business entity.

The VCP rules and our Policy enable the Committee to adjust performance targets where certain events occur or arise, and the Committee considers the forced disposal to be an exceptional event where adjustment is warranted. Following detailed discussion and analysis, the Committee intends to amend the £1.30 starting share price of the VCP using a methodology that seeks to fairly account for the forced disposal. The intended approach uses standard adjustment principles and results in the base price for the VCP adjusting to £0.91 from the current £1.30. The base price applies from the start of the scheme with no extension of time horizons.

The Board believes that following the adjustment, the VCP will continue to fulfil its original purpose, aligning management reward to long-term shareholder value creation through very stretching shareholder value hurdles. The intended adjustment is considered to be reasonable from both participants' and shareholders' perspectives. The Board considers that there is an exceptional management team in place; it wishes both to retain this and to focus on the actions which will generate long-term share price recovery for our shareholders.

In considering the adjustment, the Committee wrote to our largest shareholders, covering c.80% of the register, inviting discussion on our intended adjustment. To date, we have had responses covering c.60% of our shareholder base, and I have had conversations with those shareholders who wished to discuss the matter in more detail. I have been pleased that the significant majority of shareholders that have engaged with us to date, including our largest shareholders, have indicated support for the adjustment and understood the rationale. Some shareholders had questions about how we arrived at the adjustment methodology, which I was pleased to answer. I would like to sincerely thank all shareholders who have participated in the communication process to date.

Further details of the VCP adjustment can be found on pages 108 to 109.

Performance Share Plan awards

In the interests of parity, the Committee intends to apply the same adjustment mechanism to FY21 PSP awards made to Executive Directors and other participants. The same adjustment mechanism will also be applied to the PSP awards made to participants below Board level in January 2022. No participants of the VCP were recipients of these awards.

Remuneration framework for 2023

Salary

Over the course of the year, the Committee has taken a number of factors into account when considering pay awards for Executive Directors, such as the broader external market, business performance and pay awards for the wider employee population.

Following a process of due consideration, the Chief Executive Officer and the CFOO will receive a base salary increase of 5%, which will be effective from 1 October 2022. This is in line with increases for the wider UK workforce. To further support our lower-paid employees in the current challenging economic environment, Hyve has also made one-off cost-of-living awards to a segment of the wider workforce on a tiered basis up to 10% of base pay. Financial wellbeing has become more relevant this year, and we have hosted a series of financial wellbeing talks and workshops with industry experts alongside making enhancements to our employee benefits package, as detailed in the 'People and values' section on page 20.

Annual bonus

The annual bonus for 2023 will continue to operate based on a combination of challenging financial targets and tailored strategic objectives.

For FY23 the Committee has decided to increase the weighting of the financial targets from 80% to 90% of the bonus. Following the management team's success in FY22 in delivering very strong financial performance in the context of prolonged uncertainty and disruption, the Committee wants to incentivise them to build on their FY22 achievements and deliver another successful year of trading across the event landscape in FY23. It is therefore considered appropriate that nearly all the bonus is focused on the delivery of financial performance. Financial targets will be based on headline profit before tax, Group revenue and operating cash flow.

Strategic targets will account for 10% weighting for bonus purposes. This year, a key strategic objective is the development of our digitisation strategy, and performance will therefore be measured on the successful embedding of digitisation across the business to ensure the success of our meetings programmes. We considered that it was appropriate, this year, to have one focused performance objective based on a key objective, our digitisation strategy. This objective will therefore be fully aligned to the execution of the Group's omnichannel strategy, which is core to our growth strategy.

The Committee gave careful consideration as to whether an Environmental, Social and Governance (ESG) metric should be included in the annual bonus this year, recognising that this is a key area of focus for investors and wider stakeholders. ESG is well established as a priority area in the business, and our ESG strategy framework was rolled out in FY22. Further details, including our progress to date, are set out on pages 22 to 26. The Committee believes that strong progress has been made in FY22 and that ESG is now embedded in our values and day-to-day activities as a result of the Chief Executive Officer's strong sponsorship and commitment to delivering Hyve's key objectives in this area. ESG targets linked to financial reward will be considered in subsequent years, with a focus on aligning to quantitative targets as they are developed.

Value Creation Plan

As disclosed in last year's report, following the approval of the Policy and VCP at the General Meeting held in October 2021, awards were granted to the Executive Directors and other eligible participants on 26 October 2021. No further awards will be made to existing Executive Directors under this plan during the existing performance period, which ends on 30 September 2026.

Annual General Meeting

As noted above, we have conducted a communication process with a significant number of our shareholders regarding our intended adjustment to the VCP and in-flight PSP awards and once again I would like to thank those shareholders that have been involved in these discussions. We are committed to maintaining an ongoing dialogue with shareholders on the issue of executive remuneration and we welcome any feedback you may have.

I hope to receive your support in approving this report at the Annual General Meeting on 1 February 2023.

Rachel Addison
Chair of Remuneration Committee

13 December 2022

Implementation of Remuneration Policy for the year ending 30 September 2023

The table below sets out how the Remuneration Policy will be applied for the year ending 30 September 2023.

Element	Application for the year ending 30 September 2023
Salary	Both the CEO and the CFOO will receive an increase to their base pay of 5% from 1 October 2022, in line with salary increases awarded to other UK employees of the Group: Mark Shashoua – £532,098 John Gulliver – £319,042
Benefits	Benefits for FY23 will be in line with the Remuneration Policy.
Pension	Pension contributions of 10% of salary for both Executive Directors, in line with the wider workforce.
Annual bonus	For FY23, the annual bonus opportunities are unchanged at 150% and 120% of salary for Mark Shashoua and John Gulliver, respectively. 90% of the bonus for FY23 is based on financial performance. Financial targets will be based on headline profit before tax, revenue and operating cash flow. The financial measures will be as follows:

Measure	Weighting of financial measures
Headline profit before tax	50%
Revenue	25%
Operating cash flow	25%

The remaining 10% of the total bonus will be based on a strategic objective set out below:

Measure
Embedding digitisation across the business to ensure the success of the meetings programmes

The targets are considered commercially sensitive and will therefore be disclosed retrospectively.

Element	Application for the year ending 30 September 2023
VCP	The awards made under the Value Creation Plan ('VCP') on 26 October 2021 by way of an acquisition of shares in Hyve Holdings Limited continue to operate under the existing five-year performance period, which will end in October 2026. The CEO and CFOO made an upfront investment in a new class of 'growth shares' issued by Hyve Holdings Limited (which is a 100% subsidiary of the Company) which, on vesting, will deliver the VCP value in Hyve Group plc shares. Awards are subject to: • A 'base hurdle' of 10% p.a. growth (CAGR) in market capitalisation, with a VCP pool of 10% above this level; and • An 'upper hurdle' of 15% p.a. growth (CAGR) in market capitalisation, with a VCP pool of 20% above this level. The CEO and CFOO were allocated 35% and 19% of the VCP pool respectively. As stated above, the VCP has a five-year performance period, with early performance testing carried out at years three and four with the potential for some vesting at these points: • 50% of the award will be tested and may vest after three years; • 50% of the award will be tested allowing for further vesting after four years; and • 100% of the award will be tested after five years and will vest (any portion that vests early in year three and/or year four will be deducted from the total vesting in year five). Several best-practice features are included: • All tranches that vest to the Executive Directors will be subject to a two-year holding period (i.e. awards will be released in years five, six and seven), to ensure that the Plan supports the long-term stewardship of the business. • The number of shares released under the plan is capped at 7% of the share capital at grant, and a cap on the number of shares applies for participant awards. • A discretionary over-ride allows vesting outcomes to be adjusted where appropriate in the context of financial or non-financial performance. • Comprehensive malus and clawback triggers apply, in line with best practice. It is intended that the starting base price will be adjusted through the VCP adjustment from £1.30 to £0.91 to reflect the impact of the disposal of the Russian and Ukraine businesses, which represents an exceptional event. The VCP adjustment applies from the original start date of the plan, with no extension to plan time horizons. No additional VCP or PSP awards will be made to existing Executive Directors in the year ending 30 September 2023. See page 109 for further information.

Annual Report on Remuneration

In line with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended in 2013), the following parts of the annual report on Directors' remuneration are audited: the single total figure of remuneration for each Director, including annual bonus for the financial year ended 30 September 2022; scheme interests awarded during the year; pension entitlements; payments to past Directors and payments for loss of office; and Directors' shareholdings and share interests. All other parts of the Directors' remuneration report are unaudited.

Membership

	Chair of the Committee	Meeting attendance
Committee members		
Sharon Baylay[1]	X	4/4
Rachel Addison[2]	X	4/4
Nicholas Backhouse		8/8
Anna Bateson[3]		3/3

1 Sharon Baylay was Chair of the Committee until 1 March 2022, when she stepped down from the Board.

2 Rachel Addison became Chair of the Committee on her appointment to the Board on 1 March 2022.

3 Anna Bateson was a member of the Committee from her appointment to the Board on 1 March 2022. Anna resigned from the Board on 116 September 2022 on being appointed to a new role.

The Remuneration Committee was chaired by Sharon Baylay until 1 March 2022, at which point Rachel Addison became Chair on her appointment to the Board. Nicholas Backhouse served on the Committee throughout the year, with Anna Bateson joining from her appointment on 1 March 2022 until she stepped down from the Board on 16 September 2022. Members of the Committee are appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chair of the Remuneration Committee, for an initial period of three years, which can then be followed by a further two three-year periods. All of the members of the Committee who served during the year were independent Non-Executive Directors.

Where there is no conflict of interest, the Board Chairman, Chief Executive Officer, Chief Finance and Operations Officer, Chief of Staff, Company Remuneration Advisers and Company Secretary may be invited to attend the Committee's meetings to assst the Committee in making informed decisions. To maximise effectiveness, meetings of the Committee generally take place just prior to a Company Board meeting. The Chair of the Committee reports to the Board, as part of a separate agenda item, on the activity of the Committee and matters of particular relevance to the Board in the conduct of its work. No individual is present when their own remuneration is being discussed. The Chair of the Committee also meets separately with the Board Chairman, Chief Executive Officer, Chief Finance and Operations Officer, Chair of the Audit Committee, Chief of Staff, and the Committee's external advisers.

Advisers

Deloitte were appointed by the Committee in 2020 as Committee Remuneration Advisers following a competitive tender process. During the 2022 financial year, the Committee paid Deloitte £132,625 for material assistance with the fees charged on a time spent and materials provided basis. Deloitte did not provide any other services to Hyve during the financial year.

Deloitte are signatories to the Remuneration Consultants' Group Code of Conduct, and any advice provided is governed by that Code. Advisers attend Committee meetings as appropriate, and provide advice on remuneration policy, best practice and market updates. The Committee evaluates the support provided by its advisers annually and is comfortable that the individual advisers detailed did not have any connections with the Group or individual Directors that may impair their independence.

Terms of Reference

The Remuneration Committee's Terms of Reference are available on the Group's website (hyve.group) or can be obtained from the Company Secretary. The Terms of Reference are reviewed annually and presented to the Board for approval.

The role and responsibilities of the Committee

The Remuneration Committee meets at least three times a year and on other occasions, as required. The Committee has delegated responsibility from the Board to set the Remuneration Policy for all Executive Directors and the Company Chairman. The objective of the Policy is to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company. The Company Chairman and the Executive Directors are responsible for setting the remuneration of the Non-Executive Directors.

Committee responsibilities include:

- Determining and agreeing with the Board the policy for the remuneration of the Executive Directors and members of the executive management (including pensions);
- Reviewing the ongoing appropriateness and relevance of the Remuneration Policy;
- Approving the design of, and determining targets for, any performance-related pay schemes operated by the Company and approving the total annual payments made under the schemes;
- Overseeing any major changes in employee benefits structures throughout the Group;
- Measuring subsequent performance as a prelude to determining the total remuneration of the Executive Directors' and executive management total remuneration on behalf of the Board;
- Determining the structure and quantum of short-term remuneration; and
- Granting awards under long-term incentive plans and options under the various Hyve Group share schemes.

Activities during the financial year

The main issues discussed and/or approved during the financial year under review included:

- Approval of the prior year Directors' remuneration report, review of shareholder comments and Annual General Meeting voting on the Report;
- Annual review of the Company Chairman and Executive Directors' salaries or fee arrangements and benefits;
- Review and approval of the adjustment to 2022 Annual Bonus targets for Executive Directors and other eligible employees as a result of the forced disposal of the Russian business and subsequent management buy-out of the Ukraine business;
- Review and approval of the Executive Directors' and executive management performance against the targets set under the 2022 annual bonus scheme and approval of the corresponding payments;
- Review and approval of the FY23 annual bonus measures and targets, including the personal objectives of the Chief Executive Officer as proposed by the Company Chairman, and of the Chief Finance and Operations Officer as proposed by the Chief Executive Officer;
- Review of the intended VCP adjustment;
- Review of the intended PSP adjustment to awards made under the PSP to members of the senior leadership team;
- Communication with shareholders on the intended VCP and PSP adjustments;
- Engaging with the Human Resources function on succession planning and organisation restructuring; and
- Review of the performance targets to be applied for the awards to be made under the PSP to members of the senior leadership team (excluding the Executive Directors and other participants of the VCP).

Single figure of remuneration for directors for the year ended 30 September 2022 (audited information)

The table below sets out a single figure for the total remuneration received by each Director for the year ended 30 September 2022 and the prior year. The Remuneration Policy operated as intended in the year.

	1. Base salary/Fees[1]		2. Benefits[2]		3. Annual bonus[3]		4. Long-term incentives[4]		5. Pension		Total remuneration		Total fixed remuneration		Total variable remuneration	
Executive Directors	**2022 £000**	2021 £000	**2022 £000**	2021 £000	**2022 £000**	2021 £000	**2022 £000**	2021 £000	**2022 £000**	2021 £000	**2022 £000**	2021 £000	**2022 £000**	2021 £000	**2022 £000**	2021 £000
Mark Shashoua	**507**	492	**4**	1	**760**	716	**–**	–	**51**	49	**1,322**	1,258	**562**	542	**760**	716
John Gulliver	**304**	295	**1**	1	**365**	343	**–**	–	**31**	30	**701**	669	**336**	326	**365**	343
Non-Executive Directors																
Richard Last	**195**	179	**–**	–	**–**	–	**–**	–	**–**	–	**195**	179	**195**	179	**–**	–
Stephen Puckett[5]	**24**	61	**–**	–	**–**	–	**–**	–	**–**	–	**24**	61	**24**	61	**–**	–
Sharon Baylay[6]	**33**	67	**–**	–	**–**	–	**–**	–	**–**	–	**33**	67	**33**	67	**–**	–
Nicholas Backhouse	**80**	61	**–**	–	**–**	–	**–**	–	**–**	–	**80**	61	**80**	61	**–**	–
Rachel Addison[7]	**45**	–	**–**	–	**–**	–	**–**	–	**–**	–	**45**	–	**45**	–	**–**	–
Anna Bateson[8]	**45**	–	**–**	–	**–**	–	**–**	–	**–**	–	**45**	–	**45**	–	**–**	–

1 See page 110 for further details of Non-Executive Director fees.

2 Taxable benefits include private medical insurance contributions.

3 Annual bonus payable for performance over the relevant financial year. Details are set out below on page 104 of the performance targets set and actual performance against them. Consistent with the terms of the Remuneration Policy and as outlined in the 2021 Directors' remuneration report, Executive Directors were not required to defer a proportion of their annual bonus payment for FY21 in the usual manner, but were instead able to use this part of the bonus to fund their investment in the VCP shares. Executive Directors will be required to defer a third of the FY22 bonus payment. Annual bonus awards are subject to recovery and withholding provisions in line with the Company's Remuneration Policy.

4 There was no vesting of long-term incentive awards in relation to the current Executive Directors for performance periods concluding 30 September 2022.

5 Stephen Puckett stepped down from the Board on 1 March 2022.

6 Sharon Bayley stepped down from the Board on 1 March 2022.

7 Rachel Addison was appointed to the Board and as Chair of the Remuneration Committee on 1 March 2022.

8 Anna Bateson was appointed to the Board and as Chair of the ESG Committee on 1 March 2022. Anna subsequently stepped down from the Board on 16 September 2022.

Executive Directors' base salaries (audited information)

The CEO and the CFOO each received a 3% base salary increase in the year ended 30 September 2022. From 1 October 2021, their salaries increased to £506,760 and £303,850 respectively.

The Executive Directors' salaries which will be paid from 1 October 2022 are set out on page 99.

Pension and other benefits (audited information)

During the year, the Group made pension contributions or payments in lieu of contributions equal to 10% of each Executive Director's salary.

Pension contributions are aligned with those available to the wider workforce.

Annual bonus (audited information)

Framework and outcomes for the financial year ended 30 September 2022

For FY22, the Executive Directors participated in the Executive Bonus Plan, designed to reinforce the delivery of sustainable profit growth, building and maintaining a strong cash position, developing a successful refinancing strategy and the achievement of strategic objectives. The weightings for the annual bonus were changed for FY22 to better reflect Hyve's priorities in the year, with 60% based on financial targets, 20% on strategic financial targets to recognise the volatile and unpredictable trading environment as a result of COVID-19 and the remaining 20% on strategic targets linked to our key objective of repositioning the business for the future.

The maximum annual bonus opportunity was 150% of salary for Mark Shashoua and 120% for John Gulliver.

At the beginning of the year, there was still significant uncertainty in the outlook as a result of COVID-19 restrictions. Therefore, targets were set for headline profit before tax and operating cash flow. Given the international travel restrictions in place at the beginning of the year, the threshold pay-out was set with more modest revenues from international customers and for events in locations where restrictions were in place at the start of the year that prevented events from being able to take place.

During the year, the Committee considered the forced disposal of the Russian business (which accounted for c.30% of the Company's revenue) and the subsequent management buy-out of the Ukraine business entity. The Committee made adjustments to the original bonus targets for the disposal of these businesses and removed the financial performance of these businesses from the out-turn to ensure a like-for-like comparison of performance of Hyve's continued operations. However, as part of consideration of the targets, the Committee then added a further and significant additional element of performance stretch to the adjusted targets (i.e. the Committee exercised discretion to increase the targets). This was to align to the principle of incentivising management to achieve a result materially ahead of rebased expectations.

The benefit of profit and operating cash flow from mid-year acquisitions as well as any benefits from foreign exchange movements were excluded in the assessment of achievement against rebased targets.

The details of the targets for maximum pay-out and the achieved results for the year are set out below.

The financial targets we set were exceeded. To set the context for the financial outcome for the year and achievement of maximum target, the headline profit before tax of Hyve's business from continuing operations, after excluding the part-year results from Russia and Ukraine and the contribution from acquisitions of 121 Group and Fintech Meetup during the year, was £9.6m. This compared with an original maximum profit before tax target of £11.1m, inclusive of a full year profit expectation from businesses disposed of during the year, including a material contribution from Russia in particular. Additional profit of £2.8m was delivered above the revised target of £6.8m to mitigate further the profit impact of the loss of contribution from the disposed businesses. In respect of operating cash flow, additional cash flow of £10m was delivered above the revised target of £6.9m.

Measure	Weighting		Threshold (£m) 25% pay-out	Target (£m) 50% pay-out	Stretch (£m) 80% pay-out	Maximum (£m) 100% pay-out	Achieved (£m)	Outcome
Headline profit/ (loss) before tax	35%	Original	(10.5)	(4.1)	10.1	11.1		
		Adjusted targets for disposed businesses[1]	(20.7)	(15.3)	(4.8)	(3.8)		
		Additional performance stretch[2]	2.7	5.3	8.5	10.6		
		Revised targets	**(18.0)**	**(10.0)**	**3.7**	**6.8**	**9.6m[3]**	**35%**
Operating cash inflow (outflow)	25%	Original	(14.2)	(7.6)	10.2	11.2		
		Adjusted targets for disposed businesses[1]	(24.4)	(18.8)	(4.7)	(3.7)		
		Additional performance stretch[2]	2.7	5.3	8.5	10.6		
		Revised targets	**(21.7)**	**(13.5)**	**3.8**	**6.9**	**16.9m[4]**	**25%**
Refinancing strategy	20%		Refinancing strategy developed by 30 September 2022	Refinancing strategy plan developed by 30 September 2022	Refinancing strategy presented to and approved by the Board by 30 September 2022	Refinancing complete unless agreed by the Board	**Refinancing completed**	**20%**
Total	**80%**							**80%**

1 Financial targets were adjusted to remove the disposed Russian and Ukraine businesses.

2 Additional performance stretch added to the targets.

3 Headline profit before tax after excluding the pre-disposal results from the Russia and Ukraine businesses sold during the year and after also excluding the post-acquisition results from the mid-year acquisitions of 121 Group and Fintech Meetup. Headline profit before tax reconciliation: Headline profit before tax from continuing operations of £11.5m, less 121 Group profits of £(2.1)m (see Note 13 to the consolidated accounts) and Fintech Meetup of £(1.0m) (see Note 13 to the consolidated accounts) plus the profit of £1.2m from Turkey included in discontinued operations (see Note 17 to the consolidated accounts).

4 Operating cash flow is also after excluding the pre-disposal results from the Russia and Ukraine businesses sold during the year and after also excluding the post-acquisition results from the mid-year acquisitions of 121 Group and Fintech Meetup. Operating cash flow reconciliation: Net cash from operating expenses of £29.2m, after including lease payments of £(3.4)m and the impact of foreign exchange rates changes of £3.6m, after excluding the post-acquisition 121 Group net cash inflows of £(4.7)m and Fintech Meetup net cash outflows of £1.0m and after excluding the pre-disposal net cash inflows from Russia of £(9.8)m and net cash outflows from Ukraine of £1.0m.

The strategic targets and outcomes for both the CEO and CFOO are set out below:

CEO

Measure	Weighting	Objective	Outcome	Achievement
Portfolio management	10%	• Ensure successful ongoing integration of Fintech Meetup and 121 Group into Hyve's portfolio, including adoption of Hyve Best Practice. • Execute any further disposals in line with Board agreed plan to deliver on the strategic priority of diversifying the portfolio.	Both 121 Group and Fintech Meetup, acquired during the year, delivered performance in line with the acquisition cases. Both have adopted Hyve Best Practice and substantial progress has been made on integration priorities, setting up the events for a strong performance in FY23. The planned disposals of ABEC, Debindo and Turkey were completed in line with agreed plans. In addition, and under very difficult circumstances, the unplanned disposals of Russia and Ukraine were also completed.	10%
ESG	5%	• ESG strategy and plan to be rolled out, clearly communicated and embedded within Company culture by 30 September 2022.	ESG is established as a priority across the business. Hyve's ESG strategy framework was rolled out. See page 22 of this report for more detail.	5%
Executive and leadership team	5%	• Evolve the Hyve Executive and leadership team structure to enable the acceleration of the recovery from COVID-19 and implement the omnichannel strategy.	The Executive and leadership team was strengthened with the recruitment of the Chief Information Officer, Chief Corporate Development Officer and Global President, Shoptalk. The enhanced leadership capability ensured the execution of the omnichannel strategy and the acquisition and disposal programmes within the year. The leadership team structure was adapted to focus on strategic priorities and the team has delivered exceptional results despite the significant disruption of COVID-19 and the Russian invasion of Ukraine. A full recovery of events outside of mainland China was delivered. In addition, the team successfully closed the Fintech Meetup acquisition, which delivered £2.3m of revenue in the year and progressed the integration in line with plan.	5%
Total	**20%**			**20%**

CFOO

Measure	Weighting	Objective	Outcome	Achievement
Refinance and debt	10%	• Secure covenant extension to enable going concern sign-off for FY21 audit. • Secure lender permission for acquisition of 121 Group to enable Group to execute on strategic priorities and diversifying the portfolio. • Manage lender syndicate to ensure adequate operational flexibility and ongoing support.	A covenant waiver was agreed with all lenders to provide covenant flexibility to June 2023. This enabled auditors to sign off on going concern at the year end. In addition, lender support was secured for the acquisition of 121 Group and Fintech Meetup, as well as the disposal of ABEC, Russia, Ukraine and Turkey (not anticipated at the time targets were set).	10%
Risk	5%	• Establish and progress a plan and appropriate structure to manage and mitigate key business risks as Hyve emerges from COVID-19, in particular in the areas of information and data security.	A Chief Information Officer was recruited (reporting to CFOO) and the Technology & Data team re-established post COVID-19. A number of key roles have been recruited, including a Head of Information Security, who has been responsible for establishing a clear cyber risk management plan in response to the increased threat environment. A number of key actions have been delivered during the year, including the establishment of a cyber risk register and the enhancement and rollout of a comprehensive cyber risk policy and the inclusion of insurance cover.	5%
Operations	5%	• In response to events resuming following COVID-19 postponements, re-establish and enhance health and safety best practice processes to incorporate required COVID-19 restrictions and precautions. • Deliver Technology & Data roadmap with particular focus on omnichannel capability to support rollout of meetings programmes across event platforms.	The recruitment of a Group Head of Safety and Security during the prior year enabled the development and execution of a plan for events during the period of COVID-19 restrictions, ensuring employee and customer confidence in a safe and secure environment. This was vital in underpinning recovery across the portfolio. Key achievements in the year were to confirm that all events were adhering to best practice and complying with Safe & Secure standards. Controls and governance procedures are embedded across the event portfolio and include event audits and the continuous update of compliance with policies and procedures (reflecting fluidity of local COVID-19 precautionary requirements). A number of virtual meetings programmes were delivered during the year, providing incremental revenues, but more importantly, additional touchpoints for customers to connect as part of the omnichannel strategy. This was delivered via Hyve's own technology platform. Also, during the year, the technology capability was enhanced to enable the wider rollout of at-scale meetings programmes across a number of in-person events. As a result, technology-enabled revenues increased significantly in FY22 and are set to grow further in FY23. This objective was achieved alongside the unplanned and challenging technology 'decoupling' of the Russian and Ukrainian businesses, which was vital from an information security perspective.	5%
Total	**20%**			**20%**

Executive Director overall bonus outcomes

The financial and strategic targets we set were exceeded, with the overall outcome for Executive Directors being 100% of maximum.

Committee considerations when determining bonus outcomes

The Committee carefully considered the bonus outcomes for this challenging year of transformation and volatility, led strongly by both Executive Directors despite a vast number of other factors being outside their control.

Despite the significant disruption throughout FY22, the management team has consistently over-performed, focusing on executing on its strategy of growth opportunities in the US and Western Europe to deliver value for shareholders. Even though the team has had to continuously respond to challenges outside of its control, these have been successfully navigated, delivering a strong recovery.

A full schedule of events was run outside of China, representing more than 90% recovery on a pro-forma basis (100% in H2). The speed of recovery has surpassed expectations (two years earlier than the AMR Globex report predicted) and is combined with strong like-for-like increases in customer spend.

The first Shoptalk event under Hyve's ownership took place in Las Vegas in March 2022 and delivered an exceptionally strong performance, outperforming its last pre-COVID-19 edition, and it was the largest event by revenue that the Group has ever run.

In September, two of the Group's largest events, Autumn Fair (UK) and Groceryshop (USA), took place, and both significantly outperformed their previous editions. Groceryshop performed especially well, reporting revenues more than 40% higher than its largest pre-COVID-19 edition and attracting more than 3,000 attendees. Again, this demonstrates the management team's strong progress in delivering the strategy.

Management has continued to drive organic launches of products, with the successful launch of Shoptalk Europe, Sourcing across UK Retail and Green Energy Africa.

During the financial year, the management team made significant progress in the continued development of the Group's omnichannel strategy, including the rollout of further technology-enabled meetings programmes at in-person events as well as the delivery of several successful fully online programmes. In addition, the strategic acquisitions of 121 Group and Fintech Meetup expanded the size and diversity of Hyve's omnichannel products.

A key factor in overcoming the impact of COVID-19 has been the £105m of cancellation insurance proceeds received by the Group as a result of the management team's actions to implement these policies in 2017. As well as providing financial stability, the proceeds meant that further equity raises beyond the initial rights issue were not required, thereby protecting shareholders from dilution. In addition, the Group has emerged from the pandemic in a strong position to recover more quickly than many other organisers.

In difficult market conditions, the management team has successfully refinanced and signed new debt facilities totalling £135m with HPS Investment Partners, LLC and HSBC UK Bank PLC, representing high confidence in the management team.

The management team has continued to streamline its portfolio, in line with its strategy to focus on market-leading events in advanced economies. With the sale of the loss-making Turkish business in October 2022, the full disposal of the Group's Eastern & Southern Europe division was completed. When viewed alongside exits from Russia and Indonesia earlier in the year, it is clear that the management team has significantly refocused the portfolio.

Taking all of the above into consideration, the Committee determined that management had significantly outperformed against expectations, and is comfortable that the formulaic bonus outcome was appropriate and fair. The Committee therefore did not exercise any discretion to adjust the outcomes.

Mark Shashoua and John Gulliver's final bonus payments for the year ended 30 September 2022 were £760,140 and £364,620 respectively.

Executive Directors will be required to defer one-third of their annual bonus payment into shares, which will vest in three years, subject to continuous employment.

Scheme interests awarded during the year (audited information)

Mark Shashoua and John Gulliver were recipients of VCP awards in October 2021. As disclosed in last year's report, the Company's VCP was approved by shareholders by 75.4% of votes cast at the General Meeting held on 25 October 2021, with participants, including the Company's two Executive Directors, subscribing to growth shares under the VCP on 26 October 2021. Mark Shashoua was awarded 35% of the VCP pool and John Gulliver was awarded 19% of the VCP pool, with the remainder being allocated to other members of the Executive and senior leadership team.

Details of the VCP awards are set out below:

Executive Director	Shares over which awards granted	Number of shares awarded	Face value (£)	Award date	Performance period	Performance measure
Mark Shashoua	A1 shares[1]	35,000	54,250	26-10-2021	26 October 2021 to 30 September 2026, inclusive	100% market capitalisation growth (see below)
	A2 shares[2]	35,000	47,250	26-10-2021		
	A3 shares[3]	35,000	38,500	26-10-2021		
John Gulliver	A1 shares[1]	19,000	29,450	26-10-2021	26 October 2021 to 30 September 2026, inclusive	100% market capitalisation growth (see below)
	A2 shares[2]	19,000	25,650	26-10-2021		
	A3 shares[3]	19,000	20,900	26-10-2021		

1 A1 shares have a value of £1.55 per share.

2 A2 shares have a value of £1.35 per share.

3 A3 shares have a value of £1.10 per share.

As we shared with shareholders during our extensive consultation on the implementation of the VCP, the plan:

- Aligns with Hyve's bold ambitions for growth and value creation for our shareholders;
- Supports the retention of our well-regarded management team over the next three to five years, the critical period for our recovery and growth;
- Is simple in concept, as management share in a portion of the value created above a hurdle growth rate (subject to individual and plan limits); and
- Allows a focus on making the right decisions for long-term value creation, without the constraints of linking reward to medium-term cash flow and EBITDA targets.

The VCP has a two-tier approach, with a base-hurdle of 10% p.a. growth (CAGR) in market capitalisation, with a VCP pool of 10% above the hurdle. In addition, there is an upper hurdle of 15% p.a. growth (CAGR) in market capitalisation with a VCP pool of 20% above the hurdle. Any value delivered under the VCP is subject to both individual and plan limits.

Reflecting shareholder feedback through the consultation process, the starting base price for the purposes of calculating the opening market capitalisation was set at £1.30, although the three-month average share price to the date of the award was in fact lower, at c.£1.18.

The VCP has a five-year performance period, with early performance testing carried out at years three and four, with the potential of some vesting at these points. After five years, 100% of the award is tested and will vest subject to performance, with any vesting from years three and four being deducted from the total.

VCP adjustment

As set out in the Directors' Remuneration Policy, approved by shareholders on 25 October 2021, the Remuneration Committee has the discretion to make adjustments to the terms of the VCP where certain events occur or arise.

In particular, in accordance with the rules of the VCP, in the event of any rights issue or capitalisation, subdivision, consolidation, other variation of share capital of the Company or other exceptional event, the Remuneration Committee may make such adjustments to the number, class, rights or terms of the VCP shares (including the opening market capitalisation and the terms of the two hurdles) as it considers appropriate in its discretion to ensure that the original pool value is maintained and that the relevant event does not cause any unintended change to the participant's rights and/or the value of the VCP shares.

In response to the forced disposal of the Russia and Ukraine businesses, the Company intends to amend the £1.30 starting share price of the VCP to £0.91. While we recognise that such an adjustment, while permitted under the rules, would not be considered standard, we believe that it is both a reasonable adjustment, and necessary to secure and motivate our existing executive leadership team. Considering the current circumstances, the Board therefore intends that the disposals are to be considered an exceptional event for the purposes of an adjustment.

Adjustment approach

The Committee's approach to considering the adjustment has been to seek to use standard adjustment principles to isolate the impact of the forced disposal of the Russia and Ukraine businesses. The Committee has been mindful not to adjust for general market falls arising as a result of Russia's invasion of Ukraine over this period.

As a result of the war between Russia and Ukraine and the subsequent sanctions, the Company's share price fell to as low as £0.47 on 7 March, rising to £0.57 on 15 March following the Board's confirmation of the Company's intention to exit the Russian market. The Company is also mindful, however, that the FTSE All-Share fell as a direct result of Russia's invasion of Ukraine over this period.

While acknowledging the fact that the VCP is only around 12 months into a five-year performance period, it is also important to recognise that the disposal of the Russian and Ukraine businesses represents a significant reduction in the overall business size of the Group.

The Committee agreed that it would undertake a review of options to adjust the current VCP in light of the current circumstances, taking a view that the disposal should be considered an exceptional event for the purposes of an adjustment.

The Committee, working with Deloitte as the Company's remuneration advisers, intends to make an adjustment to the starting point of the VCP from £1.30 to £0.91, using an adjustment factor of 0.70. The adjustment factor is calculated based on the following principles:

- Calculate a pre-transaction share price which is based on a reasonable estimate of the share price prior to Russia's invasion of Ukraine.
- Adjust this for general FTSE market falls, acknowledging that general market falls should not form part of any adjustment, i.e. seeking to ensure that the adjustment focuses solely on the impact of the forced disposal rather than general market falls.
- Calculate a post-transaction share price which represents the share price following the forced disposal by Hyve of the Russia and Ukraine operations.
- Apply this adjustment factor to the VCP starting share price under similar principles that would be used to adjust for other corporate transactions, e.g. demerger, special dividend, etc.

