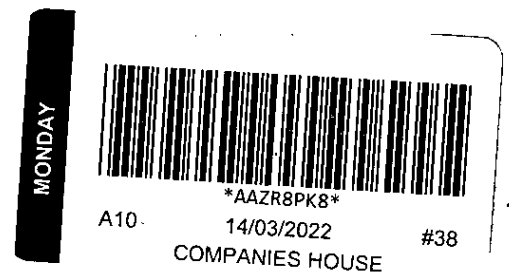


Argus Media Limited
Annual report and financial statements
For the year ended 30 June 2021

Registered number: 01642534



Argus Media Limited

Strategic report

Introduction

The directors present the Argus Media Limited ("Argus" or "the Company") strategic report for the year ended 30 June 2021. The Company is registered in England and Wales, with the registered number 01642534. The directors, in preparing this strategic report, have complied with s414C of the Companies Act 2006.

Principle activities

The principal activities of the Company is publishing news, price information and analysis on a wide range of global energy and commodity markets. The Company also reports on transportation, hosts industry conferences and provides consulting studies.

Business review and key performance indicators

Company revenues for the year were £103.2 million (2020: £94.1 million), an increase of 9.7%, while expenses decreased by 41.4% to £44.2 million (2020: £75.4 million). The profit on ordinary activities before taxation of £94.3 million (2020: £63.3 million) represents a increase of 48.9% over last year.

A dividend payment of £95 million was made during the year (2020: nil). The Company forms part of the Fleet Finco Limited Group (the "Group").

The Company was able to limit the impact of the Covid-19 pandemic through a number of cost saving measures, including utilising the governments Covid-19 job retention scheme in the UK and a slowdown in hiring for new roles. Due to the restrictions on travel and gatherings, the Company also incurred less costs for travel and the organisation of events.

The Group has had the majority of its offices open with a limited capacity in line with local government guidelines. The Group has installed safety measures including lateral flow and PCR testing, temperature cameras and additional thorough cleaning. Employees have not been forced or encouraged to work from the office at any point in the year, and have been able to continue working from home where necessary.

Argus Media Limited is committed to continuing to invest in the Argus business and during the period has increased expenditure on new technology, product innovation and global editorial and business development resources.

The Group's continuing success is based on its clients' need for proprietary commodity market prices, fundamentals data and high-quality market analysis that it publishes. Growth is driven by both improvements to existing publications, the launch of new products to meet its clients' changing requirements and business combinations with other entities where considered appropriate. Increasing usage by existing customers is a major source of growth and consequently we become increasingly embedded in our customers processes. The continuing diversification, including the growth of the *natural gas, petrochemicals, fertilizers and metals sectors has seen Argus continue to grow revenues.*

A large part of the Group's success is its global reach among "blue chip" clients operating across various industries, financial institutions and government agencies. Argus has over 6,000 clients in almost 140 countries, served by a global sales force and customer support function.

Argus' primary focus is the quality and consistency of its commodity market coverage. Argus has a continuing programme of developing its global compliance and controls systems with the objective of producing the most robust commodity market price assessments. Argus' policy framework in this regard includes its global compliance policy, editorial code of conduct, ethics policy, market reporting manual and business continuity plan that ensures the uninterrupted production of its reports even when major offices are shut.

Argus Media Limited

Strategic report (continued)

Business review and key performance indicators (continued)

Argus' compliance programme includes a rolling series of internal audits of price assessments to ensure compliance with published methodologies and policies. In line with IOSCO's Principles for Oil Price Reporting Agencies, Argus operates an annual external assurance review of all its commodity benchmarks to demonstrate that it is meeting its commitments. Argus has a formal complaints handling procedure to address any instances of dissatisfaction by customers. It also has a whistle-blower facility to ensure that all staff have the opportunity, anonymously, to alert the Group of any concerns and risks.

The Group's strategy is to invest in new technology and global editorial resources, in order to build a robust and efficient business that can deliver growth through the provision of innovative products and solutions for customers involved in the global commodities sector.

Principal risks and uncertainties

The Company forms part of the Group which is managed on a unified basis. As a result, the directors of the Company believe that the risks facing the Group are relevant to the Company. The six main areas of business risk relate to copyright, currency, talent, geopolitics, regulation and pandemics.

The creation of proprietary information is at the heart of the Group's business, and management is focused on protecting the Group's intellectual property against infringement. The Group works with its clients to achieve the appropriate licensing of its intellectual property and our technology team continues to explore and implement content protection solutions.

The bulk of the Group's earnings are in US Dollars, British Pound Sterling, and Euros and this income split provides a diversity of currency exposure and a natural hedge to currency risk. Funds held in these currencies are required to meet the operational demands of the Group's business. In addition the Group uses financial instruments to hedge any additional currency risk.

The failure to attract, retain and develop staff, including adapting to new skill sets required to run the business, has been identified as a principal risk for the Group. The Group strives to provide a supportive environment that enables employees to work collaboratively. The Group also places great importance on developing its employees and their capabilities through mentoring and training programmes as well as through performance management processes.

Like all international businesses, the Group faces geopolitical risk. The Group has offices in many countries and also sells to countries where companies can have sanctions applied. Argus has well-resourced integral legal and compliance functions and also has know your customer and vendor monitoring and controls in place. In terms of office locations, management continues to monitor developments on the ground and ensure that the Group's contingency planning is reviewed on a regular basis, and that proper controls are in place.

