ASCENTIAL

1 August 2022

Ascential plc

Half year results

Continued structural growth and events bounce-back

-Group results in line with expectations
-Organic revenue growth of 42% with double-digit revenue growth in all segments
- Organic adjusted EBITDA growth of 38%

London: Ascential plc (LSE: ASCL.L), the specialist information, analytics and eCommerce optimisation company, today announces Group results in line with expectations for the six-month period to 30 June 2022.

Results highlights

- Double-digit revenue growth in all four segments, reflecting continuing structural growth in attractive end markets boosted by a bounce-back from major events.

- Digital Commerce delivered another period of strong revenue growth (up 15% on an Organic basis and 19% on a Proforma basis, with Execution (72% of revenue) up 19% on an Organic basis and 23% on a Proforma basis). The business continued to successfully extend and expand its addressable market with the acquisitions of Sellics (Germany, covering Amazon sellers) and Intrepid (Southeast Asia, covering Shopee and Lazada). Integration of acquisitions is fully underway.

- Product Design continued its acceleration (revenue up 14%), with strong subscription billings driven by non-fashion products and record levels of customer retention.

- Marketing saw significant growth (revenue up 88%), with the strong return of the Cannes Lions Festival where revenue levels exceeded 2019.

- Retail & Financial Services also grew very strongly (revenue up 74%), through the continued resurgence of Money20/20 Europe where revenue was 30% up on 2019.

Financial highlights

- Group results in line with market expectations.

- Revenue of £260.7m (H1 2021: £154.3m).

    - Reported revenue growth of £106.4m or 69% (organic: 42%, proforma: 40%)
    - Digital revenues (including awards) now over 70% of total revenue mix (based on the last twelve months to June 2022).

- Adjusted EBITDA of £67.2m (H1 2021: £42.8m). Margin of 25.8% (H1 2021: 27.8%).

    - Reported growth of £24.4m or 57% (organic: 38%, proforma: 20%).
    - Digital Commerce Adjusted EBITDA of £1.8m (H1 2021: £10.8m) with H1 margins suppressed as we invested ahead of revenue growth in delivery capacity, product development and sales and marketing.

- Reported operating loss of £35.1m (H1 2021: £2.4m) stated after Adjusting items of £89.7m (H1 2021: £36.2m) reflecting:

    - Amortisation of acquired intangibles (£17.5m) and share-based payments (£7.6m).
    - Non-Trading items (£33.2m) for acquisition earnouts, transaction and integration costs and the expensing of build costs for our new ERP and Salesforce systems.
    - A non-cash charge of £31.4m for the impairment of the Edge Digital Shelf intangibles with a strategic shift to refocus these foundational services solely on the leading global marketplaces to enable greater future profits.

- Adjusted diluted EPS profit from continuing operations of 8.0p (H1 2021: 5.7p).

- Operating cash flow conversion of 128% (H1 2021: 182%). Cash consideration paid for the acquisitions of Sellics and Intrepid and settlement of deferred consideration partly offset by strong operating cash generation, with closing net debt at £172.7m, a leverage ratio of 1.6x EBITDA (December 2021: £73.8m and 0.9x EBITDA).

Duncan Painter, Chief Executive Officer, commented:

"Ascential has had an excellent first half of the year, with strong growth in group revenue and profit in line with expectations. Each of our segments delivered double digit revenue growth: all the more pleasing given the challenging macro backdrop. We are making good progress with our mission to make Digital Commerce the number one, global real-time platform that powers eCommerce by enhancing our capabilities, expanding our partnerships with leading eCommerce marketplaces and increasing our addressable market through complementary acquisitions.

Despite the current macro-economic uncertainty, all our businesses are well positioned to drive the success of Ascential now and in the long term, as we continue to invest to extend our market leadership and maximise our future profitable growth. Our ability to execute our strategy, combined with structural growth in our end markets and the success of our Cannes Lions and Money20/20 events – whose revenue exceeded 2019 levels – underpins the Board's continued confidence."

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Ascential will host a presentation for analysts and investors at 10.30am on Monday 1 August 2022, at the offices of Numis, 45 Gresham St, London, EC2V 7BF.

This presentation will be webcast on www.ascential.com and a recording will also be available on-demand from our website in due course.

About Ascential

Ascential delivers specialist information, analytics and eCommerce optimisation platforms to the world's leading consumer brands and their ecosystems. Our world-class businesses improve performance and solve problems for our customers by delivering immediately actionable information combined with visionary longer-term thinking across Digital Commerce, Product Design, Marketing and Retail & Financial Services.

With more than 3,000 employees across five continents, we combine local expertise with a global footprint for clients in over 120 countries. Ascential is listed on the London Stock Exchange.

Cautionary statement

Certain statements in this announcement constitute, or may be deemed to constitute, forward-looking statements, projections and information (including beliefs or opinions) with respect to the Company and its subsidiary undertakings ("the Group"). An investor can identify these statements by the fact that they do not relate strictly to historical or current facts. They include, without limitation, statements regarding the Group's future expectations, operations, financial performance, financial condition and business. Such forward looking statements are based on current expectations and are subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from any expected future results in forward-looking statements. These risks and uncertainties include, among other factors, changing economic, financial, business or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this announcement.

Other than in accordance with its legal or regulatory obligations (including under the Market Abuse Regulation, the UK Listing Rules, and the Disclosure and Transparency Rules of the Financial Conduct Authority) no undertaking is given by the Group to update any forward-looking statements contained in this announcement, whether as a result of new information, future events or otherwise. Accordingly, no assurance can be given that any particular expectation will be met and investors are cautioned not to place undue reliance on the forward-looking statements.