The adjustment has been calculated as follows:

Description	Value
Pre-transaction share price (3-day average to 22 February 2022 – the day that Russia invades Ukraine)	£1.13
Adjusted pre-transaction share price (3-day average to 22 February 2022, adjusted to account for market fall in FTSE All-Share Index from 22 February 2022 to 11 May 2022 of 4%)	£1.08
Post-transaction share price (3-day average to 11 May 2022 – Hyve's announcement of disposal of Russia business)	£0.76
Adjustment factor (Post-transaction share price/adjusted pre-transaction share price)	0.70
Original VCP starting share price	£1.30
Application of adjustment factor to original VCP starting share price	£0.91

The Company does not propose to make any other changes to the VCP. The existing individual and plan limits will remain in place.

This change applies from the original start date of the plan, with no extension to plan time horizons. To the extent that the awards vest, they will be subject to a two-year holding period. Vested awards will be subject to clawback until the end of the holding period for each tranche of the award.

Chairman and Non-Executive Director fees (not subject to audit)

Fees for the Chairman and other Non-Executive Directors are set taking into consideration the responsibilities of the roles and their participation in the various Committees of the Company. Non-Executive Directors are not eligible to participate in annual bonus, LTIP and retirement benefit arrangements.

The appropriateness of fees is reviewed on an annual basis. A 5% increase to fees for Non-Executive Directors has been agreed and took effect from 1 October 2022.

The fees for Non-Executive Directors for the year ending 30 September 2023 are as follows:

Role	FY23 fee
Chairman[1]	£210,000
Non-Executive Director base fee[2]	£65,000
Senior Independent Director additional fee[3]	£10,000
Committee Chair additional fee	£10,000

1 Fee increased from £178,500 to £200,000 from 1 February 2022.

2 Fee increased from £50,725 to £62,000 from 1 February 2022.

3 Fee increased from £7,500 to £10,000 from 1 February 2022.

Payments to past directors (audited information)

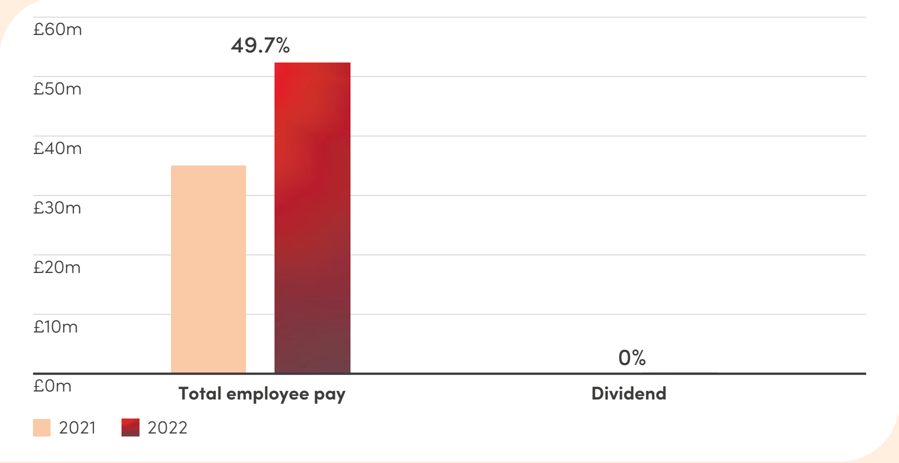
There have been no payments to past directors in the year ended 30 September 2022.

Payments for loss of office (audited information)

There have been no payments for loss of office in the year ended 30 September 2022.

Relative importance of spend on pay (not subject to audit)

The graph below shows the Group's total employee pay and distributions to shareholders for the financial years ended 30 September 2021 and 30 September 2022, and the percentage change.



Chief Executive Officer pay ratio (not subject to audit)

The table below compares the Chief Executive Officer's single figure of total remuneration for the year to the equivalent remuneration of the upper-quartile, median and lower-quartile UK employees.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2022	**Option C**	**34:1**	**24:1**	**16:1**
2021	Option C	34:1	25:1	17:1
2020	Option C	17:1	14:1	7:1

To aid year-on-year comparison, the Group has chosen to use Option C, as this option enabled the ue of readily available data that was current to Hyve's year end. The three representative individuals chosen were selected based on their gross pay in September 2022.

The salary and total remuneration received during 2022 by the employees used in the above analysis are set out below.

	25th percentile pay ratio	**Median pay ratio**	**75th percentile pay ratio**
Salary 2022	**£31,045**	**£41,842**	**£61,565**
Total remuneration 2022	**£38,991**	**£54,831**	**£84,296**

Notes on the calculation:

1 The CEO's single figure of remuneration shown on page 103 was used in the calculation.

2 The figures for both the CEO and the employee at the median include annual bonus payments in respect of the year ended 30 September 2022.

3 The total remuneration for the three individuals shown above was calculated on the same basis, save for the exclusion of benefits for practical purposes. This is not considered to materially impact the results.

4 As detailed earlier in the report, no long-term incentives vested. The individual identified at the 75th percentile received sales commission in the year, and this is included in the calculation.

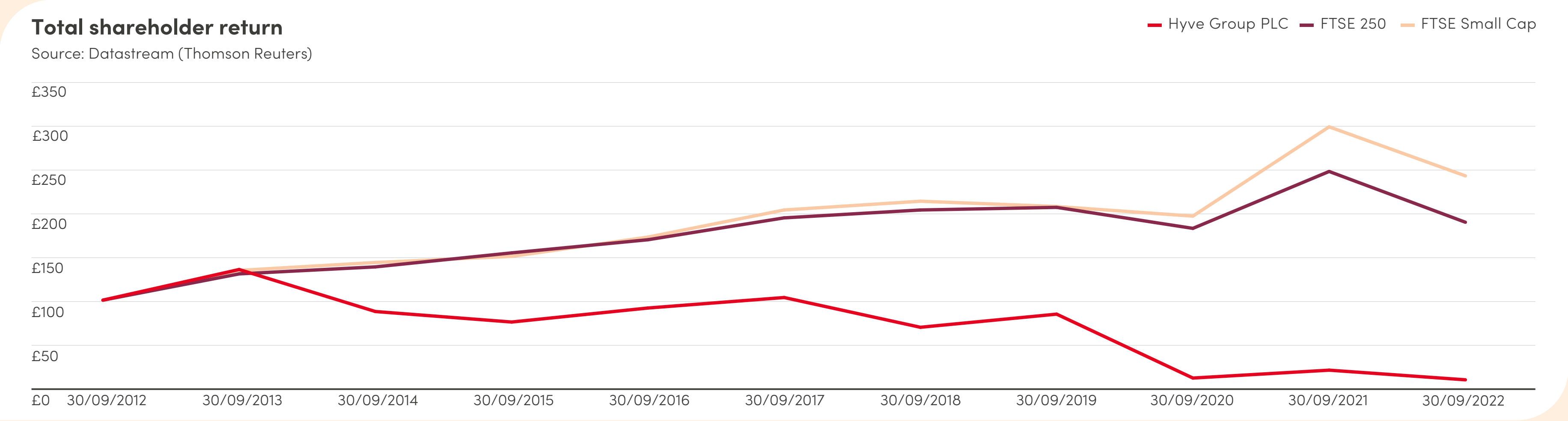
5 To ensure that the individuals identified at the three quartiles are representative of the UK workforce, the total pay and benefits for a small number of employees centred around each quartile were also considered to confirm there were no anomalies. The individuals identified were deemed appropriately representative.

Our average workforce remuneration has increased this year, reflecting a small reduction in our pay ratio in comparison to 2021 now that commission payments have begun to return to normal as events have been resurrected following the impact of the COVID-19 pandemic. While no bonuses were paid in 2020, in 2021 and 2022 payments were at or close to maximum, which has a greater impact on the CEO's single figure, given a greater proportion of his package is delivered in variable pay. We believe that the remuneration policies and approach for our CEO and the wider workforce are fit for purpose and deliver pay outcomes appropriate to the circumstances of the year, reflecting the relative contributions made at different levels of the Group.

On this basis, the pay ratio demonstrates consistency with the pay, reward and progression policies for the Company's UK employees taken as a whole.

Performance graph (not subject to audit)

The chart below compares the value of £100 invested in Hyve Group plc shares, including reinvested dividends, on 30 September 2012 compared to the equivalent investment in the FTSE 250 Index and FTSE Small Cap Index, over the last 10 financial years. The FTSE 250 and FTSE Small Cap Index have been chosen, as the Company has been a constituent of both indices during the period since 2008.



The table below shows the single figure of remuneration for the CEO over the same period.

	Financial year ended 30 September	2013	2014	2015	2016	2017	2018	2019	2020	2021	**2022**
Russell Taylor */Mark Shashoua #		*	*	*	* #	#	#	#	#	#	**#**
CEO single figure of remuneration (£000)		1,951	1,050	567	618	1,035	1,191	823	512	1,258	**1,322**
Annual bonus awarded	% of maximum opportunity	94%	68%	16%	27%	79.9%	97.8%	41.7%	0%	97%	**100%**
	£ amount (£000)	402	298	72	122	539	680	298	0	716	**760**
PSP vesting	% of maximum opportunity	100%	70%	–	–	–	–	–	–	–	**–**
	£ amount (£000)	1,080	277	–	–	–	–	–	–	–	**–**

Change in remuneration for Directors and for employees as a whole over FY22 (not subject to audit)

The CEO and other Directors have service agreements with Hyve Group plc, the parent company. The parent company has no other employees.

The table below shows the change in the Directors' annual cash, defined as salary, taxable benefits and annual bonus, compared to the average employee in recent years.

	Executive Directors								Non-Executive Directors																			
	Mark Shashoua				John Gulliver				Richard Last				Nicholas Backhouse				Rachel Addison				Anna Bateson				Average employee[2]			
	2022	2021	2020	2019	**2022**	2021	2020	2019	**2022**	2021	2020	2019	**2022**	2021	2020	2019	**2022**	2021	2020	2019	**2022**	2021	2020	2019	**2022**	2021	2020	2019
Base salary/ fees[1]	**3%**	6%	3%	3%	**3%**	100%	–	–	**10%**	7%	–3%	62%	**31%**	11%	175%	100%	**100%**	–	–	–	**100%**	–	–	–	**53%**	–4%	12%	28%
Benefits[3]	**335%**	–	1%	–	**5%**	100%	–	–	**–**	–	–	–	**–**	–	–	–	**–**	–	–	–	**–**	–	–	–	**63%**	–13%	–30%	–8%
Bonus	**6%**	100%	–56%	56%	**6%**	100%	–	–	**–**	–	–	–	**–**	–	–	–	**–**	–	–	–	**–**	–	–	–	**20%**	–100%	85%	52%

1 The change in salary for Executive and Non-Executive Directors reflects the adjustment to full pay and fees following the temporary reduction taken as a direct result of the COVID-19 pandemic during FY20. There were no increases to fees or base pay from FY20 to FY21.

2 The change in salary and taxable benefits for other employees reflects a combination of a change in the size and geographical footprint of the Company (more UK employees and fewer in Russia) and the impact of foreign exchange movement.

3 Benefits increase for Mark Shashoua is due to year on year healthcare cost increases.

Consideration of workforce pay and approach to engagement (not subject to audit)

The Group's remuneration policy is designed to attract, reward, motivate and retain the highest calibre of talent. Remuneration is considered within the overall context of the Group's sector and the markets in which it operates. The policy for the majority of employees is to pay around the relevant mid-market range with a competitive package designed to align the interests of employees with those of shareholders, and with an appropriate proportion of total remuneration dependent upon performance.

As set out on page 98, careful consideration was given to the approach taken on annual pay awards for the year ending 30 September 2023.

With UK inflation as high as 10%, the Company was mindful of the need to balance a fair pay award for employees with affordability for the Company over the longer term.

In addition to a 5% pay award for employees of the Group, a cost-of-living award was made to our lower paid employees on a tiered basis up to 10% base pay. Financial wellbeing has become more and more relevant this year, and we have hosted a series of financial wellbeing talks and workshops with industry experts. Other enhancements were made to our employee benefits package, as detailed in the 'People and values' section on page 20.

While no formal employee engagement has taken place in respect of executive pay, the Company communicates annual bonus metrics and targets to all eligible employees and explains the relationship between annual targets and the Company's strategy.

Dilution limits (not subject to audit)

The Group has at all times complied with the dilution limits set out in the rules of its share plans (principally a limit of 10% in 10 years), including the newly approved VCP. The Company is currently well within these dilution limits. Shares to satisfy awards granted under the PSP which are normally purchased in the market do not count towards the dilution limits.

Directors' shareholding guidelines and share scheme interests (audited information)

Where awards vest, Executive Directors are required to retain shares of a value equal to 25% of the gain made after tax, on the vesting of awards under the plans, until they have built up their minimum shareholding of at least 200% of annual base salary. Under the approved Policy, on leaving employment, Executive Directors are expected to maintain the lower of 100% of their minimum shareholding requirement or their actual shareholding at the time of departure for 12 months from their termination date.

The table below shows the Directors' interests in shares owned outright and/or vested, and the extent to which the Group's shareholding guidelines are met. Face value of shares is calculated using the share price on 30 September 2022 of 50.78p.

	Number of unvested shares subject to performance conditions[1]	Number of shares held under the Deferred Bonus Share Plan[2]	**Number of shares held as at 30 September 2022[3]**	Number of shares held as at 30 September 2021	Shareholding guideline (as % of salary/fees)	Guideline met[4]
Mark Shashoua	542,770	17,293	**838,747**	637,594	200%	Yes[4] 84%
John Gulliver	255,407	–	**148,962**	59,735	200%	No[5] 25%
Richard Last	–	–	**305,163**	195,000	n/a	n/a
Rachel Addison	–	–	**–**	–	n/a	n/a
Nicholas Backhouse	–	–	**16,250**	16,250	n/a	n/a
Former Directors (shareholdings as at date of stepping down from the Board)						
Anna Bateson	–	–	**–**	–	n/a	n/a
Sharon Baylay	–	–	**–**	–	n/a	n/a
Stephen Puckett	–	–	**–**	–	n/a	n/a

1 PSP awards are granted as nominal cost options.

2 Deferred bonus share awards in respect of the years ended 30 September 2018 and 2019 for Mark Shashoua.

3 Current shareholding includes net shares owned outright and/or vested and shares held by family interests.

4 Mark Shashoua had invested a significant amount in the Company prior to the pandemic's impact on the share price, the share consolidation and the latest rights issue, and therefore exceeded the shareholding guideline at that time. Consequently, in the Committee's opinion, he is considered to continue to meet the shareholding guidelines.

5 John Gulliver was newly appointed to the Board on 1 October 2020 and as a result is permitted to build up his shareholding requirement over time.

Directors' interests in performance share plans (audited information)

Details of outstanding PSP awards are as follows. The performance targets are summarised below the table:

Director Scheme[1]	1 Oct 2021	Granted during the year	Option price (£)	Exercised during the year	Lapsed	Market price at exercise date (£)	**30 Sep 2022**	Date of grant	Share price on date of grant (£)	Exercisable from	Exercisable to	Gain on exercise £000
Mark Shashoua												
2014 Employees' Performance Share Plan[2]	624,912	–	0.01	–	624,912	–	**–**	14/03/2019	£3.82	14/03/2022	14/03/2029	–
2014 Employees' Performance Share Plan	81,102	–	0.01	–	–	–	**81,102**	23/01/2020	£6.07	23/01/2023	23/01/2030	–
2014 Employees' Performance Share Plan[3]	461,668	–	0.10	–	–	–	**461,668**	04/12/2020	£1.24	04/12/2023	04/12/2030	–
Total	**1,167,682**	**–**	**–**	**–**	**(624,912)**	**–**	**542,770**	**–**	**–**	**–**	**–**	**–**
John Gulliver												
2014 Employees' Performance Share Plan	33,957	–	0.01	–	–	–	**33,957**	23/01/2020	£6.07	23/01/2023	23/01/2030	–
2014 Employees' Performance Share Plan[3]	221,450	–	0.10	–	–	–	**221,450**	04/12/2020	£1.24	04/12/2023	04/12/2030	–
Total	**255,407**	**–**	**–**	**–**	**–**	**–**	**255,407**	**–**	**–**	**–**	**–**	**–**

1 The performance conditions applying to the awards granted in prior years are set out in the Directors' remuneration report for the respective year.

2 The performance conditions for the award granted on 14 March 2019 were tested in the prior year. As set out on page 90 of last year's report, the threshold performance targets were not met and, as a result, this award lapsed in full.

3 Performance condition starting point of FY21 PSP award to be adjusted as set out below.

For all the awards, both the number of shares included in the above tables and the share price at grant have been adjusted following the share consolidation and 2020 rights issue using the standard TERP adjustment to maintain the value of the award, on a theoretical basis, through the 2020 rights issue. The awards granted in 2017 had previously been adjusted in a similar manner for the 2018 rights issue. The TERP formula is as approved by HMRC and applied to both executive and all-employee share awards.

PSP awards

As set out on page 109, in-flight PSP awards will be adjusted using the same mechanism applied to the VCP adjustment.

For awards made in FY21 (including to Executive Directors and other members of the senior leadership team), the adjustment mechanism will be taken into account at the time of vesting, with performance being assessed against adjusted performance target as set out below:

Vesting Level	Original target	Adjusted target
0%	Less than £1.10	Less than £0.77
20%	£1.10	£0.77
50%	£1.25	£0.88
80%	£1.40	£0.98
100%	£1.90	£1.33

Service contracts (not subject to audit)

In line with provision 18 of the 2018 UK Corporate Governance Code, all Directors are subject to re-election annually at the Company's Annual General Meeting. The Chairman has a six-month notice period and the Non-Executive Directors have a one-month notice period. Each Non-Executive Director is engaged on the basis of a letter of appointment, which is available to view at the Group's registered office and at the Annual General Meeting.

The effective dates of their letters of appointment are as follows:

Director	Date of letter of appointment	Notice period
Richard Last	12 February 2018	6 months
Nicholas Backhouse	1 May 2019	1 month
Rachel Addison	1 March 2022	1 month
Anna Bateson[1]	1 March 2022	1 month

1 Anna Bateson resigned from the Board on 16 October 2022.

Executive Director service contracts have no fixed term and have a notice period of up to 12 months from either the Executive Director or the Group. The Executive Director service contracts are available to view at the Group's registered office and at the Annual General Meeting. The dates of the Executive Director service contracts and the relevant notice period are as follows:

Director	Effective date of contract	Notice period
Mark Shashoua	1 September 2016	12 months
John Gulliver	1 October 2020	6 months

Statement of shareholder voting at the Annual General Meeting (not subject to audit)

The following table shows the voting outcome of the latest Directors' Remuneration Policy and annual report on remuneration resolutions presented to shareholders:

Resolution	Votes for	Votes for (%)	Votes against	Votes against (%)	Votes withheld (abstentions)
Annual remuneration report (2022 Annual General Meeting)	215,575,594	91.6%	19,709,565	8.4%	7,214,489
Directors' Remuneration Policy (2021 Annual General Meeting)	156,407,562	75.2%	51,565,240	24.8%	37,382

As outlined in last year's report, the Remuneration Committee carried out a significant consultation with c.60% of the shareholder base prior to the 2021 General Meeting. Many shareholders understood the rationale for the VCP and supported the approach, and this was reflected in the remuneration policy vote result. However, the Committee also recognised that, given our diverse shareholder base, together with the nature of the proposals, a significant number of shareholders did not feel able to support the policy. Following the General Meeting, an engagement process was undertaken whereby shareholders who had not been able to support the policy and the VCP were invited to discuss their concerns with the Remuneration Committee Chair. The primary feedback from those shareholders was that they were not supportive of the construct and nature of the VCP. The Committee was however pleased that the 2021 Directors' Remuneration Report, which was put to an advisory vote at the AGM in early 2022, was approved by 91.6% of votes cast. As outlined in the Remuneration Committee Chair's statement, the Committee has recently undertaken further engagement with shareholders, inviting discussion on the intended adjustment to the VCP base price. The Committee is committed to on-going dialogue with shareholders and is grateful to those shareholders that have engaged with us over the past year.

UK Corporate Governance Code: Provision 40 (not subject to audit)

The Committee considers that the current Remuneration Policy and its implementation during the year appropriately addresses the following principles, as set out in the UK Corporate Governance Code.

Principle	How the Committee has addressed this
Clarity	In line with our commitment to transparency and engagement with shareholders on executive remuneration, the Remuneration Committee Chair has engaged with our shareholders during the year, particularly with regard to the VCP adjustment. Details are provided on page 109.
Simplicity	In determining the remuneration framework, the Committee was mindful of avoiding complexity and ensuring that arrangements are easy to understand for stakeholders. Our remuneration arrangements are simple in nature and well understood by participants and shareholders. The new VCP encourages a simple focus on long-term shareholder value creation.
Risk	The Committee believes that the structure of remuneration arrangements does not encourage inappropriate risk taking. The remuneration framework has a number of features which align remuneration outcomes with risk, including the deferral of bonus into shares, the holding period on PSP and VCP awards, and personal shareholding requirements. These features ensure that Executive Directors are incentivised to deliver the Group's strategic ambitions within the Group's risk appetite. Malus and clawback provisions apply to the annual bonus and VCP as well as any in-flight PSP awards.
Predictability	The Remuneration Policy contains illustrations of threshold, target and maximum opportunity under the annual bonus and VCP. Actual outcomes are dependent on performance achieved against predetermined targets. For the VCP, the starting point at which the market cap hurdle begins to calculate value creation has been adjusted to £0.91. In addition, there is a cap on the number of shares that can be delivered under the VCP.
Proportionality	The Remuneration Policy is designed such that Executive Directors are not rewarded for poor performance. Performance conditions attached to the annual bonus and VCP require a minimum level of performance to be achieved before any pay-out is achieved. The Committee has discretion to adjust both annual bonus and VCP outcomes when they are not considered to appropriately reflect the underlying performance of the individual or the Group. The Committee is mindful of alignment to the workforce when making decisions about executive pay, and periodically receives reports on the employees' views on the Company's remuneration structure.
Alignment to culture	The performance measures that are used for the annual bonus are closely aligned to the Company's purpose, values and strategy. For 2023, the annual bonus framework has been aligned with the short-term strategic goals of the Company. The VCP focuses participants on Hyve's ambitious growth strategy and long-term value creation for shareholders.

Remuneration Policy

The 2021 Directors' Remuneration Policy ('the Policy') was approved at the 25 October 2021 General Meeting and took effect from that date. The Remuneration Policy applies to payments made after that date. The below summarises the approved Policy.

Directors' Remuneration Policy table

The following table summarises the key features of each element of the Policy, their purpose and link to strategy.

Full details of the application of the Policy for FY23 are disclosed on pages 99 and 100.

This table also applies to any other individual who is required to be treated as an Executive Director under the applicable regulations.

Element	Purpose and link to strategy	Operation	Opportunity	Performance metrics
Base salary	Set at competitive levels in the markets in which the Group operates, to attract and retain executives capable of delivering the Group strategy.	Typically reviewed annually, with changes normally effective from 1 October of each year. Salaries will be set by the Committee, considering: • Scope of the role and the markets in which the Group operates; • Performance and experience of the individual; • Pay levels at organisations of a similar size and complexity; and • Pay and conditions elsewhere in the Group.	There is no overall maximum opportunity or increase. Salaries may be increased each year (in percentage of salary terms) in line with increases granted to the wider workforce. Increases beyond those granted to the wider workforce (in percentage of salary terms) may be awarded in certain circumstances, including but not limited to where there is a change in responsibility or experience, or a significant increase in the scale of the role and/or size, value or complexity of the Group. The Committee retains the flexibility to set the salary of a new hire at a discount to the market level initially, and to implement a series of planned increases in subsequent years, to bring the salary to the desired positioning, subject to the individual's performance.	Not applicable, though individual performance will be considered when reviewing base salary levels.

Element	Purpose and link to strategy	Operation	Opportunity	Performance metrics
Benefits	Designed to be competitive in the market in which the individual is employed and to support the wellbeing of employees.	Benefits include life insurance, private medical insurance and income protection insurance. Where appropriate, other benefits may be offered, including, but not limited to, allowances for car, accommodation, relocation, other expatriate benefits (including tax thereon) and participation in all-employee share schemes (in accordance with limits set by HMRC and/or the parameters of any other applicable legislation). Benefits vary by role and individual circumstance and eligibility is reviewed periodically.	There is no prescribed maximum. The value of benefits may vary from year to year depending on the cost to the Company from third-party providers.	Not applicable.
Retirement benefits	To provide cost-effective retirement benefits as part of a competitive package, to aid attraction and retention of high-calibre executives.	Participation in defined contribution plan or cash in lieu.	The current level of Group contribution is 10% of base salary, which is in line with the UK workforce rate. The maximum percentage may not exceed the workforce rate. The Committee has discretion to consider the relevant workforce rate, including consideration of the relevant global jurisdiction.	Not applicable.

Element	Purpose and link to strategy	Operation	Opportunity	Performance metrics
Annual performance bonus	Designed to reinforce individual performance and incentivise year-on-year delivery of sustainable financial performance and strategic objectives.	Awards are based on performance measured over the financial year. Executives are normally required to defer one-third of any bonus paid into shares for three years, with the balance paid in cash. Deferred shares typically vest subject to continued employment. Dividend equivalent payments may be made on deferred shares at the time of vesting and may assume the reinvestment of dividends. Payments made under the annual bonus are subject to recovery and withholding provisions. Further detail is provided in the notes below.	Maximum potential opportunity of up to 150% base salary. For the current Executive Directors, maximum bonus opportunity levels are: • 150% of salary (CEO) • 120% of Salary (CFOO)	Bonus will be predominantly based on a range of financial targets (e.g. revenue growth, cash conversion and profit). For a minority of the bonus, targets may relate to the Group's other operational and strategic priorities (which may include individual targets). The Committee sets the weightings of the respective metrics on an annual basis. Performance is measured over the financial year. For financial targets, and, where practicable, strategic targets, bonus starts to accrue once the threshold target is met, rising on a graduated scale to 100% for outperformance. The payment for threshold performance may be adjusted to reflect the nature of the target set. The Committee has discretion to adjust formulaic outcomes, if it believes it better reflects overall Company or individual performance (either financial or non-financial) in the year. While this can be both upwards and downwards (including to zero), the bonus may not exceed the maximum levels detailed in the policy table.

Element	Purpose and link to strategy	Operation	Opportunity	Performance metrics
Value Creation Plan	To attract, retain and incentivise Executive Directors. This is a new plan designed to align the interests of Executive Directors and shareholders by incentivising the delivery of substantial and sustained shareholder return over the long term.	Grant of one-off awards to cover a five-year performance period. The award gives Executive Directors the opportunity to share in the total value created for shareholders above a two-tier hurdle measured at years three, four and five. The hurdle levels are: • 10% growth per annum: 10% VCP pool • 15% growth per annum: 20% VCP pool Executive Directors may choose to receive their share awards by acquiring subsidiary growth shares at the time that they are invited to join the VCP. Fifty per cent of cumulative VCP value will vest in year three and year four (less anything paid in year three), with 100% of cumulative VCP value vesting following year five (less anything paid in years three and four). Any VCP value will be delivered in Company shares that will be subject to a two-year holding period. If the minimum growth hurdle of 10% p.a. has not been achieved in years three or four, no value will be paid at that time, but value may be delivered in year five, provided the hurdle has been met. No dividends or dividend equivalents will be paid prior to vesting, but adjustments may be made in the event of a special dividend or similar capital return.	The maximum number of Company shares that may be delivered under the VCP is subject to a limit of 7% of the issued share capital on the date of the plan's adoption. For the Executive Directors, the following maximum VCP value limits apply: • CEO: 35% of the VCP pool; and • Other current Executive Directors: 19% of VCP pool. For the Executive Directors, the maximum number of shares which may vest under the VCP is as follows: • CEO: 6,495,638 shares; and • Other current Executive Directors: 3,526,203 shares. In the event of a new Executive Director hire, the level of VCP value that may be delivered will be considered at that time, but will in no event exceed the maximum limit in respect of the CEO. It is not intended that any further long-term incentive awards outside of the VCP will be made to existing Executive Directors under this Policy.	Minimum growth hurdle of 10% per annum. Upper growth hurdle of 15% per annum. The starting share price for the beginning of the VCP performance period will be the higher of the three-month average up to 30 September 2021 and £1.30. The share price used on each vesting date in years three, four and five will normally be based on a three-month average to the end of the relevant financial year. The Remuneration Committee may reduce the level of value delivered under the VCP if it determines that the formulaic vesting level would not reflect the underlying financial or non-financial performance of the Company or the participant or such other factors as it may consider appropriate.

Element	Purpose and link to strategy	Operation	Opportunity	Performance metrics
Performance Share Plan	To ensure that the Executive Directors' interests are aligned with those of shareholders, through providing share-based awards linked to sustained improvements in long-term targeted performance metrics.	Subject to shareholder approval of the Value Creation Plan and awards subsequently being made under this plan to existing Executive Directors, no further PSP awards will be made to existing Executive Directors over the life of the Policy. PSP awards granted under a previous remuneration policy will continue to operate under the terms of that policy and relevant plan rules.	As set out in our previous remuneration policy.	As set out in our previous remuneration policy.
Non-Executive Directors' fees	To reflect the time commitment in preparing for and attending meetings, the duties and responsibilities of the role and the contribution expected from the Non-Executive Directors.	Annual fee for Non-Executive Chairman. Annual base fee for Non-Executive Directors. Additional fees are paid to the Senior Independent Director and Chair of the Audit and Remuneration Committees to reflect additional responsibilities. Additional fees may be payable for other additional responsibilities. Fees are reviewed annually, taking into account: • Time commitment; • Responsibilities; and • Fees paid by comparable companies. All Non-Executive Directors are reimbursed for travel and expenses reasonably incurred in performing their duties such that they are no worse off on a post-tax basis.	There is no prescribed maximum. Non-Executive Director fee increases are applied in line with the outcome of periodic reviews and considering wider factors, e.g. inflation.	Not applicable.

Notes to the policy table

Performance measure selection and approach to target setting

Performance targets are set at such a level as to be stretching and achievable, with regard to the particular strategic priorities and economic environment.

The following sets out the performance measures for annual bonus and Value Creation Plan awards in FY23 as well as the business performance and the behaviours that they drive:

Component	Performance measure	Link to strategy
Annual bonus	A mixture of financial and strategic measures determined each year by the Committee.	Set in line with the Group's KPIs and key financial and strategic priorities for the Company. The use of financial metrics (which could include revenue, profitability and/or cash) ensures executives are focused on maintaining the ongoing financial health of the business. Strategic objectives may be included where appropriate to ensure delivery of key business milestones.
VCP	Market capitalisation growth.	Provides alignment with shareholders on the achievement of the Group's long-term growth ambition. Management will only succeed in significantly increasing the share price if strong financial performance and key strategic milestones are delivered.

The Committee may vary or rebalance the weighting of the performance metrics for future incentive awards to ensure that they remain aligned with the Company's strategic objectives. The Committee may also adjust the targets for awards or the calculation of performance measures and vesting outcomes for events not foreseen at the time the targets were set (e.g. material M&A activity) to ensure they remain a fair reflection of performance over the relevant period. When making such judgements, the Committee may consider all such factors deemed relevant.

Clawback, malus and discretion

Clawback is the recovery of payments made under the annual bonus or vested deferred bonus, PSP and VCP awards. The Committee may decide to apply clawback for up to one year from the payment of bonus awards (or the completion of the next audit of Group accounts, if later), and up to two years from the vesting of PSP awards. For the VCP awards, clawback may apply up to the end of the holding period for each tranche of the award.

Clawback may apply to all or part of a participant's payment or award and may be invoked, among other means, by reducing outstanding awards or requiring the return of the net value of vested awards to the Group.

Malus is the adjustment of unpaid annual bonus, unvested deferred bonus awards, unvested PSP awards or unvested VCP Shares. The Committee may apply malus to reduce an award or determine that it will not vest or that it will only vest in part.

In respect of the VCP, malus and clawback may be invoked by the Committee in the event of the following circumstances:

- A material misstatement of results;
- Error in assessing the VCP pool and/or the performance condition;
- Material failure of risk management, fraud or material financial irregularity;
- Serious reputational damage;
- Serious misconduct or material error on the part of the participant;
- Material corporate failure; or
- Any other circumstances which the Directors, in their discretion, consider to be similar in their nature or effect to those set out above.

In respect of all other incentive plans, malus and clawback may be invoked by the Committee in the event of a fraud or material misstatement of results being identified in relation to the year in which the bonus or incentive was earned.

In line with the 2018 UK Corporate Governance Code, the Committee retains the ability to adjust incentive outcomes to ensure that they remain reflective of underlying financial and non-financial performance of participants or the Group or where the formulaic outcome is not appropriate in the context of circumstances that were unexpected or unforeseen when the targets were set.

Subject to shareholder approval of the VCP, the Committee will have the ability to reduce the level of value delivered under the VCP in the event that business performance is not deemed to be aligned to the outcome of the VCP. The Committee may use its discretion to reduce the VCP vesting level if it considers that this does not reflect the underlying financial or non-financial performance of the Group or the participant over the performance period, if the vesting level is inappropriate in the context of circumstances that were unexpected or unforeseen at the grant date, or there exists any other reason why an adjustment is appropriate.

Detailed provisions

All share awards are subject to the terms of the relevant plan rules, and, where relevant, Articles of Association, under which the award has been granted. The Committee may adjust or amend awards only in accordance with the provisions of the relevant plan rules or articles. This includes adjusting awards to reflect one-off corporate events, such as a change in the Company's capital structure (e.g. a rights issue or a demerger). In accordance with the plan rules, awards may be settled in cash rather than shares, where the Committee considers this appropriate (e.g. exchange control impact on overseas participants).