The Group is well positioned to continue to prosper and considered resilient to the economic and political turmoil arising from the UK's withdrawal from the European Union ("EU"). The Group is a global organisation with decades of experience operating within and across many countries. The Group is also well positioned to leverage its international presence to drive future growth and mitigate any risks arising from the UK's withdrawal from the EU. So far the UK's withdrawal from the EU had minimal impact on the business.

Argus Media Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

The Group places great importance on its internal processes, procedures and quality standards and continues to add resources in the area of compliance. It has a rolling internal compliance programme to check that its editorial staff adhere to appropriate reporting methodologies and other internal and external codes of conduct. The Group has an active regulatory engagement programme in order to keep abreast of and help shape relevant public policy developments around the globe. The Group undertakes advocacy on public policy issues, principally to promote best practice in the reporting of wholesale commodity markets. *The Group is committed to transparency in its own operations including through publishing its submissions and responses to public regulatory consultations.* The Group believes that it has in place the appropriate level of procedures for the current environment.

As outlined above, the Covid-19 pandemic had a major impact on the operations of the business with offices around the world being shut and business travel coming to a halt. In response, the Group rolled out a robust work from home programme, moving as many of its activities as possible into a virtual environment, which has continued throughout the year. The group took advantage of governmental assistance provided to ensure the impact on our employees was as small as possible, details of which can be seen in note 7 to the financial statements.

Longer term viability statement

The Group's long term viability is assessed based on the Group's strategy, principal risks and uncertainties it faces, and the relevant risks in the markets the Group operates in. The directors have, therefore, assessed the prospects of the Group's viability over the five-year period from 1 July 2021. This period is consistent with the Group's established business planning and forecasting processes and cycle, which is subject to review and approval by the Board.

The five-year plan considers the Group's operating profit before depreciation and amortisation, capital expenditure, cash flows, funds from operations and net debt, and the key financial ratios of net debt to operating profit before depreciation and amortisation and funds from operations to net debt over the forecast years and incorporates stress tests to simulate the potential impacts of exposure to the Group's principal risks and uncertainties including the potential impacts of an economic downturn and the potential impacts of the Covid-19 pandemic.

These scenarios included:

- The effect of unfavourable changes to significant foreign exchange rates on the Group's operating profit before depreciation and amortisation as a result of its global operations;
- The impact of the Covid-19 pandemic on the Group's revenue;
- A decrease in revenues due to adverse geopolitical developments; and
- An increase in costs associated with regulatory compliance and adverse geopolitical developments.

The scenarios were assessed taking into account current risk appetite and any mitigating actions the Group could take, as required, in response to the potential realisation of any of the stressed scenarios.

In addition, while the Group is in a net liability position, its liabilities are the bank loans and liabilities against related parties including its shareholders. *The shareholder loans will not be due in the five years from 30 June 2021 and they provide the Group with the option to defer payments, if necessary.*

Based on the results of the related analysis, individually as well as combined, the Group remains viable. There is sufficient headroom in the financing facilities and the strong cash generation of the Group leads to a sufficient liquidity position at all times. Therefore, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the four-year period of this assessment.

Argus Media Limited

Strategic report (continued)

Future developments

The directors expect the general level of activity of the Company to remain consistent with prior years. The Group has an exciting future ahead and the Company will continue to play its part in ensuring that the Group continues to grow and be successful.

The Group will continue to refine its business model and is increasing its market share in a competitive sector of the information industry. The Group had to rethink certain parts of its business and find new ways to deliver value to our customers following the Covid-19 pandemic. Nonetheless, the Group's revenue and operating profit have remained resilient and operating cash flows remain strong and predictable. The Group has an experienced management team, skilled staff and a robust capital structure. The Group is positive about the year ahead and is confident that the increasing importance of its information for entities involved in the global commodities sector will help to generate significant opportunities for continued revenue and profit growth in the years ahead.

The Group continues to strengthen the senior management team who will focus on capturing the significant opportunities that lie ahead. The Group is also evaluating possible new office openings in countries where there is the potential to generate significant new business for the Group.

Approval

This report was approved by the board of directors and signed on its behalf by:



S J Ashman

Director
14 March 2022

Argus Media Limited Directors' report

The directors present their report and the financial statements of Argus Media Limited ("the Company") for the year ended 30 June 2021.

Dividends

Dividends of £95 million were paid during the year (2020: nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

M A Binks
S J Ashman
M P Burkley

Directors' indemnity insurance

The Company provides, to the extent permitted by law, an indemnity to all directors and officers of the company and its subsidiaries in respect of claims against them arising in respect of the conduct of the business of the Group. The Company has also purchased directors' and officers' insurance cover against certain legal liabilities and costs for claims in connection with any act or omission by such.

Donations

During the year, the Company made charitable donations of £146,437 (2020: £140,927).

Financial risk management

From the perspective of the Company, financial risk management is integrated with the financial risk management of the consolidated financial statements of Fleet Finco Limited ("the Group") and is not managed separately. Accordingly, the financial risk management of the Group, which includes that of the Company, is discussed in the Group's annual report which does not form part of this report.