This announcement has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to the Group when viewed as a whole.

Any forward-looking statements made by or on behalf of the Group speak only as of the date they are made and are based upon the knowledge and information available to the Directors on the date of this announcement.

ASCENTIAL

Financial highlights – continuing operations

	30 June		Growth %		
	2022 £'m	**2021[1] £'m**	**Reported**	**Organic[2]**	**Proforma[2]**
Revenue					
Digital Commerce	95.1	59.7	59%	15%	19%
Intelligence & Events:					
Product Design	*51.2*	*44.3*	*16%*	*14%*	*14%*
Marketing	*80.8*	*43.1*	*87%*	*88%*	*88%*
Retail & Financial Services	*33.6*	*7.2*	*nm*	*74%*	*74%*
Sub total	165.6	94.6	76%	55%	55%
	260.7	154.3	69%	42%	40%
Adjusted EBITDA[2]					
Digital Commerce	1.8	10.8	(83%)	(58%)	(84%)
Intelligence & Events:					
Product Design	*24.4*	*20.2*	*21%*	*17%*	*17%*
Marketing	*43.2*	*25.5*	*69%*	*70%*	*70%*
Retail & Financial Services	*8.8*	*(5.4)*	*nm*	*nm*	*nm*
Sub total	76.4	40.3	90%	65%	65%
Corporate Costs	(11.0)	(8.3)	(32%)	(23%)	(23%)
	67.2	42.8	57%	38%	20%
Margin (%)	25.8%	27.8%			
Adjusted operating profit[2]	54.6	33.8			
Operating loss	(35.1)	(2.4)			
Loss before tax	(41.6)	(13.6)			
Adjusted diluted earnings per share (pence)[2]	8.0p	5.7p			
Adjusted cash generated from operations[2]	85.7	76.5			
Operating cash flow conversion[2] (%)	128%	179%			
	June 22	**Dec 21**			
Net debt[2]	172.7	73.8			
Leverage ratio[2] (x)	1.6x	0.9x			

[1] Restated to reflect discontinuance of MediaLink and the 2021 IFRIC interpretation of IAS38.
[2] Refer to the glossary of Alternative Performance Measures below.

OPERATING REVIEW

The strong performance of all segments and, particularly, the rebound of our two major events, Cannes Lions and Money20/20, has allowed for accelerated investment in the capabilities and footprint of the fast-growing Digital Commerce segment.

The **Digital Commerce** segment grew revenue by 19% in H1 (on a proforma basis*) driven by a strong 23% growth in the Execution products. This continued strong growth is particularly notable given the more suppressed performance levels of the marketplaces themselves. With around 50% of its revenue variable and linked to brands' trading patterns, the outperformance we have driven for our own customers is clear. As previously indicated, we expect the growth rate of this segment to be weighted towards the second half of the year. This is due to several factors: the strong comparative trading on marketplaces in H1 last year as the pandemic lockdowns resumed, amplified by the move of Amazon Prime Day from H1 to H2, and the impact in China of the Shanghai lockdowns in H1 which are now easing. In the Measurement & Benchmarking products we are focusing on future profitability by curtailing the collection of information of retailer sites outside of the top global marketplaces for the Edge Digital Shelf product and we have incurred a one-off, non-cash, impairment charge for intangibles of £31.4m. H1 margins of the Digital Commerce segment were suppressed as we invested ahead of revenue growth in delivery capacity, product development and sales and marketing as well as incurred additional bad debt charges.

The **Product Design** segment delivered revenue growth of 14% and profit growth of 17% in H1, through a combination of its continuing strong growth in subscriptions, particularly in non-fashion products, including record levels of customer retention and also through the success of the specialist Mindset advisory product. The fashion product returned to growth in the half.

The **Marketing** segment delivered revenue growth of 88% and profit growth of 70% in H1, with Lions achieving revenue in excess of the levels recorded pre-pandemic, in 2019. The physical return of Cannes Lions is supported by continuing strong double-digit subscription growth from the WARC business where we continue to innovate with new products addressing newer markets.

The **Retail & Financial Services** segment delivered revenue growth of 74% in H1 and, after a Covid impacted comparable period, returned to profit. The European edition of Money20/20 more than doubled its revenue compared to 2021 and grew by 30% on the pre-pandemic 2019 level.

We have continued our investment in **Hudson MX**. Hudson is an advertising software business providing media buying and accounting solutions through a cloud-based SaaS platform. It made good operational progress in the half.

Progress against our 2022 Priorities

1. ***Continuing our strong growth and expanding our global leadership position in Digital Commerce.***

Revenue growth of 19% in H1 (on a proforma* basis) represents continued strong progress towards our medium-term targets, while the acquisitions of Sellics and Intrepid further expand our leading market position.

*Including the like-for-like performance of the businesses acquired in the past 12 months such as Sellics and Intrepid, and adjusted for the discontinuation of elements of our Edge Digital Shelf business and of the non-advertising business of Sellics. Refer to the Alternative Performance Measures for a full definition.

2. ***Continuing to build and expand on our quality partnerships with the eCommerce marketplaces.***

The build of capability on the Shopee and Lazada platforms (through the acquisition of Intrepid) is an important step in building out our marketplace relationships in this fast-growing Southeast Asia region. DZ's multiple awards from Alimama demonstrate the strength of its relationship with China's key marketplaces. We have also been involved in 22 beta programmes and launches with Amazon and other major marketplaces this half.