The Remuneration Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments), notwithstanding that they are not in line with the Policy set out above, where the terms of the payment was agreed either: (i) before the 2019 Annual General Meeting (the date the Company's previous shareholder-approved directors' remuneration policy came into effect; (ii) during the term of, and was consistent with, any previous policy; or (iii) at a time when the relevant individual was not a director of the Company and, in the opinion of the Remuneration Committee, the payment was not in consideration for the individual becoming a director of the Company. For these purposes, 'payments' includes the Remuneration Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.

The Committee may make minor amendments to the Remuneration Policy to aid its operation or implementation without seeking shareholder approvals (e.g. for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation).

Differences in Remuneration Policy operated for other employees

The approach to annual salary reviews is consistent across the Group. All employees are eligible to participate in an annual bonus scheme or a commission-based incentive package. Opportunities and specific performance conditions vary by organisational level within the Group, with business area specific and personal metrics incorporated where appropriate.

Members of senior management and other key employees are eligible for consideration of awards under either the VCP or the PSP to further support alignment with shareholder interests.

Executive Director shareholding guidelines

The importance of aligning the interests of Executive Directors and shareholders is hugely important, and as such, Executive Directors are expected to build a significant shareholding in the Group over time. Executive Directors are normally required to retain shares of a value equal to at least 25% of any gain made after tax on the vesting of awards under the plans, until they have built up a minimum shareholding of a value equivalent to at least 200% of annual base salary.

On leaving employment, Executive Directors will be expected to maintain at least 100% of their minimum shareholding requirement, for 12 months from their termination date. If the leaver has not yet met their shareholding requirement on departure, they will be required to retain the shares they do own up to these limits. This requirement can be waived in certain exceptional personal circumstances (e.g. death, disability, ill health).

These post-employment shareholding guidelines will apply to any shares delivered through the vesting of share awards made after this Remuneration Policy comes into effect.

Remuneration Policy for new Executive Directors

When appointing a new Executive Director, including by way of internal promotion, the Company may make use of all the existing components of remuneration as follows:

Component	Approach
Base salary	Determined in line with the stated policy, and taking into account their previous salary. Initial salaries may be set below market and consideration given to phase any increases over two or three years subject to development in the role. Above-market salaries may also be offered if the experience and calibre of the candidate is considered to justify such an approach being taken by the Committee.
Benefits and retirements benefits	In line with the stated policy. For some candidates, this may include relocation costs, if applicable.
Annual bonus	In line with the stated policy, with the relevant maximum pro rata to reflect the proportion of the year served. Tailored bonus targets may apply to a new Executive Director in the year of appointment (e.g. if the appointment took place towards the end of a financial year).
Long-term share awards	Where individuals participate in the VCP, participation will be in line with the stated policy, subject to suitable performance criteria in line with the Rules and the principles of the Plan. In exceptional circumstances, the Committee may elect to not grant an interest in the VCP to a new executive appointment, but instead grant an award under the PSP up to a maximum of 200% of salary (consistent with the limit under the previous policy). Individuals would not be expected to be granted awards under both the VCP and PSP during the life of this policy.

When determining appropriate levels of remuneration for a new Executive Director, the Committee will take into consideration all relevant factors (including quantum, nature of remuneration and the jurisdiction from which the candidate was recruited) to ensure that arrangements are in the best interests of both the Group and its shareholders.

The Committee may consider it appropriate to grant an award under a structure not included in the policy, to 'buy out' remuneration arrangements forfeited on joining the Company. Existing plans (including the PSP) may be used in respect of buy-out awards on recruitment. The Committee may also exercise the discretion available under Listing Rule 9.4.2 R where necessary.

Any such buy-out would be provided for taking into account the form (cash or shares), timing and performance conditions of the remuneration being forfeited, with vesting on a comparable basis to the likely vesting of the previous employer's award. Any 'buy-out' award would be excluded from the maximum value of incentives referred to above. In cases of appointing a new Executive Director by way of internal promotion, the Group will honour any contractual commitments made prior to their promotion as Executive Director. Any incentive awards granted in respect of the prior role would be allowed to vest according to their original terms.

In cases of appointing a new Non-Executive Director, the approach will be consistent with the policy.

Relocation and expatriate packages

There may be occasions, when hiring a new Executive Director, that a relocation package is awarded, where the individual or the individual's immediate family relocate either on a temporary or permanent basis in order to fulfil their role in the best interests of the Group and its shareholders. In such instances, the Committee retains the right to compensate for reasonable and appropriate relocation expenses.

Service contracts and letters of appointment

In line with provision 18 of the 2018 UK Corporate Governance Code, all Directors are subject to re-election annually at the Company's Annual General Meeting. The Chair has a notice period of up to six months and the Non-Executive Directors have a one-month notice period. Each Non-Executive Director is engaged on the basis of a letter of appointment, which are available to view at the Group's registered office and at the Annual General Meeting.

Executive Director service contracts have no fixed term and have a notice period of up to 12 months. The current CEO has a notice period of 12 months and the current CFOO has a notice period of six months (in respect of notice from either the Executive Director or the Group). The Executive Director service contracts are available to view at the Group's registered office and at the Annual General Meeting.

Exit payment policy

The Committee's policy is to limit severance payments on termination to pre-established contractual arrangements and the rules of the relevant incentive plans. In doing so, the Committee's objective is to avoid rewarding poor performance. Furthermore, the Committee will take account of the Executive Director's duty to mitigate their loss.

Termination payments are limited to base salary, benefits and pension during the notice period and the Company may elect to put Executive Directors on gardening leave during their notice period and/or make a payment in lieu of notice and contractual benefits. If an Executive Director's contract is terminated, they may be eligible for a pro-rata bonus over the period to the date of cessation of employment, subject to performance.

An Executive Director's service contract may be terminated with immediate effect for certain events such as gross misconduct. No payment or compensation beyond sums accrued up to the date of termination will be made if such an event occurs.

In addition to the contractual provisions regarding payment on termination set out above, the Group's incentive plans and shares schemes contain provisions for termination of employment, which are summarised in the table below.

Component	Bad leaver	Good leaver	Change of control
Annual bonus	No annual bonus payable.	Eligible for a payment to the extent that performance conditions have been satisfied and pro rata for the proportion of the financial year served (or such lower period as the Committee determines), with Committee discretion to treat otherwise. Participants may be required to defer a portion of any bonus into shares in line with the normal policy.	Eligible for an award to the extent that performance conditions have been satisfied up to the change of control and pro rata for the proportion of the financial year served, with Committee discretion to treat otherwise.
Deferred Bonus Plan	Outstanding awards are forfeited.	Outstanding awards will normally vest on the original vesting date or such other earlier date as the Committee may determine.	Outstanding awards will normally vest in full.
PSP	Outstanding awards are forfeited.	Outstanding awards will continue and be tested for performance over the full period and reduced pro rata for time based on the proportion of the period served, with Committee discretion to treat otherwise in respect of time pro-rating. Awards may vest early in certain circumstances (e.g. death, or at the Committee's discretion). Any applicable holding period would normally continue to apply.	Outstanding awards will normally vest and be tested for performance over the period to change of control, and reduced pro rata for time based on the proportion of the period served, with Committee discretion to treat otherwise.
VCP	Compulsory purchase of VCP shares by the Company. Where awards lapse, the participant will be required to sell their growth shares at cost.	Good leaver status may normally only be awarded to participants from the second anniversary of grant. If a participant leaves within the first two years for any reason, all awards would normally lapse (except in exceptional cases such as compassionate circumstances). The participant's VCP Shares will continue to vest in the ordinary course, subject to the satisfaction of the Performance Condition and a reduction to reflect the period elapsed at the date of leaving as a proportion of the vesting period, unless the Remuneration Committee determines that they should vest on cessation, subject to the Performance Condition (in which case they will be subject to time pro-rating unless the Committee determines otherwise). Any applicable holding period would normally continue to apply.	Awards will vest early. The extent to which any unvested awards will vest will be determined at the discretion of the Committee, considering the relevant VCP value and any adjustments they consider appropriate. Alternatively, awards may be exchanged for equivalent awards of shares in the acquiring company.

An individual would normally be considered a good leaver if they leave for reasons of death, ill health, disability, redundancy, a cessation of part of the business in which the individual is employed or engaged, circumstances that are considered by the Committee to be retirement or any other reason the Committee determines.

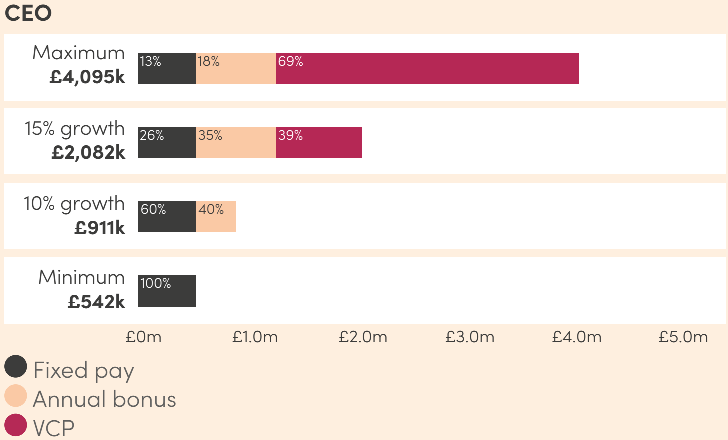
The Committee reserves the right to make any other payments in connection with an Executive Director's cessation of office or employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement of any claim arising in connection with the cessation of a Director's office or employment. Any such payments may include, but are not limited to, paying any fees for outplacement assistance and/or the Director's legal and/or professional advice fees in connection with their cessation of office or employment.

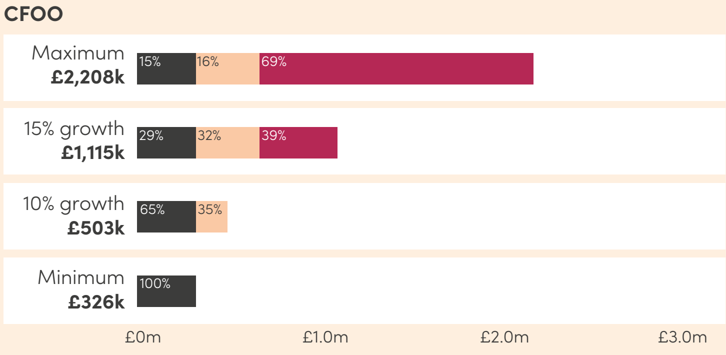
External appointments

The Board supports Executive Directors holding Non-Executive directorships of other Companies and believes that any such appointments are part of the continuing development of the Executive Directors from which the Group will ultimately benefit. Executive Directors may accept external appointments with the prior approval of the Board and fees from any such appointments may be retained by Executive Directors.

Illustration of the application of the Remuneration Policy

The charts below show how the remuneration of the Executive Directors varies in three different performance scenarios.





Assumptions underlying each element of pay are provided in the tables below:

Component-Fixed	Basis
Base pay	Base salary as disclosed in the 2020 Directors' Remuneration Report
Pension	Contribution rate applied to current salary
Other benefits	Estimated at a value of £1,000, in line with 2020 single figure

Component-variable	Minimum	Scenario – 10% growth	Scenario – 15% growth	Maximum
Annual bonus	No bonus payable.	Target bonus 50% of maximum	Maximum	Maximum
Long-term share awards	No VCP vesting.	10% share price growth per annum. No VCP vesting.	15% share price growth per annum.	c.34% share price growth per annum. This broadly equates to the return, which results in the number of shares delivered by the VCP being capped.
		As the VCP is a block award covering the three-year term of the policy rather than an annual award, potential pay-outs have been annualised over a three-year period.		

In line with the disclosure regulations, the VCP shares vesting as a result of the VCP pool calculation has been valued using the adjusted share price at grant of £0.95, i.e. excluding the impact of share price growth on those shares. If the share price growth were 50% over the five-year period, the VCP value would be £0 and the annualised total remuneration package would be £1,280,000 for the CEO and £679,500 for the CFOO. For additional reference, modelling of indicative pay-outs was set out in the Remuneration Committee Chair's letter in the October 2021 Notice of General Meeting.

Consideration of employment conditions elsewhere in the Group and employee views

When reviewing and setting remuneration levels for Executive Directors, the Committee considers the pay and employment conditions of all employees of the Group. The Group-wide pay review budget is one of the key factors when reviewing the salaries of Executive Directors. Although the Group has not carried out a formal consultation regarding the Policy, it does comply with local regulations and practices regarding employee consultation more broadly. The Chief of Staff periodically feeds back employees' views on the Group's remuneration structure.

Consideration of shareholder views

It is the Committee's policy to consult with major shareholders prior to any changes to its Executive Director remuneration structure. During the summer and autumn of 2021, the Committee consulted extensively with major shareholders and engaged with the proxy bodies on the design of the VCP, this being the key change proposed for the new Remuneration Policy to operate from the 2021 General Meeting. This process was constructive and provided valuable input, and as a result, several changes were made to the Value Creation Plan design.

The directors are responsible for preparing the annual report and the financial statements in accordance with UK adopted international accounting standards and applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors are required to prepare the group financial statements in accordance with UK adopted international accounting standards and have elected to prepare the company 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 group and company and of the profit or loss for the group 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;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business;
- prepare a directors' report, a strategic report and directors' remuneration report which comply with the requirements of the Companies Act 2006.

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. The Directors are responsible for ensuring that the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provides the information necessary for shareholders to assess the group's performance, business model and strategy.

Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Directors' responsibilities pursuant to DTR4

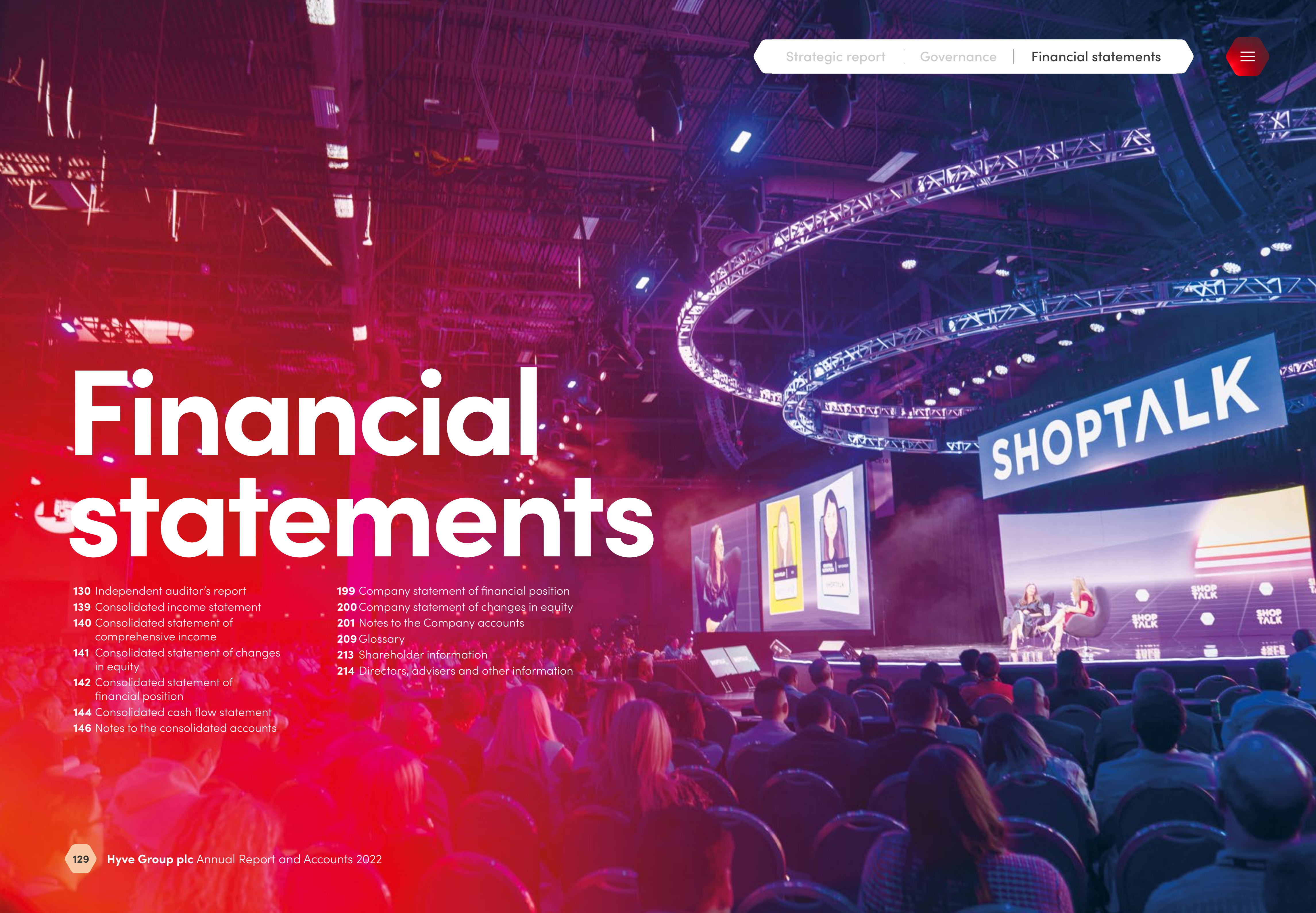
The directors confirm to the best of their knowledge:

- The financial statements have been prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit and loss of the group.
- The annual report includes a fair review of the development and performance of the business and the financial position of the group and company, together with a description of the principal risks and uncertainties that they face.

This responsibility statement was approved by the Board of Directors on 13 December 2022 and is signed on its behalf by:

John Gulliver
Chief Finance and Operations Officer

13 December 2022



Financial statements

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 September 2022 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Hyve Group plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 September 2022 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of financial position, the consolidated cash flow statement, the company statement of financial position, the company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the audit committee, we were appointed by the Directors with our appointment approved by the shareholders on 23 January 2020 to audit the financial statements for the year ended 30 September 2020 and subsequent financial periods. The period of total uninterrupted engagement is 3 years, covering the years ended 30 September 2020 to 30 September 2022. We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Group or the Parent Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Given our assessment of risk and the significance of this area, we have determined going concern to be a key area of focus for the audit. Our evaluation of the Directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting and response to the key audit matter is included in the 'Key Audit Matters' section below.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Parent Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

Coverage

2022	Number of components	Group revenue (incl. discontinued operations)
Full scope audit work completed by BDO UK	**6**	**71%**
Risk-focused audit procedures completed by BDO UK	**3**	**10%**
Risk-focused procedures completed by BDO network member firm in Hong Kong	**1**	**3%**
Total	**10**	**84%**

2021	Number of components	Group revenue (incl. discontinued operations)
Full scope audit work completed by BDO UK	6	26%
Full scope audit work completed by BDO member firms in Russia and Hong Kong	3	44%
Risk-focused audit procedures completed by BDO UK	3	12%
Total	12	82%

Key audit matters

	2022	2021
KAM 1 – Valuation of intangible assets including goodwill	**Yes**	Yes
KAM 2 – Going Concern	**Yes**	Yes
KAM 3 – Disposal accounting: Russian business	**Yes**	No

Materiality

Group financial statements as a whole

£1.6m (2021: £1.2m) based on 1% of revenues, including discontinued operations (2021: 1% of 3-year average of revenue).

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Of the group's 47 reporting components, significant components were identified within the UK, US and Russia, each of which was subject to a full scope audit by the Group audit team. Specified risk-focused audit procedures were carried out on three non-significant components in the UK, UAE and US by the Group audit team and one component in China by a BDO member firm. The financial information of the remaining non-significant components was subject to analytical reviews performed by the Group audit team.

Our involvement with component auditors

For the work performed by the component auditor, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole.

The work on the overseas component was directed, supervised and reviewed by the Group audit team. This included, but was not limited to, the issuance of Group audit instructions, holding periodic meetings, including formal and documented planning and close meetings, remotely reviewing component work completed and discussions with component audit team and local management.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of intangible assets, including goodwill Notes 2, 12 and 14

Key audit matter

In view of the impact of the post COVID-19 pandemic and more recent macroeconomic factors such as increasing inflation and interest rates on the Group's business there is a risk, whether due to fraud or error, that there is an application of inappropriate assumptions supporting asset values that should otherwise be impaired.

Management are required to test annually for impairment, or more frequently if there are indications that goodwill and intangible assets might be impaired. Management tests impairment through determination of the value in use of each cash generating unit identified (CGU). Management has determined that its goodwill and intangible assets are allocated to 9 cash generating units.

To determine the value in use of each CGU requires judgements and estimates as outlined in Note 2. Management prepares a detailed impairment model using a number of judgemental assumptions (as described in note 12 to the financial statements).

Based on the above considerations, valuation of intangible assets, including goodwill and the related disclosures has been identified as a key audit matter.

How the scope of our audit addressed the key audit matter

As part of audit procedures completed, we have challenged management's value in use determined for each CGU within the model prepared, including the assumptions underpinning the model.

Our work in relation to the model and its assumptions was as follows:

- considering the appropriateness and completeness of the number of CGUs identified by management and the associated allocation of assets of the Group to each of these CGUs as per the accounting policy and applicable accounting standards;
- testing of the arithmetic accuracy of the model used by Management;
- agreeing the underlying cash flow projections for each CGU to Board approved budgets and three year plan;
- reviewing future forecast cash flow projections and revenues against post year end performance such as booking statistics and cash received;
- challenging management on their assessment of the impact of COVID-19 and other macroeconomic factors on the future forecast cash flows, as well as reviewing movements in both revenues anticipated and costs to be incurred in relation to future events as indicated by management;
- reviewing the likelihood and timing of events forecast by management to take place in the short term, agreeing to available third party and other available information as applicable;
- reviewing the reasonability and accuracy of central costs that are allocated to the CGUs;
- engaging our internal valuation experts to independently assess appropriate discount rates;
- agreeing assumptions used within the estimation of discount rates including, country specific risk premiums, inflation rates, risk free rates against independent market data; and
- analysing the sensitivity of the model to changes in assumptions as outlined within note 12 in relation to forecast cash flows.

We have reviewed the disclosures made in light of the requirements of IAS 36 and IAS 1.

Key observations

Based on the procedures performed, we considered that the judgements and estimates used by Management within their determination of the value in use of the identified CGUs within their detailed impairment model are reasonable.

Going concern Note 2

Key audit matter	As disclosed in note 2, the operations of the Group have been impacted by COVID-19 in the previous and current financial year, with restrictions easing throughout the 2022 financial year, leading to trading becoming fully operational, with the exception of China. This, combined with the invasion of Ukraine by Russia and the subsequent exit from the Russian market by the Group, has caused significant disruption and economic uncertainty globally and has had an impact on the Group's future expected cash flows, with a consequential impact on the going concern assessment. In addition, as described in note 20, the Group has completed the refinancing of its debt subsequent to the year end.	Whilst the Directors' assessment in relation to going concern did not identify any material uncertainties in this respect we nevertheless considered going concern to be a significant risk and a key audit matter due to the external contributing factors outlined above.
How the scope of our audit addressed the key audit matter	Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included: • obtaining from the Directors' and Management their latest assessments that support the Board's conclusions with respect to the going concern basis of preparation of the financial statements and confirming the mathematical accuracy of the underlying calculations; • corroborating alignment with the future forecast cash flow projections audited as described within the Valuation of Intangible Assets, including Goodwill Key Audit Matter outlined above, completing consistent procedures across the associated cashflows as referenced; • considering the reasonability of the twelve-month period over which the Directors have considered and assessed the going concern assumption in light of all available information about the future, of which we are aware as a result of the audit;	• corroborating the refinancing of the Group's debt and associated terms and covenants referenced in note 20 subsequent to the year end to underlying executed legal agreements; • analysing the Directors' base case forecast and downside scenarios, and subsequently challenging the adequacy and appropriateness of the underlying assumptions, in light of predetermined expectations for the trade exhibitions and conferences sector and various jurisdictions within which the Group operates; and • reviewing the Directors' 'reverse stress test' analysis outlining the conditions which would be required for the Group to breach covenants, as outlined within the Strategic Report on pages 69 to 71 and note 2, and reviewing the likelihood of such conditions arising.
Key observations	Our key observations are set out in the conclusions relating to going concern section of our report.	

Disposal accounting – Russian business Note 2 and Note 17

Key audit matter	As disclosed in note 17, in March 2022, the Group announced the disposal of its Russian business and on 13 May 2022 it completed the disposal of its 100% shareholding of the Russian business. The consideration for the sale was wholly structured as earn out consideration of up to £72.0m payable over a 10-year period. Sanctions imposed by the UK on Russia in response to the war in Ukraine limit the Group's ability to receive consideration in respect of the disposal of the Russian business and as at the reporting date the severity of the sanctions imposed had only increased. A change in the global sanctions landscape is expected to be required before consideration could be received, the timing and extent of which is very unpredictable but is not anticipated in the short term. The consideration receivable at the disposal date is therefore deemed to have a fair value of £nil. In line with the requirements of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, the Group's exit from Russia has been treated as a discontinued operation, as it represents the disposal of a component of the entity, a separate major line of business and a separate geographical area of business. The Russian operations contributed 22% of the Group's total revenues (Including discontinued operations) during the current period (2021: 49%), therefore the disposal is considered to represent a significant transaction for the Group. Management was required to use judgement in determining the fair value of the consideration at the disposal date and net assets of the entities disposed. Based upon the above indicating factors, we identified the disposal accounting of the Russian business and related disclosures to be a significant risk and a key audit matter.
How the scope of our audit addressed the key audit matter	As part of audit procedures completed, the Group audit team have audited the Russian component operations up to the date of disposal, including the disposal balance sheet. Our work in relation to management's disposal accounting and assumptions made in respect of the Russian business included the following: • assessing whether the disposal met the definition of a disposal group as per IFRS 5, including challenging management on whether key definitions within the standard were satisfied; • confirming and corroborating against applicable legal documents management's assessment of the disposal date and the point at which control was lost against the requirements of IFRS 10 Consolidated Financial Statements; • obtaining and reviewing all available legal documentation setting out the transaction (including the sales purchase agreement); • corroborating the net assets of the entities disposed of at the date of disposal to the underlying audited results and disposal balance sheets of the Russian components; • corroborating the balance of the translation reserves disposed to prior year audited balance sheet and current year movements and assessing the reasonability of the spot rate at the disposal date to convert the foreign operations into the presentation currency; • challenging management and their legal teams in relation to the accuracy of the fair value of contingent consideration of £nil at the date of disposal, verifying to third party evidence where applicable; and • re-calculating the arithmetic accuracy of the loss on disposal. We reviewed the disclosures made in light of the requirements of IFRS 5.
Key observations	Based on the procedures performed, we found the judgements made by management in the disposal accounting of the Russian business to be appropriate and consistent with the requirements of IFRS 5 and 10.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	2022 £m	2021 £m	2022 £m	2021 £m
Materiality	£1.6	£1.2	£2.7	£0.5
Basis for determining materiality	1% of total Group revenues, including discontinued operations	1% of 3-year average of revenue	1% of net assets	60% of Group performance materiality
Rationale for the benchmark applied	Given the significant loss before tax, we based our materiality calculation on the revenue, including revenues from discontinued operations.	Given the significant loss before tax and decreased revenue due to the effects of COVID-19, we based our materiality calculation on a 3 year average of revenue.	The benchmark for materiality has changed on the basis that net assets is considered to be a more appropriate benchmark as the Parent Company does not trade.	
Performance materiality	£1.0	£0.8	£1.8	£0.3
Basis for determining performance materiality	65% of Group materiality		65% of Parent Company materiality	
	In setting the level of performance materiality we considered a number of factors including the expected total value of known and likely misstatements based on past experience.			

Component materiality

We set materiality for each significant component of the Group based on a percentage of between 50% and 60% of Group performance materiality (2021: between 40% and 60%) dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from £0.2m to £0.6m (2021: £0.3m to £0.5m). In the audit of each component, we further applied performance materiality levels of 65% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £32,000 (2021: £24,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts other than the financial statements and our auditor's report thereon. 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.

Corporate governance statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability

- The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 70; and
- The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 69.

Other Code provisions

- Directors' statement on fair, balanced and understandable set out on page 84;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 50;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 88; and
- The section describing the work of the audit committee set out on pages 85 to 89.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report

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.

In light of the knowledge and understanding of the Group and Parent 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.

Directors' remuneration

In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' remuneration report to be audited 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, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates through discussions with management, the Group's legal counsel and the Audit Committee and our knowledge of the industry. We focused on significant laws and regulations that could give rise to material misstatement in the financial statements, including the Companies Act 2006, the UK Listing Rules, the applicable accounting frameworks, Corporate Tax, VAT, Employment Tax and Health and Safety legislation and the Bribery Act 2010.

Our procedures in response to the above included:

- Holding discussions with management and those charged with governance, in-house legal counsel and reviewing minutes of meetings between the Board of Directors and the Audit Committee to identify any known or suspected instances of non-compliance with laws and regulations and fraud;
- Agreeing the financial statement disclosures to underlying supporting documentation; and
- Reviewing tax compliance and involving our tax specialists to assess the reasonableness of the income tax charge disclosed and associated statement of financial position amounts and tax disclosures in light of the reporting and legislative requirements.

We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud may occur. We determined these areas to be management override of controls including, revenue recognition (existence) and the disclosures made in respect of adjusting items and alternative performance measures.

Our procedures in response to the above included:

- Evaluating and, where appropriate, challenging assumptions and judgements made by management in determining significant accounting estimates, in particular in relation to impairment of goodwill and intangible assets, disposal accounting, and the going concern assumption as set out in the key audit matters section above;
- In addressing the risk of management override of controls, testing the appropriateness of journal entries made throughout the year which met a specific criteria as well as year-end consolidating journals by agreeing to supporting documentation;
- Testing revenue throughout the year to confirm existence through corroboration of a sample of transactions back to supporting documentation including invoice, contract and attendance at the events;
- Analysing and challenging management on each alternative performance measure disclosed within the financial statements in light of guidance issued by regulatory bodies to check applicability along with corroboration of the alternative performance measures evidence of the underlying transactions disclosed; and
- Requesting each component audit team to communicate any instances of non-compliance with laws and regulations or fraud that could give rise to a material misstatement of the Group financial statements.

Specific consideration was made as to whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations and fraud. All team members were briefed to ensure they were aware of any relevant laws or regulations in relation to their work and fraud risks.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sandra Thompson (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, United Kingdom

13 December 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated income statement

For the year ended 30 September 2022

	Notes	Year ended 30 September 2022 Headline £000	Adjusting items (note 5) £000	Statutory £000	Year ended 30 September 2021 (restated[1]) Headline £000	Adjusting items (note 5) £000	Statutory £000
Revenue	3	**122,472**	**–**	**122,472**	21,822	–	21,822
Cost of sales		**(83,204)**	**–**	**(83,204)**	(29,939)	–	(29,939)
Impairment (loss)/profit in respect of trade receivables	23	**(1,174)**	**–**	**(1,174)**	592	–	592
Gross profit/(loss)		**38,094**	**–**	**38,094**	(7,525)	–	(7,525)
Other operating income	4	**19,557**	**–**	**19,557**	66,101	–	66,101
Administrative expenses		**(40,005)**	**(30,990)**	**(70,995)**	(38,155)	(47,291)	(85,446)
Foreign exchange gain/(loss) on operating activities		**2,707**	**–**	**2,707**	(306)	–	(306)
Share of results of joint ventures	18	**(957)**	**225**	**(732)**	1,880	(455)	1,425
Operating profit/(loss)		**19,396**	**(30,765)**	**(11,369)**	21,995	(47,746)	(25,751)
Investment revenue	6	**269**	**1,652**	**1,921**	163	10,401	10,564
Finance costs	7	**(8,192)**	**(13,327)**	**(21,519)**	(8,241)	(4,037)	(12,278)
Profit/(loss) before tax		**11,473**	**(42,440)**	**(30,967)**	13,917	(41,382)	(27,465)
Tax credit/(charge)	9	**95**	**5,520**	**5,615**	(1,839)	6,475	4,636
Profit/(loss) from continuing operations		**11,568**	**(36,920)**	**(25,352)**	12,078	(34,907)	(22,829)
Profit/(loss) from discontinued operations	17	**12,894**	**(46,306)**	**(33,412)**	6,413	(3,604)	2,809
Profit/(loss)		**24,462**	**(83,226)**	**(58,764)**	18,491	(38,511)	(20,020)
Attributable to:							
Owners of the Company		**25,113**	**(83,226)**	**(58,113)**	19,323	(38,511)	(19,188)
Non-controlling interests		**(651)**	**–**	**(651)**	(832)	–	(832)
		24,462	**(83,226)**	**(58,764)**	18,491	(38,511)	(20,020)
Earnings per share (pence)							
Basic	11	**8.7**	**–**	**(20.2)**	7.3	–	(7.3)
Diluted	11	**8.7**	**–**	**(20.2)**	7.3	–	(7.3)
Earnings per share from continuing operations (pence)							
Basic	11	**4.2**	**–**	**(8.6)**	4.9	–	(8.3)
Diluted	11	**4.2**	**–**	**(8.6)**	4.9	–	(8.3)

1 Results for the year ended 30 September 2021 have been restated for the treatment of the Russian, Ukrainian and Turkish businesses as discontinued operations as disclosed in note 17. All subsequent references to restatements throughout these results refer to the restatements for the prior period error disclosed in note 1 and the treatment of discontinued operations disclosed in note 17.

The results stated above relate to continuing activities of the Group. The accompanying notes 1 to 31 form an integral part of the Consolidated financial statements.