Environmental, employee, social, community and human right matters

The Group has a policy of actively recycling as much material as possible and of using environmentally sustainable service providers. For example, in London, the Group employs cleaners who only use eco-friendly products and pay their staff a London Living Wage. All our main offices operate recycling schemes which comply with local requirements. The Group encourages cycling and in London it operates the Cycle to Work scheme. The Group also provides cycle storage facilities within its head office building.

The Group has a zero tolerance approach to acts of bribery and corruption. To manage bribery and corruption risks, the Group operates within a risk management framework which sets high-level policies and standards across all markets. These policies and standards apply to all Group directors and employees, regions, and operations, and it is the responsibility of local management to ensure that their business operates in line with them. The Group operates a risk-based training and awareness framework to ensure employees and others acting on the Group's behalf know what is expected of them and how they should manage bribery and corruption risks. To ensure that anti-bribery and anti-corruption controls are operating effectively we assess compliance oversight and annual attestation to compliance with the relevant regulations. At a Group level, the Global Compliance Officer provides the Board's Global Compliance Committee with regular reporting on financial crime matters, including the Group's anti-bribery and anti-corruption programme.

Argus Media Limited Directors' report (continued)

Environmental, employee, social, community and human right matters (continued)

As a journalistic enterprise, the Group has a strong culture of openness, especially in internal communications. This is reflected through the frequent "town hall" business and operations updates from the CEO providing the latest information about performance including progress against the Group's financial targets. All staff take part in these "town hall" events. A staff newsletter, "Argus Offline", contains news and information provided by staff across the globe about matters affecting them. Staff are encouraged to get involved by submitting articles and ideas about what to include in the newsletter.

The Group strives to provide a supportive environment where managers and employees work collaboratively to meet deadlines and to serve its clients. In the United Kingdom, this is reflected through the company's continued accreditation under the "Investors in People" scheme, which recognises the use of good internal staff communication and training programmes to attain the Group's goals. The Group places great importance on developing its employees and their capabilities through mentoring and training programmes as well as through the annual appraisal process. The appraisal form includes a section asking employees for their suggestions on how to develop and improve the business. Staff are also consulted on an annual basis through a global staff engagement survey. The company also sponsors a number of work-social groups which run professional and welfare based events; Argus Connect (for younger professionals), Argus Parents, Argus WIN (Women's Initiative Network) and Black Lives Matter. During the financial year, the Group established a Global Diversity Committee to help coordinate and advance the goals of these groups.

The Group is an equal opportunities employer and recruits without reference to gender, age, ethnicity, disability, sexual orientation, religion or belief. The Group is proud that its workforce is so diverse and, without exception, it seeks to fulfil its obligations under all anti-discrimination laws. Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development, and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Approval

This report was approved by the board of directors on its behalf by:



S J Ashman

Director
14 March 2022

Argus Media Limited

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 101 ('FRS 101') and applicable law (*United Kingdom Generally Accepted Accounting Practice*).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

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

The directors are 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.

Argus Media Limited
Profit and loss account
For the year ended 30 June 2021

| | Note | 2021 £'000 | 2020 £'000 |
|--------------------------------------|-------------|-----------------------------|-----------------------------|
| Turnover | 3 | 103,173 | 94,090 |
| Cost of sales | | <u>(41,257)</u> | <u>(45,156)</u> |
| Gross Profit | | 61,916 | 48,934 |
| Administrative expenses | | <u>(2,959)</u> | <u>(30,288)</u> |
| Operating profit | | 58,957 | 18,646 |
| Finance income | 5 | 41,966 | 50,208 |
| Finance costs | 6 | (710) | (759) |
| Depreciation | | (5,122) | (4,559) |
| Other gains | 7 | 91 | 984 |
| Exceptional items | 8 | <u>(877)</u> | <u>(1,190)</u> |
| Profit before taxation | 4 | 94,305 | 63,330 |
| Tax credit/(charge) on profit | 11 | <u>(4,750)</u> | <u>237</u> |
| Profit for the financial year | | <u><u>89,555</u></u> | <u><u>63,568</u></u> |

The above results are all derived from continuing operations.

The Company has no recognised gains or losses for the year other than the results above and therefore no separate statement of comprehensive income has been presented.

Argus Media Limited
Balance sheet
As at 30 June 2021

| | Note | 2021 £'000 | 2020 £'000 |
|--|------|------------------|------------------|
| Non-current assets | | | |
| Intangible fixed assets | 13 | 35,671 | 28,352 |
| Tangible fixed assets | 14 | 9,694 | 9,183 |
| Right-of-Use asset | 15 | 12,243 | 14,608 |
| Investments | 16 | 3,222 | 292 |
| Deferred tax asset | 11 | 543 | 903 |
| Debtors amounts falling due after more than one year | 18 | 196,914 | 129,474 |
| | | <u>258,287</u> | <u>181,909</u> |
| Current assets | | | |
| Debtors amounts falling due within one year | 18 | 77,265 | 150,601 |
| Cash at bank and in hand | | 17,193 | 35,810 |
| Derivative financial instruments | 20 | 2,900 | — |
| | | <u>97,358</u> | <u>186,411</u> |
| Total assets | | <u>355,644</u> | <u>368,320</u> |
| Current liabilities | | | |
| Creditors amounts falling due within one year | 19 | (153,752) | (157,479) |
| Derivative financial instruments | 20 | (121) | (894) |
| | | <u>(153,873)</u> | <u>(158,373)</u> |
| Total assets less current liabilities | | <u>201,771</u> | <u>209,947</u> |
| Non-current liabilities | | | |
| Creditors amounts falling due after more than one year | 19 | (375) | (291) |
| Lease Liability | | (16,383) | (19,197) |
| | | <u>(16,758)</u> | <u>(19,488)</u> |
| Total liabilities | | <u>(170,631)</u> | <u>(177,861)</u> |
| Net assets | | <u>185,014</u> | <u>190,459</u> |
| Capital and reserves | | | |
| Called-up share capital | 22 | 38 | 38 |
| Share premium account | | 5,799 | 5,799 |
| Other reserves | | 1 | 1 |
| Profit and loss account | | 179,176 | 184,622 |
| Total shareholders' funds | | <u>185,014</u> | <u>190,459</u> |