3. ***Accelerating the revenue growth of our Product Design business while maintaining operating margins.***

Product Design delivered record revenue growth of 14% in the first half, building on the 7% delivered in 2021, while the EBITDA margin expanded slightly to 48% (2021: 46%).

4. ***Maximising the opportunities from the return of our live event products.***

Both major events of the half performed extremely strongly, with Cannes Lions meeting and Money20/20 Europe exceeding 2019, pre-pandemic, levels of revenue and profit. Money20/20 USA, due to take place in October 2022, continues to trade very well.

Capital Allocation

The Board continues to prioritise capital for investment and acquisitions to support our growth strategy and has decided not to declare an interim dividend at this time. The Board will keep capital allocation priorities, including shareholder cash returns, continually under review.

Corporate and Social Responsibility

Supporting our people through the global economic and health challenges remains a key priority for our CSR work. In the first half we supported colleagues in China who were affected by the Covid lockdown, and in response to the cost-of-living crisis in many countries we gave colleagues an additional salary increase (focused on our lower-paid staff) and provided access to interest free loans to help with rising fuel costs.

Providing the opportunity for colleagues to network and build supportive communities remains a key element of our Diversity, Equity and Inclusion work. We launched EmPower, a new Ascential women's network whose mission is to unite and inspire, educate and trailblaze on issues which affect the experience of women in the workplace.

As well as supporting our colleagues, we have continued to support our charity partners. In March, Ascential's team were crowned overall winners of the 2021 Prince's Trust Million Makers fundraising challenge. Our team raised £420,000 over six months, building on our long association with the Trust.

The Cannes Lions Festival took place for the first time in person since 2019 and was the most sustainable event we have operated. A Cannes Lions Green Guide was issued to all partners setting out our ambitions for reducing waste, catering in a sustainable way and eliminating single use plastic. We have also offset the emissions from our staff and jury flights and the carbon footprint of the event is being measured comprehensively for the first time to set the baseline for continued carbon reductions over the coming years. The profits from both the Glass and Sustainable Development Goal Lions awards category will again be donated to charity.

Outlook

Digital Commerce and Product Design remain set to deliver strong levels of growth for the full year. For Marketing and Retail & Financial Services we expect to see continued recovery as we navigate beyond the pandemic.

Despite the risks associated with the current economic environment, our businesses remain well set for the year, underpinned by high levels of digital and subscription revenues and multiple growth levers. Our ability to execute our strategy, combined with structural growth in our end markets and the success of our marquee events, underpins the Board's continued confidence in our prospects for future success.

SEGMENTAL REVIEW

Digital Commerce Division

We provide a comprehensive, global set of technologies and services helping brand manufacturer customers optimise and accelerate their digital commerce performance.

Execution products (72% of revenue): *Flywheel Digital, OneSpace, WhyteSpyder, DZ and Intrepid provide managed execution services to global brands across the world's leading marketplaces. Perpetua, Sellics and 4K Miles provide self-service execution to challenger brands, while ASR provides content optimisation services.*

Measurement & Benchmarking products (28% of revenue): *Edge and Yimian primarily offer market share insight, with digital shelf optimisation, across the key global marketplaces, while Intellibrand specialises in digital shelf services in the fast-growing Latam region.*

	Six months ended 30 June (£'m)		Growth (%)		
	H1 2022	H1 2021	Reported	Organic	Proforma
Revenue	95.1	59.7	59%	15%	19%
Adjusted EBITDA	1.8	10.8	(83%)	(58%)	(84%)
Adjusted EBITDA Margin	2%	18%			

In Digital Commerce, we have faced a challenging operating environment in the first six months of the year attributable primarily to the macro economic climate, the shifting of Amazon Prime day into July and, in particular the further impacts of the Covid resurgence in China and resultant global supply chain pressures. Furthermore, this half's comparison is against very strong, lockdown-impacted comparative figures. Digital Commerce has nevertheless continued to deliver strong Proforma* revenue growth of 19%. This strong underlying performance continues to be driven by a mix of new enterprise customers (more than 200 added in the half) and new challenger brand customers (more than 1600 added in the half) along with net revenue retention for the last 12 months of over 105% (2021: over 110%), as well as expanding coverage across the major digital marketplaces, new geographies, and additional market segments.

The strong revenue performance was achieved despite the impact of underlying headwinds across the digital marketplaces themselves. With over half of revenues in the segment driven by customer transaction levels and thus exposed to these adverse conditions, the growth levels achieved by the business clearly demonstrate the degree to which our services optimise our customers' trading.

At the Adjusted EBITDA level, Digital Commerce delivered modest profits of £1.8m. H1 margins of the Digital Commerce segment were suppressed as we invested ahead of the expected acceleration of revenue growth in H2 revenue in delivery capacity, product development and sales and marketing as well as incurred certain one-off additional bad debt charges.

*Including the like-for-like performance of the businesses acquired in the past 12 months such as Sellics and Intrepid and adjusted for the discontinuation of elements of our Edge Digital Shelf business and of the non-advertising business of Sellics. Refer to the Alternative Performance Measures for a full definition.

The Digital Commerce business has also continued to expand its reach and build its expertise around the globe with the acquisitions of Sellics and Intrepid in the first half. Sellics brings a strong presence in the European Challenger brand market to accelerate further the growth of Perpetua, while Intrepid adds to the segment's global footprint with its strong presence and expertise in the rapidly expanding Southeast Asian eCommerce market adding important capabilities on the two major marketplaces, Shopee and Lazada. With the acquisition of Intrepid, we now cover most of the world's major digital commerce marketplaces.