Consolidated statement of comprehensive income

For the year ended 30 September 2022

	Notes	2022 £000	2021 (restated) £000
Loss for the year attributable to shareholders		**(58,764)**	(20,020)
Cash flow hedges:			
Movement in fair value of cash flow hedges		**237**	649
Fair value of cash flow hedges released to the income statement		**–**	224
Currency translation movement on net investment in subsidiary undertakings		**30,046**	(3,227)
Total other comprehensive income/(loss)		**30,283**	(2,354)
		(28,481)	(22,374)
Tax relating to components of comprehensive loss	9	**(15)**	(130)
Total comprehensive loss for the year		**(28,496)**	(22,504)
Attributable to:			
Owners of the Company		**(28,211)**	(21,672)
Non-controlling interests		**(285)**	(832)
		(28,496)	(22,504)

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

The accompanying notes 1 to 31 form an integral part of the Consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 30 September 2022

	Share capital £000	Share premium account £000	Merger reserve £000	Capital redemption reserve £000	ESOT reserve £000	Retained earnings (restated) £000	Translation reserve (restated) £000	Hedge reserve £000	Total (restated) £000	Non-controlling interests (restated) (note 26) £000	Total equity £000
Balance as at 1 October 2021 (restated)	26,513	160,271	2,746	457	(3,083)	21,552	(53,935)	(85)	154,436	2,179	156,615
Net (loss)/profit for the year	–	–	–	–	–	(58,113)	–	–	(58,113)	(651)	(58,764)
Currency translation movement on net investment in subsidiary undertakings	–	–	–	–	–	–	29,680	–	29,680	366	30,046
Movement in fair value of cash flow hedges	–	–	–	–	–	–	–	237	237	–	237
Tax relating to components of comprehensive income (note 9)	–	–	–	–	–	(15)	–	–	(15)	–	(15)
Total comprehensive (loss)/income for the year	**–**	**–**	**–**	**–**	**–**	**(58,128)**	**29,680**	**237**	**(28,211)**	**(285)**	**(28,496)**
Dividends paid to minority interests	–	–	–	–	–	–	–	–	–	(339)	(339)
Issue of shares	2,651	25,426	–	–	–	–	–	–	28,077	–	28,077
Exercise of share options	–	–	–	–	65	(65)	–	–	–	–	–
Share-based payments (note 28)	–	–	–	–	–	1,568	–	–	1,568	–	1,568
Tax credited to equity (note 9)	–	–	–	–	–	(101)	–	–	(101)	–	(101)
Disposal of subsidiary (note 17)	–	–	–	–	–	–	30,861	–	30,861	978	31,839
Balance as at 30 September 2022	**29,164**	**185,697**	**2,746**	**457**	**(3,018)**	**(35,174)**	**6,606**	**152**	**186,630**	**2,533**	**189,163**

The accompanying notes 1 to 31 form an integral part of the Consolidated financial statements.

	Share capital £000	Share premium account £000	Merger reserve £000	Capital redemption reserve £000	ESOT reserve £000	Retained earnings (restated) £000	Equity option reserve £000	Translation reserve (restated) £000	Hedge reserve £000	Total (restated) £000	Non-controlling interests (restated) £000	Total equity £000
Balance as at 1 October 2020 (restated)	26,513	160,271	2,746	457	(3,175)	52,531	(13,255)	(52,636)	(958)	172,494	4,552	177,046
Net loss for the year	–	–	–	–	–	(19,188)	–	–	–	(19,188)	(832)	(20,020)
Currency translation movement on net investment in subsidiary undertakings	–	–	–	–	–	–	–	(3,227)	–	(3,227)	–	(3,227)
Movement in fair value of cash flow hedges	–	–	–	–	–	–	–	–	649	649	–	649
Fair value of cash flow hedges released to the income statement	–	–	–	–	–	–	–	–	224	224	–	224
Tax relating to components of comprehensive income	–	–	–	–	–	(130)	–	–	–	(130)	–	(130)
Total comprehensive (loss)/income for the year	**–**	**–**	**–**	**–**	**–**	**(19,318)**	**–**	**(3,227)**	**873**	**(21,672)**	**(832)**	**(22,504)**
Dividends paid to minority interests	–	–	–	–	–	–	–	–	–	–	(671)	(671)
Exercise of share options	–	–	–	–	92	(92)	–	–	–	–	–	–
Share-based payments (note 28)	–	–	–	–	–	715	–	–	–	715	–	715
Tax credited to equity (note 9)	–	–	–	–	–	101	–	–	–	101	–	101
Disposal of subsidiary	–	–	–	–	–	870	–	1,928	–	2,798	(870)	1,928
Expiry of equity option (note 23)	–	–	–	–	–	(13,255)	13,255	–	–	–	–	–
Balance as at 30 September 2021 (restated)	**26,513**	**160,271**	**2,746**	**457**	**(3,083)**	**21,552**	**–**	**(53,935)**	**(85)**	**154,436**	**2,179**	**156,615**

Consolidated statement of financial position

30 September 2022

	Notes	2022 £000	2021 (restated) £000
Non-current assets			
Goodwill	12	**141,183**	73,702
Other intangible assets	14	**195,620**	200,660
Property, plant and equipment	15	**15,165**	17,237
Interests in joint ventures	18	**33,195**	37,126
Deferred and contingent consideration receivable	19	**7,364**	7,357
Deferred tax asset	24	**12,959**	5,707
		405,486	341,789
Current assets			
Trade and other receivables	19	**40,772**	35,569
Tax prepayment	19	**2,174**	1,818
Derivative financial instruments	19	**152**	–
Cash and cash equivalents	19	**28,068**	41,733
Assets classified as held for sale	17	**2,963**	–
		74,129	79,120
Total assets		**479,615**	420,909
Current liabilities			
Bank loans	20	**(6,000)**	(11,751)
Trade and other payables	21	**(63,186)**	(42,665)
Deferred income	21	**(57,769)**	(72,277)
Corporation tax		**(884)**	(1,259)
Provisions	22	**(100)**	–
Liabilities classified as held for sale	17	**(2,854)**	–
		(130,793)	(127,952)
Non-current liabilities			
Bank loans	20	**(93,101)**	(109,849)
Deferred income	21	**(204)**	–
Provisions	22	**(1,582)**	(1,400)
Deferred and contingent consideration payable	21	**(39,391)**	–
Lease liabilities	27	**(11,829)**	(13,375)
Deferred tax liabilities	24	**(13,552)**	(11,633)
Derivative financial instruments	23	**–**	(85)
		(159,659)	(136,342)
Total liabilities		**(290,452)**	(264,294)
Net assets		**189,163**	156,615

Consolidated statement of financial position continued

30 September 2022

	Notes	2022 £000	2021 (restated) £000
Equity			
Share capital	25	**29,164**	26,513
Share premium account		**185,697**	160,271
Merger reserve		**2,746**	2,746
Capital redemption reserve		**457**	457
Employee Share Ownership Trust ('ESOT') reserve		**(3,018)**	(3,083)
Retained earnings		**(35,174)**	21,552
Translation reserve		**6,606**	(53,935)
Hedge reserve		**152**	(85)
Equity attributable to equity holders of the parent		**186,630**	154,436
Non-controlling interests	26	**2,533**	2,179
Total equity		**189,163**	156,615

The accompanying notes 1 to 31 form an integral part of the Consolidated financial statements.

The financial statements of Hyve Group plc, registered company number 01927339, were approved by the Board of Directors and authorised for issue on 13 December 2022. They were signed on their behalf by:

Mark Shashoua
Chief Executive Officer

John Gulliver
Chief Finance and Operations Officer

Consolidated cash flow statement

For the year ended 30 September 2022

	Notes	2022 £000	2021 (restated) £000
Operating activities			
Operating loss from continuing operations		**(11,369)**	(25,751)
Operating (loss)/profit from discontinued operations	17	**(30,490)**	2,522
Operating loss		**(41,859)**	(23,229)
Adjustments			
Depreciation and amortisation		**33,704**	34,734
Impairment of goodwill, intangible assets and investments in joint ventures	12, 19	**2,850**	19,028
Share-based payments	28	**1,598**	761
Increase/(decrease) in provisions		**87**	(442)
(Profit)/loss on disposal of plant, property and equipment and computer software		**76**	146
Loss on disposal of subsidiary holdings	17	**42,332**	3,415
Fair value of cash flow hedges recognised in the income statement		**–**	224
Share of profit/(loss) from joint ventures		**873**	(1,545)
Operating cash flows before movements in working capital		**39,661**	33,092
Increase in receivables		**(26,960)**	(7,298)
Utilisation of venue prepayments		**–**	72
Increase in deferred income		**555**	11,959
Increase/(decrease) in payables		**18,442**	(9,367)
Operating cash flows after movements in working capital		**31,698**	28,458
Dividends received from associates and joint ventures		**200**	1,958
Cash generated from operations		**31,898**	30,416
Tax paid		**(2,654)**	(3,266)
Net cash from operating activities		**29,244**	27,150
Investing activities			
Interest received	6	**269**	163
Acquisition of businesses – cash paid net of cash acquired	13	**(23,389)**	(18,307)
Purchase of plant, property and equipment and computer software		**(960)**	(975)
Disposal of plant, property and equipment and computer software		**–**	73
Settlement of deferred and contingent consideration receivable	19	**2,508**	304
Settlement of deferred and contingent consideration payable	21	**(7,692)**	(4,693)
Disposal of subsidiaries and investments – cash received net of cash disposed and costs to sell	17,19	**(10,237)**	(3,784)
Net cash utilised on investing activities		**(39,501)**	(27,219)

Consolidated cash flow statement continued

For the year ended 30 September 2022

	Notes	2022 £000	2021 (restated) £000
Financing activities			
Equity dividends paid	10	**–**	–
Dividends paid to non-controlling interests		**–**	(671)
Interest paid and bank charges	7	**(6,676)**	(6,556)
Principal lease payments	27	**(3,448)**	(4,015)
Proceeds from the issue of share capital and exercise of share options		**29,048**	–
Fees relating to the issues of share capital		**(971)**	–
Drawdown of borrowings		**2,000**	69,604
Repayment of borrowings		**(25,423)**	(67,249)
Net outflow from financing activities		**(5,470)**	(8,887)
Net decrease in cash and cash equivalents	30	**(15,727)**	(8,956)
Cash and cash equivalents at beginning of year		**41,733**	50,330
Effect of foreign exchange rates		**3,575**	359
Cash and cash equivalents classified as held for sale	17	**(1,513)**	–
Cash and cash equivalents at end of year	30	**28,068**	41,733

The accompanying notes 1 to 31 form an integral part of the Consolidated financial statements.

1 General information

Hyve Group plc is a public company limited by shares incorporated in the United Kingdom under the Companies Act and is registered in England and Wales. The address of the registered office is given on page 214. The nature of the Group's operations and its principal activities are set out in the Strategic report on pages 1 to 71 and in note 3.

These financial statements are presented in British pounds sterling. All amounts, unless otherwise stated, have been rounded to the nearest thousand. Foreign operations are included in accordance with the accounting policies set out below.

Amendments to IFRSs that are mandatorily effective

Impact of accounting standards to be applied in future periods

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to 30 September 2022 that the Group has decided not to adopt early. The Group does not believe these standards and interpretations will have a material impact on the financial statements once adopted.

IFRS 9 Financial Instruments

The standard is being amended for periods beginning from 1 January 2021 in response to the phasing out of certain benchmark interest rates. The amendments cover how to account for changes in contractual cash flows or hedging relationships for financial instruments affected by the replacement of benchmark interest rates. During the period, the Group has not designated any risk components of alternative benchmark rates in any hedge relationships. The Group does not hold any other financial instruments exposed to alternative benchmark rates, except its term loan and revolving credit facilities and corresponding interest rate swaps, which previously referenced GBP LIBOR rates and transitioned to GBP SONIA rates during the year at the point of the cessation of the impacted LIBOR rate. The Group does not expect that any transition adjustments will be required.

IAS 1 Presentation of Financial Statements

The standard is being amended for periods beginning from 1 January 2024 to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. The classification between current and non-current is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The amendment only affects the presentation of liabilities in the statement of financial position. The Group does not expect that any transition adjustments will be required.

IAS 37 Onerous Contracts – Cost of Fulfilling a Contract

The standard is being amended for periods beginning from 1 January 2022 to clarify what costs an entity considers in assessing whether a contract is onerous. Cost of fulfilling a contract comprises the costs that relate directly to the contract. The Group does not expect that any transition adjustments will be required.

Prior period restatements

Prior period error

In Hyve Group plc's Annual Report and Accounts for the year ended 30 September 2021 and preceding years, the impairment, amortisation and deferred tax charges recognised in respect of goodwill and acquired intangible assets relating to non-wholly owned businesses were attributed wholly to the owners of the company, rather than being apportioned between the owners of the company and the non-controlling interests. In total, impairment and amortisation charges of £19.1m were incorrectly attributed to the owners of the company rather than the non-controlling interests. Similarly, amounts totalling £1.7m, previously recognised in the Group's translation reserve in respect of the translation of the same goodwill and intangible assets, have been incorrectly attributed to the owners of the company rather than the non-controlling interests. The Group's retained earnings, translation reserve and non-controlling interests in the statement of financial position and consolidated statement of changes in equity have been restated to correct for these errors.

The following table summarises the impact of the restatements on the financial statements of the Group. The net impact on the Group's net assets is £nil.

Consolidated statement of financial position	1 October 2020 and 30 September 2021 £000
Retained earnings	(19,105)
Translation reserve	1,735
Non-controlling interest	17,370
Change to total equity	–

A 30 September 2020 statement of financial position has not been presented as the changes are not considered material; the impact would have been an increase in retained earnings of £19.1m and an increase in the translation reserve of £1.7m and a decrease in non-controlling interests of £17.4m.

Discontinued operations

The Group's results for the year ended 30 September 2021 have also been restated for the treatment of the Russian, Ukrainian and Turkish businesses as discontinued operations. See note 17 for further details. All subsequent references to restatements throughout these results refer to the changes as disclosed in this note and note 17.

2 Basis of accounting

Hyve Group plc (the 'Company') is a UK listed company and, together with its subsidiary operations, is herein after referred to as the 'Group'. These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 ('IFRS') and in accordance with UK-adopted international accounting standards.

The preparation of financial statements under IFRS requires the Directors to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, and income and expenses. These estimates and associated assumptions are based on past experience and other factors considered applicable at the time and are used to make judgements about the carrying value of assets and liabilities that cannot be readily determined from other sources. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Changes to estimates and assumptions are reflected in the financial statements in the period in which they are made.

The statements are presented in British pounds sterling and have been prepared under IFRS using the historical cost basis, except for the revaluation of certain financial instruments which are recognised at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The principal accounting policies adopted are consistent with the prior year.

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future.

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

In October 2022, the Group completed the refinancing of its debt facilities. The new facilities, totalling £135m, comprise a £115m term loan and £20m revolving credit facility. The £101.0m that was drawn at 30 September 2022 on the previous facility was repaid in full on 20 October 2022, with the new term loan of £115m being fully drawn on the same date. The term loan will be repaid in full upon the expiry of the facility in October 2026. Under the new facilities, a minimum liquidity covenant of £21m is in place up to and including August 2023. Thereafter a quarterly leverage ratio applies, set at 4.4x in September 2023, 4.2x in December 2023 and at 3x thereafter.

With the exception of China, the Group ran a full schedule of events in FY22. The pace of in-person event recovery has quickened throughout the financial year, alongside a number of other positive trends, including increased like-for-like customer spend, improved NPS scores, the return of international attendance and strong forward bookings for next year's events. The Group's recovery has been supported by the acquisitions of 121 Group in November 2021 and Fintech Meetup in March 2022, which have accelerated the Group's omnichannel strategy.

The Group has modelled a number of scenarios, based on different assumptions, regarding the next 12 months. For the purposes of considering the Group's going concern assessment, we have focused on two scenarios:

- A Base Case; and
- A Downside Case.

The Base Case, which represents the Directors' current best estimate, assumes a full schedule of events will take place in FY23. This considers the latest information available in respect of COVID-19 restrictions in China and reflects that we currently expect to be able to run our events in the region but with some Q1 events postponed until later in FY23, including the ChinaCoat event, operated by our 50% joint venture Sinostar, which will result in no dividend from the joint venture being received in FY23 as the event, moves into Sinostar's year ending December 2023. Under the Base Case scenario, available liquidity is expected to remain in excess of £43m throughout the 12-month period from the date of the annual report.

The Downside Case has been modelled for the purposes of ensuring the minimum liquidity covenant and leverage covenant are not breached during the period of assessment, even if the Group's trading is impacted by a deterioration of the wider macroeconomic environment, including the impact of a possible recession, or if its event schedule in China is disrupted by the continuation of COVID-19 restrictions, or a combination of these events.

The Downside Case considers the impact a global recession could have on the Group's financial performance and takes account of the relative strength of the industries and geographies that the Group's events operate in and how exposed they could be to an economic downturn. For example, the latest economic forecasts suggest that the UK could face a worse recessionary environment than many other countries and we have therefore applied larger reductions to the UK retail and fashion event projections. In conjunction with this trading decline, we have also considered the impact that a reasonably possible increase in interest rates would have under the Group's new debt facilities. A margin of 7.75% is payable on the £115m term loan plus a variable rate of interest based on SONIA, which in the Downside Case we assume increases to 5%. Finally, the Downside Case assumes that, due to an extension of COVID-19 restrictions in China, the Group's events in the region will not be able to take place for their next scheduled edition, and therefore that no events will take place in China until FY24. In response to this scenario playing out, modest cost savings have been assumed, including reduced discretionary bonus payments and variable event savings as a result of the reduced revenues and event cancellations. Liquidity is expected to remain in excess of £34m throughout the 12-month period from the date of the annual report.

2 Basis of accounting continued

Throughout the 12-month period of assessment, both scenarios have material headroom over and above both the £21m minimum liquidity covenant in place through to the end of August 2023 and the leverage ratio covenant after its introduction in September 2023.

The Directors have also modelled a reverse stress test, which assesses the liquidity and covenant position if an even more extreme deterioration in event performance were to occur. This has been reflected through a 20% reduction to all event revenues throughout the forecast period, except where forward bookings are already in excess of this level. This is in addition to the cancellation of the Group's Chinese events in FY23 and an increase in the variable interest rate paid on the Group's debt.

As in the Downside Case, variable event savings have been modelled in response to the reduced revenues. Given the significance of the reductions, additional cost actions, over and above those assumed in the Downside Case, have also been assumed, reflecting a reduction in discretionary spend that could be implemented if required.

Under this scenario, the Group would still have available liquidity of at least £30m within the period of assessment and therefore would have material headroom above the minimum liquidity covenant, but would breach the leverage covenant when it is introduced in September 2023 and would therefore require a covenant waiver. The Directors feel that the assumptions applied in this reverse stress test are remote, given the performance of the Group's recent events and the current level of forward bookings for FY23.

Further, the Group could still implement a number of additional mitigating actions if required. The Group implemented a material cost savings programme in response to the COVID-19 outbreak and has demonstrated an ability to quickly action cost reductions if necessary. Further cost savings over and above those assumed in the reverse stress test scenario could be actioned to help ease liquidity if required, including:

- A delay in planned investments, including the rollout of meetings programmes;
- A further reduction in discretionary staff bonus payments;
- A hiring freeze on staff vacancies; and
- A reduction in discretionary spend in other areas, including travel, technology and people-related investments such as reward and training.

These mitigating actions would enable the Group to meet the leverage covenant in September 2023, even if the reverse stress test scenario were to play out. The Group also has a number of additional actions that could be taken, including staff redundancies, disposal of events or portfolios of events or an equity raise, all of which have been successfully actioned in recent years since the start of the COVID-19 pandemic.

Based on the current and projected levels of liquidity, under a range of modelled scenarios, the Directors believe that the Group is well placed to manage its financial obligations and other business risks satisfactorily. The Directors have been able to form a reasonable expectation that the Group has adequate resources to continue in operation for at least 12 months from the signing date of these financial statements. The Directors therefore consider it appropriate to adopt the going concern basis of accounting in preparing the annual report financial statements.

Basis of consolidation

The Group accounts consolidate the accounts of Hyve Group plc and the subsidiary undertakings controlled by the Company drawn up to 30 September each year. Control is achieved where the Company has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

On acquisition, the assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets is recognised as goodwill. The interest of non-controlling shareholders is stated at the non-controlling interest's proportion of the fair values of assets and liabilities recognised.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interest in the net assets of consolidated subsidiaries is identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests as at the date of the original business combination and the non-controlling interest's share of changes in equity since the date of the combination. Losses applicable to the non-controlling interests in excess of their interest in the subsidiaries, equity are allocated against non-controlling interests, even if this results in a deficit balance.

2 Basis of accounting continued

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Any costs attributable to the business combination are expensed directly to the Consolidated income statement. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for resale in accordance with IFRS 5 Non-current assets held for sale and discontinued operations.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the income statement.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is classified as a financial liability that is within the scope of IFRS 9, will be recognised in the income statement as investment income or finance cost.

The interest of minority shareholders in the acquiree is initially measured as the non-controlling interest's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

A step acquisition occurs when the Group obtains control over an entity by acquiring an additional interest in that entity. If that entity is a business, the Group's previously held equity interest is remeasured to fair value at the date the controlling interest is acquired. Any difference in the previously held equity interest is recognised as a gain or loss in the income statement. Any amounts previously recorded in other comprehensive income relating to the investee are reclassified and included in the calculation of the gain or loss as of the acquisition date. In a step acquisition in which control is obtained, but the Group does not purchase all of the remaining ownership interests, a non-controlling interest is recorded in equity at the acquisition date at fair value.

Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment in a joint venture, or a portion of an investment in a joint venture, the investment, or the portion of the investment in the joint venture that will be disposed of, is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified a held for sale. Any retained portion of an investment in a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the joint venture.

After the disposal takes place, the Group accounts for any retained interest in the joint venture in accordance with IFRS 9 unless the retained interest continues to be a joint venture, in which case the Group uses the equity method (see the accounting policy regarding investments in joint ventures below).

Discontinued operations

The Group classifies an operation as discontinued when it has disposed of or intends to dispose of a business component that represents a separate major line of business or geographical area of operations. The post-tax profit or loss of the discontinued operations is shown as a single line on the face of the Consolidated income statement, separate from the continuing operating results of the Group. When an operation is classified as a discontinued operation, the comparative Consolidated income statement is represented as if the operation had been discontinued from the start of the comparative year.

2 Basis of accounting continued

Hyperinflation accounting

Effective from 1 October 2021, the Group has applied IAS 29 Financial Reporting in Hyperinflationary Economies for its subsidiaries in Turkey, whose functional currencies have experienced a cumulative inflation rate of more than 100% over the past three years. Assets, liabilities, the financial position and results of foreign operations in hyperinflationary economies are translated to pounds sterling at the exchange rates prevailing on the reporting date. The exchange differences are recognised directly in other comprehensive income, and accumulated in the foreign currency translation reserve in equity. Such translation differences are reclassified to profit or loss only on disposal of the overseas operation.

Prior to translating the financial statements of the Turkish subsidiaries, the non-monetary assets and liabilities stated at historical cost are restated to account for changes in the general purchasing power of the local currencies based on the consumer price index (TÜFE, 2003=100) published by the Turkish Statistical Institute (TURKSTAT). The consumer price index for the year ended 30 September 2022 increased by 84% from 640 at 30 September 2021 to 1,190 at 30 September 2022. On the date of first-time adoption, being 1 October 2021, the adjustment for the carrying amounts of non-monetary assets and liabilities was considered immaterial and therefore not recognised in retained earnings in equity or presented in the consolidated statement of changes in equity. The subsequent gains or losses from restatement of non-monetary assets and liabilities are recorded in the Consolidated income statement.

For the year ended 30 September 2022, the adjustments from hyperinflationary accounting have resulted in an increase in total liabilities of £0.2m and an increase in loss from discontinued operations of £0.2m. Comparative amounts presented in pounds sterling were not restated for subsequent changes in the price level or exchange rates.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition. Goodwill is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in the Consolidated income statement and is not subsequently reversed.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units ('CGUs') expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill on acquisition of a foreign entity is treated as an asset of the foreign entity and translated at the closing rate.

Intangible assets

Computer software is initially measured at purchase cost. Customer relationships, trademarks and licences, perpetual technology licences and visitor databases are initially measured at fair value. Computer software, customer relationships, trademarks and licences, and visitor databases have a definite useful life and are carried at cost or fair value less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful life. The estimated useful lives are typically between three and 12 years for customer relationships, for trademarks up to 20 years and for visitor databases between five and eight years. Computer software is amortised over five years. The amortisation charge is included in administrative expenses in the Consolidated income statement.

Impairment of assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment is recognised immediately as an expense. The impairment charge is included in administrative expenses in the Consolidated income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset (CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior years. A reversal of an impairment loss is recognised in the Consolidated income statement immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2 Basis of accounting continued

Property, plant and equipment
Property, plant and equipment is carried at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold land and buildings	– term of lease
Plant and equipment	– 2 to 10 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying value amount of the asset and is recognised in the Consolidated income statement.

Investments in joint ventures
A joint venture is an entity over which the Group is in a position to exercise joint control. Joint control exists when decisions about the activities of the entity require the unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting. Investments in joint ventures are carried in the Statement of financial position at cost as adjusted by post-acquisition changes in the Group's share of net assets of the joint venture, less any impairment in the value of individual investments. Losses of a joint venture in excess of the Group's interest in that entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

Where a Group company transacts with a joint venture of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant joint venture. Losses may provide evidence of an impairment of the asset transferred, in which case an appropriate provision is made for impairment.

Other investments
Other investments are entities over which the Group does not have significant influence. Other investments are classified as assets held at fair value through profit or loss, with changes in fair value reported in the income statement.

Provisions
Provisions are recognised when the Group has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are discounted to present value where the effect is material.

Financial instruments
Classes of financial instruments
The Group aggregates its financial instruments into classes based on their nature and characteristics. The details of financial instruments by class are disclosed in note 23 to the consolidated accounts.

Financial assets
All recognised financial assets that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group classifies its financial assets into the following categories: cash and cash equivalents and trade and other receivables.

Financial assets are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and on demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other receivables
Trade receivables and other receivables are measured on initial recognition at fair value, and are subsequently measured at amortised cost, less any impairment. Trade receivables are recognised at the earlier of settlement of the performance obligation and the Group having an enforceable right of payment related to performance obligation.

The gain or loss on revaluation of deferred and contingent consideration receivable is recognised in the Consolidated income statement as investment revenue or a finance loss.

2 Basis of accounting continued

Impairment of financial assets

The Group always recognises lifetime expected credit losses ('ECL') for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

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

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

Financial liabilities

The Group classifies its financial liabilities into the following categories: written equity options, bank borrowings, and trade and other payables.

Financial liabilities are recognised on the Group's Consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Written equity options

Any contract with a single or multiple settlement option that contains an obligation for the Group to purchase equity in a subsidiary for cash gives rise to a financial liability for the present value of the repurchase price. An amount equal to the liability is recorded in equity on initial recognition of a written equity option. The liability is subsequently remeasured through the Consolidated income statement.

Where considered significant, the Group's written equity options are discounted to their present value. The unwinding of the discount is charged through the Consolidated income statement over the period to exercise.

Bank borrowings

Interest-bearing loans and overdrafts are recorded at the proceeds received, net of direct issue costs and stated at amortised cost using the effective interest rate method. The amortised cost calculation is revised when necessary to reflect changes in the expected cash flows and the expected life of the borrowings, including the effects of the exercise of any prepayment, call or similar options. Any resulting adjustment to the carrying amount of the borrowings is recognised as interest expense in the income statement. Loan and overdraft interest and associated costs that are considered to be financing in nature are presented as financing activities in the Consolidated cash flow statement.

Trade and other payables

Trade payables are measured at initial recognition at fair value and are subsequently measured at amortised cost. Trade payables are derecognised in full when the Group is discharged from its obligation, it expires, is cancelled or is replaced by a new liability with substantially modified terms. Trade and other payables are short term and there is no interest charged in connection with these, hence the effective interest method is not applied.

The gain or loss on revaluation of deferred and contingent consideration payable is recognised in the Consolidated income statement as investment revenue or a finance cost.

Derivative financial instruments and hedge accounting

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates and changes in interest rates. The Group uses derivative financial instruments such as interest rate swaps to hedge these exposures.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Consolidated income statement unless hedge accounting has been applied by designating the derivative as a hedging instrument in an eligible hedging relationship. The Group designates its derivative financial instruments as hedging instruments in cash flow hedge relationships. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with the risk management objectives and strategy for undertaking various hedging transactions. At inception of the hedging relationship, and on an ongoing basis, the Group performs an assessment of hedge effectiveness to confirm the subsistence of an economic relationship, credit risk does not dominate value changes that result from that economic relationship and the designated hedge ratio is consistent with the risk management strategy.

Derivative instruments are initially recognised at fair value at the date a derivative contract is entered into and are subsequently measured to their fair value at the end of each financial year. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in equity.

The gain or loss relating to any ineffective portion is recognised immediately in the Consolidated income statement as investment revenue or finance costs respectively. Amounts deferred in equity are recycled in the Consolidated income statement in the periods when the hedged item is recognised in the Consolidated income statement, in the same line of the Consolidated income statement as the recognised hedged item.

2 Basis of accounting continued

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in the income statement.

The Group's use of financial derivatives is governed by the Group's financial policies. Further details on these policies can be found in the Strategic report on pages 1 to 71.

Fair values

The fair value is defined as the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties and is calculated by reference to market rates discounted to current value.

The Group determines the fair value of its financial instruments using market prices for quoted instruments and widely accepted valuation techniques for other instruments.

Valuation techniques include discounted cash flows, standard valuation models based on market parameters, dealer quotes for similar instruments and use of comparable arm's length transactions.

Revenue

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales-related taxes, and provisions for returns and cancellations.

Revenue from exhibitions and conferences, whether in-person or virtual, is recognised when the event is held, being the point in time that services are provided to the customer and performance obligations have been satisfied. Payments for events are normally received in advance of the event dates. Contractually committed revenues and billings, to the extent that the amounts have fallen due and there is an enforceable right to payment, and cash received in advance, and directly attributable costs relating to future events, are deferred.

The amounts deferred are included in the Statement of financial position as deferred income and prepayments respectively until the event has completed. Deferred income balances included in current liabilities at the reporting date will be recognised as revenue within 12 months. Therefore, the aggregate amount of the transaction price in respect of performance obligations that are unsatisfied at the reporting date is the deferred income balance which will be satisfied within one year.

If an event is anticipated to make a loss, then the prepaid event costs in excess of the deferred income held in the Statement of financial position at the end of a financial year are written off in full. Where material, transaction prices and discounts are appropriately allocated between performance obligations based on the market price of products.

Marketing and advertising services revenues are recognised on issue of the related publication, over the period of the advertising subscription, or over the period when the marketing service is provided, on a straight-line basis. The performance obligations are satisfied over time and this reflects when the customer benefits from the services provided. The performance obligations are distinct, being events held or publications issued. Where material, transaction prices and discounts are appropriately allocated between performance obligations based on the market price of products. Payments for such services are normally received in advance of the marketing or advertising period.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Income from investments is recognised when the shareholders' rights to receive payment have been established.

Due to the nature of the business, there is an immaterial value of transaction price allocated to unsatisfied performance obligations. There are no material contract assets arising on work performed to deliver performance obligations.

Barter transactions

Revenue relating to barter transactions is recorded at fair value and the timing of recognition is in line with the above. Expenses from barter transactions are recorded at fair value and recognised as incurred. Barter transactions typically involve the trading of show space or conference places in exchange for services provided at events or media advertising.

Taxation

The tax expense represents the sum of tax currently payable and deferred tax.

The current tax charge is based on the taxable profit for the year using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

2 Basis of accounting continued

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised only to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that does not affect the tax profit or the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying value of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except where it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

A current tax provision is recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

Insurance proceeds

The Group has insurance policies in place in respect of event postponements and cancellations. The gross proceeds from claims under these policies are recognised in the income statement as other operating income when the receipt of the proceeds is virtually certain.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in the income statement on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or their contractual rate where applicable. Monetary assets and liabilities denominated in foreign currencies at the end of each financial year are retranslated at the rates of exchange prevailing at that date. Non-monetary assets and liabilities are translated at the rate prevailing at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Gains and losses arising on the settlement of monetary items, and on the retranslation of monetary items, are included in income for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in income for the period except for differences arising on the retranslation of non-monetary items in respect of which gains or losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is recognised in other comprehensive income.

Details of the Group's accounting policies for forward contracts and options are included in the policy on derivative financial instruments.

On consolidation, the monthly income statements of overseas operations are translated at the average rates of exchange for each month, and each Statement of financial position at the rates ruling at the end of each financial year. Exchange differences arising are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expense in the period in which the operation is disposed of. The Group deems an operation to be disposed of when it has lost control of the trade and assets of that operation.

Under the exemption permitted from IAS 21 (the effects of changes in foreign exchange rates), cumulative translation differences for all foreign operations prior to 1 October 2004 have been treated as zero. Consequently, any gain or loss on disposal will exclude translation differences that arose prior to 1 October 2004.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2 Basis of accounting continued

Employee Share Ownership Trust
The financial statements include the assets and liabilities of the Employee Share Ownership Trust ('ESOT'). Shares in the Company held by the ESOT have been valued at cost and are held in equity. The costs of administration of the ESOT are written off to profit or loss as incurred.

Where such shares are subsequently sold, any net consideration received is included in equity attributable to the Company's equity holders.

Pension and other retirement benefits
The Group operates defined contribution pension plans in multiple regions around the Group. Contributions payable are charged to the income statement as they fall due as an operating expense.

Share-based payments
Equity-settled
The Group issues equity-settled share-based payments to certain employees. These are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Cash-settled
The Group operates a cash-settled share-based compensation plan for the benefit of certain employees. Cash-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at each reporting date. The fair value is expensed on a straight-line basis over the vesting period, with a corresponding increase in liabilities.

Fair value is measured using an option pricing model. The expected life used in the model has been adjusted, for the effects of non-transferability, exercise restrictions and behavioural considerations based on management's best estimate.

Leases
The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as operating leases expensed directly to the income statement.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, using the discount rate implicit with the lease. The lease liability is presented as a separate line in the Consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the discount rate used at commencement) and by reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right of use asset) whenever:

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification; or
- The lease payments change due to changes in an index or rate or a change in expected payments, in which cases the lease liability is remeasured by discounting the revised lease payments using a changed discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and vacant property provisions. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the expected lease term of the underlying asset. The depreciation starts at the commencement date of the lease. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss against the right-of-use asset.

Headline results (notes 5 and 11)
In addition to the statutory results, headline results are prepared for the income statement, including measures in relation to operating profit, profit before tax and diluted earnings per share, as the Board considers these measures to be the most appropriate way to measure the Group's performance in a way that is comparable to the prior year.