For the year ended 30 June 2021:

- The directors confirm that the Company is entitled to take exemption from the requirement to obtain an audit under Section 479A of the Companies Act 2006;
- The members have not required the Company to obtain an audit of its accounts in accordance with Section 476 of the Companies Act 2006; and
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of the accounts.

The financial statements were approved by the board of directors and authorised for issue on 14 March 2022. They were signed on its behalf by:



S J Ashman
 Director

Company registered number: 01642534

Argus Media Limited
Statement of changes in equity
For the year ended 30 June 2021

| | Called up share capital | Share premium account | Other reserves | Profit and loss account | Total |
|---|-------------------------------|-----------------------------|-------------------|-------------------------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 July 2019 | 38 | 5,799 | 1 | 121,054 | 126,892 |
| Profit for the year | — | — | — | 63,567 | 63,567 |
| Total comprehensive income for the year | — | — | — | 63,567 | 63,567 |
| Dividends paid on equity shares | — | — | — | — | — |
| Balance at 30 June 2020 | 38 | 5,799 | 1 | 184,621 | 190,459 |
| Profit for the year | — | — | — | 89,555 | 89,555 |
| Total comprehensive income for the year | — | — | — | 89,555 | 89,555 |
| Dividends paid | — | — | — | (95,000) | (95,000) |
| Balance at 30 June 2021 | 38 | 5,799 | 1 | 179,176 | 185,014 |

Argus Media Limited

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies

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

Basis of preparation

Argus Media Limited ("the Company") is a private limited company limited by shares and is incorporated in the United Kingdom. The address of its registered office is Lacon House, 84 Theobald's Road, London WC1X 8NL.

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ('FRS 101'). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. There were no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements requiring disclosure.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101. Where required, equivalent disclosures are given in the group financial statements of Fleet Finco Limited:

- IFRS 7 'Financial Instruments: Disclosures'
- Paragraphs 91-99 of IFRS 13 'Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- Paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1
- The following paragraphs of IAS 1 'Presentation of Financial Statements':
 - (i) 10(d) (statement of cash flows);
 - (ii) 16 (statement of compliance with all IFRS);
 - (iii) 38A (requirement for minimum of two primary statements, including cash flow statements);
 - (iv) 38B-D (additional comparative information)
 - (v) 111 (statement of cash flows information); and
 - (vi) 134-136 (capital management disclosures)
- IAS 7 'Statement of Cash Flows'
- Paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24 'Related Party Disclosures' (key management compensation)
- The requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group.

New standards, amendments, IFRIC interpretations and new relevant disclosure requirements

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 30 June 2021 that have a material impact on the Company's financial statements.

Argus Media Limited

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies (continued)

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The directors have, at the time of approving the financial statements and having reviewed the Company's forecasts and its cash holdings, a reasonable expectation that the Company and the Group have sufficient resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the accounts.

Consolidation

The Company is included in the consolidated financial statements of Fleet Finco Limited, which are publicly available. Therefore, the Company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Company, and the equity interests issued by the Company less liabilities acquired by the Company from the former owner of the acquiree in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with *IAS 12 Income Taxes* and *IAS 19 Employee Benefits* respectively; and
- assets (or disposal groups) that are classified as held for sale in accordance with *IFRS 5 Non-current Assets Held for Sale* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Company in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

Argus Media Limited

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies (continued)

Business combinations (continued)

When a business combination is achieved in stages, the Company's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Goodwill

Goodwill is initially recognised and measured as set out above. Goodwill is not amortised but is reviewed for impairment at least annually.

Foreign currencies

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. *Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.* Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange gains and losses are recognised in profit or loss in the period in which they arise except for:

- exchange gains and losses on transactions entered into to hedge certain foreign currency risks (see below under financial instruments); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

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.

Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Recurring revenue from publications is recognised pro-rated in the profit and loss account in accordance with the subscription period to which it relates.

Non-recurring revenue from exchange licensing is recognised in accordance with the period to which the exchange licence agreement relates. In addition, any revenue related to exchange activity is recognised in the period it occurs. *Non-recurring revenue from exhibitions and conferences is recognised on the date of the event.* Revenue from consulting is recognised over time as the services are provided.

Argus Media Limited

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies (continued)

Cost of sales

Cost of sales comprises production costs associated with business development, conference, consulting, editorial, marketing, product development, sales and technology departments.

Dividend and interest revenue

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Pensions

The Company operates various defined contribution schemes for the benefit of its employees. Contributions are charged to the profit and loss account in the year they are payable.