New products launched in the half include chargeback recovery, Amazon brand registry and content localisation services. A third-party logistics service will be launched in H2, driving further vertical integration. Flywheel and Perpetua also co-launched Amazon Marketing Stream in partnership with Amazon at Cannes Lions, enhancing its real-time trading platform's automation. Overall, we now automate bidding activities across six platforms with billions of transactions per month, having recently extended our analytical capabilities through retailer first-party data sets such as Amazon Marketing Cloud, Stratum, ICIP, and Luminate.

Key to our growth has been the development of strong partnerships with the marketplaces around the world. Illustrating this, we have continued to win multiple awards with our partners, including, for DZ, Alimama's Super Marketing Partners in Digital Intelligence and Strategic Management. On the customer side, our close collaboration with the major global brands was illustrated by the launch of the Digital Commerce Connect product with GSK Consumer Healthcare, which prioritises key trading decisions at the C Suite level.

Performance across the two pillars of our Digital Commerce business was as follows:

Execution *(72% of revenue in H1)*, delivered Proforma* revenue growth of 23% as customers continued to realise benefits from our services and outperform the underlying levels of brands' growth in marketplaces globally.

The half saw good initial cross-sell between established and newly acquired brands, with multiple customers signing up for an additional service in the period. A particular focus has been the execution of combined go-to-market strategies, with ASR, 4K Miles and Perpetua (for Challenger brands), and Flywheel, OneSpace and WhyteSpyder (for Enterprise brands) working together closely to introduce joint processes to optimise both customer experience and performance.

Measurement & Benchmarking *(28% of revenue in H1)* reported Proforma* revenues that were up 6% year on year. We are curtailing significant elements of the Edge Digital Shelf product where satisfactory levels of profitability cannot be achieved and have commenced selective customer contract exits.

One of our key objectives from 2021 was to streamline the company overall and, as such, we have recently restructured the leadership of Digital Commerce. The division will be led by Duncan Painter (who will also remain CEO of Ascential), with the main focus on driving long-term, strong, profitable growth, the integration of our products into a single core platform and the further streamlining of our business into a unitary brand operation over the next 18 months. Chip DiPaula and Patrick Miller will remain as key leaders, working alongside Duncan and Paul Harrison, in managing and leading this transition in the division. Paul will remain as the COO of Ascential, whilst also assuming day-to-day financial leadership of Digital Commerce, a role for which he has excellent credentials, having been the CFO of two FTSE 100 technology businesses.

Intelligence & Events Division

This division comprises the Product Design, Marketing and Retail & Financial Services segments and the combined performance was as follows:

	Six months ended 30 June (£'m)		Growth (%)		
	H1 2022	H1 2021	Reported	Organic	Proforma
Revenue	165.6	94.6	76%	55%	55%
Adjusted EBITDA	76.4	40.3	90%	65%	65%
Adjusted EBITDA Margin	46%	43%			

As mentioned above, one of our key objectives last year was to streamline the company. As such, we have brought together the Product Design, Marketing and Retail & Financial Services segments into a single division: Intelligence & Events, with Phil Thomas appointed as the divisional CEO.

Product Design

WGSN, a leading global supplier of trend forecasts, market intelligence and consumer insight, helps customers understand the future demands of consumers. Information is delivered principally through digital subscriptions to over 6,400 customers in more than 90 countries. The Product Design segment also includes trend products for SMEs in the fashion market (WGSN Start) and the innovative colour system Coloro.

	Six months ended 30 June (£'m)		Growth (%)		
	H1 2022	H1 2021	Reported	Organic	Proforma
Revenue	51.2	44.3	16%	14%	14%
Adjusted EBITDA	24.4	20.2	21%	17%	17%
Adjusted EBITDA Margin	48%	46%			

Product Design has seen its already strong levels of revenue growth accelerate in the first half of the year, to 14%. This was driven by an excellent performance from its subscription products, where billings grew 11%, in addition to continued growth in the Mindset advisory business and expansion from Coloro. Margins remained strong at 48%, with Adjusted EBITDA growing 17%.

The main driver of growth continues to be further market penetration and take-up of non-fashion products (now 45% of subscription billings), such as Insight, Beauty, Food & Drink and Consumer Tech, where combined billings grew by 25% in the half. Pleasingly, fashion product billings (55% of subscription billings) attained a level of stabilisation and returned to growth of 2%.

Subscription renewal rates now comfortably exceed pre-pandemic levels at above 95%, with c.90% of revenue overall coming from subscriptions (and the balance from advisory and Coloro). The business also continues to maintain its high levels of customer satisfaction, demonstrating the value its information delivers to customers and the enduring strength of the brand.

In terms of Advisory, the business continues to grow well, with revenue up 19% in the half. Coloro grew well up 19% on prior year despite the impact of local lockdowns on its production facility in Shanghai earlier in the half, with normal operations having only recently resumed.

The first half of the year saw two “WGSN Live” virtual events: Beauty Live and Consumer Tech Live, both attracting thousands of attendees (both current and prospective clients) and showcasing WGSN’s expertise in these two fast-growing sectors. WGSN also launched its annual Future Consumer whitepaper, predicting how consumers will think, feel and behave in two years’ time, which has been downloaded more than 10,000 times and presented at key events, including Cannes Lions and the Gramado Summit in Brazil.