The Group presents headline results (note 5) and headline diluted earnings per share (note 11) to provide additional useful information on business performance trends to shareholders. These results are used for performance analysis and incentive compensation arrangements for employees. Headline results exclude items that are commonly excluded among peer companies: amortisation and impairment of goodwill and other intangible assets, transaction costs, profit or loss on disposal of businesses, and other items that in the opinion of the Directors would distort underlying results. The term 'headline' is not a defined term under IFRS and may not therefore be comparable to similarly titled profit measurements reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measurements of profit. Refer to note 5 for details of adjusting items recorded for the year and reconciled to statutory operating profit.

2 Basis of accounting continued

Critical accounting judgements and key sources of estimation uncertainty
In the process of applying the Group's accounting policies, a number of judgements and estimates have been made by management. Those that have the most significant effect on the amounts recognised in the financial statements or have the most risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical accounting judgements
Adjusting items
The classification of adjusting items requires significant management judgement after considering the nature and intentions of a transaction. The Group's definitions of adjusting items are outlined within both the Group accounting policies and the Glossary. These definitions have been applied consistently year-on-year.

Note 5 provides further details on current year adjusting items.

Valuation of separately identifiable intangible assets
To determine the value of separately identifiable intangible assets on a business combination, and deferred tax on those intangible assets, the Group is required to make judgements when utilising valuation methodologies. The valuation is based upon discounted cash flow models and includes judgements in relation to future cash flows, discount rates intended to reflect the risk-adjusted cost of capital in the territory of the acquisition, revenue forecasts and the estimates for the useful economic lives of intangible assets. There are significant judgements involved in assessing what amounts should be recognised as the estimated fair value of assets and liabilities acquired through business combinations, particularly the amounts attributed to separate intangible assets such as trademarks and customer relationships. These judgements impact the amount of goodwill recognised on acquisition. Any provisional amounts are subsequently finalised within the 12-month measurement period, as permitted by IFRS 3 Business Combinations. The Group considers the advice of third-party independent valuers to identify and calculate the valuation of intangible assets on acquisition. Details of acquisitions in the year are set out in note 13.

Key sources of estimation uncertainty
Impairment of goodwill and intangible assets
There are a number of estimates management considers when determining value in use, most significantly the growth rates applied to future cash flows and the discount rates used to derive the present value of those cash flows. Growth rates reflect management's view of the long-term forecast rates of growth, using third-party sources such as the International Monetary Fund (IMF) where appropriate. Discount rates are selected to reflect the risk-adjusted cost of capital for the respective territories. The most significant area of estimation uncertainty relates to forecast cash flows at each CGU. Forecast cash flows are based on Board-approved budgets and plans. A significant change in the assumptions used in determining the value in use of certain CGUs, could potentially result in an impairment charge being recognised in relation to those CGUs.

See notes 12 and 14 for further detail.

The carrying value of goodwill and intangible assets at 30 September 2022 is £141.2m (2021: £73.7m) and £195.6m (2021: £200.7m) respectively.

Deferred and contingent consideration receivable and payable
The valuation of deferred and contingent consideration receivable of £9.3m (2021: £9.8m) and payable of £58.0m (2021: £0.8m), recognised upon disposal or acquisition of the Group's businesses, is significantly impacted by the estimation of the discount rate used in determining the present value of the consideration. The discount rate is selected to reflect the risk-adjusted cost of capital for the territory in which the disposal or acquisition has taken place, as well as the size and credit risk of the buyer for disposals. Any contingent element of the deferred and contingent consideration receivable and payable is recognised at fair value based on the Directors' best estimate of the relevant performance of the disposed of or acquired business.

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements:

	Fair value at			Range of inputs (probability weighted average)		
Description	**30-Sep-22 £000**	30-Sep-21 £000	Un-observable inputs	**2022**	2021	Relationship of unobservable inputs to fair value
Deferred and contingent consideration payable	**58,039**	–	Risk-adjusted discount rate	5%	n/a	A change in the discount rate by 5% would increase/decrease the fair value by £4.2m
			Expected cash inflows	5%	n/a	If expected cash flows were 5% higher or lower, the fair value would increase/decrease by £2.5m

Deferred tax assets
Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Therefore, there is estimation uncertainty relating to the forecast profits. The forecast profits are based on Board-approved budgets and plans and are consistently used across all key sources of estimation uncertainty. The deferred tax asset of £8.5m is subject to sensitivities of the US forecast profit for the years ending 30 September 2023 to 30 September 2026. At 30 September 2022, deferred tax assets of £13.0m (2021: £5.7m) have been recognised.

3 Segmental information

The Group has identified reportable segments based on financial information used by the Executive Directors in allocating resources and making strategic decisions. The Executive Directors (consisting of the Chief Executive Officer and the Chief Finance and Operations Officer) are considered to be the Group's Chief Operating Decision Maker. The Group evaluates performance on the basis of headline profit or loss before tax.

The Group's reportable segments are operational business units and groups of events that are managed separately, either based on geographic location or as portfolios of events.

During the year, the Group has made changes to its reportable segments. The Global Communities division was previously managed by a single divisional leadership team but during the year was divided into three new operating segments, each consisting of complementary event portfolios that are managed in unison by separate divisional leadership teams. The three new operating segments are as follows:

- EdTech & Natural Resources;
- Retail, Manufacturing & Engineering; and
- RetailTech & FinTech.

Following the Group's disposal of its Russian and Ukrainian businesses during the year and its subsequent disposal of the Turkish business subsequent to the year ended 30 September 2022, the Russian, Ukrainian and Turkish businesses are treated as discontinued operations in both the current and comparative periods. The Ukrainian and Turkish businesses together comprise the Eastern & Southern Europe division.

In the year ended 30 September 2021, the Central Asia division was also treated as a discontinued operation. As a result, the comparative results are restated to incorporate the Russian, Eastern & Southern Europe and Central Asian divisions.

The products and services offered by each business unit are identical across the Group. The revenue and headline profit before tax are attributable to the Group's one principal activity, the organisation of trade exhibitions, conferences and related activities, and can be analysed by operating segment as follows:

Year ended 30 September 2022	EdTech & Natural Resources £000	Retail, Manufacturing & Engineering £000	RetailTech & FinTech £000	Asia £000	Continuing operations £000	Discontinued operations £000	Total Group £000
Revenue	32,659	38,966	45,017	5,820	122,462	44,827	167,289
Segment headline profit/(loss) before tax	1,018	5,764	9,300	(2,112)	13,970	15,781	29,751
Other operating income					19,557	–	19,557
Unallocated costs					(22,054)	–	(22,054)
Headline profit before tax					11,473	15,781	27,254
Adjusting items					(42,440)	(46,271)	(88,711)
Loss before tax					(30,967)	(30,490)	(61,457)
Tax					5,615	(2,922)	2,693
Loss for the period					(25,352)	(33,412)	(58,764)

The revenue in the year of £167.3m includes £1.4m (2021 (restated): £0.4m) of marketing and advertising services revenues. No individual customer amounts to more than 10% of Group revenues.

Other operating income includes insurance proceeds received in the year of £19.3m (2021: £65.0m) in relation to claims regarding the cancellation or postponement of a number of events that were scheduled to take place in FY20 and FY21. The gross proceeds are recognised in the income statement as other operating income when the receipt of the proceeds is virtually certain. Please refer to the Chief Finance and Operations Officer's statement for further detail.

3 Segmental information continued

Unallocated costs include:

- Head office costs;
- Foreign exchange gains and losses on translation of monetary assets and liabilities held in Group subsidiary companies that are denominated in currencies other than the functional currency of the subsidiaries; and
- Net finance costs.

The Group's share of profits from joint ventures, capital expenditure and amortisation and depreciation can be analysed by operating segment as follows:

Year ended 30 September 2022	EdTech & Natural Resources £000	Retail, Manufacturing & Engineering £000	RetailTech & FinTech £000	Asia £000	Continuing operations £000	Discontinued operations £000	Total Group £000
Share of results of joint ventures							
Share of results before tax	–	–	–	(957)	(957)	(177)	(1,134)
Tax	–	–	–	225	225	35	260
Share of results after tax	–	–	–	(732)	(732)	(142)	(874)
Capital expenditure							
Segment capital expenditure	32	7	116	31	186	215	401
Unallocated capital expenditure							559
							960
Depreciation and amortisation							
Segment depreciation and amortisation	9,450	10,172	8,128	1,272	29,022	575	29,597
Unallocated depreciation and amortisation							4,107
							33,704

The impairment charges in respect of goodwill, intangible assets, investments in joint ventures and other assets can be analysed by operating segment as follows:

	2022 £000	2021 £000
EdTech & Natural Resources	–	–
Retail, Manufacturing & Engineering	–	19,028
RetailTech & FinTech	–	–
Asia	–	–
Discontinued operations	2,850	–
	2,850	19,028

3 Segmental information continued

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

Year ended 30 September 2022	EdTech & Natural Resources £000	Retail, Manufacturing & Engineering £000	RetailTech & FinTech £000	Asia £000	Total Group £000
Assets					
Segment assets	**137,240**	**99,496**	**162,398**	**62,367**	**461,501**
Assets classified as held for sale					**2,963**
Unallocated assets					**15,151**
					479,615
Liabilities					
Segment liabilities	**(52,556)**	**(22,564)**	**(65,133)**	**(15,442)**	**(155,695)**
Liabilities classified as held for sale					**(2,854)**
Unallocated liabilities					**(131,903)**
					(290,452)
Net assets					**189,163**

All assets and liabilities are allocated to reportable segments except for certain centrally held balances, including property, plant and equipment and computer software relating to the Group's head office function, the Group's bank loan and taxation (current and deferred).

Year ended 30 September 2021 (restated)	EdTech & Natural Resources £000	Retail, Manufacturing & Engineering £000	RetailTech & FinTech £000	Asia £000	Continuing operations £000	Discontinued operations £000	Total Group £000
Revenue	984	10,055	6,669	4,114	21,822	33,428	55,250
Segment headline (loss)/profit before tax	(7,822)	(6,749)	(6,153)	(7,454)	(28,178)	6,136	(22,042)
Other operating income					66,101	–	66,101
Unallocated costs					(24,006)	–	(24,006)
Headline profit before tax					13,917	6,136	20,053
Adjusting items					(41,382)	(3,616)	(44,998)
(Loss)/profit before tax					(27,465)	2,520	(24,945)
Tax					4,636	289	4,925
(Loss)/profit for the period					(22,829)	2,809	(20,020)

3 Segmental information continued

Year ended 30 September 2021 (restated)	EdTech & Natural Resources Group £000	Retail, Manufacturing & Engineering £000	RetailTech & FinTech £000	Asia £000	Continuing operations £000	Discontinued operations £000	Total £000
Share of results of joint ventures							
Share of results before tax	–	–	–	1,880	1,880	120	2,000
Tax	–	–	–	(455)	(455)	–	(455)
Share of results after tax	–	–	–	1,425	1,425	120	1,545
Capital expenditure							
Segment capital expenditure	54	3	63	71	191	230	421
Unallocated capital expenditure							554
							975
Depreciation and amortisation							
Segment depreciation and amortisation	8,501	11,096	6,789	1,588	27,974	925	28,899
Unallocated depreciation and amortisation							5,835
							34,734

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

30 September 2021 (restated)	EdTech & Natural Resources Group £000	Retail, Manufacturing & Engineering £000	RetailTech & FinTech £000	Asia £000	Eastern & Southern Europe £000	Russia £000	Total £000
Assets							
Segment assets	78,893	115,780	76,566	68,488	5,938	31,592	377,257
Unallocated assets							43,652
							420,909
Liabilities							
Segment liabilities	(14,384)	(17,657)	(17,524)	(22,172)	(3,914)	(26,567)	(102,218)
Unallocated liabilities							(162,076)
							(264,294)
Net assets							156,615

3 Segmental information continued

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

Geographical information

	Revenue				Non-current assets[1]	
	2022		2021			
	Continuing £000	Discontinued £000	Continuing £000	Discontinued £000	2022 £000	2021 £000
Asia	**5,820**	**–**	4,317	–	**45,319**	46,377
Central Asia	**–**	**–**	–	49	**–**	–
Eastern & Southern Europe	**–**	**8,842**	–	5,401	**–**	2,340
Russia	**–**	**28,952**	–	21,398	**–**	19,170
UK	**42,219**	**–**	9,311	–	**70,382**	82,073
US	**40,142**	**–**	6,674	–	**133,468**	91,879
Rest of the World	**34,281**	**7,033**	1,520	6,580	**123,406**	94,243
	122,462	**44,827**	21,822	33,428	**372,575**	336,082

1 Non-current assets exclude deferred tax assets and non-current assets classified as held for sale.

4 Operating profit/(loss)

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

	2022 £000	2021 (restated) £000
Staff costs (note 8)	**53,658**	36,219
Redundancy, severance and payments in lieu of notice	**–**	(129)
Government grants – furlough payments received	**–**	(35)
Depreciation of property, plant and equipment (note 15)	**3,437**	4,777
Amortisation of intangible assets included within administrative expenses (note 14)	**29,693**	29,032
Impairment of assets (notes 12 and 19)	**2,850**	19,028
Profit on disposal of subsidiary holdings (note 17)	**(3,974)**	(197)
Short-term leases – offices	**90**	161
Short-term leases – venues	**30,035**	7,654
Loss/(gain) on derivative financial instruments – equity options (note 23)	**–**	(8,807)
Foreign exchange (gain)/loss on operating activities	**(2,707)**	306
Other operating income	**19,557**	66,101

Depreciation of property, plant and equipment of £0.6m (2021: £0.9m) is included in profit/(loss) from discontinued operations.

4 Operating profit/(loss) continued

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

	2022 £000	2021 £000
Cancellation insurance proceeds	**19,255**	64,992
Government and other subsidies	**–**	596
Other	**302**	513
Other operating income	**19,557**	66,101

Auditor's remuneration

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

	2022 £000	2021 £000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**533**	408
Fees payable to the Company's auditor and its joint ventures for other services:		
– The audit of the Company's subsidiaries pursuant to legislation	**231**	220
– Additional fees paid in relation to the 2021 audit	**–**	100
Total audit fees	**764**	728
– Other services pursuant to legislation (interim review)	**84**	69
– Advice regarding regulatory enquiries	**–**	12
– Reporting accountant work – Class 1 transaction	**231**	–
Total non-audit fees	**315**	81
	1,079	809

Details on the Group's policy on the use of the auditor for non-audit services, the reasons why the auditor was used rather than another supplier and how the auditor's independence and objectivity were safeguarded are set out in the Audit Committee report on pages 85 to 89. No services were provided pursuant to contingent fee arrangements.

5 Adjusting items

	2022 £000	2021 £000
Operating adjusting items		
Amortisation of acquired intangible assets (note 14)	**28,838**	27,770
Impairment of assets (notes 12 and 19)	**2,850**	19,028
Profit on disposal of subsidiary holdings (note 17)	**(3,974)**	(189)
Transaction costs on completed and pending acquisitions and disposals	**3,276**	682
Tax on income from joint ventures	**(225)**	455
Total operating adjusting items	**30,765**	47,746
Financing adjusting items		
Revaluation of assets and liabilities on completed acquisitions and disposals		
– Gain on revaluation of equity options (note 23)	**–**	(8,807)
– Loss on revaluation of deferred and contingent consideration payable (note 21)	**6,783**	1,350
– Loss on revaluation of deferred and contingent consideration receivable (note 19)	**1,050**	2,687
– Unwind of imputed interest credit on discounted deferred and contingent consideration receivable (note 19)	**(1,652)**	(1,594)
– Unwind of imputed interest charged on discounted deferred and contingent consideration payable (note 21)	**5,494**	–
Total adjusting items before tax	**42,440**	41,382

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

	2022 £000	2021 £000
Operating adjusting items		
Loss on disposal of discontinued operations (note 17)	**46,306**	3,604
Discontinued operations – adjusting items	**46,306**	3,604

The adjusting items are discussed in the Chief Finance and Operations Officer's statement and the alternative performance measures section of the Glossary.

6 Investment revenue

	2022 £000	2021 £000
Interest receivable from bank deposits	**269**	163
Gain on revaluation of equity options	**–**	8,807
Unwind of imputed interest credit on discounted deferred and contingent consideration receivable (note 19)	**1,652**	1,594
	1,921	10,564

7 Finance costs

	2022 £000	2021 £000
Interest on bank loans	**5,674**	5,241
Bank charges	**1,926**	2,350
Loss on revaluation of deferred and contingent consideration receivable (note 19)	**1,050**	2,687
Loss on revaluation of deferred and contingent consideration payable (note 21)	**6,783**	1,350
Unwind of imputed interest charged on discounted deferred and contingent consideration payable (notes 19 and 21)	**5,494**	–
Interest on lease liabilities (note 27)	**592**	650
	21,519	12,278

8 Staff costs

	2022 Number	2021 (restated) Number
The average monthly number of employees (including Directors) was:		
Administration	**146**	158
Technical and sales	**351**	325
	497	483

Their aggregate remuneration comprised:	£000	£000
Wages and salaries	**44,414**	30,269
Social security costs	**4,943**	3,573
Other staff benefits	**1,426**	674
Defined contribution pension scheme contributions	**1,277**	937
Share-based payments (note 28)	**1,598**	766
	53,658	36,219

The defined contribution pension contributions relate to the schemes in multiple regions around the Group. Staff costs of £8.5m (2021: £10.7m) are included in profit/(loss) from discontinued operations.

Details of audited Directors' remuneration are shown in the Directors' remuneration report on pages 99 to 127.

Remuneration of key management personnel is disclosed in note 29.

9 Tax on profit on ordinary activities

Analysis of tax credit for the year:

	2022 £000	2021 (restated) £000
Group taxation on current year result:		
UK corporation tax (credit)/charge on result for the year	**(178)**	1,211
Adjustment to UK tax in respect of previous years	**(222)**	17
	(400)	1,228
Overseas tax – current year	**400**	1,334
Overseas tax – previous years	**126**	(735)
	526	599
Current tax	**126**	1,827
Deferred tax		
Origination and reversal of temporary differences:		
Current year	**(5,576)**	(4,953)
Prior year	**(165)**	(1,510)
	(5,741)	(6,463)
	(5,615)	(4,636)

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

	2022 Gross £000	2022 Tax impact £000	2021 (restated) Gross £000	2021 (restated) Tax impact £000
Amortisation of acquired intangible assets	**28,838**	**5,745**	27,770	5,526
Impairment of assets	**2,850**	**–**	19,028	5,206
Change of rate of deferred tax on intangible assets	**–**	**–**	–	(4,712)
Profit on disposal of subsidiary holdings	**(3,974)**	**–**	(189)	–
Transaction costs on completed and pending acquisitions and disposals	**3,276**	**–**	682	–
Tax on income from joint ventures	**(225)**	**(225)**	455	455
Revaluation of liabilities on completed acquisitions				
– Gain on revaluation of equity options	**–**	**–**	(8,807)	–
– Loss on revaluation of deferred and contingent consideration payable	**6,783**	**–**	1,350	–
– Loss on revaluation of deferred and contingent consideration receivable	**1,050**	**–**	2,687	–
– Unwind of imputed interest credit on discounted deferred and contingent consideration receivable	**(1,652)**	**–**	(1,594)	–
– Unwind of imputed interest charged on discounted deferred and contingent consideration payable	**5,494**	**–**	–	–
	42,440	**5,520**	41,382	6,475

9 Tax on profit on ordinary activities continued

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

	2022 £000	2021 (restated) £000
Loss on ordinary activities before tax from continuing operations	**(30,967)**	(27,465)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2021: 19.0%)	**(5,884)**	(5,218)
Effects of:		
Profit on disposal of subsidiary holdings	**790**	(29)
Transaction costs	**209**	181
Tax effect of equity options and deferred contingent consideration	**2,218**	(1,133)
Impairment of assets	**543**	283
Other expenses not deductible for tax purposes	**873**	611
Tax effect of amortisation of intangible assets	**(86)**	(1,386)
Brought forward deferred tax asset recognised	**(4,602)**	(2,411)
Movement on provisions for tax uncertainties	**(283)**	(76)
Current year losses not recognised as a DTA	**–**	3,594
Brought forward losses utilised – no brought forward DTA	**57**	–
Withholding tax on overseas dividends suffered in the year	**85**	563
Deferred tax provision on repatriation of overseas profits	**(100)**	950
Adjustments in response to prior years	**(261)**	(2,215)
Change in tax rate at which deferred tax is calculated	**–**	2,072
Deferred tax brought forward at 25%, but utilised at 19%	**790**	–
Effect of different tax rates of subsidiaries in other jurisdictions	**(109)**	(137)
Associate tax	**145**	(285)
Total tax credit	**(5,615)**	(4,636)

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

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

A tax charge of £2.9m (2021 restated: a tax credit of £0.3m) has been recognised in respect of discontinued operations.

	2022 £000	2021 £000
Tax relating to components of comprehensive income:		
Cash flow (losses) – Deferred (note 24)	**(15)**	(130)
Tax relating to amounts (charged)/credited to equity:		
Share options – Deferred (note 24)	**(101)**	101
	(101)	101
	(116)	(29)

10 Dividends

The Directors have not proposed a final dividend (2021: nil) for the year ended 30 September 2022. The payment of dividends was restricted during the year under the terms of the waivers agreed with the Group's lenders in May 2020 and extended in November 2021, and remain restricted under the terms of the new debt facility agreed in October 2022 until the business is sufficiently deleveraged.

There were not any interim dividends declared or paid in the years ended 30 September 2022 and 30 September 2021.

Under the terms of the trust deed dated 20 October 1998, the Hyve Group Employees Share Trust, which holds 671,757 (2021: 771,375) ordinary shares representing 0.2% of the Company's called up ordinary share capital, has agreed to waive all dividends due to it each year.

11 Earnings per share

The calculation of basic, diluted, headline basic and headline diluted earnings per share is based on the following numbers of shares and earnings:

	2022 No. of shares (000)	2021 No. of shares (000)
Weighted average number of shares:		
For basic earnings per share	**287,388**	264,349
Effect of dilutive potential ordinary shares	**293**	132
For diluted and headline diluted earnings per share	**287,681**	264,481

Basic and diluted earnings per share
The calculations of basic and diluted earnings per share are based on the loss for the financial year attributable to equity holders of the parent of £58.1m (2021: loss of £19.2m). Basic and diluted earnings per share were (20.2)p and (20.2)p respectively (2021: (7.3)p and (7.3)p). No share options were included in the weighted average number of ordinary shares used in the calculation of the diluted earnings per share because their effect would have been anti-dilutive.

Headline earnings per share
The calculations of headline basic and diluted earnings per share are based on the headline profit for the financial year attributable to equity holders of the parent of £25.1m (2021: profit of £19.3m). Headline basic and diluted earnings per share were 8.7p and 8.7p respectively (2021: 7.3p and 7.3p).

Basic and diluted earnings per share from continuing operations
The calculations of basic and diluted earnings per share from continuing operations are based on the loss for the financial year attributable to equity holders of the parent from continuing operations of £24.7m (2021 restated: loss of £22.0m). Basic and diluted earnings per share from continuing operations were (8.6)p and (8.6)p respectively (2021 restated: (8.3)p and (8.3)p). No share options were excluded from the weighted average number of ordinary shares used in the calculation of the diluted earnings per share because their effect would have been anti-dilutive.

Headline earnings per share from continuing operations
The calculations of headline basic and diluted earnings per share are based on the headline profit for the financial year attributable to equity holders of the parent from continuing operations of £12.2m (2021 restated: £12.9m). Headline basic and diluted earnings per share from continuing operations were 4.2p and 4.2p respectively (2021 restated: 4.9p and 4.9p respectively).

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

	2022 £000	2021 (restated) £000
Loss for the financial year attributable to equity holders of the parent	**(58,113)**	(19,188)
Amortisation of acquired intangible assets	**28,838**	27,770
Impairment of assets (notes 12 and 19)	**2,850**	19,028
Profit on disposal of subsidiary holdings (note 17)	**(3,974)**	(189)
Loss on disposal of discontinued operations (note 17)	**46,306**	3,603
Transaction costs on completed and pending acquisitions and disposals	**3,276**	682
Tax on income from joint ventures	**(225)**	–
Revaluation of assets and liabilities on completed acquisitions and disposals		
– Gain on revaluation of equity options (note 23)	**–**	(8,807)
– Loss on revaluation of deferred and contingent consideration payable (note 21)	**6,783**	1,350
– Loss on revaluation of deferred and contingent consideration receivable (note 19)	**1,050**	2,687
– Unwind of imputed interest credit on discounted deferred and contingent consideration receivable (note 19)	**(1,652)**	(1,594)
– Unwind of imputed interest charged on discounted deferred and contingent consideration payable (note 21)	**5,494**	–
Tax effect of other adjustments	**(5,520)**	(6,019)
Headline profit for the financial year attributable to equity holders of the parent	**25,113**	19,323
Headline profit from discontinued operations	**12,894**	6,413
Headline profit for the financial year attributable to equity holders of the parent from continuing operations	**12,219**	12,910

12 Goodwill

	Goodwill £000
Cost	
At 1 October 2020	297,675
Additions through business combinations	12,741
Foreign exchange	(3,689)
Disposal	(5,777)
At 30 September 2021	**300,950**
Additions through business combinations (note 13)	62,025
Disposals	(55,110)
Foreign exchange	34,883
Goodwill classified as held for sale	(10,173)
At 30 September 2022	**332,575**
Provision for impairment	
At 1 October 2020	**(233,997)**
Disposals	2,029
Foreign exchange	4,720
At 30 September 2021	**(227,248)**
Disposals	36,771
Impairment	(2,072)
Foreign exchange	(9,016)
Accumulated impairment losses classified as held for sale	10,173
At 30 September 2022	**(191,392)**
Net book value	
At 30 September 2022	**141,183**
At 30 September 2021	73,702

Goodwill with a net book value of £18.3m was disposed of during the year following the disposal of the Russian business. The net book value of goodwill held in respect of ABEC and Ukraine, which were also disposed of during the year, was £nil. The goodwill classified as held for sale in respect of Turkey has a net book value of £nil, having previously been fully impaired (see note 17).

An impairment charge of £2.1m has been recognised in respect of Fin-mark Srl, which previously organised the Aqua-therm event in Ukraine. The impairment charges are recognised within administrative expenses in the Consolidated income statement.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the Group's cash flow forecasts, long-term growth rates and discount rates applied to the forecast cash flows.

Cash flow forecasts

The Group prepares cash flow forecasts based upon management's most recent four-year financial plans presented to and approved by the Board and thereafter creates a terminal value by extrapolating the planned cash flows.

The cash flow forecasts used in the value in use calculation have been revised to take into account the latest view of the Group's event schedule and its recovery from the COVID-19 pandemic. The profile of the recovery differs across the portfolio, influenced by the pre-COVID-19 trajectory, the proportion of the customer base that is international, the resilience of the industry sector and speed of recovery expected by geography. The forecasts assume that the impact of COVID-19 on the Group's event schedule will be minimal, with the notable exception of China (both in respect of events taking place in China and in respect of Chinese international participation at events outside China). On a total basis, adjusted for the Group's recent disposals, we now forecast a full recovery by the end of the financial year ending 30 September 2023, with further growth driven from the recent acquisitions of 121 Group and Fintech Meetup.

Central costs are allocated to the CGUs to the extent that they are necessarily incurred to generate the cash inflows, and can be directly attributed, or allocated on a reasonable and consistent basis.

Long-term growth rates

Growth rates beyond the detailed plans are based on IMF forecasts of inflation rates in the local markets, as the CGUs are expected to grow in line with their relevant underlying markets over the long term. These growth rates, of between 1% and 4%, do not exceed the long-term growth rates for the economies in which these businesses operate.

Discount rates

Management estimates discount rates that reflect the current market assessments of the time value of money and risks specific to the CGUs. There are a number of different inputs used in the build-up of the discount rates, including inflation rates, risk-free rates, market risk premiums and industry betas, taken from a number of independent sources, including the IMF, Bloomberg and Financial Times.

The pre-tax discount rates applied to the CGUs are between 16% and 20% (2021: 12% and 17%). The large variance in discount rates applied reflects the differences in risks inherent in the regions in which the CGUs operate.

12 Goodwill continued

Discount rates have increased significantly since the prior year, reflecting a number of changes in the Group's internal and external environment:

- Cost of debt – the Group's cost of debt has increased following the completion of a refinancing in challenging market conditions while the business is still recovering from the COVID-19 pandemic (see note 20). SONIA, the variable element of the Group's interest rates, has also increased significantly during the period.
- Macroeconomic uncertainty – the discount rates used by management are required to reflect market conditions at the reporting date. Due to the turmoil caused by the UK Government's 'mini-budget' in September 2022, risk-free rates as at 30 September 2022 were markedly higher than in the months preceding the reporting date and have since fallen.
- Share price volatility – as a result of the COVID-19 pandemic and the subsequent Russia-Ukraine war, the Group's share price has been highly volatile in recent years with the Group's market capitalisation falling significantly. Therefore the Group's beta, a measure of Hyve's volatility relative to market volatility, has increased and the size premium used in the discount rate build-up has been updated to reflect the Group's current value in use.

Individually significant CGUs

	Goodwill		Other intangible assets		Long-term growth rates		Pre-tax discount rates		Recoverable amount in excess of carrying value	
Significant CGUs	2022 £m	2021 £m	2022 £m	2021 £m	2022 %	2021 %	2022 %	2021 %	2022 £m	2021 £m
China	**10.7**	9.6	**0.7**	1.8	**2.0**	2.0	**17.2**	12.7	**1.4**	18.8
Global Natural Resources	**47.3**	0.8	**32.9**	27.7	**3.2**	3.3	**19.2**	15.1	**26.1**	14.1
Bett	**0.7**	0.7	**36.4**	40.2	**1.9**	2.0	**17.1**	12.6	**21.1**	6.9
Shipping & Specialised Engineering	**17.6**	16.2	**37.2**	41.5	**2.2**	1.9	**16.7**	12.0	**0.8**	14.1
UK	**–**	–	**23.2**	28.9	**1.9**	2.0	**17.1**	13.0	**26.0**	–
RetailTech	**36.2**	29.4	**62.6**	58.6	**2.0**	2.4	**16.5**	12.5	**77.8**	39.6
FinTech	**28.7**	–	**1.7**	–	**2.0**	n/a	**16.5**	n/a	**17.6**	n/a

A new CGU, FinTech, has been formed following the acquisition of Fintech Meetup in March 2022.

Goodwill of £38.1m and intangibles of £9.0m in respect of the acquisition of 121 Group have been allocated to the Global Natural Resources CGU (formerly Africa Oil & Mining CGU).

Sensitivity to changes in assumptions

The calculation of value in use is most sensitive to the discount rates, growth rates and forecast cash flows used. The Group has conducted a sensitivity analysis taking into consideration the impact on these assumptions arising from a range of reasonably possible trading and economic scenarios, including a recession in FY23. The scenarios have been performed separately, and in aggregate, for each CGU with a recoverable value in excess of its carrying value, with the sensitivities summarised as follows:

- A recession in FY23. We have sensitised forecasts to factor in the potential impact of a recession in FY23. Under this scenario, FY23 revenues in the China and UK CGUs decrease by 10%, revenues in Bett and CWIEME (a component of the Shipping & Specialised Engineering CGU) decrease by 5% and revenues in RetailTech decrease by 2%. The cost savings associated with these revenue declines are included in the forecast. Overall this represents an 11% decline in operating profits.
- An increase in the discount rate by 5%. This is comparable to the increase in the discount rates experienced in FY23 compared to FY22.
- A decrease in the long-term growth rate by 1%.

12 Goodwill continued

The sensitivity analysis shows that no impairment would result from the modelled recession scenario in FY23, a decrease in the long-term growth rate, an increase in the discount rate or an aggregate of these sensitivities, in any CGU other than in the China, Shipping & Specialised and Global Natural Resources CGUs. The changes in key assumptions that would cause the recoverable value of the CGUs to equal their carrying values are shown below.

Sensitivity	China	Shipping & Specialised Engineering	Global Natural Resources
% change in operating profit	–4.9%	–1.0%	–31.8%
% change in discount rate	1.5%	0.2%	5.1%
% change in long-term growth rate	–2.1%	–0.3%	–5.0%

13 Acquisitions

121 Group

On 26 November 2021, the Group acquired 100% of the share capital of 121 Group (HK) Limited and 121 Partners Limited (together '121 Group') a market-leading omnichannel meetings programme organiser focused on the mining sector across EMEA, North America and APAC. Initial cash consideration of £22.9m was paid at acquisition and the fair value of the deferred contingent consideration at the acquisition date was £24.4m. The acquisition was completed to support the Group's digital evolution and the delivery of its omnichannel strategy.

The deferred contingent consideration relates to three earn-out payments based on the EBITDA of 121 Group for the years ending 31 March 2022, 31 March 2023 and 31 March 2024. The deferred contingent consideration was calculated based on management's expectations of EBITDA at acquisition. A settlement of £7.2m was paid in July 2022 and the deferred contingent consideration was subsequently revalued at year end based on the latest forecasts, resulting in an increase of £2.3m of undiscounted forecast consideration payments compared with management's expectations at the time of acquisition.

During the period, the Group incurred transaction costs on the acquisition of £1.8m, which are included within administrative expenses.

The amounts to be recognised in respect of the identifiable assets acquired and liabilities assumed are presented as follows:

	Fair value £000
Non-current assets	
Intangible assets – Customer relationships	6,790
Intangible assets – Trademarks	2,259
Property, plant and equipment	587
Current assets	
Trade and other receivables	809
Cash and cash equivalents	3,126
Total assets	**13,571**
Current liabilities	
Trade and other payables	(606)
Current tax liabilities	(702)
Deferred income	(1,186)
Non-current liabilities	
Deferred tax liability	(1,686)
Lease liabilities	(254)
Total liabilities	**(4,434)**
Identifiable net assets	**9,137**
Goodwill arising on acquisition	38,122
Total consideration	**47,259**
Satisfied by	
Initial cash consideration	22,905
Deferred and contingent consideration	24,354
	47,259
Net cash outflow arising on acquisition	**(19,779)**
Net cash outflow arising on settlement of deferred contingent consideration	**(24,354)**
Total net cash outflow from acquisition	**(44,133)**

13 Acquisitions continued

The goodwill of £38.1m arising from the acquisition reflects the strategic value of the opportunity to share best practices across the Group and 121 Group omnichannel events and the potential synergies with the Group's Mining Indaba event. The goodwill of £38.1m is expected to be deductible for tax purposes.