Government assistance

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the profit and loss account on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Exceptional items

Items that are considered material and not related to the underlying performance of the business either because of their size or their nature, are shown as exceptional items to assist the understanding of the Company's underlying performance within their relevant consolidated income statement category and are explained in the notes to the financial statements.

Taxation

The tax expense or credit represents the sum of the tax currently payable/receivable and deferred tax.

Current tax

The tax currently payable or receivable is based on the taxable profit or loss for the period. Taxable profit or loss differs from net profit or loss as reported in the profit and loss account 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. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Argus Media Limited

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies (continued)

Deferred tax

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 liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised 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 the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company 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. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount 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 based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its liabilities and assets.

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 Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. *Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.*

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Argus Media Limited

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies (continued)

Tangible fixed assets

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and assets under construction) less their residual values over their useful lives, using the straight-line method, on the following basis:

| | |
|----------------------------------|---------------|
| Leasehold improvements | 10% per annum |
| Computer Equipment | 33% per annum |
| Fixtures, Fittings and Equipment | 20% per annum |
| Motor vehicles | 20% per annum |

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 amount of the asset and is recognised in profit or loss.

Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company 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 (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is presented as a separate line in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

1. Accounting policies (continued)

Leases (continued)

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- 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.

The Company did not make any such adjustments during the periods presented.

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 any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the profit and loss account.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'tangible fixed assets' policy.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation on a straight-line basis and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Argus Media Limited

Notes to the financial statements

For the year ended 30 June 2021

1. Accounting policies (continued)

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of tangible and intangible assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a 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. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

2. Critical judgements in applying the Company's accounting policies

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical accounting judgements

There are no critical accounting judgements during the year.

3. Turnover

| | 2021 | 2020 |
|-----------------------|----------------|---------------|
| | £'000 | £'000 |
| Recurring revenue | 89,344 | 82,119 |
| Non-recurring revenue | 13,829 | 11,971 |
| | <u>103,173</u> | <u>94,090</u> |

Sales by origin

| | | |
|----------------|----------------|---------------|
| United Kingdom | 94,669 | 86,166 |
| Europe | 1,635 | 1,742 |
| Rest of world | 6,869 | 6,182 |
| | <u>103,173</u> | <u>94,090</u> |

4. Profit before taxation

| | 2021 | 2020 |
|--|-----------------|--------------|
| | £'000 | £'000 |
| Profit before taxation is stated after charging/(crediting): | | |
| Depreciation of tangible assets | 2,756 | 2,203 |
| Depreciation of right-of-use asset | 2,366 | 2,356 |
| Net foreign exchange (gains)/losses | <u>(21,742)</u> | <u>7,859</u> |

Fees paid to the Group's auditor, Deloitte LLP, and its associates for non-audit services are not disclosed in the Company's financial statements since the consolidated financial statements of Fleet Finco Limited, the smallest group for which consolidated financial statements are drawn up, are required to disclose non-audit fees on a consolidated basis.

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

5. Finance income

| | 2021 | 2020 |
|-----------------------|---------------|---------------|
| | £'000 | £'000 |
| Other interest income | 24,447 | 24,012 |
| Dividends received | 17,519 | 26,196 |
| | <u>41,966</u> | <u>50,208</u> |

6. Finance costs

| | 2021 | 2020 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Interest payable to group undertakings | 141 | 19 |
| Bank charges on loans | — | 175 |
| Interest on leases | 544 | 565 |
| Exceptional costs related to the refinancing | 25 | — |
| | <u>710</u> | <u>759</u> |

7. Other gains

| | 2021 | 2020 |
|-----------------------|--------------|--------------|
| | £'000 | £'000 |
| Government assistance | 91 | 984 |
| | <u>91</u> | <u>984</u> |

8. Exceptional items

| | 2021 | 2020 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Restructuring costs related to the Covid-19 response | 849 | 1,190 |
| Restructuring costs | 28 | — |
| Total restructuring costs | <u>877</u> | <u>1,190</u> |

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

9. Staff numbers and costs

| | 2021 | 2020 |
|-----------------------|---------------|---------------|
| | £'000 | £'000 |
| Wages and salaries | 34,473 | 35,211 |
| Social security costs | 4,633 | 3,124 |
| Other pension costs | 2,074 | 2,145 |
| | <u>41,180</u> | <u>40,481</u> |

| | 2021 | 2020 |
|--|------------|------------|
| | Number | Number |
| The average monthly number of employees: | | |
| Editorial | 205 | 183 |
| Sales and marketing | 103 | 103 |
| Management, administration and technical | 125 | 111 |
| | <u>433</u> | <u>397</u> |

10. Director's remuneration and transactions

The emoluments of the directors are paid by their employing company, another group undertaking. The directors' services to this Company and to a number of fellow subsidiaries are mainly of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to their employing company. Accordingly, the financial statements include no emoluments in respect of the directors.