Product Design’s strategy to build products to address adjacent markets continues, building on the more recent launches bringing together comprehensive quantitative data with its core trend forecasting solutions, while continued investment in decision science capabilities and collaboration with Digital Commerce underpins new offerings such as TrendCurve. The Beauty product (launched in 2019) has now exceeded 550 customers growing first half billings to above £2m. Food & Drink (launched in 2020) has now passed 200 customers, providing global trend insights for brands to develop the products and services that consumers will eat, drink and experience in the future. The Consumer Tech product (launched in 2021) which addresses the CMF (Colour, Materials and Finish), design and consumer insight needs of this global industry has already exceeded 150 customers and has delivered over £1m in billings in H1 (well ahead of plan).

Marketing

The Marketing segment comprises Lions and WARC. Lions, through its awards and its festival, as well as its subscription and advisory products, is the global benchmark for creativity in the branded communications industry, while WARC is the global authority on marketing effectiveness for brands, agencies and media platforms.

	Six months ended 30 June (£’m)		Growth (%)		
	H1 2022	H1 2021	Reported	Organic	Proforma
Revenue	80.8	43.2	87%	88%	88%
Adjusted EBITDA	43.2	25.5	69%	70%	70%
Adjusted EBITDA Margin	54%	59%			

Marketing’s strong recovery continued into 2022. Following the return of the Lions benchmark awards in 2021 in a purely digital format, the physical festival returned to Cannes in June for the first time since 2019. High levels of customer engagement, through physical sponsorship activations and delegate participation throughout the week, saw revenue exceed 2019 levels.

In terms of Awards (36% of Lions H1 revenues), while entry volumes of 25,000 compared to 29,000 in 2021 (which covered two years of eligibility), revenue was nevertheless robust. The engagement was particularly strong in the newly launched Creative B2B category, drawing on creativity in new disciplines and business areas, while the Creative Effectiveness Lions, the only global benchmark of the measurable impact of creativity, continued to see a strong increase in entries.

Delegate passes generated 38% of Lions H1 revenues. Total attendees were down slightly compared to the attendees at the 2019 event although it should be recognised that a portion of the world's population, particularly in Asia, remain unable to travel outside their countries due to ongoing pandemic restrictions.

Partnerships and digital revenues reached record levels for the festival, accounting for 26% of Lions revenue and growing 8% compared to 2019. Demand for onsite activations from major partners was particularly strong, including substantial programmes run by eCommerce marketplaces for the first time. In terms of its year-round revenue, the Lions subscription products (The Work and Membership) performed robustly throughout the pandemic and in the first half.

Further expanding Marketing's digital subscription base, WARC saw strong revenue growth of 23%, with renewal rates in the half in excess of 95%, bolstered by the launch of the new Marketing Effectiveness Platform. June saw the launch, at the Lions Festival, of the WARC Digital Commerce product, including benchmarking tools, best practice and data points drawing on the expertise of the Digital Commerce business.

Retail & Financial Services

Money20/20 is the world's leading platform where the global fintech communities come together to do business. The Retail and Financial Services segment also comprises Retail Week World Retail Congress ("RWRC") and the retail customers for Price & Promotion and Retail Insights.

	Six months ended 30 June (£'m)		Growth (%)		
	H1 2022	H1 2021	Reported	Organic	Proforma
Revenue	33.6	7.2	nm	74%	74%
Adjusted EBITDA	8.8	(5.4)	nm	nm	nm
Adjusted EBITDA Margin	26%	nm			

In June 2022 Money20/20 Europe, returning to its familiar slot in the industry's calendar, attracted more than 7,500 attendees, from 2,300 companies and 95 countries, to Amsterdam. Overall, the event more than doubled the revenues achieved by the previous year's edition, held in September, and comfortably exceeded the pre-pandemic level at 130% of 2019 revenues. The European event saw over 14,500 customer meetings booked via the Money20/20 App, double that of the prior year, cementing Money20/20 as the place where the industry comes together to do business. Investments made in the product, technology and operations during the pandemic delivered good returns for the business, while the strong customer engagement was illustrated by a high level of onsite rebooking.

The fintech end market and the broader payments ecosystem which Money20/20 serves remained robust throughout the pandemic underlining that it continues to represent a long-term global growth sector. Despite recent reductions in funding and valuations of companies in certain sub-segments of the customer base from 2021 highs, the long-term trend remains upward. The US edition of Money20/20, to be held in Las Vegas in October, continues to trade very well as we look forward again to welcoming a full range of participants and partners to our flagship event.

Retail Week Live and Retail Week Awards, having previously both run in October 2021, returned to the first half of the year, while the global platform of World Retail Congress (last held in 2019) also ran in Rome in April. Price

& Promotion and Retail Insights performed well with strong renewal rates. Improvements were driven through new product development and shared retailer relationships and expertise across the segment.

FINANCIAL REVIEW

Overview

The results are set out in the condensed consolidated statement of profit or loss and show, for continuing operations, revenue of £260.7m (H121: £154.3m) and an operating loss of £35.1m (H121: £2.4m). Adjusted EBITDA was £67.2m (H121: £42.8m) driven in large part by the return of the in-person Cannes Lions Festival and Money20/20 in the half year. We delivered excellent cash flow performance in the first half with free cash flow from continuing operations after tax and capex of £72.2m (H121: £64.2m), an operating cash flow conversion of 128% and a free cash flow conversion of 107%.