The acquired business has contributed £6.3m to Group revenue and £2.1m to statutory profit before tax. Had the acquisition occurred on 1 October 2021, the acquired businesses would have contributed £9.2m to Group revenue and £4.1m to statutory profit before tax.

Net cash outflow arising on acquisition was £19.8m and net cash outflow arising on settlement of deferred contingent consideration was expected to be £24.4m at the acquisition date.

At 26 November 2021, the purchase price allocation (PPA) was prepared on a provisional basis in accordance with IFRS 3. During the 12-month measurement period from the acquisition date, the Group finalised the valuation of assets and liabilities acquired. Adjustments were made to the provisional PPA, which was disclosed in the Group's condensed consolidated financial statements for the six months ended 31 March 2022, resulting in an increase in the goodwill recognised on acquisition by £2.9m.

Fintech Meetup

On 11 March 2022, the Group announced the acquisition of 100% of the share capital of Fintech Meetup LLC ('Fintech Meetup'), an organiser of the leading US-based fintech facilitated meetings event, for initial cash consideration of £4.2m. Deferred contingent consideration payable with a fair value of £19.9m was recognised at the acquisition date. The deferred contingent consideration relates to two earn-out payments based on the EBITDA of Fintech Meetup in the years ending 30 September 2023 and 30 September 2024.

The deferred contingent consideration was calculated based on management's expectations of EBITDA at acquisition and was subsequently revalued at year end based on the latest forecasts, resulting in a forecast additional £5.0m of undiscounted consideration being payable compared with management's expectations at the time of acquisition.

During the period, the Group incurred transaction costs on the acquisition of £1.0m, which are included within administrative expenses.

The amounts to be recognised in respect of the identifiable assets acquired and liabilities assumed are presented as follows:

	Fair value £000
Non-current assets	
Intangible assets – Customer relationships	**797**
Intangible assets – Trademarks	**797**
Deferred tax asset	**490**
Current assets	
Trade and other receivables	**17**
Cash and cash equivalents	**622**
Total assets	**2,723**
Current liabilities	
Trade and other payables	**(108)**
Deferred income	**(2,396)**
Total liabilities	**(2,504)**
Identifiable net assets	**219**
Goodwill arising on acquisition	**23,903**
Total consideration	**24,122**
Satisfied by	
Initial cash consideration	**4,208**
Deferred and contingent consideration	**19,914**
	24,122
Net cash outflow arising on acquisition	**(3,586)**
Net cash outflow arising on settlement of deferred contingent consideration	**(19,914)**
Total net cash outflow from acquisition	**(23,500)**

The goodwill of £23.9m arising from the acquisition reflects the strategic value of the acquisition of an innovative product, including the expectation of new contracts and relationships and the potential for growth from further digital spin-off events.

The acquired business has contributed £2.3m to Group revenue and £1.0m to statutory profit before tax. Had the acquisition occurred on 1 October 2021, the acquired businesses would have contributed £2.3m to Group revenue and (£2.7m) to statutory profit before tax.

Net cash outflow arising on acquisition was £3.6m and net cash outflow arising on settlement of deferred contingent consideration was expected to be £19.9m at the acquisition date.

14 Other intangible assets

	Customer relationships £000	Trademarks and licences £000	Visitor databases £000	Perpetual technology licences £000	Computer software £000	Total £000
Cost						
At 1 October 2020	100,977	292,128	206	4,177	6,807	404,295
Additions through business combinations	–	1,270	–	9,523	99	10,892
Additions	–	–	–	–	104	104
Disposals	(1,938)	(1,327)	–	–	(1,109)	(4,374)
Foreign exchange	(1,968)	(3,024)	(33)	(179)	30	(5,174)
At 30 September 2021	97,071	289,047	173	13,521	5,931	405,743
Additions through business combinations (note 13)	**7,587**	**3,056**	**–**	**–**	**–**	**10,643**
Additions	**–**	**–**	**–**	**–**	**63**	**63**
Disposals	**(5,902)**	**(6,852)**	**–**	**–**	**(1,067)**	**(13,821)**
Foreign exchange	**5,015**	**12,691**	**(71)**	**3,158**	**74**	**20,867**
Intangible assets classified as held for sale (note 17)	**(10,400)**	**(2,132)**	**(102)**	**–**	**(10)**	**(12,644)**
At 30 September 2022	**93,371**	**295,810**	**–**	**16,679**	**4,991**	**410,851**
Amortisation						
At 1 October 2020	(60,492)	(99,064)	(206)	(348)	(3,613)	(163,723)
Charge for the year	(8,311)	(17,908)	–	(1,551)	(1,262)	(29,032)
Impairments (note 12)	(1,169)	(17,859)	–	–	–	(19,028)
Disposals	1,938	1,327	–	–	945	4,210
Foreign exchange	1,437	1,033	33	34	(47)	2,490
At 30 September 2021	(66,597)	(132,471)	(173)	(1,865)	(3,977)	(205,083)
Charge for the year	**(9,185)**	**(17,892)**	**–**	**(1,761)**	**(855)**	**(29,693)**
Disposals	**5,902**	**6,852**	**–**	**–**	**843**	**13,597**
Foreign exchange	**(1,973)**	**(3,875)**	**71**	**(847)**	**(72)**	**(6,696)**
Accumulated amortisation and impairment losses classified as held for sale (note 17)	**10,400**	**2,132**	**102**	**–**	**10**	**12,644**
At 30 September 2022	**(61,453)**	**(145,254)**	**–**	**(4,473)**	**(4,051)**	**(215,231)**
Net book value						
At 30 September 2022	**31,918**	**150,556**	**–**	**12,206**	**940**	**195,620**
At 30 September 2021	30,474	156,576	–	11,656	1,954	200,660

The amortisation period for customer relationships is between three and 12 years, for trademarks between three and 20 years, for visitor databases between five and eight years and for perpetual technology licences between seven and 10 years. Computer software is amortised over five years.

The additions to customer relationships and trademarks and licences through business combinations relate to the purchase of 121 Group (£9.0m) and Fintech Meetup (£1.6m) as disclosed in note 13. The intangible assets acquired during the year are amortised in accordance with the Group's amortisation policy for intangible assets as detailed in note 2 and have been assessed for impairment as detailed in note 12.

14 Other intangible assets continued

Individually material intangible assets

CGU	Acquisition	Description	Initial fair value £000	Carrying amount £000	Remaining amortisation
Bett	Bett	Trademarks	63,863	34,531	15.8 years
Shipping & Specialised Engineering	CWIEME	Trademarks	41,022	32,390	15.8 years
UK	UK	Trademarks	89,833	18,741	15.8 years
Global Natural Resources	Mining Indaba	Trademarks	22,089	16,892	13.0 years
RetailTech	Shoptalk	Trademarks	48,736	42,070	7.2 years

15 Property, plant and equipment

	Leasehold land and buildings £000	Plant and equipment £000	Right-of-use asset £000	Total £000
Cost				
At 1 October 2020	5,303	5,994	20,580	31,877
Additions through business combinations	–	–	–	–
Additions	453	418	1,558	2,429
Disposals	(3,211)	(1,073)	(273)	(4,557)
Foreign exchange	(19)	(22)	(376)	(417)
Lease modifications	–	–	(964)	(964)
At 30 September 2021	2,526	5,317	20,525	28,368
Additions through business combinations (note 13)	**175**	**30**	**420**	**625**
Additions	**248**	**650**	**925**	**1,823**
Disposals	**(1,614)**	**(2,374)**	**(2,748)**	**(6,736)**
Foreign exchange	**189**	**89**	**1,753**	**2,031**
Fixed assets classified as held for sale (note 17)	**(47)**	**(120)**	**(37)**	**(204)**
At 30 September 2022	**1,477**	**3,592**	**20,838**	**25,907**
Depreciation				
At 1 October 2020	(3,386)	(4,102)	(3,274)	(10,762)
Charge for the year	(1,490)	(960)	(3,252)	(5,702)
Disposals	3,062	1,073	129	4,264
Foreign exchange	12	(49)	21	(16)
Lease modifications	–	–	1,085	1,085
At 30 September 2021	(1,802)	(4,038)	(5,291)	(11,131)
Charge for the year	**(704)**	**(107)**	**(3,200)**	**(4,011)**
Additions through business combinations (note 13)	**(26)**	**(12)**	**–**	**(38)**
Disposals	**1,490**	**1,861**	**1,717**	**5,068**
Foreign exchange	**309**	**(487)**	**(610)**	**(788)**
Accumulated depreciation classified as held for sale (note 17)	**36**	**91**	**31**	**158**
At 30 September 2022	**(697)**	**(2,692)**	**(7,353)**	**(10,742)**
Net book value				
At 30 September 2022	**780**	**900**	**13,485**	**15,165**
At 30 September 2021	724	1,279	15,234	17,237

All right-of-use assets are recognised in respect of office leases.

16 Subsidiaries

A list of all subsidiaries, including the name, country of incorporation and proportion of ownership interest, is presented in note 5 to the Company's separate financial statements.

17 Disposal of subsidiaries and discontinued operations

In the year, the Group completed the disposal of its Russian business, Ukrainian business, ABEC portfolio of events in India and its interest in the Debindo joint venture in Indonesia.

The profit/(loss) on disposal of subsidiary holdings and the net cash outflow arising on disposal are summarised as follows:

	Profit/(loss) on disposal of subsidiary holdings			Net cash outflow arising on disposal			
	Continuing operations £000	Discontinued operations £000	Total £000	Consideration received in cash and cash equivalents £000	Cash and cash equivalents disposed of £000	Costs to sell £000	Net cash outflow arising on disposal £000
Russia	–	(38,272)	(38,272)	–	(6,405)	(2,728)	(9,133)
Ukraine	–	(8,034)	(8,034)	(250)	(62)	(90)	(402)
ABEC	3,140	–	3,140	974	(2,059)	–	(1,085)
Debindo	834	–	834	535	–	(152)	383
Total	**3,974**	**(46,306)**	**(42,332)**	**1,259**	**(8,526)**	**(2,970)**	**(10,237)**

The Group's disposals of ABEC and Debindo are not treated as discontinued operations because the disposal did not meet the IFRS 5 criteria: the disposal of a separate major line of business or a separate geographical area of business. The Group did not incur any transaction costs in respect of the disposal of ABEC because the business was sold to existing minority shareholders.

Russia

In March 2022, the Group announced the disposal of its Russian business and on 13 May 2022 it completed the disposal of its 100% shareholding of the Russian business to Rise Expo Limited, a newly incorporated entity in the UAE which is majority owned by a German national with significant experience in the events industry.

The consideration for the sale was wholly structured as earn-out consideration of up to £72.0m payable over a 10-year period. Sanctions imposed on Russia in response to the war in Ukraine limit the Group's ability to receive consideration in respect of the disposal of the Russian business and as at the reporting date the severity of the sanctions imposed has only increased. A change in the global sanctions landscape is expected to be required before consideration could be received, the timing and extent of which is very unpredictable but is not anticipated in the short term. The consideration receivable at the disposal date is therefore deemed to have a fair value of £nil.

The sensitivity of the fair value to changes in assumptions has been considered, including a scenario where sanctions are relaxed before the final earn-out payment is due in December 2032. Were the Russian business to deliver a performance to trigger the maximum £72.0m consideration payable, the length of the period until receipt would result in an immaterial fair value of £1.2m. It should also be noted that the business reported a loss in the period between disposal and 30 September 2022. The calculated fair value of £1.2m is after being discounted at a rate of 48% to reflect the significant risks inherent both in operating in Russia and the counterparty risk. This value could also reduce further if sanctions were not lifted until beyond December 2032, supporting the £nil fair value for the consideration receivable.

The assets of the Russian business were not impaired prior to their classification as held for sale as their recoverability was supported by the trading of the Russian business at that time. A loss on disposal of £38.3m is recognised in the year ended 30 September 2022, being equal to the value of the disposal costs, the net assets being disposed of and the amounts held with the Group's foreign currency translation reserve in respect of the Russian business which must be reclassified to the income statement on disposal.

17 Disposal of subsidiaries and discontinued operations continued

At the time of the disposal, the 'Proposed Disposal of Russian Business' Circular disclosed a present value for the disposal proceeds of £14.6m, while at the same time outlining the risk that earn-out consideration may be less than envisaged or not received at all. An estimated loss on disposal of £27.5m was disclosed, compared to the final loss on disposal of £38.3m. The difference primarily relates to the subsequent recognition of the fair value of the deferred consideration receivable at £nil, as detailed above, and the recalculation of the cumulative exchange differences, which, when recalculated at the disposal date foreign exchange rate, decreased to £24.5m from the £27.2m disclosed in the Circular.

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

	£000
Goodwill	18,339
Investment in joint venture	2,910
Property, plant and equipment	1,711
Deferred tax asset	1,053
Trade and other receivables	7,891
Cash and cash equivalents	6,405
Trade and other payables	(13,972)
Deferred income	(13,332)
Net assets	**11,005**
Fair value of consideration received	–
Costs to sell	(2,728)
Proceeds net of related selling expenses	**(2,728)**
Cumulative exchange differences	**(24,539)**
Loss on disposal	**(38,272)**
Satisfied by:	
Cash and cash equivalents	–
Deferred and contingent consideration	–
Net cash outflow arising on disposal:	
Consideration received in cash and cash equivalents	–
Less: cash and cash equivalents disposed of	(6,405)
	(6,405)

During the period, the Group incurred costs to sell of £2.7m in respect of the sale of the Russian business, which are included within the loss on disposal.

17 Disposal of subsidiaries and discontinued operations continued

In line with the requirements of IFRS 5, the Group's exit from Russia has been treated as a discontinued operation, as it represents the disposal of a component of the entity, a separate major line of business and a separate geographical area of business. The Russian business is a separately identifiable reporting segment.

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

	Year ended 30 September 2022			Year ended 30 September 2021		
	Headline £000	**Adjusting items (note 5) £000**	**Statutory £000**	Headline £000	Adjusting items (note 5) £000	Statutory £000
Revenue	**35,985**	**–**	**35,985**	27,314	–	27,314
Cost of sales	**(17,644)**	**–**	**(17,644)**	(16,001)	–	(16,001)
Gross profit	**18,341**	**–**	**18,341**	11,313	–	11,313
Administrative expenses	**(2,956)**	**(38,272)**	**(41,228)**	(3,725)	–	(3,725)
Share of (loss)/profit from joint ventures	**(176)**	**35**	**(141)**	120	–	120
Operating profit/(loss)	**15,209**	**(38,237)**	**(23,028)**	7,708	–	7,708
Profit/(loss) before tax	**15,209**	**(38,237)**	**(23,028)**	7,708	–	7,708
Tax on profit/(loss)	**(2,556)**	**(35)**	**(2,591)**	181	–	181
Profit/(loss) from discontinued operations	**12,653**	**(38,272)**	**(25,619)**	7,889	–	7,889
Attributable to:						
Owners of the Company	**12,653**	**(38,272)**	**(25,619)**	7,889	–	7,889
Non-controlling interests	**–**	**–**	**–**	–	–	–
	12,653	**(38,272)**	**(25,619)**	7,889	–	7,889

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

The share of (loss)/profit from joint ventures relates to the Comtrans joint venture, which had a carrying value of £2.9m on the date of disposal.

The adjusting items include the loss on disposal of the Russian business and the tax credit/(charge) on the share of (loss)/profit from joint ventures.

Ukraine

On 8 August 2022, the Group completed the disposal of its 100% shareholding in Premier Expo and Beautexco LLC in Ukraine to ProExpo (Europe) Limited and Anatoly Sushon, the local management team. The disposal of the Ukrainian business executes the Group's strategy to refocus its portfolio towards advanced economies and a de-risked portfolio of events.

The consideration for the sale was structured as earn-out consideration of up to £3.0m payable over a seven-year period. At a time when due to the ongoing conflict in Ukraine no events can be held, the Group has agreed to support the Ukrainian business with funding of up to £1.2m to be repaid by September 2027, dependent on future profitability. At 30 September 2022, the present value of the reverse earn-out is £0.4m after payments of £0.2m in August 2022 and £0.5m in September 2022.

A loss on disposal of £8.0m is recognised in the year ended 30 September 2022 as the fair value of the net consideration of £0.5m is lower than the net liabilities being disposed of. The loss on disposal is after including the amounts held within the Group's foreign currency translation reserve in respect of the Ukrainian business which must be reclassified to the income statement on disposal.

17 Disposal of subsidiaries and discontinued operations continued

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

	£000
Property, plant and equipment	34
Trade and other receivables	467
Cash and cash equivalents	62
Trade and other payables	(687)
Deferred income	(167)
Net liabilities	**(291)**
Fair value of consideration received	545
Costs to sell	(90)
Proceeds net of related selling expenses	**455**
Cumulative exchange differences	**(8,780)**
Loss on disposal	**(8,034)**
Satisfied by:	
Cash and cash equivalents	(250)
Deferred contingent consideration	795
	545
Net cash outflow arising on disposal:	
Net consideration paid in cash and cash equivalents	(250)
Less: cash and cash equivalents disposed of	(62)
	(312)

During the period, the Group incurred costs to sell of £0.1m in respect of the sale of the Ukrainian business, which are included within the loss on disposal.

Deferred contingent consideration includes £1.7m of deferred contingent consideration receivable arising on disposal and the deferred reverse earn-out of (£0.9m) at net present value.

17 Disposal of subsidiaries and discontinued operations continued

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

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

	Year ended 30 September 2022			Year ended 30 September 2021		
	Headline £000	Adjusting items (note 5) £000	Statutory £000	Headline £000	Adjusting items (note 5) £000	Statutory £000
Revenue	1,165	–	1,165	2,911	–	2,911
Cost of sales	(1,241)	–	(1,241)	(2,120)	–	(2,120)
Gross (loss)/profit	(76)	–	(76)	791	–	791
Administrative expenses	(586)	(8,034)	(8,620)	(963)	–	(963)
Operating loss	(662)	(8,034)	(8,696)	(172)	–	(172)
Loss before tax	(662)	(8,034)	(8,696)	(172)	–	(172)
Tax on loss	(193)	–	(193)	205	–	205
(Loss)/profit from discontinued operations	(855)	(8,034)	(8,889)	33	–	33
Attributable to:						
Owners of the Company	(855)	(8,034)	(8,889)	33	–	33
Non-controlling interests	–	–	–	–	–	–
	(855)	(8,034)	(8,889)	33	–	33

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

The adjusting items are the loss on disposal of the Ukrainian business.

Turkey

On 5 October 2022, the Group announced the disposal of its Turkish business to ICA (JV) Ltd, the previous buyer of the portfolio of events in Central Asia with significant experience in the events industry. The disposal of the Turkish business executes the Group's strategy to refocus its portfolio towards advanced economies and a de-risked portfolio of events.

In order to be recognised as a disposal group held for sale, IFRS 5 Non-current Assets Held for Sale and Discontinued Operations requires the business to be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, and the sale must be highly probable.

The Group has considered how advanced the disposal was at 30 September 2022 and concluded that the relevant criteria for recognition as held for sale have been met as at this date. The Turkish business was available for immediate sale and the sale was highly probable at the reporting date. This conclusion has subsequently been supported by the conditional sale agreement signed on 4 October 2022 and the completion of the disposal of the Turkish business on 24 October 2022.

IFRS 5 requires the disposal group held for sale to be measured at the lower of its carrying value and fair value less costs to sell. The fair value of the disposal group is deemed to be the present value of the expected consideration of £4.0m (the undiscounted value of the expected consideration is £8.0m). As the fair value less costs to sell of the disposal group exceeds the carrying value of the disposal group of £0.1m, at 30 September 2022, the disposal group was held at carrying value and comprised the below assets and liabilities.

17 Disposal of subsidiaries and discontinued operations continued

	£000
Property, plant and equipment	46
Trade and other receivables	1,404
Cash and cash equivalents	1,513
Total assets classified as held for sale	**2,963**
Trade and other payables	(1,701)
Deferred income	(1,153)
Total liabilities classified as held for sale	**(2,854)**
Net assets classified as held for sale	**109**

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

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

	Year ended 30 September 2022			Year ended 30 September 2021		
	Headline £000	**Adjusting items (note 5) £000**	**Statutory £000**	Headline £000	Adjusting items (note 5) £000	Statutory £000
Revenue	**7,677**	**–**	**7,677**	3,154	–	3,154
Cost of sales	**(4,880)**	**–**	**(4,880)**	(2,822)	–	(2,822)
Gross profit	**2,797**	**–**	**2,797**	322	–	322
Administrative expenses	**(1,201)**	**–**	**(1,201)**	(1,007)	–	(1,007)
Operating profit/(loss)	**1,596**	**–**	**1,596**	(675)	–	(675)
Net monetary loss arising from hyperinflationary economies	**(362)**	**–**	**(362)**	–	–	–
Profit/(loss) before tax	**1,234**	**–**	**1,234**	(675)	–	(675)
Tax on profit/(loss)	**(138)**	**–**	**(138)**	(11)	–	(11)
Profit/(loss) from discontinued operations	**1,096**	**–**	**1,096**	(686)	–	(686)
Attributable to:						
Owners of the Company	**1,096**	**–**	**1,096**	(686)	–	(686)
Non-controlling interests	**–**	**–**	**–**	–	–	–
	1,096	**–**	**1,096**	(686)	–	(686)

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

The £0.4m net monetary loss arising from hyperinflationary economies is due to £0.2m of losses resulting from the restatement of the monthly results of the Turkish business and £0.2m of losses resulting from the restatement of non-monetary assets and liabilities. Please refer to note 2 for further details on hyperinflation accounting. Operating loss from discontinued operations in the consolidated cash flow statement of £30.5m includes £0.4m of net monetary loss arising from hyperinflationary economies.

17 Disposal of subsidiaries and discontinued operations continued

The discontinued operations for the year ended 30 September 2021 also include the results of the Central Asian division until the disposal in April 2021. In the year ended 30 September 2021, the Central Asian division contributed a loss of £4.4m.

The earnings per share from the Group's discontinued operations are as follows:

	Year ended 30 September 2022			Year ended 30 September 2021		
	Headline	Adjusting items (note 5)	Statutory	Headline	Adjusting items (note 5)	Statutory
Earnings per share from discontinued operations (pence)						
Operating profit/(loss) from discontinued operations	**16,143**	**(46,271)**	**(30,128)**	6,136	(3,616)	2,520
Profit/(loss) from discontinued operations	**12,894**	**(46,306)**	**(33,412)**	6,413	(3,604)	2,809
Basic	**4.5**		**(11.6)**	2.4		1.0
Diluted	**4.5**		**(11.6)**	2.4		1.0

ABEC

On 12 November 2021, the Group completed the disposal of its 60% shareholding in ABEC, the operating company for a portfolio of exhibitions in India including the Acetech constructions events. The Group received upfront consideration of £1.0m in respect of the disposal. The business was sold to the previous minority shareholders. The goodwill arising from the acquisition of ABEC was fully impaired in the year ended 30 September 2020. As a result, the net book value of goodwill on the date of disposal was £nil (see note 12). The Group's disposal of ABEC is not treated as a discontinued operation because the disposal did not meet the IFRS 5 criteria: the disposal of a separate major line of business or a separate geographical area of business.

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

	£000
Net liabilities	**(686)**
Fair value of consideration received	974
Proceeds net of related selling expenses	**974**
Non-controlling interest	**(978)**
Cumulative exchange differences	**2,458**
Profit on disposal	**3,140**
Net cash outflow arising on disposal:	
Consideration received in cash and cash equivalents	974
Less: cash and cash equivalents disposed of	(2,059)
	(1,085)

Debindo

On 23 June 2022, the Group disposed of its 50% interest in the joint venture PT Debindo International Trade and Exhibitions in Indonesia. The Group received upfront consideration of £0.5m in respect of the disposal. A gain on disposal of £0.8m is recognised in the year ended 30 September 2022 as the fair value of the net consideration of £1.0m is higher than the net assets being disposed of following the impairment of the Group's investment in the joint venture in the year ended 30 September 2022. The Group's disposal of Debindo is not treated as a discontinued operation because the disposal did not meet the IFRS 5 criteria: the disposal of a separate major line of business or a separate geographical area of business.

During the period the Group incurred costs to sell of £0.2m in respect of the disposal of Debindo, which are included within the loss on disposal.

17 Disposal of subsidiaries and discontinued operations continued

	£000
Net assets	–
Fair value of consideration received	986
Costs to sell	(152)
Proceeds net of related selling expenses	**834**
Profit on disposal	**834**
Net cash inflow arising on disposal:	
Consideration received in cash and cash equivalents	535
Less: cash and cash equivalents disposed of	–
	535

18 Interests in joint ventures

	Country of incorporation and operation	Registered address	Principal activity	Description of holding	Group interest %
Joint ventures					
Sinostar ITE	Incorporated in Hong Kong with operations in China	Rm 2101-2, 21/F, 42-46 Gloucester Rd., Jubilee Centre, Wanchai, Hong Kong	Exhibition organiser	Ordinary	50%

	Total £000
At 1 October 2021	37,126
Share of results of joint ventures	(732)
Share of results of joint ventures from discontinuing operations	(141)
Dividends received	(200)
Foreign exchange	52
Disposal	(2,910)
At 30 September 2022	**33,195**

In the year ended 30 September 2022, the interests in the Debindo and Comtrans joint ventures were disposed of as detailed in note 17. The carrying value of the investment in Debindo on the date of disposal was £nil because the investment was fully impaired in the year ended 30 September 2020. The carrying value of the investment in Comtrans on the disposal date was £2.9m.

The Group received dividends from Sinostar of approximately £0.2m (2021: £2.0m). In 2022, no dividends were received from Debindo (2021: £nil) or Comtrans (2021: £nil).

The cancellation of Sinostar's event in the year is an impairment indicator and as a result the carrying value of interests in joint ventures has been assessed for impairment at the year end. The recoverable amount of the investment was determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the joint venture's cash flow forecasts, long-term growth rates and discount rates applied to the forecast cash flows. Assumptions are consistent with those applied in the goodwill and intangible assets impairment review detailed in note 12. No impairments were identified in respect of the joint venture.

18 Interests in joint ventures continued

Summarised financial information in respect of the Group's material joint ventures is set out below. The sole material joint venture is Sinostar ITE. The summarised financial information below represents amounts in the joint ventures' financial statements prepared in accordance with IFRS.

Results of material joint venture at 100% share	2022 £000	2021 £000
Cash and cash equivalents	8,419	11,982
Current assets	1,450	1,674
Non-current assets	256	213
Total assets	10,125	13,869
Current liabilities	(11,556)	(12,779)
Non-current liabilities	(48,707)	(39,872)
Total liabilities	(60,263)	(52,651)
Net liabilities	(50,138)	(38,782)
Revenue	220	7,575
Interest income	127	77
Depreciation and amortisation	228	237
(Loss)/profit from continuing operations	(1,913)	3,760
Tax credit/(expense)	451	(886)
(Loss)/profit from continuing operations after tax	(1,462)	2,874
Total comprehensive (expense)/income	(1,462)	2,874

The Group holds a 50% interest in the joint venture and recorded a total comprehensive expense of £0.7m (2021: income of £1.4m) in the consolidated income statement.

A reconciliation of the above summarised financial information to the carrying amount of the interest in the material joint venture in the Consolidated financial statements is shown below:

	2022 £000	2021 £000
Net liabilities	(50,138)	(38,782)
Proportion of the Group's ownership in the joint venture	(25,069)	(19,391)
Loan due to shareholders	24,354	19,909
Goodwill	33,910	33,556
Carrying amount of the Group's interest in the joint venture	33,195	34,074

The loan due to shareholders forms part of the net investment in the joint venture. The movement in goodwill is due to the effects of changes in foreign exchange rates.

The Group's non-material joint ventures have an aggregate loss after tax from discontinuing operations and total comprehensive income of £0.3m (2021: £0.2m profit after tax), at a 100% share.

19 Current assets and non-current assets

Current assets

	2022 £000	2021 £000
Trade and other receivables		
Trade receivables	27,500	20,333
Other receivables	1,373	1,602
Deferred and contingent consideration receivable	1,899	2,443
Prepayments	10,000	11,122
Taxation and social security	–	69
	40,772	35,569
Taxation prepayments	2,174	1,818
Derivative financial assets	152	–

Taxation prepayments relate to overseas subsidiaries and are available for offset against future tax liabilities.

Prepayments include £8.6m (2021: £9.6m) of prepaid events costs to fulfil the Group's contracts with its customers.

In the prior year, other receivables included amounts due to ABEC and the Russian business totalling £0.8m. As a result of the disposal of these businesses in the year, the other debtors balance reduced by £0.8m.

19 Current assets and non-current assets continued

The movements in deferred and contingent consideration receivable during the year are shown in the table below:

	£000
At 30 September 2020	8,143
Arising on disposal (note 17)	3,085
Consideration received	(335)
Unwind of imputed interest credit on discounted deferred and contingent consideration receivable	1,594
Revaluation of deferred and contingent consideration receivable	
– Modification of deferred and contingent consideration receivable	(3,114)
– Revaluation	297
– Foreign exchange	130
At 30 September 2021	9,800
Arising on disposal (note 17)	2,105
Consideration received	(2,508)
Unwind of imputed interest credit on discounted deferred and contingent consideration receivable	1,652
Revaluation of deferred and contingent consideration receivable	
– Revaluation	(927)
– Foreign exchange	(123)
Impairment	(778)
Foreign exchange	42
At 30 September 2022	9,263
Included in non-current assets	7,364
Included in current assets	1,899
	9,263

Cash and cash equivalents	2022 £000	2021 £000
Cash at bank and in hand	**28,068**	41,733

The cash at bank and in hand comprises cash held by the Group and short-term deposits with an original maturity of three months or less. The carrying value of these assets approximates their fair value. The cash balance is represented by £2.7m of sterling, £10.4m of US dollars, £2.5m of euro, £6.1m of Chinese yuan, £5.8m of Indian rupees and £0.6m of other currencies. Surplus funds are placed on short-term deposit with floating interest rates.

20 Bank borrowings

	2022 £000	2021 £000
Total drawdowns under debt facility	**(101,000)**	(124,423)
Capitalised refinancing fees	**1,899**	2,823
Bank loans	**(99,101)**	(121,600)
Included in current liabilities	**(6,000)**	(11,751)
Included in non-current liabilities	**(93,101)**	(109,849)
	(99,101)	(121,600)

In December 2021, the Group amended and restated its debt facilities agreement to accommodate for the change of base rate from LIBOR to SONIA.

At 30 September 2022, the Group had total available facilities of £201.0m (2021: £212.8m), comprising a revolving credit facility of £150.0m (2021: £150.0m) and a term loan of £51.0m (2021: £62.8m). During the year, term loan repayments of £11.8m were made including mandatory payment of 50% of insurance proceeds subsequent to the Group receiving more than £82.5m of proceeds in total.

At 30 September there were scheduled repayments of the term loan of £6.0m in November 2022, £22.5m in November 2023 and a final repayment of £22.5m on the termination date in December 2023. As a result, £6.0m of the drawn debt was included in current liabilities.

Interest was charged on any utilised amount at a rate of SONIA plus 3.40% margin. The debt facility was secured by asset pledges and debentures given by a number of Group companies.

At 30 September 2022, the Group had total drawn amounts under the debt facility agreement of £101.0m (2021: £124.4m), all of which were denominated in sterling, and had £100.0m (2021: £88.4m) of undrawn committed facilities.

On 10 October 2022, the Group's interest rate swap contract was terminated in line with the requirements of the new senior facilities agreement. At 30 September 2022, the notional amount hedged was £32.5m (2021: £41.3m). Please refer to note 23 for further information.

As at 30 September 2022, there were capitalised fees of £1.9m (2021: £2.8m) in relation to the Group's debt facility.

20 Bank borrowings continued

In response to the COVID-19 outbreak, the Group obtained waivers for the leverage ratio and interest cover covenants on its debt facilities up to and including March 2022, replacing them with a minimum liquidity test, whereby the Group had to ensure that the aggregate of cash and undrawn debt facilities was not less than £40.0m at the end of each month, except between April and October 2021 being not less than £30.0m. In the year ended 30 September 2022, the Group secured an extension of the covenant waivers up to and including March 2023 with the same minimum liquidity test remaining in place.

Subsequent to the period end, in October 2022 the Group completed the refinancing of its debt. New debt facilities totalling £135.0m were signed comprising a £115.0m term loan and a £20.0m super senior revolving recredit facility ('SSRCF'). The new debt facilities replaced the Group's previous debt facilities, and so the £101.0m drawn debt as at 30 September 2022 was repaid in full on 20 October 2022 when the new term loan of £115.0m was fully drawn on the same date. The voluntary repayment of the drawn debt is a non-adjusting event in accordance with IAS 10 and, other than the £6.0m due in November 2022, the previous loan was classified as a non-current liability under the repayment terms of the previous debt facility.

The £115.0m term loan is provided by certain funds and accounts of HPS Investment Partners, LLC or subsidiaries or affiliates thereof and is repayable over the next four years. Interest is initially payable at a rate of 7.75% over SONIA subject to a margin ratchet, with a margin range of 7.5% to 8.0% over SONIA.

The £20.0m SSRCF is provided by HSBC UK Bank PLC and is available over the next three years and nine months. Interest is initially payable on drawn amounts at 3.5% over SONIA, subject to a margin ratchet, with a margin range of 2.5% to 3.5% over SONIA, with a commitment fee of 35% payable on undrawn amounts.

With the previous facility having been due to expire in December 2023, this provides significant additional financial security for the Group until October 2026.