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

11. Taxation

| | 2021 | 2020 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Current tax | | |
| UK Corporation tax charge | 3,064 | — |
| Adjustments for prior years | 1,200 | (680) |
| | <u>4,264</u> | <u>(680)</u> |
| Overseas tax | | |
| Overseas tax charge | 125 | 506 |
| Adjustments for prior years | — | (84) |
| Total current tax charge/(credit) | <u>4,389</u> | <u>(258)</u> |
| Deferred tax | | |
| Deferred tax charge/(credit) for the period: | | |
| Adjustments to deferred tax in respect of previous periods | 388 | 193 |
| Effect of changes in tax rates | (163) | (86) |
| Origination and reversal of timing differences | 136 | (86) |
| Total tax charge/(credit) on profit on ordinary activities | <u>4,750</u> | <u>(237)</u> |
| Factors affecting the current tax charge/(credit) for the year: | | |
| Profit on ordinary activities before taxation | 94,305 | 63,330 |
| Tax at the standard rate of corporation tax in the UK of 19% (2020: 19%) | 17,918 | 12,033 |
| Effects of: | | |
| Overseas tax rates | — | (255) |
| Expenses not deductible for tax purposes | 1,336 | 592 |
| Non-taxable income | (3,978) | (4,977) |
| Adjustments to tax charge in respect of prior periods | 1,587 | (571) |
| Group relief claimed | (11,858) | (6,973) |
| Other tax reliefs claimed | (125) | — |
| Effect of changes in tax rates | (130) | (86) |
| Total tax charge/(credit) for the year | <u>4,750</u> | <u>(237)</u> |

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

11. Taxation (continued)

| | 2021 | 2020 |
|---|------------|------------|
| | £'000 | £'000 |
| Deferred tax | | |
| The deferred taxation assets provided in the financial statements are as follows: | | |
| Opening asset balance | 903 | 924 |
| Adjustment in respect of previous periods | (387) | (107) |
| Deferred tax credit in the period | 27 | 86 |
| Closing asset balance | <u>543</u> | <u>903</u> |
| Decelerated capital allowances | 228 | 407 |
| Short term timing differences | 181 | 396 |
| Losses | 134 | 100 |
| Closing asset balance | <u>543</u> | <u>903</u> |

12. Dividends on equity shares

| | 2021 | 2020 |
|-----------------|---------------|----------|
| | £'000 | £'000 |
| Total Dividends | <u>95,000</u> | <u>—</u> |

13. Intangible fixed assets

| | £'000 |
|-----------------------|---------------|
| Cost | |
| At 1 July 2019 | 33,152 |
| Additions | — |
| At 30 June 2020 | <u>33,152</u> |
| Additions | 7,319 |
| At 30 June 2021 | <u>40,471</u> |
| Amortisation | |
| At 1 July 2019 | 4,790 |
| Charge for the year | 10 |
| At 1 July 2020 | <u>4,800</u> |
| Charge for the year | — |
| At 30 June 2021 | <u>4,800</u> |
| Net Book Value | |
| At 1 July 2019 | 28,362 |
| At 30 June 2020 | <u>28,352</u> |
| At 30 June 2021 | <u>35,671</u> |

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

14. Tangible fixed assets

| | Land and buildings freehold £'000 | Computer equipment £'000 | Fixtures and fittings £'000 | Motor vehicles £'000 | Assets under construction £'000 | Total £'000 |
|-----------------------|--|--------------------------------|--------------------------------------|----------------------------|--|----------------|
| Cost | | | | | | |
| At 1 July 2019 | 3,504 | 12,412 | 1,765 | 140 | 2,368 | 20,189 |
| Additions | 39 | 1,659 | 32 | — | 1,154 | 2,884 |
| Disposals | — | — | — | (71) | — | (71) |
| Transfers | — | 1,349 | — | — | (1,349) | — |
| At 30 June 2020 | 3,543 | 15,420 | 1,797 | 69 | 2,173 | 23,002 |
| Additions | — | 306 | 12 | — | 2,949 | 3,267 |
| Disposals | — | (36) | — | — | — | (36) |
| Transfers | — | 2,574 | — | — | (2,574) | — |
| At 30 June 2021 | <u>3,543</u> | <u>18,264</u> | <u>1,809</u> | <u>69</u> | <u>2,548</u> | <u>26,233</u> |
| Depreciation | | | | | | |
| At 1 July 2019 | 641 | 10,304 | 669 | 53 | — | 11,667 |
| Charge for the year | 353 | 1,494 | 338 | 17 | — | 2,202 |
| Disposals | — | — | — | (50) | — | (50) |
| At 30 June 2020 | 994 | 11,798 | 1,007 | 20 | — | 13,819 |
| Charge for the year | 356 | 2,047 | 340 | 13 | — | 2,756 |
| Disposals | — | (36) | — | — | — | (36) |
| At 30 June 2021 | <u>1,350</u> | <u>13,809</u> | <u>1,347</u> | <u>33</u> | <u>—</u> | <u>16,539</u> |
| Net book value | | | | | | |
| At 1 July 2019 | 2,863 | 2,108 | 1,096 | 87 | 2,368 | 8,522 |
| At 30 June 2020 | 2,549 | 3,622 | 790 | 49 | 2,173 | 9,183 |
| At 30 June 2021 | <u>2,193</u> | <u>4,455</u> | <u>462</u> | <u>36</u> | <u>2,548</u> | <u>9,694</u> |

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

15. Right-of-use assets

| | £'000 |
|--------------------------------|----------------------|
| Cost | |
| At 1 July 2019 | — |
| Right-of-use assets recognised | 16,964 |
| At 30 June 2020 | <u>16,964</u> |
| Additions | — |
| At 30 June 2021 | <u><u>16,964</u></u> |
| Depreciation | |
| At 1 July 2019 | — |
| Charge for the year | 2,356 |
| At 30 June 2020 | <u>2,356</u> |
| Charge for the year | 2,366 |
| At 30 June 2021 | <u><u>4,722</u></u> |
| Carrying amount | |
| At 1 July 2019 | — |
| At 30 June 2020 | <u>14,608</u> |
| At 30 June 2021 | <u><u>12,242</u></u> |