Alternative Performance Measures

A core KPI and strategic goal of the Company is Organic revenue growth rate. We believe that this is the most efficient method of growth, measures the underlying health of the business and is a key driver of shareholder value creation. Organic revenue growth rate eliminates the impact of acquisitions (counting them only once they have been owned for 12 months) and disposals and that element of growth which is driven by changes in foreign exchange rates. It also eliminates the impact on growth rates of changes in timing of live events (for example, the move of Money20/20 from September in 2021 back to June in 2022 is adjusted in the 2022 first half growth rates) and of products that are being curtailed (namely Sellics non-advertising products and certain aspects of Edge Digital Shelf). It is an Alternative Performance Measure and is discussed in more detail below. Proforma growth rate is measured in a similar way to Organic growth rate but assumes that the Group's acquisitions were all made on 1 January 2021 and is therefore a measure of the rate of growth of the brands owned today.

Adjusted EBITDA is also an Alternative Performance Measure and is used in the day-to-day management of the business to aid comparisons with peer companies, manage banking covenants and provide a reference point for assessing our operational cash generation. It eliminates items arising from portfolio investment and divestment decisions, and from changes to capital structure. Such items arise from non-trading activities, intermittent or non-recurring events, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation.

Further details on Alternative Performance Measures are set out below.

Continuing operations

The results for the half year ended 30 June 2022 are summarised in the table below.

£'m	**H122**	H121*	Growth rate		
			Reported	Organic	Proforma
Revenue	260.7	154.3	69%	42%	40%
Adjusted EBITDA	67.2	42.8	57%	38%	20%
Operating loss	(35.1)	(2.4)	nm	nm	nm

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation costs (see Notes 2 and 19).

Segmental results

The Group has four reportable segments. These are Digital Commerce, Product Design, Marketing and Retail & Financial Services. Information regarding the results of each is included below.

£'m	**Digital Commerce**	**Product Design**	**Marketing**	**Retail & Financial Services**	**Corporate costs**	**Continuing operations**
H122						
Revenue	**95.1**	**51.2**	**80.8**	**33.6**	**-**	**260.7**
Organic growth	*15%*	*14%*	*88%*	*74%*	-	*42%*
Proforma growth	*19%*	*14%*	*88%*	*74%*	-	*40%*
Adjusted EBITDA	**1.8**	**24.4**	**43.2**	**8.8**	**(11.0)**	**67.2**
Organic growth	*(58%)*	*17%*	*70%*	*nm*	*(23%)*	*38%*
Proforma growth	*(84%)*	*17%*	*70%*	*nm*	*(23%)*	*20%*
Adjusted EBITDA margin	*2%*	*48%*	*54%*	*26%*	-	*25.8%*
Depreciation and software amortisation	(7.7)	(2.2)	(1.4)	(0.2)	(1.1)	(12.6)
Adjusted operating profit / (loss)	**(5.9)**	**22.2**	**41.8**	**8.6**	**(12.1)**	**54.6**
H121*						
Revenue	59.7	44.3	43.1	7.2	-	154.3
Adjusted EBITDA	10.8	20.2	25.5	(5.4)	(8.3)	42.8
Depreciation and software amortisation	(4.2)	(1.4)	(2.2)	(0.4)	(0.8)	(9.0)
Adjusted operating profit / (loss)	6.6	18.8	23.3	(5.8)	(9.1)	33.8

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation costs (see Notes 2 and 19).

Revenue

The Company benefits from diverse revenue streams across its segments ranging from digital subscriptions to live events to advisory. Most of these revenue streams are digital (68% including benchmarking awards) and have recurring or repeat characteristics benefiting from our focus on customer retention.

(£'m)	**Timing of revenue recognition**	**H122**	**Restated* H121**
Digital Subscriptions & Platforms	Over time	150.6	108.8
Advisory	Over time	14.7	13.3
Benchmarking Awards	Point in time	25.7	27.2
Events	Point in time	69.7	5.0
Revenue from continuing operations		**260.7**	**154.3**

* Restated for discontinued operations relating to MediaLink (see Notes 2 and 19)

Revenue from continuing operations grew to £260.7m (H121: £154.3m), an increase of £106.4m or 69%. Adjusting for currency impacts, acquisitions and discontinued products, revenue increased by 42% and 40% on an Organic and Proforma basis respectively. This was driven by the continued structural growth of our Digital Commerce and Product Design segments and the return of our live events in the Marketing and Retail & Financial Services segments.

Adjusted EBITDA

Adjusted EBITDA from continuing operations grew to £67.2m (H121: £42.8m) an increase of £24.4m or 57%. This represented Organic growth of 38% or 20% on a Proforma basis.

Adjusted EBITDA margin from continuing operations decreased slightly from the prior year to 25.8% (H121: 27.8%). This reflects lower margins in our Digital Commerce segment where we maintained the pace of investment ahead of revenue growth and incurred a one-off bad debt charge of £2.6m in the half and, to a lesser extent, by the return of physical event costs in our Marketing segment. This is partially offset by the return to physical live events in Retail & Financial Services and expanded margins in Product Design.

Reconciliation between Adjusted EBITDA and statutory operating loss

Adjusted EBITDA from continuing operations is reconciled to statutory operating loss as shown in the table below:

£'m	**H122**	Restated* H121
Adjusted EBITDA	67.2	42.8
Depreciation and software amortisation	(12.6)	(9.0)
Adjusted operating profit	**54.6**	33.8
Amortisation of acquired intangibles	(17.5)	(14.7)
Non-Trading items	(64.6)	(18.8)
Share-based payments	(7.6)	(2.7)
Statutory operating loss	**(35.1)**	(2.4)

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation costs (see Notes 2 and 19).