The Group's banking covenants include a monthly £21.0m minimum liquidity covenant up to and including August 2023 before reverting to a quarterly leverage ratio from September 2023. Details of the quarterly leverage test are presented below:

- Adjusted net debt must be less than 4.4x adjusted EBITDA across the last 12 months for the quarter ending 30 September 2023.
- Adjusted net debt must be less than 4.2x adjusted EBITDA across the last 12 months for the quarter ending 31 December 2023.
- Adjusted net debt must be less than 3.0x adjusted EBITDA across the last 12 months for all subsequent quarters until the expiry of the facility.

21 Current liabilities and non-current liabilities

Current liabilities

	2022 £000	2021 £000
Trade payables	**2,838**	1,324
Taxation and social security	**1,764**	837
Other payables	**9,744**	10,833
Accruals	**26,772**	25,489
Deferred and contingent consideration payable	**18,648**	835
Lease liabilities (note 27)	**3,420**	3,347
	63,186	42,665
Deferred income	**57,973**	72,277
– Current	**57,769**	72,277
– Non-current	**204**	–

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The Directors consider that the carrying value of trade payables approximates their fair value.

During the year ended 30 September 2022, £58.7m (2021: £27.1m) of the deferred income balance of £72.3m at 30 September 2021 (£61.3m at 30 September 2020) was recognised as revenue in the consolidated income statement. This was lower than the balance of deferred income included in current liabilities at 30 September 2021 as a result of event cancellations and postponements.

Other payables include refund liabilities in respect of cancelled events of £4.8m (2021: £7.4m).

21 Current liabilities and non-current liabilities continued

The movements in deferred and contingent consideration payable during the year are shown in the table below:

	Total £000
At 1 October 2020	**881**
Arising on acquisition	3,440
Consideration paid	(4,693)
Revaluation of deferred and contingent consideration payable	1,350
Foreign exchange	(143)
At 30 September 2021	**835**
Arising on acquisition (note 13)	44,268
Arising on disposal	23
Consideration paid (notes 13 and 17)	(7,692)
Unwind of imputed interest charged on discounted deferred and contingent consideration payable	5,494
Revaluation of deferred and contingent consideration payable	6,783
Foreign exchange	8,328
At 30 September 2022	**58,039**
Included in non-current liabilities	39,391
Included in current liabilities	18,648
	58,039

22 Provisions

	National Insurance on share options £000	Dilapidations £000	Total £000
At 1 October 2021	45	1,355	1,400
Increase in the year	–	100	100
Credited to the income statement	(13)	–	(13)
Foreign exchange	–	195	195
At 30 September 2022	**32**	**1,650**	**1,682**
Included in current liabilities			100
Included in non-current liabilities			1,582
			1,682

National Insurance on share options is calculated by reference to the employer's National Insurance cost on the potential gain based on the difference between the exercise price and share price for those share options where the share price exceeds the exercise price at 30 September 2022.

The amounts included in respect of dilapidations provisions will be fully utilised by the end of the lease term in 2028 with the exception of a £0.1m dilapidations provision in respect of an expired lease expected to be utilised in the next 12 months. The dilapidations are based on the most likely amount for settlement.

23 Financial instruments

Financial assets and liabilities

Details of the accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset and financial liability, are disclosed in the accounting policies note on pages 151 to 153.

Categories and maturities of financial assets and liabilities

Financial assets and liabilities are classified according to the following categories in the table below.

30 September 2022 £000	Carrying amount and fair value	Contractual cash flows	Less than 1 year	1–2 years	2–5 years	Greater than 5 years
Non-derivative financial assets						
Cash and cash equivalents	28,068	28,068	28,068	–	–	–
Trade and other receivables:						
Trade receivables	27,500	30,002	30,002	–	–	–
Deferred and contingent consideration receivable	9,263	17,219	2,264	3,613	11,342	–
Other receivables	1,373	1,373	1,373	–	–	–
Derivative financial assets						
Interest rate swap	152	152	152	–	–	–
	66,356	76,814	61,859	3,613	11,342	–
Non-derivative financial liabilities						
Bank loans	(99,101)	(101,000)	(101,000)	–	–	–
Amortised cost:						
Trade payables	(2,838)	(2,838)	(2,838)	–	–	–
Other payables	(9,744)	(9,744)	(9,744)	–	–	–
Accruals	(26,772)	(26,772)	(26,772)	–	–	–
Deferred and contingent consideration payable	(58,039)	(73,580)	(20,785)	(25,483)	(27,312)	–
Lease liabilities	(15,249)	(16,843)	(3,420)	(3,066)	(8,662)	(1,695)
	(211,743)	(230,777)	(164,559)	(28,549)	(35,974)	(1,695)

In the year, the Group minimised the effects of interest rate risk by using derivative financial instruments to hedge the risk exposure. The use of financial derivatives is governed by the Group's policies approved by the Board. Compliance with policies and exposure limits is reviewed by the Board on a continuous basis. The Group does not enter into financial instruments, including derivative financial instruments, for speculative purposes.

The Directors consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the financial statements approximate to their fair value due to the short maturity of the instruments.

23 Financial instruments continued

30 September 2021 £000	Carrying amount and fair value	Contractual cash flows	Less than 1 year	1–2 years	2–5 years	Greater than 5 years
Non-derivative financial assets						
Cash and cash equivalents	41,733	41,733	41,733	–	–	–
Trade and other receivables:						
Trade receivables	20,333	21,886	21,886	–	–	–
Deferred and contingent consideration receivable	9,800	16,661	2,669	2,400	8,648	2,944
Other receivables	1,602	1,602	1,602	–	–	–
	73,468	81,882	67,890	2,400	8,648	2,944
Non-derivative financial liabilities						
Bank loan and overdrafts	(121,600)	(121,600)	(11,751)	(6,000)	(103,849)	–
Amortised cost:						
Trade payables	(1,324)	(1,324)	(1,324)	–	–	–
Other payables	(10,833)	(10,833)	(10,833)	–	–	–
Accruals	(25,489)	(25,489)	(25,489)	–	–	–
Deferred and contingent consideration payable	(835)	(835)	(835)	–	–	–
Lease liabilities	(16,722)	(18,788)	(3,348)	(3,137)	(8,157)	(4,146)
Derivative financial liabilities						
Equity option liabilities	–	–	–	–	–	–
Interest rate swaps	(85)	(85)	(73)	(12)	–	–
	(176,888)	(178,954)	(53,653)	(9,149)	(112,006)	(4,146)

Fair value hierarchy

The following table categorises the Group's financial instruments which are held at fair value into one of three levels to reflect the degree to which observable inputs are used in determining their fair values:

- Level 1: Fair values measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measured using inputs, other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3: Fair values measured using inputs for the asset or liability that are not based on observable market data.

23 Financial instruments continued

30 September 2022	Fair value £000	Level 1 £000	Level 2 £000	Level 3 £000
Assets measured at fair value				
Interest rate swaps	152	–	152	–
Deferred and contingent consideration	9,263	–	–	9,263
Total	9,415	–	152	9,263
Liabilities measured at fair value				
Deferred and contingent consideration	(58,039)	–	–	(58,039)
Total	(58,039)	–	–	(58,039)

30 September 2021	Fair value £000	Level 1 £000	Level 2 £000	Level 3 £000
Assets measured at fair value				
Deferred and contingent consideration	9,800	–	–	9,800
Total	9,800	–	–	9,800
Liabilities measured at fair value				
Interest rate swaps	(85)	–	(85)	–
Deferred and contingent consideration	(835)	–	–	(835)
Total	(920)	–	(85)	(835)

Level 1 financial instruments are valued based on quoted bid prices in an active market. Level 2 financial instruments are measured by discounted cash flow. For interest rate swaps, future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of the various counterparties.

Deferred and contingent consideration payable or receivable balances are classified as level 3 financial instruments and recognised at fair value.

All level 3 amounts credited to the Consolidated income statement in the year are attributable to the change in unrealised gains or losses relating to those assets and liabilities held at the end of the reporting period.

Financial risk management

In the course of its business, the Group is exposed to a number of financial risks: market risk (including foreign currency and interest rate), credit risk, liquidity risk and capital risk. This note presents the Group's exposure to each of the above risks. The Group's objectives, policies and processes for measuring and managing risks can be found in the Strategic report on pages 1 to 71.

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established policies to identify and analyse risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

Market risk management

Market risk is the risk that changes in foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into derivative financial instruments to manage its exposure to interest rate risk. Market risk exposures are measured using sensitivity analysis.

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies and therefore exposures to exchange rate fluctuations arise. Exchange rate exposures are managed through natural hedging arrangements where possible.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

23 Financial instruments continued

Financial assets

	2022 £000	2021 £000
EUR	**2,089**	6,150
GBP	**26,994**	20,772
USD	**19,683**	8,241
RUB	**–**	14,602
INR	**6,082**	9,751
Other	**11,508**	13,952
	66,356	73,468

Financial liabilities

	2022 £000	2021 £000
EUR	**357**	(11,920)
GBP	**131,465**	148,870
USD	**72,947**	10,409
RUB	**24**	4,364
INR	**644**	21,610
Other	**6,307**	3,555
	211,744	176,888

Foreign currency sensitivity analysis

The sensitivity analysis below details the impact of a 10% strengthening in the Group's significant currencies against sterling, applied to the net monetary assets or liabilities of the Group. 10% is the sensitivity rate that represents management's assessment of the reasonably possible change in foreign exchange rates.

2022 (£000)	USD	EUR	RUB	INR	Other	Total
Monetary assets	**19,683**	**2,089**	**–**	**6,082**	**38,502**	**66,356**
Monetary liabilities	**(72,947)**	**(357)**	**(24)**	**(644)**	**(137,771)**	**(211,743)**
Net monetary assets/(liabilities)	**(53,264)**	**1,732**	**(24)**	**5,438**	**(99,269)**	**(145,387)**
Currency impact						
Profit before tax gain/(loss)	**(2,079)**	**200**	**–**	**1**	**(330)**	**(2,208)**
Equity gain	**(2,757)**	**(27)**	**–**	**562**	**874**	**(1,348)**

2021 (£000)	USD	EUR	RUB	INR	Other	Total
Monetary assets	8,241	6,150	14,603	9,751	34,724	73,469
Monetary liabilities	(10,409)	11,920	(4,364)	(21,610)	(152,425)	(176,888)
Net monetary (liabilities)/assets	(2,168)	18,070	10,239	(11,859)	(117,701)	(103,419)
Currency impact						
Profit before tax (loss)/gain	240	459	879	(1,864)	(382)	(668)
Equity gain/(loss)	(25)	1,348	260	684	1,103	3,370

The following significant exchange rates versus sterling applied during the year and in the prior year:

	Average		Reporting date	
	2022	2021	**2022**	2021
EUR	**1.18**	1.14	**1.12**	1.16
USD	**1.28**	1.37	**1.09**	1.35
RUB	**93.08**	101.95	**63.11**	98.13
INR	**98.02**	100.63	**89.23**	99.98

Interest rate risk management

As the Group has no significant interest-bearing assets, other than cash, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk through its borrowings at floating interest rates. This risk is managed by the Group by maintaining an appropriate level of floating interest rate borrowings and through the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk section of this note.

23 Financial instruments continued

Interest structure of financial liabilities

	2022 £000	2021 £000
Financial liabilities at variable rates:		
Bank loan and overdrafts	**99,101**	121,600

The following average interest rates applied on the Group's bank loan during the year and in the prior year:

	2022 %	2021 %
GBP	**5.2**	3.3
EUR	**0.0**	0.0
USD	**0.0**	0.0

Average interest rates applicable to cash balances were 0.90% in 2022 and 0.39% in 2021.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for financial assets and financial liabilities at the balance sheet date. With all other variables held constant, the table below demonstrates the sensitivity to a 1% change in interest rates applied to the major currencies of net variable rate assets/liabilities. 1% is the sensitivity rate that represents management's assessment of the reasonably possible change in interest rates.

	USD denominated		EUR denominated		GBP denominated		RUB denominated		INR denominated		Other		Total	
£000	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Cash and cash equivalents	**10,238**	5,456	**1,677**	5,508	**2,282**	10,754	**–**	3,739	**5,770**	4,890	**8,102**	11,386	**28,068**	41,733
Bank loan and overdrafts	**–**	–	**–**	–	**(99,101)**	(121,600)	**–**	–	**–**	–	**–**	–	**(99,101)**	(121,600)
Net variable rate assets/(liabilities)	**10,238**	5,456	**1,677**	5,508	**(96,819)**	(110,846)	**–**	3,739	**5,770**	4,890	**8,102**	11,386	**(71,033)**	(79,867)

	USD denominated		EUR denominated		GBP denominated		RUB denominated		INR denominated		Other denominated		Total	
£000	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Profit before tax – gain/(loss)														
+ 1% change in interest rates	**102**	55	**17**	55	**(968)**	(1,108)	**–**	37	**58**	49	**81**	114	**(710)**	(798)
– 1% change in interest rates	**(102)**	(55)	**(17)**	(55)	**968**	1,108	**–**	(37)	**(58)**	(49)	**(81)**	(114)	**710**	798

Interest rate swap contracts

Following the Group's refinancing in December 2019 and with effect from 28 February 2020, the Group entered into two interest rate swap agreements to exchange the floating rate of interest paid on its bank borrowings for fixed rates on further notional principal amounts of £38.0m and £32.0m, increasing the total notional principal amount to £100.0m of the Group's GBP debt up until 30 November 2020. Under these agreements, three-month GBP LIBOR was exchanged for fixed rates of 0.59% and 0.60% both with a maturity date of 30 November 2022.

23 Financial instruments continued

On 10 October 2022, the Group's interest rate swap contract was terminated in line with the requirements of the new senior facilities agreement. At 30 September 2022, the notional amount hedged was £32.5m (2021: £41.3m).

When the Group's debt facilities transitioned to the SONIA rate at the point of the cessation of the impacted LIBOR rate, the Group transitioned its interest rate swap arrangements to the SONIA rate to continue to appropriately hedge its interest rate risk.

Credit risk management

Credit risk arises because a counterparty may fail to perform its contractual obligations. The Group's principal financial assets are cash and cash equivalents, trade and other receivables and deferred and contingent consideration receivable. The Group considers its maximum exposure to credit risk to be as follows:

	2022 £000	2021 £000
Cash and cash equivalents	**28,068**	41,733
Trade receivables (net of bad debt provision)	**27,500**	20,668
Deferred and contingent consideration (undiscounted)	**17,219**	16,661
Other receivables	**1,373**	1,602
	74,160	80,664

The Group's credit risk is primarily attributable to its trade and other receivables. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's objective is to ensure all customers have paid before any service is provided to them. The concentration of credit risk is limited due to the customer base being large and unrelated.

The ageing profile of the Group's trade receivables and the details of the Group's allowances for doubtful receivables can be seen below.

The credit risk on liquid funds arises due to where the liquid funds are held. The territories in which Hyve operates do not always have banks with high credit ratings assigned by international credit rating agencies such as Moody's and Fitch. The Group aims to minimise the exposure to credit risk by minimising the level of cash held in such banks. The Group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread among approved financial institutions.

Credit rating of financial assets (excluding loans and receivables)

		2022 £000	2021 £000
Investments grade A and above	73%	**20,597**	33,383
Investments grade B and above	27%	**7,471**	8,350
Investments grade C or below or not rated	0%	**–**	–
	100%	**28,068**	41,733

The sources of the credit ratings are Moody's and Fitch.

Ageing profile of trade receivables based on event date

	2022 £000	2021 £000
Not past due	**27,500**	20,053
Past due 1–30 days	**–**	280
Past due 31–60 days	**–**	–
Past due 61–90 days	**–**	–
Past due 91–120 days	**–**	–
Past due more than 120 days	**–**	–
	27,500	20,333

Management reviews debtors based on when an event has been held. The Group invoices on receipt of signed contracts, with payments typically due in stages in the lead up to events. Any overdue amounts, after the stage payment due date, are reviewed and chased.

Trade receivables not past due represent contracts with customers for future events. It therefore includes receivables for events taking place in 2023. Customers are typically due to settle the full contractual amount at least 30 days before an event.

The trade receivables amounts presented in the Consolidated statement of financial position are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience, specific credit issues and its assessment of the current economic environment. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas, and the Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including default risk of the industry and country in which the customers operate, have less of an influence on credit risk.

23 Financial instruments continued

The Group always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The details of the movement in the allowance for doubtful receivables are shown below.

Allowance for doubtful receivables

	2022 £000	2021 £000
At 1 October	**1,553**	4,223
Allowances made in the period and amounts recovered during the year	**1,174**	(592)
Receivables written off as unrecoverable	**(225)**	(2,078)
	2,502	1,553

The lifetime ECL recognised in the period materially relate to receivables in respect of events that have taken place in the period. The Group no longer expects to recover these debts due to the current economic climate following the pandemic and the passage of time since these events took place.

Ageing of impaired receivables

	2022 £000	2021 £000
Past due 0–3 months	**989**	359
Past due 3–6 months	**253**	–
Past due more than 6 months	**1,260**	1,194
	2,502	1,553

Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its obligations as they fall due. Such risk may result from inadequate market depth or disruption or refinancing problems. Ultimate responsibility for liquidity risk management rests with the Board of Directors. They have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by ensuring continuity of funding for operational needs through cash deposits and debt facilities as appropriate. The Group does not use any supplier financing arrangements.

The Group's principal source of borrowings is provided through its debt facilities which comprised a revolving credit facility of £150.0m (2021: £150.0m) and a term loan of £51.0m (2021: £62.8m) at 30 September 2022. Subsequent to the period end, in October 2022 the Group completed the refinancing of its debt. New debt facilities totalling £135.0m were signed comprising a £115.0m term loan and a £20.0m SSRCF. The new debt facilities replace the Group's previous debt facilities, and so the £101.0m drawn debt as at 30 September 2022 was repaid in full on 20 October 2022 when the new term loan of £115.0m was fully drawn on the same date.

In the financial year, the Group obtained waivers for the leverage ratio and interest cover covenants on its debt facilities up to and including March 2023, replacing them with a minimum liquidity test, whereby the Group must ensure that the aggregate of cash and undrawn debt facilities is not less than £40m.

As disclosed in the going concern and viability statements on pages 69 to 71, the Group's long-term projections have been reviewed against the Group's banking covenants under the terms of the new senior debt facilities. Based on the various scenarios considered, the Group is expected to have material available liquidity throughout the five-year viability period and have headroom under the minimum liquidity covenant test.

Since the outbreak of COVID-19, management has taken significant action to strengthen the Group's liquidity position and protect the long-term financial prospects of the business. These measures include raising £126.6m through disposal of events or portfolios of events, a rights issue in May 2020 and delivering significant cost savings. These measures have protected the business against a prolonged impact of COVID-19 and provide confidence in the Group's ability to withstand continued disruption over the next five years.

The Group's available liquidity means that, even under downside scenarios, the business would continue to have significant liquidity headroom on its existing facilities. In all assessments, there is an option to extend the potential mitigations available, such as further reduction in expenditure, deferring term loan repayments, raising additional capital via the equity markets or the disposal of assets, if required.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balances. The capital structure of the Group consists of cash and cash equivalents and bank loans which are disclosed in note 19 and note 20 and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in note 26 and in the Consolidated statement of changes in equity.

24 Deferred tax

	Accelerated tax depreciation £000	Intangibles £000	Tax losses £000	Provisions and accruals £000	Hedges £000	Share-based payments £000	Repatriation of profit £000	Total £000
At 30 September 2020	3,037	(25,263)	8,792	(43)	149	67	(52)	(13,313)
Credit/(charge) to profit or loss (note 9)	429	2,924	3,848	1,270	(2)	167	(950)	7,686
Charge to other comprehensive income (note 9)	–	–	–	–	(130)	–	–	(130)
Credit to equity (note 9)	–	–	–	–	–	101	–	101
Acquisition of subsidiary	–	(252)	–	–	–	–	–	(252)
Foreign exchange	–	56	(55)	(20)	–	–	1	(18)
At 30 September 2021	**3,466**	**(22,535)**	**12,585**	**1,207**	**17**	**335**	**(1,001)**	**(5,926)**
Credit/(charge) to profit or loss	**(834)**	**4,804**	**2,226**	**(349)**	**(29)**	**(177)**	**100**	**5,741**
Charge to other comprehensive income	**–**	**–**	**–**	**–**	**(15)**	**–**	**–**	**(15)**
Credit to equity	**–**	**–**	**–**	**–**	**–**	**(101)**	**–**	**(101)**
Discontinued operations	**–**	**–**	**(536)**	**(669)**	**(1)**	**–**	**800**	**(406)**
Acquisition of subsidiary	**–**	**–**	**–**	**490**	**–**	**–**	**–**	**490**
Disposal of a subsidiary	**–**	**(1,685)**	**–**	**(50)**	**–**	**–**	**–**	**(1,735)**
Foreign exchange	**–**	**(1)**	**1,190**	**170**	**–**	**–**	**–**	**1,359**
At 30 September 2022	**2,632**	**(19,417)**	**15,465**	**799**	**(28)**	**57**	**(101)**	**(593)**

Certain deferred tax assets and liabilities have been offset in the above table. The following is the analysis of deferred tax balances for financial reporting purposes:

	2022 £000	2021 £000
Deferred tax liabilities	**(13,552)**	(11,633)
Deferred tax assets	**12,959**	5,707
	(593)	(5,926)

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period, and which are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. A change to the main UK corporation tax rate, announced in the Budget on 3 March 2021, was substantively enacted for IFRS and UK GAAP purposes on 24 May 2021. The rate applicable from 1 April 2023 will be 25%. Deferred tax assets/liabilities have been revalued to that rate to the extent that they are expected to unwind after that date. Any amounts expected to unwind prior to 1 April 2023 have been calculated at the current rate of 19%.

Deferred tax assets are recognised (for the carry forward of unused tax losses, accelerated capital allowances and other temporary differences) where (a) there are sufficient deferred tax liabilities relating to the same taxation authority and the same taxable entity which are expected to reverse in the same period as the deferred tax asset will unwind; or (b) to the extent that, based on a review of expected profits, it is probable that future taxable profit will be available against which the unused losses and tax credits can be utilised.

At the balance sheet date, deferred tax assets have arisen in the UK and US jurisdictions only.

24 Deferred tax continued

As at 30 September 2022, the Group has unused tax losses of £107.7m (2021: £99.1m) available for offset against future profits. A deferred tax asset has been recognised in respect of £68.4m (2021: £53.0m) of such losses. No deferred tax asset has been recognised in respect of the remaining £39.3m (2021: £46.1m) as it is not considered probable that there will be future taxable profits available. The unrecognised losses may be carried forward indefinitely, with the exception of losses of £nil (2021: £6.2m) arising in certain jurisdictions, which expire between five and 10 years.

No deferred tax asset has been recognised in respect of deductible temporary differences of £7.1m (2021: £5.8m) as it is not considered probable that there will be sufficient future taxable profits available after utilisation of unused tax losses. The unrecognised assets may be carried forward indefinitely.

At the balance sheet date, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised was £nil (2021: £7.6m). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

25 Share capital

	2022 £000	2021 £000
Allotted and fully paid		
291,640,907 ordinary shares of 10p each (2021: 265,128,107 of 10p each)	**29,164**	26,513

	2022 Number of shares	2021 Number of shares
At 1 October	**265,128,107**	265,128,107
Share placement	**13,818,698**	–
Share subscription	**12,694,102**	–
At 30 September	**291,640,907**	265,128,107

On 18 November 2021, the Group announced it had placed 13,818,698 new ordinary shares at a price of £1.07, raising gross proceeds of £14.8m to part-fund the acquisition of 121 Group (see note 13). Alongside this, a subscription of 12,694,102 new ordinary shares at a price of £1.1235 per new ordinary share was completed by investment funds managed by Strategic Value Partners, LLC. Total net proceeds were £28.1m after expenses of £1.0m, which were deducted from share premium.

The Company has one class of ordinary shares which carry no right to fixed income. At the Extraordinary General Meeting held on 17 November 1998, shareholders approved the establishment of the Hyve Group Employee Share Ownership Trust ('ESOT'). The terms of the ESOT allow the trustees to transfer shares to employees who exercise options under the Company's share option schemes, to grant options to employees and to accumulate shares by buying in the market or subscribing for shares at market value. The ESOT is capable of holding a maximum of 5% of the Company's issued ordinary share capital. The ESOT reserve arises in connection with the ESOT. The amount of the reserve represents the deduction in arriving at shareholders' funds for the consideration paid for the Company's shares purchased by the ESOT which had not vested unconditionally at the end of each financial year.

The ESOT held 671,757 shares in Hyve Group plc at 30 September 2022 (2021: 771,375 shares). During the year, there were 992,000 nominal share options under the Employees' Performance Share Plan granted against ESOT-held shares (2021: 2,180,893). The market value of the ordinary shares held by the ESOT at 30 September 2022 was £0.3m (2021: £0.9m).

The Company has agreed to make available to the ESOT an interest-free loan of up to £12.5m for the purpose of buying shares. At 30 September 2022, the amount of the loan drawn down was £12.0m. The Company profit and loss account and statement of financial position include the results of the ESOT for the year ended 30 September 2022. The trustees have waived their current and future rights to all dividend entitlement on the shares held by the ESOT. 99,618 options were exercised from the ESOT during the year (2021: 41,281). The total consideration for the options exercised from the ESOT was £nil (2021: £nil). 2,637,178 outstanding options are to be settled by the ESOT, so all shares held by the ESOT are under option as at 30 September 2022. Details of the options in issue and their exercise dates can be seen at note 28 to the consolidated accounts.

26 Non-controlling interests

	2022 £000	2021 (restated) £000
At 1 October (restated)	**2,179**	4,552
Dividends payable to non-controlling interests	**(339)**	(671)
Disposal of non-controlling interest (note 17)	**978**	(870)
Loss on ordinary activities after taxation	**(651)**	(832)
Foreign currency translation	**366**	–
At 30 September	**2,533**	2,179

27 Leases

The Group's right-of-use assets are disclosed in note 15. All right-of-use assets and lease liabilities are recognised in respect of office leases.

The Group's lease liabilities at 30 September 2022 are as follows:

	Total £000
1 October 2020	**18,835**
Principal lease payments	(4,015)
Interest on lease liabilities	650
Acquired through business combinations	112
Additions	1,558
Disposals	(148)
Foreign exchange	(270)
30 September 2021	**16,722**
Principal lease payments	**(3,448)**
Interest on lease liabilities	**592**
Additions	**926**
Acquired through business combinations (note 13)	**420**
Disposals	**(1,153)**
Foreign exchange	**1,190**
30 September 2022	**15,249**
Current lease liabilities (note 21)	**3,420**
Non-current lease liabilities	**11,829**
	15,249

In the year ended 30 September 2022, the lease liabilities acquired through business combinations include £0.1m of current lease liabilities and £0.3m of non-current lease liabilities. Current lease liabilities are disclosed within trade and other payables.

The Group's average lease term under IFRS 16 is 3.2 years. The average IBR used for year ended 30 September 2022 to discount lease liabilities was 3.3% (2021: 3.5%).

Maturity of lease liabilities

Carrying amount and fair value	Contractual cash flows	Less than 1 year	1 – 2 years	2 – 3 years	3 – 4 years	4 – 5 years	Greater than 5 years
(15,249)	**(16,843)**	**(3,420)**	**(3,066)**	**(2,880)**	**(2,889)**	**(2,893)**	**(1,695)**

Total cash outflows in respect of leases was £3.4m (2021: £4.0m).

Short-term lease and low value lease expenses for the year ended 30 September 2022 were as follows:

	2022 £000	2021 £000
Office leases	**90**	161
Venue leases	**30,035**	7,654
Total	**30,125**	7,815

28 Share-based payments

The Company operates two share option schemes.

Share option plans

The Company operates a share option plan for certain employees of the Group. Options are exercisable at a price equal to the average quoted market price of the Company's share on the date of grant. The vesting period is typically three years and the options are exercisable up to 10 years from granting. The options are forfeited if the employee leaves the Group before the options vest.

Performance share plans

The Company operates a Performance Share Plan ('PSP') for executives and certain employees. Awards under the PSP are at an exercise value of 10p. Awards can be made to an employee over shares up to a maximum of 100% of base salary, or 150% for the Chief Executive Officer and 120% for the Chief Finance and Operations Officer, each year based on market value. The vesting period is three years and awards are exercisable up to 10 years from the date of grant. For conditional awards, the vesting is automatic on the satisfaction of performance targets. The options are forfeited if the employee leaves the Group before the options vest. The awards are also subject to a performance target. Further details of the performance targets can be found in the Remuneration Committee report on pages 96 to 98.

Details of the share options outstanding as at 30 September 2022 are as follows:

	Number of share options 2022	Weighted average exercise price (pence) 2022	Number of share options 2021	Weighted average exercise price (pence) 2021
Share option plans				
Outstanding at beginning of period	**214,557**	**123.3**	453,127	123.3
Lapsed during the period	**(77,768)**	**120.7**	(238,570)	120.7
	136,789	**126.1**	214,557	126.1
Performance share plans				
Outstanding at beginning of period	**3,121,171**	**10.0**	1,929,457	10.0
Granted during the period	**992,000**	**10.0**	1,749,314	10.0
Lapsed during the period	**(1,638,304)**	**10.0**	(87,869)	10.0
	2,474,867	**10.0**	3,590,902	10.0

The total number of exercisable options in the share option plans is nil (2021: nil) and in the performance share plans is nil (2021: 3,478).

The weighted average share price at the date of exercise for share options exercised during the period was nil. The options outstanding at 30 September 2022 had a weighted average exercise price of 15.7p (2021: 8.2p) and a weighted average remaining contractual life of 602 days (2021: 530 days).

In the year ended 30 September 2022, PSP options were granted in January 2022. The aggregate of the estimated fair value of these options is £540,960.

The inputs into the Monte Carlo for the instruments issued during the year are as follows:

	Performance share plan 2022	Performance share plan 2021
Weighted average share price	**–**	–
Weighted average exercise price	**10p**	10p
Expected volatility	**34%**	48%
Expected life	**3 years**	3 years
Risk-free rate	**1.0%**	0.1%
Dividend yield	**0.0%**	0.0%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous year.

Monte Carlo simulations were used to model possible share prices of the Group and the relevant comparator companies to determine the expected vesting percentages of the conditionally granted performance shares under the 'total shareholder return' performance condition.

Value creation plans

The Company operates a Value Creation Plan ('VCP') for executives and certain employees to share the value creation of the Group as a proportion of the increase in the market capitalisation of the Group in excess of an opening market capitalisation amount plus an annually compounded base hurdle rate of 10%, with further value delivered above an upper hurdle of 15%. The vesting period is three, four and five years. The vesting conditions are the hurdle values which were calculated from a base price of £1.30 and an initial Company value of £344,666,539 divided by the number of shares in issue. The value created above the hurdle is calculated using the average share price in the three-month period immediately prior to the last day of the Company's financial year preceding the vesting date.

In the year ended 30 September 2022, VCP awards were granted in October 2021 and February 2022. The aggregate of the estimated fair value of these awards was £4,061,000 at the grant date.

28 Share-based payments continued

The inputs into the Monte Carlo for the instruments issued during the year are as follows:

	Value Creation Plan February 2022	Value Creation Plan October 2021
Weighted average share price	**115p**	107p
Weighted average exercise price	**n/a**	n/a
Expected volatility	**38%**	34%
Expected life	**4.62 years**	4.93 years
Risk-free rate	**1.4%**	0.8%
Dividend yield	**0.0%**	0.0%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous year.

Monte Carlo simulations were used to model possible share prices of Hyve and the relevant comparator companies to determine the expected vesting percentages of the conditionally granted performance shares under the 'total shareholder return' performance condition.

The Group recognised a total expense of £1.6m (2021: £0.7m) related to equity-settled share-based payment arrangements.

Cash-settled share-based payments

The Group issues to certain employees share appreciation rights ('SARs') that require the Group to pay the intrinsic value of the SAR to the employee at the date of exercise. The Group recorded liabilities of £177,000 (2021: £137,000) and a charge of £40,000 (2021: £73,000). The total intrinsic value at 30 September 2022 was £nil (2021: £nil).

29 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and its joint ventures, where relevant, are disclosed below.

Trading transactions

During the year ended 30 September 2022, the Group charged management fees of £nil (2021: £168,000) to Sinostar ITE, the Group's joint venture operation in Hong Kong and China.

Remuneration of key management personnel

The remuneration of Directors and the Executive Team, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 Related party disclosures. Further information about the remuneration of individual Directors is provided in the audited part of the Remuneration Committee report on pages 96 to 98.

	2022 £000	2021 £000
Short-term employee benefits	**2,633**	2,742
Employer's national insurance contributions	**79**	166
	2,712	2,908

Disposal of subsidiaries

The disposal of the Ukrainian business was classified as a smaller related party transaction under Listing Rule 11.1.10 R by virtue of Anatoly Sushon being deemed a related party of the Group at the time of the transaction.

30 Net debt and movements in liabilities arising from financing activities

	At 1 October 2021 £000	Cash flow £000	Non-cash movements £000	Foreign exchange £000	Classified as held for sale	At 30 September 2022 £000
Cash at bank and on hand	41,733	(15,727)	–	3,575	(1,513)	28,068
Cash and cash equivalents	41,733	(15,727)	–	3,575	(1,513)	28,068
Debt due within one year	(11,751)	6,675	(924)	–	–	(6,000)
Debt due after one year	(109,849)	16,748	–	–	–	(93,101)
Adjusted net debt	(79,867)	7,696	(924)	3,575	(1,513)	(71,033)
Lease liabilities (note 27)	(16,722)	3,448	(785)	(1,190)	–	(15,249)
Net debt	(96,589)	11,144	(1,709)	2,385	(1,513)	(86,282)

30 Net debt and movements in liabilities arising from financing activities continued

	At 1 October 2020 £000	Cash flow £000	Non-cash movements £000	Foreign exchange £000	At 30 September 2021 £000
Cash at bank and on hand	50,330	(8,956)	–	359	41,733
Cash and cash equivalents	50,330	(8,956)	–	359	41,733
Debt due within one year	(17,500)	5,749	–	–	(11,751)
Debt due after one year	(100,485)	(8,104)	(1,260)	–	(109,849)
Adjusted net debt	(67,655)	(11,311)	(1,260)	359	(79,867)
Lease liabilities (note 27)	(18,835)	4,015	(2,172)	270	(16,722)
Net debt	(86,490)	(7,296)	(3,432)	629	(96,589)

Included within the net cash inflow of £11.1m (2021: net cash outflow of £7.3m) is £25.4m (2021: £67.2m) of repayments on the Group's debt facility and £2.0m (2021: £69.6m) of drawdowns on the Group's debt facility. At 30 September 2022, the Group had £100.0m (2021: £88.4m) of undrawn debt facilities.