16. Investments

| | 2021 | 2020 |
|-------------------------|--------------|--------------|
| | £'000 | £'000 |
| Fixed asset investments | 2,746 | 31 |
| Shares in subsidiaries | 476 | 261 |
| | <u>3,222</u> | <u>292</u> |

The fixed asset investment refers to a 7% equity investment in PT Coal Indonesia and an 18% equity investment in Tallarium Ltd. The investment in Tallarium Ltd., a UK-based start-up building web-based solutions for commodity traders, was made on 5 October 2020 with an additional investment made on 17 February 2021.

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

16. Investments (continued)

The Company holds the following shareholdings in the share capital of the following companies:

| Company | Class of shares | Country of incorporation | Holding & voting rights | Company number |
|--|-----------------|--------------------------|-------------------------|----------------------|
| Argus Media (Russia) Limited ¹ | Ordinary | United Kingdom | 100 % | 04221838 |
| Argus Media Brasil Relatórios de Preço de Energia e Commodity Ltda. ² | Ordinary | Brazil | 51 % | 332.0924922-3 (NIRE) |
| Argus Media Canada Ltd ³ | Ordinary | Canada | 100 % | BC1019104 |
| Argus Media South Africa Limited ¹ | Ordinary | United Kingdom | 100 % | 10603005 |
| Argus Media Africa ¹ | Ordinary | United Kingdom | 100 % | 12489800 |
| Argus Media Australia Pty Ltd ⁴ | Ordinary | Australia | 100 % | 618642756 |
| Argus Media Singapore Group Pte Ltd ⁵ | Ordinary | Singapore | 100 % | 201330289W |
| FMB Consultants Limited ¹ | Ordinary | United Kingdom | 100 % | 1588592 |
| Metal-Pages Limited ¹ | Ordinary | United Kingdom | 100 % | 03975911 |
| Argus Media Mexico Price Reporting Services, S. de R.L. de C.V. ⁶ | Ordinary | Mexico | 99.9 % | AMM1710125G4 |
| Argus Media Mexico Price Reporting Group, S. de R.L. de C.V. ⁶ | Ordinary | Mexico | 99.9 % | AMM1710125G4 |
| Argus Media Netherlands B.V. ⁷ | Ordinary | Netherlands | 100 % | 859802255 |
| Integer Research Limited ¹ | Ordinary | United Kingdom | 100 % | 04240392 |
| Argus Media France SAS. ⁸ | Ordinary | France | 100 % | 432674380 |

The registered office for these companies are:

¹ Lacon House, 84 Theobald's Road, London, WC1X 8NL, England

² Cidade de Sao Paulo, Estade de Sao Paulo, na Rua Sao Vicente de Paula, 457, apto 21, Higienopolis, CEP 01229-01, Brazil

³ 1055 West Georgia Street, 1500 Royal Centre, Vancouver, British Columbia, Canada

⁴ Care of CCASA, Level 21, 20 Bond Street, Sydney, NSW 2000, Australia

⁵ 50 Raffles Place, #10-01, Singapore Land Tower, Singapore 048623

⁶ Pedregal, 24 - Torre Virreyes - Piso 3 - Suite 310, Col. Molina del Rey - Del. Miguel Hidalgo, Ciudad de Mexico CDMX-11040, Mexico

⁷ Prins Bernhardplein 200, 1097JB Amsterdam, Netherlands

⁸ 10 Avenue de la Grande Armée, 75017 Paris, France

The Brazilian entity is 51% owned by Argus Media Limited and 49% owned by Argus Media, Inc, a company incorporated in the United States. Brazilian legislation requires a minimum of two shareholders.

17. Acquisition of subsidiary

On 1 July 2020, the Company acquired Agritel SAS and its subsidiaries, SARL Yeswedo, SARL Radiomarket, Agrinext SAS and Agritel International (together 'Agritel'). All entities are incorporated and based in France, with the exception of Agritel International, which is incorporated in Ukraine. Agritel is a specialist provider of information, consulting and forecasting on agricultural and agro-industrial markets. The acquisition comprised 100% of the equity share capital of Agritel SAS. The goodwill arising on this acquisition results from revenue and cost synergies and from assets and benefits that cannot be separately recognised. On 25 December 2020 the subsidiaries SARL Yeswedo, SARL Radiomarket, Agrinext SAS were merged into Agritel SAS. On 1 January 2021 Agritel SAS was renamed to Argus Media France SAS.