Amortisation and impairment of acquired intangible assets

The amortisation charge of £17.5m (H121: £14.7m) on acquired intangible assets grew on the prior year as additional amortisation of newly acquired intangibles offset the impact of fully amortised assets.

The Company undertakes a periodic review of the carrying value of its intangible assets which totalled £977m at June 2022 (H121: £744m). Following elevated losses in the first half, we have identified that certain intangible assets associated with the Edge CGU are no longer generating sufficient value to support the carrying value, even with the curtailment of elements of the Digital Shelf product. We have consequently recorded an impairment charge of £31.4m as a Non-Trading item. We have considered and concluded that there are no other impairment triggers in the rest of the Group. See Note 11 for further details. No impairments were identified in the comparative period of H121.

Non-Trading items

The charge for non-trading items from continuing operations totalled £64.6m (H121: £18.8m) as set out in the table below and further explained in Note 5.

£'m	H122	Restated* H121
Impairment of intangible assets	**31.4**	-
Transaction and integration costs	**12.8**	2.7
Deferred contingent consideration	**7.6**	9.7
Salesforce implementation costs	**6.9**	2.5
ERP implementation costs	**6.4**	3.9
Reversal of property impairments and onerous contracts	**(0.5)**	-
Non-Trading items relating to continuing operations	**64.6**	18.8

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation costs (see Notes 2 and 19).

The charge for deferred contingent consideration of £7.6m (H121: £9.7m) predominantly relates to earnouts that are contingent on continuing employment of the founders on the acquisitions of WhyteSpyder, OneSpace, 4K Miles, DZ and Perpetua as well as revaluations of the earnouts.

Transaction and integration costs comprise professional fees and integration costs for acquisitions. In the first half of 2022 they also include the costs of the ongoing process evaluating the merits of a potential managed separation of certain assets of the Group referred to in our announcement of 11 April 2022.

In 2021, the IFRIC published an agenda decision on the design and implementation costs for business systems built upon software that is contracted on a "software as a service" (SaaS) basis and hosted in a public cloud. This resulted in an amendment to the treatment of costs incurred on the Company's new ERP and Salesforce systems under IAS 38 "Intangible Assets". In response to the IFRIC decision, the Group's accounting policy on intangibles assets have been updated, resulting in the majority of implementation costs on SaaS implementations incurred to date no longer being capitalised but expensed as incurred. This change in accounting policy has been applied retrospectively (see Note 2 for further details). The Group is undertaking a multi-year programme to introduce a new ERP to replace the current Oracle system introduced in 2007 and a new instance of Salesforce, both of which are cloud-based. Costs relating to this significant and one-off programme totalled £13.3m in H122 and £6.4m in H121 and, given the scale and incidence of the investment, have been treated as non-trading items.

Share-based payments

The charge for share-based payments of £7.6m (H121: £2.7m) was higher in H122 than in H121 due to the issuance of new awards in the second half of 2021 and also because the prior period was suppressed by certain Covid-driven lapses of awards.

Finance costs

The Adjusted net finance cost from continuing operations for the half year was £5.2m (H121: £9.5m) as set out in the table below:

£'m	**H122**	Restated* H121
Interest receivable	**0.9**	1.7
Interest payable on borrowings	**(3.1)**	(4.6)
Amortisation of loan arrangement fees	**(0.4)**	(0.4)
Foreign exchange	**0.1**	(0.2)
Derivative financial instruments	**1.9**	-
Discount unwind on contingent and deferred contingent consideration	**(4.1)**	(5.5)
Discount unwind of lease liability	**(0.5)**	(0.4)
Discount unwind of property provisions	**-**	(0.1)
Adjusted net finance costs from continuing operations	**(5.2)**	(9.5)

* Restated for discontinued operations relating to MediaLink (see Notes 2 and 19).

The interest payable on the Group's borrowings was £3.1m (H121: £4.6m) with the decrease due to lower interest rate margins resulting from lower leverage.

Income from derivative financial instruments of £1.9m relates to the revaluation of the USD and Euro interest rate caps we have in place and reflects the steepening of the yield curve in 2022 due to increased inflationary expectations and expected tightening of monetary policies by central banks.

The unwind of the discount on deferred contingent consideration is similar to the prior period totalling £4.1m (H121: £5.5.m) driven by new acquisitions being offset by final settlement of older earnout agreements.

Taxation

A tax charge of £12.2m (H121: £nil) was incurred on Adjusted profit before tax of £48.4m (H121: £23.4m) resulting in an Adjusted effective tax rate for the half year of 25.3% (H121: 0.0%) which compares to the effective tax rate of 8.5% on reported losses as can be seen in the table below.

Analysis of tax charge (£'m)	**H122**	Restated* H121
Adjusted profit before tax	**48.4**	23.4
Tax charge on Adjusted profit before tax	**(12.2)**	-
Effective tax rate (%)	**25.3%**	-
Adjusting items	**(90.0)**	(37.0)
Tax credit on Adjusting items	**15.8**	2.6
Effective tax rate on Adjusting items (%)	**17.5%**	7.0%
Reported loss before tax	**(41.6)**	(13.6)
Tax credit on reported loss before tax	**3.6**	2.6
Effective tax rate on reported loss before tax (%)	**8.5%**	19.1%

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation costs (see Notes 2 and 19).

The effective tax rate on Adjusted PBT has risen to 25.3% because the prior period benefitted from discrete credits relating to the recognition of additional US losses and the revaluation of a net deferred tax asset for the forthcoming change in UK tax rates.