Analysis of changes in other financing liabilities:

	At 1 October 2021 £000	**Cash flow £000**	**Non-cash movements £000**	**At 30 September 2022 £000**
Interest payable	**(90)**	**6,676**	**(6,684)**	**(98)**

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

Interest payable at 30 September 2022 of £0.1m (2021: £0.1m) is recognised as a current liability within accruals.

31 Post-balance sheet events

On 20 October 2022, the Group completed the refinancing of its debt facilities. The new debt facilities totalling £135m comprise a £115m term loan and a £20m super senior revolving credit facility. The new debt facilities replace the Group's previous debt facilities, and the £101m drawn down as at 30 September 2022 was repaid in full on 20 October 2022 when the new funds were drawn. In advance of the debt refinancing, on 10 October 2022, the Group terminated its interest rate swap contract, which was due to expire in November 2022.

On 24 October 2022, the Group completed the disposal of Hyve Fuarcılık Anonim Şirketi and its subsidiaries (the 'Turkish business') for consideration of up to £8m to ICA (JV) Limited. The Group has received upfront consideration of £2.0m in respect of the disposal and expects to receive between £4m and £6m of deferred contingent consideration, payable over the six-year period until December 2028 based on the profitability of the Turkish business. The assets and liabilities of the Turkish business have been classified as held for sale as at 30 September 2022 in accordance with IFRS 5 Non-Current Assets Held for Sales and Discontinued Operations.

Company statement of financial position
30 September 2022

	Notes	2022 £000	2021 (restated[1]) £000
Fixed assets			
Investments	5	**7,619**	118,034
Intangible assets	5	**17**	25
		7,636	118,059
Current assets			
Debtors due within one year	6	**348,270**	580,603
Cash at bank and in hand		**630**	16,194
		348,900	596,797
Creditors: amounts falling due within one year	8	**(22,882)**	(103,615)
Net current assets		**326,018**	493,182
Creditors: amounts falling due after one year	8	**(60,410)**	(71,233)
Net assets		**273,244**	540,008
Capital and reserves			
Called up share capital	9	**29,164**	26,513
Share premium account		**185,697**	160,271
Merger reserve		**2,746**	2,746
Capital redemption reserve		**457**	457
ESOT reserve		**(3,018)**	(3,083)
Profit and loss account		**58,198**	353,104
Shareholders' funds		**273,244**	540,008

1 Results for the year ended 30 September 2021 have been restated to reflect the adjustments made to corporation tax liability and tax charge. See note 1 for further detail.

The Company reported a loss for the financial year ended 30 September 2022 of £296.4m (2021 (restated): profit of £43.0m).

The accounts of the Company, registered number 01927339, were approved by the Board of Directors and signed on their behalf, on 13 December 2022, by:

John Gulliver
Chief Finance and Operations Officer

Company statement of changes in equity

For the year ended 30 September 2022

	Called up share capital (note 9) £000	Share premium account £000	Merger reserve £000	Capital redemption reserve £000	ESOT reserve £000	Profit and loss account (restated) £000	Total (restated) £000
1 October 2020	26,513	160,271	2,746	457	(3,175)	309,468	496,664
Net loss for the year (restated)	–	–	–	–	–	42,962	42,578
Total comprehensive loss for the year (restated)	–	–	–	–	–	42,962	42,578
Exercise of share options	–	–	–	–	92	(92)	–
Dividends	–	–	–	–	–	–	–
Capital contribution	–	–	–	–	–	264	264
Share-based payments	–	–	–	–	–	502	502
30 September 2021 (restated)	**26,513**	**160,271**	**2,746**	**457**	**(3,083)**	**353,104**	**540,008**
Net loss for the year	–	–	–	–	–	(296,439)	(296,439)
Total comprehensive loss for the year	**–**	**–**	**–**	**–**	**–**	**(296,439)**	**(296,439)**
Exercise of share options	–	–	–	–	65	(65)	–
Issue of shares	2,651	25,426	–	–	–	–	28,077
Dividends	–	–	–	–	–	–	–
Capital contribution	–	–	–	–	–	682	682
Share-based payments	–	–	–	–	–	916	916
30 September 2022	**29,164**	**185,697**	**2,746**	**457**	**(3,018)**	**58,198**	**273,244**

1 Basis of preparation and accounting policies

These separate financial statements of the Company have been prepared in accordance with applicable 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 with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

Hyve Group plc is the parent company (the 'Company') of the Hyve Group (the 'Group') and its principal activity is to act as the ultimate holding company of the Group. The address of the registered office is given on page 214.

As permitted by FRS 102, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments and related party transactions. The Directors' report, Corporate governance report and Directors' remuneration report disclosures are on pages 82 to 84, 77 to 81, and 99 to 127 respectively, of this report.

The Company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Company has also adopted the following disclosure exemptions:

- The requirement to present a statement of cash flows and related notes; and
- Financial instrument disclosures, including:
  - Categories of financial instruments;
  - Items of income, expenses, gains or losses relating to financial instruments; and
  - Exposure to and management of financial risks.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year. The preparation of financial statements under FRS 102 requires the Directors to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, and income and expenses. These estimates and associated assumptions are based on past experience and other factors considered applicable at the time and are used to make judgements about the carrying value of assets and liabilities that cannot be readily determined from other sources. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Changes to estimates and assumptions are reflected in the financial statements in the period in which they are made.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements. Please see note 2 to the consolidated accounts for further detail.

Investments and impairment reviews

Fixed asset investments including subsidiaries are shown at cost less provision for any impairment. Where the recoverable amount of the investment is less than the carrying amount, an impairment is recognised. Impairment reviews are undertaken at least annually, or more frequently where there is an indication of impairment.

The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting. Details of the basis of accounting of investments in joint ventures are included in note 2 to the consolidated accounts.

Intangible assets

Trademarks are measured initially at purchase cost and have a definite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful life. The estimated useful lives are up to 20 years.

Provisions

Provisions are recognised when the Company has a present legal obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Trade debtors and creditors

Trade debtors and creditors are stated at their nominal value. Trade debtors are reduced by appropriate allowances for estimated irrecoverable amounts.

Bank borrowings

Bank overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted for on an accrual basis to profit or loss.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

1 Basis of preparation and accounting policies continued

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the reporting date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates of exchange prevailing at that date. Non-monetary assets and liabilities are translated at the rate prevailing at the date the fair value was determined. Gains and losses arising on retranslation of monetary assets are included in profit or loss for the period.

Employee Share Ownership Trust

The financial statements include the assets and liabilities of the Employee Share Ownership Trust ('ESOT'). Shares in the Company held by the ESOT have been valued at cost and are held in equity. The costs of administration of the ESOT are written off to profit or loss as incurred.

Where such shares are subsequently sold, any net consideration received is included in equity attributable to the Company's equity holders.

Share-based payments

The Company issues equity-settled share-based payments to certain employees. These are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Fair value is measured using a Black-Scholes model. The expected life used in the model has been adjusted, for the effects of non-transferability, exercise restrictions and behavioural considerations based on management's best estimate.

Share-based payment amounts that relate to employees of subsidiary Group companies are recorded as capital contributions to the relevant Group company.

Details of the Company's equity-settled share-based payments are included in note 28 to the consolidated accounts.

Critical accounting judgements and key sources of estimation uncertainty

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

Critical judgements in applying the entity's accounting policies

The Company does not make any critical judgements in applying the entity's accounting policies.

Key sources of estimation uncertainty

The Company makes an estimate of the recoverable value of its investments and debtors balances, including inter-company balances as disclosed within these financial statements (refer to notes 5 and 6). The Company reviews its investments for impairment whenever events or changes in circumstances indicate that the carrying amount may not be supported by its underlying assets. The recoverability assessment requires the Directors to make estimates regarding the probability of the future earnings potential of the counterparty. An impairment charge of £298.4m was recognised in the year in relation to the Company's investment and debtor balances. At 30 September 2022, the Directors are satisfied that the remaining investment and debtors balances amounts as disclosed are recoverable.

Prior-year error

During the year, the Directors identified that the tax charge in relation to the year ended 30 September 2021 was incorrectly recorded in the Company accounts.

To correct for the omitted tax charge, the prior-year profit for the year, deferred tax asset and corporation tax liability have been amended, decreasing profit by £9.1m, decreasing the deferred tax asset by £0.3m, increasing the corporation tax liability by £0.3m and increasing the amounts owed to Group undertakings by £8.5m. As a result, retained earnings as at 30 September 2021 have been decreased by £9.1m in the Company statement of changes in equity.

1 Basis of preparation and accounting policies continued

Company income statement

	2021 £000
Tax charge	9,062
Decrease in profit for the financial year	**9,062**

Company statement of financial position

	2021 £000
Deferred tax asset	(283)
Amounts owed to Group undertakings	(8,449)
Corporation tax	(330)
Change in net assets	**(9,062)**
Retained earnings	(9,062)
Change to total equity	**(9,062)**

2 Profit/(loss) for the year

As permitted by section 408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the Company. The profit or loss attributable to the Company is disclosed in the footnote to the Company's statement of financial position.

The auditor's remuneration for audit and other services is disclosed in note 4 to the Consolidated financial statements.

3 Staff costs

a) Number of employees

The average number of persons (including Directors) employed by the Company during the year was as follows:

	2022 No.	2021 No.
Directors	**6**	6

b) Employee costs

Their aggregate remuneration comprised:

	2022 £000	2021 £000
Wages and salaries	**2,438**	2,288
Social security costs	**336**	316
Share-based payments	**916**	502
	3,691	3,106
Highest paid Director	**1,317**	1,254

4 Dividends

The Directors have not proposed a final dividend (2021: nil) for the year ended 30 September 2022. The payment of dividends was restricted during the year under the terms of the waivers agreed with the Group's lenders in May 2020 and extended in November 2021, and remain restricted under the terms of the new debt facility agreed in October 2022 until the business is sufficiently deleveraged.

There were not any interim dividends declared or paid in the years ended 30 September 2022 and 30 September 2021.

Under the terms of the trust deed dated 20 October 1998, the Hyve Group Employees Share Trust, which holds 671,757 (2021: 771,375) ordinary shares representing 0.2% of the Company's called up ordinary share capital, has agreed to waive all dividends due to it each year.

5 Fixed assets

Investments in subsidiaries

The Company has investments in the following subsidiary undertakings. The principal activity of all the companies listed is the organisation of exhibitions and conferences.

Name	Address	Effective holding	%
121 Group (HK) Ltd	19606, 19/F, FWD Financial Centre, 308 Des Voeux Road, Sheung Wan, Hong Kong	Ordinary shares	100
121 Group Australia Pty Ltd	L4, Suite 402, 261 George Street, Sydney, NSW, 2000, Australia	Ordinary shares	100
121 Partners Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Airgate Holdings Ltd	42 Dositheou, Strovolos, Nicosia, 2028, Cyprus	Ordinary shares	100
Breakbulk Ireland Ltd	5 Lapps Quay, Cork, Ireland T12 RW7D	Ordinary shares	100
Breakbulk US Holdco Inc	One Gateway Centre, Suite 2600, Newark, NJ07102, USA	Ordinary shares	100
Breakbulk US Opco Inc	One Gateway Centre, Suite 2600, Newark, NJ07102, USA	Ordinary shares	100
Fintech Meetup Holdco, Inc	251 Little Falls Drive, Wilmington, DE 19808, USA	Ordinary shares	100
Fintech Meetup, LLC	605 Third Avenue, 26th Floor, New York, NY10158, USA	Ordinary shares	100
Groceryshop, LLC	605 Third Avenue, 26th Floor, New York, NY10158, USA	Ordinary shares	100
Hyve (Europe) Exhibitions Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve (US) Exhibitions Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Asia Exhibitions Ltd	Suite 1004, 10th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong	Ordinary shares	100
Hyve Beauty Fuarcilik A S	19 Mayıs Caddesi Golden Plaza Kat:7 Şişli, İstanbul, Turkey	Ordinary shares	100
Hyve Build Fuarcilik A S	19 Mayıs Caddesi Golden Plaza Kat:7 Şişli, İstanbul, Turkey	Ordinary shares	100
Hyve China International Exhibitions and Conferences Services (Beijing) Co., Ltd	301-L302-2, 3/F, Wonderful World Commercial Plaza, 38 East 3rd Ring North Road, Chaoyang District, Beijing, China	Ordinary shares	100
Hyve Enterprises 2 Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Enterprises Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Eventos Ltda	R. Des. Eliseu Guilherme, 53/59 – CJ 81, Paraíso, São Paulo – SP, Brazil 04004-030	Ordinary shares	100
HYVE Events (Shanghai) Company Ltd	Unit 2822, F/28, No. 1045 Middle Huaihai Road, Xuhui District, Shanghai, China	Ordinary shares	100
Hyve Events S.A. Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Events Services Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Events South Africa (Pty) Ltd	StoneMill Office Park, 1B Cornerstone House, 1st Floor, 300 Acacia Road, Darrenwood, 2194, South Africa	Ordinary shares	100
Hyve Events South Africa Holdco Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Footwear Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Fuarcilik A.S	19 Mayıs Caddesi Golden Plaza Kat:7 Şişli, İstanbul, Turkey	Ordinary shares	100
Hyve Holdings Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve India Private Ltd	205, Second Floor, Harsh Bhawan, B.No. 64-65, Nehru Place, New Delhi, 110 019, India	Ordinary shares	100
Hyve International Events Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Moda Footwear Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Moda Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100

5 Fixed assets continued

Name	Address	Effective holding	%
Hyve Overseas Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Shanghai Exhibitions Co., Ltd	Room 1703, Soho Building, No. 575 Wusong Rd, Hongkou District, Shanghai, China	Ordinary shares	100
Hyve UK Events Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve US Limited	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Hyve Worldwide B.V.	Business Center Demka, Demkaweg 11, 3555 HW Utrecht, The Netherlands	Ordinary shares	100
Intermedia Exhibitions and Conferences Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
International Trade and Exhibitions Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
ITE Asia Pte Ltd	8 Shenton Way #21-07, AXA Tower Singapore 068811	Ordinary shares	100
ITE Group Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
ITE International Trade and Exhibitions EURL	24, route du CAP, 16412 Bordj El Kiffan, Algeria	Ordinary shares	100
ITE Overseas Holdings BV	Business Center Demka, Demkaweg 11, 3555 HW Utrecht, The Netherlands	Ordinary shares	100
Jacket Required Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Learnit World Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
New Expostar (Shenzhen) Co Ltd	Unit C, 42/F, Block A, World Finance Centre, 4003 Shennan Dong Road, Shenzhen, China		50
PT ITE Exhibitions Indonesia Ltd	Jl. Maritim Raya No. 4A Cilandak Barat, Jakarta Selatan, Dki Jakarta, Indonesia	Ordinary shares	51
RAS Holdings Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
RAS Publishing Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Regent US Holdco Inc	1209 Orange Street, Wilmington, New Castle County, Delaware 19801, USA	Ordinary shares	100
Retail Meetup, LLC	605 Third Avenue, 26th Floor, New York, NY10158, USA	Ordinary shares	100
Scoop International Fashion Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	95
Shanghai AIGE Exhibition Service Ltd	Room 1001, Building B, Twin Towers, No. 618 Xinzhuan Road, Songjiang District, Shanghai, China	Ordinary shares	70
Shoptalk Commerce, LLC	605 Third Avenue, 26th Floor, New York, NY10158, USA	Ordinary shares	100
Shoptalk Europe Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100
Summit Trade Events Ltd	2 Kingdom Street, London, England, W2 6JG	Ordinary shares	100

5 Fixed assets continued

The Company has guaranteed the liabilities of the following subsidiary undertakings in order that they qualify for the exemption from audit granted by section 479A of the Companies Act. The Directors of the Company expect that the possibility of this guarantee being called upon is remote.

Subsidiary undertakings	Registered numbers
121 Partners Ltd	08920603
Intermedia Exhibitions & Conferences Ltd	03640982
Hyve Eurasian Exhibitions Ltd	07307385
Hyve Enterprises 2 Ltd	14060823
Hyve Enterprises Ltd	03372928
Hyve Overseas Ltd	02926434
Hyve Events Services Ltd	03942985
Hyve Holdings Ltd	06975153
Hyve (US) Exhibitions Ltd	07841956
Hyve (Europe) Exhibitions Ltd	07843009
RAS Holdings Ltd	04211246
Summit Trade Events Ltd	06446907
Hyve US Ltd	08707579
Hyve Events South Africa Ltd	09374049
International Trade and Exhibitions Ltd	10128746
Hyve Moda Ltd	04211308
RAS Publishing Ltd	02725777
Hyve Moda Footwear Ltd	02924254
Jacket Required Ltd	07563504
Scoop International Fashion Ltd	07441467
Shoptalk Europe Ltd	10440875
Learnit Worldwide Ltd	11587014

5 Fixed assets continued

Subsidiary undertakings

	Shares £000	Capital contribution £000	Total £000
Cost			
1 October 2021	111,526	30,511	142,037
Additions	22,905	–	22,905
Capital contribution	–	682	682
30 September 2022	**134,431**	**31,193**	**165,624**
Provision for impairment			
1 October 2021	**429**	**23,574**	**24,003**
Impairment	**134,002**	**–**	**134,002**
30 September 2022	**134,431**	**23,574**	**158,005**
Net book value			
30 September 2022	**–**	**7,619**	**7,619**
30 September 2021	111,097	6,937	118,034

During the year, the Company subscribed to 100 ordinary shares in Hyve Holdings Limited for consideration of £22.9m in order to part-fund the acquisition of 121 Group in November 2022. Please refer to note 13 to the consolidated accounts for further details.

To facilitate the disposal of the Group's Russian business in May, the Group's internal structure was rationalised, which triggered a review of the fair value of the Company's investments in its subsidiaries. An impairment charge of £134.0m (2021: £nil) was recognised in the year in respect of investments in subsidiaries, being the excess of the carrying value of the Company's investments over the net asset value of the subsidiary companies at the review date.

Intangible assets

	Trademarks £000
Cost	
1 October 2021	103
Additions in the year	–
30 September 2022	**103**
Amortisation	
1 October 2021	78
Charge in the year	8
30 September 2022	**86**
Net book value	
30 September 2022	**17**
30 September 2021	25

6 Debtors due within one year

	2022 £000	2021 (restated) £000
Amounts owed by Group undertakings	**347,764**	579,870
Prepayments and accrued income	**357**	332
Other debtors	**98**	229
Deferred tax (note 7)	**51**	172
	348,270	580,603

The amounts owed by Group undertakings are payable on demand and bear no interest.

To facilitate the disposal of the Group's Russian business in May, the Group's internal structure was rationalised, which triggered a review of the amounts due to the Company by Group undertakings. An impairment charge of £164.4m (2021: £nil) was recognised in the year in respect of amounts owed by Group undertakings, being the excess of the carrying value of the amounts due by Group undertakings over the net asset value of the relevant Group counterparties at the review date.

7 Deferred tax

At the reporting date, the Company has unused tax losses of £0.1m (2021: £nil) available for offset against future profits on which a deferred tax asset has been recognised.

	Tax losses £000	Share based payments £000	Total £000
At 1 October 2020	384	34	418
Credited to profit or loss	37	–	37
At 30 September 2021	**421**	**34**	**455**
Adjustment for prior period error (note 1)	(421)	138	(283)
At 30 September 2021 (restated)	**–**	**172**	**172**
Credited/(charged) to profit or loss	30	(151)	(121)
At 30 September 2022	**30**	**21**	**51**

8 Trade and other creditors

	2022 £000	2021 (restated) £000
Bank loan	**6,000**	11,751
Corporation tax	**–**	330
Amounts owed to Group undertakings	**12,133**	91,178
Accruals	**1,114**	90
Other creditors	**3,635**	266
	16,882	103,615
Amounts due after one year		
Bank loan	**60,410**	71,233

The amounts owed to Group undertakings are payable on demand and bear no interest.

Subsequent to the period end, in October 2022 the Company completed the refinancing of its debt. The new debt facilities replace the Company's previous debt facilities, and so the £66.4m drawn debt as at 30 September 2022 was repaid in full on 20 October 2022 when the Group's new term loan of £115.0m was fully drawn on the same date. The voluntary repayment of the drawn debt is a non-adjusting event in accordance with IAS 10. £6.0m of the drawn debt is classified as a current liability under the repayment terms of the previous debt facility. Refer to note 20 to the Group accounts.

9 Called up share capital and reserves

	2022 £000	2021 £000
Allotted and fully paid		
291,640,907 ordinary shares of 10p each (2021: 265,128,107 of 10p each)	**29,164**	26,513

	2022 Number of shares	2021 Number of shares
At 1 October	**265,128,107**	265,128,107
Share placement	**13,818,698**	–
Share subscription	**12,694,102**	–
At 30 September	**291,640,907**	265,128,107

On 18 November 2021, the Group announced it had placed 13,818,698 new ordinary shares at a price of £1.07 raising gross proceeds of £14.8m to part-fund the acquisition of 121 Group (see note 8). Alongside this, a subscription of 12,694,102 new ordinary shares at a price of £1.1235 per new ordinary share was completed by investment funds managed by Strategic Value Partners, LLC. Total net proceeds were £28.1m after expenses of £1.0m, which were deducted from share premium.

The Company has one class of ordinary shares which carry no right to fixed income. At the Extraordinary General Meeting held on 17 November 1998, shareholders approved the establishment of the Hyve Group Employee Share Ownership Trust (ESOT'). The terms of the ESOT allow the trustees to transfer shares to employees who exercise options under the Company's share option schemes, to grant options to employees and to accumulate shares by buying in the market or subscribing for shares at market value. The ESOT is capable of holding a maximum of 5% of the Company's issued ordinary share capital. The ESOT reserve arises in connection with the ESOT. The amount of the reserve represents the deduction in arriving at shareholders' funds for the consideration paid for the Company's shares purchased by the ESOT which had not vested unconditionally at the end of each financial year.

The ESOT held 671,757 shares in Hyve Group plc at 30 September 2022 (2021: 771,375 shares). During the year, there were 992,000 nominal share options under the Employees' Performance Share Plan granted against ESOT-held shares (2021: 2,180,893). The market value of the ordinary shares held by the ESOT at 30 September 2022 was £0.3m (2021: £0.9m).

The Company has agreed to make available to the ESOT an interest-free loan of up to £12.5m for the purpose of buying shares. At 30 September 2022, the amount of the loan drawn down was £12.0m. The Company income statement and statement of financial position include the results of the ESOT for the year ended 30 September 2022. The trustees have waived their current and future rights to all dividend entitlement on the shares held by the ESOT. 99,618 options were exercised from the ESOT during the year (2021: 48,281). The total consideration for the options exercised from the ESOT was £nil (2021: £nil). 2,637,178 outstanding options are to be settled by the ESOT, so all shares held by the ESOT are under option as at 30 September 2022. Details of the options in issue and their exercise dates can be seen at note 28 to the consolidated accounts.

10 Post-balance sheet events

On 20 October 2022, the Group completed the refinancing of its debt facilities. The new debt facilities totalling £135m comprise a £115m term loan and a £20m super senior revolving credit facility. The new debt facilities replace the Company's previous debt facilities, and the £66.4m drawn down as at 30 September 2022 was repaid in full on 20 October 2022 when the new funds were drawn.

Alternative performance measures ('APMs')

In accordance with the Guidelines on APMs issued by the European Securities and Markets Authority (ESMA), additional information is provided on the APMs used by the Group below.

In the reporting of financial information, the Group uses certain measures that are not required under IFRS. These additional measures provide additional information on the performance of the business and trends to stakeholders. These measures are consistent with those used internally and are considered important to understanding the financial performance and position of the Group. APMs are considered to be an important measure to monitor how the Group is performing because this provides a meaningful comparison of how the business is managed and measured on a day-to-day basis and achieves consistency and comparability between reporting periods.

These APMs may not be directly comparable with similarly titled profit measures reported by other companies and they are not intended to be a substitute for, or superior to, IFRS measures.

APM	Closest equivalent statutory measure	Reconciling items to statutory measure	Definition and purpose
Headline profit/(loss) before tax	Profit/(loss) before tax	Adjusting items as disclosed in note 5	Headline profit before tax is profit/(loss) before tax and adjusting items, as presented in note 5. In addition to providing a more comparable set of results year-on-year, this is also in line with similar adjusted measures used by our peer companies and therefore facilitates comparison across the industry. Refer to the Chief Finance and Operations Officer's statement for a reconciliation to the statutory measure, and explanations of the amounts adjusted for.
Headline profit for the year	Profit/(loss)	Adjusting items as disclosed in note 5	Headline profit for the year is profit/(loss) and adjusting items, as presented in note 5.
Headline operating profit/(loss)	Operating profit/(loss)	Operating adjusting items as disclosed in note 5	Headline operating profit is operating profit before operating adjusting items, as presented in note 5.

	2022 £000	2021 (restated) £000
Operating loss	**(11,369)**	(25,751)
Operating adjusting items (note 5)	**30,765**	47,746
Headline operating profit	**19,396**	21,995

APM	Closest equivalent statutory measure	Reconciling items to statutory measure	Definition and purpose
Headline operating profit margin	Operating profit margin	Operating adjusting items as disclosed in note 5	Headline operating profit margin is headline operating profit as a percentage of revenue.
Headline EBITDA	Operating profit	Operating adjusting items as disclosed in note 5, depreciation of property, plant and equipment and amortisation of computer software	Headline EBITDA is headline operating profit before operating adjusting items, depreciation of property, plant and equipment and amortisation of computer software.

	2022 £000	2021 (restated) £000
Operating loss	**(11,369)**	(25,751)
Operating adjusting items (note 5)	**30,765**	47,746
Depreciation of property, plant and equipment (note 15)	**3,437**	4,777
Amortisation of computer software (note 14)	**855**	1,262
Headline EBITDA	**23,688**	28,034

Glossary continued

APM	Closest equivalent statutory measure	Reconciling items to statutory measure	Definition and purpose
Net debt	Cash and cash equivalents less bank loans and lease liabilities	Reconciliation of net debt (note 30)	Net debt is defined as cash and cash equivalents after deducting bank loans and lease liabilities.
Adjusted net debt	Cash and cash equivalents less bank loans	Reconciliation of net debt (note 30)	Adjusted net debt is defined as cash and cash equivalents after deducting bank loans. The Board considers adjusted net debt to be a reliable measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength. It is also a single measure that can be used to assess the combined impact of the Group's cash position and its indebtedness and can be compared consistently against prior periods.
Adjusted net debt: headline EBITDA	None	N/A	Adjusted net debt: headline EBITDA is the ratio of adjusted net debt to headline EBITDA.
Cash conversion	None	N/A	Cash conversion is defined as headline cash generated from operations as a percentage of headline operating profit before non-cash items. Headline cash generated from operations is cash generated from operations before net venue utilisation, the cash impact of adjusting items included in the definition of headline profit before tax after adjusting for any wrong pocket true-ups through working capital adjustments on acquisitions or disposals. Headline operating profit before non-cash items is headline operating profit before foreign exchange gains/losses, depreciation and amortisation.

	2022 £000	2021 £000
Cash generated from operations	**31,898**	30,416
Less cash generated from discontinued operations	**(8,696)**	(1,506)
Net venue utilisation	**–**	(72)
Adjusting items:		
Transaction costs on completed and pending acquisitions and disposals	**3,276**	1,218
Adjusted cash flow from operations	**26,478**	30,056
Headline operating profit	**19,396**	21,995
Depreciation of property, plant and equipment (note 4)	**3,437**	4,777
Amortisation of computer software (note 14)	**855**	1,262
Foreign exchange (gain)/loss on operating activities	**(2,707)**	306
Headline operating profit on a cash basis	**20,981**	28,340
Cash conversion	**126%**	111%

APM	Closest equivalent statutory measure	Reconciling items to statutory measure	Definition and purpose
Headline basic earnings per share	Basic earnings per share	Adjusting items in the earnings per share note (note 11)	Profit after tax attributable to owners of the Company and before the impact of adjusting items, divided by the weighted average number of ordinary shares in issue during the financial year.
Headline diluted earnings per share	Diluted earnings per share	Adjusting items in the earnings per share note (note 11)	Profit after tax attributable to owners of the Company and before the impact of adjusting items, divided by the weighted average number of ordinary shares in issue during the financial year adjusted for the effects of any potentially dilutive options unless anti-dilutive.
Headline effective tax rate	Effective tax rate	Adjusting items and the tax impact of adjusting items (note 5 and note 9)	The income tax charge for the Group excluding the tax impact of adjusting items, divided by headline profit before tax. This measure is a useful indicator of the ongoing tax rate for the Group.
Free cash flow from the business	None	N/A	Free cash flow from the business represents cash generated from operations (after movements in working capital), tax paid, capital expenditure, lease payments and net interest costs. Free cash flow is therefore before equity or acquisition and disposal related cash flows.

	2022 £000	2021 £000
Tax credit per income statement	**5,615**	4,636
Tax on share of results of associates and joint ventures	**225**	(455)
Tax impact of adjusting items	**(5,745)**	(6,020)
Headline tax credit/(charge)	**95**	(1,839)
Headline profit/(loss) before tax	**11,473**	13,917
Headline effective tax rate	**(1%)**	13%

Free cash flow from the business	2022 £000	2021 £000
Cash generated from operations	**31,898**	30,416
Capital expenditure and lease payments	**(4,408)**	(4,990)
Interest received	**269**	163
Interest paid	**(6,676)**	(6,556)
Tax paid	**(2,654)**	(3,266)
Free cash flow from the business	**18,429**	15,767

APM	Closest equivalent statutory measure	Reconciling items to statutory measure	Definition and purpose
Like-for-like	None	N/A	Like-for-like (or underlying) results are stated on a constant currency basis, after excluding events which took place in the current period, but did not take place under our ownership in the comparative period and after excluding events which took place in the comparative period, but did not take place under our ownership in the current period. This excludes: • Biennial events; • Timing differences (i.e. events that ran in only one of the current or comparative periods, due to changes in the event dates); • Launches; • Cancelled or disposed of events that did not take place under our ownership in the current year; • Acquired events in the current period; and • Acquired events in the comparative period that did not take place under our ownership in the comparative period (i.e. they took place pre-acquisition). Refer to the Chief Finance and Operations Officer's statement for a reconciliation to the closest statutory measures.
Forward bookings	None	N/A	Forward bookings are contracted revenues for the following financial year. Unless otherwise stated, these are as at the date of announcement (i.e. late November/early December each year).
Revenue per event	None	N/A	Revenue per event is calculated based on the total revenue divided by the number of events in the portfolio at the period end. The 2021 metric includes discontinued revenues and events that are now presented as discontinued.
Customer like-for-like	None	N/A	Customer like-for-like results are the change in average spend per customer across customers who are booked to attend the current edition of an event who also attended the previous edition of the event. They are stated on a constant currency basis.

All note references refer to the notes to the Group consolidated accounts.

Financial calendar

Pre-close announcement	5 October 2022
Preliminary results announcement	13 December 2022
Annual General Meeting	1 February 2023
Q1 trading update	1 February 2023
Q2 trading update	5 April 2023
Interim results announcement	16 May 2023
Q3 trading update	11 July 2023

Shareholder profile at 30 September 2022

Range of holdings	Number of shareholders	Percentage of total shareholders (%)	Ordinary shares (million)	Percentage of issued share capital (%)
1–100	340	36.72	10,375	0.00
101–1,000	273	29.48	89,940	0.03
1,001–10,000	116	12.53	434,684	0.15
10,001–1,000,000	152	16.41	30,988,185	10.63
1,000,001–999,999,999	45	4.86	260,117,723	89.19
Totals	**926**	**100.00**	**291,640,907**	**100.00**

Category	Number of shareholders	Percentage of total shareholders (%)	Ordinary shares (million)	Percentage of issued share capital (%)
Private individuals	648	69.98	442,266	0.15
Nominee companies	201	21.71	172,423,256	59.12
Limited and public limited companies	33	3.56	26,468,731	9.08
Other organisations and banks	44	4.75	92,306,654	31.65
Totals	**926**	**100.00**	**291,640,907**	**100.00**

Share price

London Stock Exchange, pence per 10p share

Highest	117.7p
Lowest	46.8p

Dividend calendar

Dividends suspended in respect of financial year ended 30 September 2022; future dividends will be kept under review.

Share dealing services

The Company's Registrar, Equiniti Limited, offers a telephone and internet dealing service, Shareview, which provides a simple and convenient way of buying and selling shares. For telephone dealings, please call 0345 603 7037 between 08:00am and 04:30pm, Monday to Friday, and for internet dealings please log on to **shareview.co.uk/dealing**.

Electronic communications

Shareholders can elect to receive shareholder documents electronically by registering with Shareview at **shareview.co.uk**. This will save on printing and distribution costs, creating environmental benefits. When you register, you will be sent an email notification to say when shareholder documents are available on our website and you will be provided with a link to that information. When registering, you will need your shareholder reference number, which can be found on your share certificate or proxy form. Please contact Equiniti Limited if you require any assistance or further information.

Directors

Richard Last
Non-Executive Chairman

Rachel Addison
Non-Executive Director (appointed 1 March 2022)

Nicholas Backhouse
Non-Executive Senior Independent Director

John Gulliver
Chief Finance and Operations Officer

Mark Shashoua
Chief Executive Officer

Anna Bateson
Non-Executive Director (appointed 1 March 2022; resigned 16 September 2022)

Sharon Baylay
Non-Executive Director (resigned 1 March 2022)

Stephen Puckett
Non-Executive Senior Independent Director (resigned 3 February 2022)

Company Secretary
Jared Cranney (resigned 15 November 2022)

Alice Rivers (appointed 15 November 2022)

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