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

17. Acquisition of subsidiary (continued)

| | Agritel |
|---|---------------------|
| | £'000 |
| Intangible assets | 354 |
| Tangible assets | 86 |
| Financial assets | 457 |
| Trade and other receivables | 622 |
| Cash and cash equivalents | 2,176 |
| Trade and other payables | 140 |
| Social and fiscal debts | 399 |
| Other creditors | 523 |
| Financial debt | 48 |
| Identifiable net assets acquired | <u>2,583</u> |
| Intangible assets acquired | 4,875 |
| Goodwill acquired | 2,509 |
| Deferred tax liability | <u>(1,621)</u> |
| Total consideration | <u><u>8,346</u></u> |
| Satisfied by: | |
| Cash consideration | 6,985 |
| Deferred consideration | <u>1,361</u> |
| Total consideration | <u><u>8,346</u></u> |
| Net cash outflow arising on acquisition | |
| Initial cash consideration | 6,985 |
| Deferred and contingent consideration paid | 454 |
| Less: net cash acquired | <u>(2,176)</u> |
| Net cash outflow arising on acquisitions | <u><u>5,263</u></u> |

£454k (€500k) of the deferred consideration was paid on 4 January 2021. The remainder of £907k (€1,000k) was paid on 1 July 2021.

| Intangible assets acquired represent | £'000 | Useful economic life |
|---|---------------------|-----------------------------|
| Subscriber customer relationships | 3,138 | 25 |
| Acquired technology and databases | 935 | 10 |
| Brand assets | <u>803</u> | 25 |
| Total intangible assets acquired | <u><u>4,875</u></u> | |

Argus Media Limited
Notes to the financial statements
For the year ended 30 June 2021

18. Debtors

| | 2021 | 2020 |
|---|----------------|----------------|
| | £'000 | £'000 |
| Amounts falling due within one year | | |
| Trade debtors | 8,572 | 15,348 |
| Amounts due from parent company | 13,006 | 60,330 |
| Amounts due from subsidiary undertakings | 35,733 | 61,658 |
| Other debtors | 224 | 155 |
| Prepayments and accrued income | 6,549 | 5,847 |
| Corporation tax | 11,488 | 4,666 |
| Taxes and social security costs | 1,693 | 1,694 |
| | <u>77,265</u> | <u>149,698</u> |
| Amounts falling due after more than one year | | |
| Amounts due from parent company | 196,914 | 129,474 |
| | <u>196,914</u> | <u>129,474</u> |

Amounts due from group undertakings are interest free with the exception of the loan disclosed below. All amounts are payable on demand.

Amounts due from related party undertakings recognised as due after more than one year represents a loan receivable from the Company's immediate parent, Fleet Bidco Limited. The interest on this loan is charged at 8% and the amounts due are repayable on demand. These amounts were previously presented within current assets as amounts due from related party undertakings for the year ended 30 June 2020. The Company believes it is more representative to present these items within non-current assets as they are not expected to be settled within the Company's normal operating cycle. Accordingly amounts presented in current receivables in the prior year have been reclassified to non-current receivables.

19. Creditors

| | 2021 | 2020 |
|---|----------------|----------------|
| | £'000 | £'000 |
| Amounts falling due within one year | | |
| Trade creditors | 5,100 | 4,057 |
| Amounts due to subsidiary undertakings | 89,977 | 96,943 |
| Taxes and social security costs | 2,998 | 2,711 |
| Other creditors | 193 | — |
| Accruals | 12,139 | 9,117 |
| Deferred income | 43,345 | 44,650 |
| | <u>153,752</u> | <u>157,479</u> |
| Amounts falling due after more than one year | | |
| Dilapidations | 375 | 291 |
| | <u>375</u> | <u>291</u> |

Amounts owed to group undertakings are interest free and payable on demand.

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20. Derivative financial instruments

| | 2021 | 2020 |
|----------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Derivative financial assets | 2,900 | 216 |
| Derivative financial liabilities | (121) | (1,110) |
| | <u>2,779</u> | <u>(894)</u> |

21. Contingent liabilities

At the date of signing the accounts there were no contingent liabilities (2020: nil).

22. Share capital

| | 2021 | 2020 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Allotted, called-up and fully-paid: | | |
| 30,420,712 A Ordinary Shares of £0.001 each | 30 | 30 |
| 7,500,000 B Ordinary Shares of £0.001 each | 8 | 8 |
| | <u>38</u> | <u>38</u> |

The Company's profits are distributable at 75% to the holders of "A" shares and 25% to the holders of "B" shares. The percentages also apply to distributions on a winding up. On a poll, holders of "B" shares may exercise one third of the votes that are capable of being cast by holders of "A" shares. All shares in Argus Media Limited are held by Fleet Bidco Limited (UK company number 10136815).

23. Profit and loss account

| | 2021 | 2020 |
|------------------------------|----------------|----------------|
| | £'000 | £'000 |
| Opening balance | 184,622 | 121,054 |
| Profit for the year | 89,555 | 63,568 |
| Dividends issued in the year | (95,000) | — |
| Closing balance | <u>179,176</u> | <u>184,622</u> |

24. Events after the balance sheet date

On 2 August 2021 the Company completed the purchase of Oleochem Analytics S.L., a company incorporated in Spain. Oleochem Analytics S.L. is a market research and intelligence company providing commentary and analytics to the global oleochemical and pine chemical markets.

25. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

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26. Ultimate parent undertaking

The immediate parent undertaking at the balance sheet date was Fleet Bidco Limited, a company registered in England and Wales. The ultimate controlling party as well as ultimate parent is Fleet Holdco Limited, a Jersey company.

The largest group of which Argus Media Limited is a member and for which group financial statements are drawn up is that headed by Fleet Topco Limited, where financial statements are not available to the public.

The smallest group for which group financial statements are drawn up is headed by Fleet Finco Limited, a company registered in England and Wales. Copies of the Fleet Finco Limited financial statements are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.