The Group has a total recognised net deferred tax asset of £49.1m (H121: £49.6m) relating to UK and US losses, accelerated capital allowances, US acquired intangibles, and deferred contingent consideration. This comprised a gross asset of £84.6m offset by a deferred tax liability of £35.5m on acquired intangibles. The gross asset is expected to be realised in cash over the next 10 years with the majority recovered in the next four years.

The Group received a net tax refund in the half of £0.4m (H121: payment of £3.5m) following a UK loss carry-back claim.

Discontinued operations

As part of its strategy to focus resources and investment on its strategic priorities, the Group disposed of its non-core segment of Built Environment & Policy, with Groundsure, DeHavilland and Glenigan each being sold in the first half of 2021. The Group also disposed of MediaLink, a brand previously within the Marketing segment, in December 2021. The loss on discontinued operations for the first half of 2022 reflects settlement of the final adjustments under the sale and purchase agreement on the disposal of MediaLink.

	Built Environment & Policy		**MediaLink**		**Total**	
£'m	**H122**	H121	**H122**	H121	**H122**	H121
Revenue	-	4.8	**-**	20.8	**-**	25.6
Adjusted EBITDA	-	2.4	**-**	5.6	**-**	8.0
Depreciation and amortisation	-	-	**-**	(1.5)	**-**	(1.5)
Share based payments	-	-	**-**	(0.3)	**-**	(0.3)
Profit on disposal of business	-	226.1	**(0.4)**	-	**(0.4)**	226.1
Non-Trading items	-	(0.5)	**-**	(3.2)	**-**	(3.7)
Profit before tax	-	228.0	**(0.4)**	0.6	**(0.4)**	228.6
Tax	-	(0.5)	**-**	(0.3)	**-**	(0.8)
Profit after tax	-	227.5	**(0.4)**	0.3	**(0.4)**	227.8

Profit after tax

The Group recorded a total statutory loss after tax of £38.4m (H121: profit of £216.8m) arising from a loss on continuing operations of £38.0m (H121: loss of £11.0m) and a loss on discontinued operations of £0.4m (H121: profit of £227.8m).

Foreign currency translation impact

The Group's reported performance is sensitive to movements in both the euro and US dollar against pound sterling with significant acquisitions denominated in US dollars and events revenues in euro and US dollars. While the euro / sterling exchange rate has been very stable in the half, we have seen a 5% strengthening of the US dollar which has benefitted our financial performance as set out below.

	Weighted average rate			Period-end rate		
Currency	**H122**	H121	Change	**H122**	H121	Change
Euro	**1.17**	1.17	(0.1%)	**1.16**	1.16	0.3%
US dollar	**1.32**	1.39	5.0%	**1.22**	1.38	11.9%

When comparing H122 and H121, changes in currency exchange rates had a favourable impact on revenue and adjusted EBITDA of £3.0m and £0.7m. On a segmental basis, the impact of changes in foreign currency exchange rates was as follows:

- Digital Commerce: £2.6m impact on revenue and £1.0m impact on Adjusted EBITDA
- Product Design: £0.5m impact on revenue and £0.5m impact on Adjusted EBITDA.
- Marketing: (£0.1m) impact on revenue and a (£0.2m) impact on Adjusted EBITDA.
- Retail & Financial Services: no net impact on revenue or Adjusted EBITDA.

For illustrative purposes, the table below provides details of the impact on revenue and Adjusted EBITDA if the results were restated for sterling weakening by 1% against the US dollar and euro in isolation.

	H122		H121	
£'m	**Revenue**	**Adjusted EBITDA**	Revenue	Adjusted EBITDA
Increase in revenue / Adjusted EBITDA if, in isolation, Sterling weakens by 1% against the:				
Euro	**1.1**	**0.9**	0.4	0.3
US dollar	**1.0**	**0.3**	0.7	0.3

Furthermore, each 1% movement in the euro to pound sterling exchange rate has a £1.1m (H121: £1.3m) impact on the carrying value of borrowings. Each 1% movement in the US Dollar has a circa £2.8m (H121: £2.7m) impact on the carrying value of borrowings.

Earnings per share

Continuing Adjusted diluted earnings per share were 8.0p per share (H121: 5.7p).

Total diluted loss per share was 8.7p (H12021: earnings of 53.9p) with the prior year benefitting from the significant profit realised on the disposal of the Built Environment & Policy businesses.

Acquisitions

We regularly assess opportunities to acquire high-growth products and capabilities to serve our key end markets and in particular Digital Commerce. In the half year we completed the acquisition of two companies in the Digital Commerce segment and paid initial cash consideration (net of cash acquired) of £60.9m.

<u>Sellics</u>

In April 2022, the Group acquired 100% of Sellics Marketplace Analytics GmbH ("Sellics") for an initial cash consideration of £17.2m, plus estimated earnout payments payable over four years resulting in an estimated total consideration (including the initial consideration) of approximately £35m. Sellics provides a mix of advertising spend optimisation, campaign automation and profit analytics, through a suite of software solutions, to challenger brands that trade on Amazon across the US and Europe. Sellics will be integrated into challenger brand specialist Perpetua within Digital Commerce and the non-advertising revenues curtailed.

Intrepid

In June 2022, the Group acquired 100% of Intrepid E-Commerce Services Pte. Ltd. ("Intrepid") for an initial cash consideration of £46.9m, plus estimated earnout payments payable over 4 years resulting in an estimated total consideration (including the initial consideration) between £82.1m and £161.8m. The maximum consideration payable, in the event that very stretching targets are reached, is capped at £205.3m. Intrepid provides, primarily, eCommerce execution, backed by proprietary software solutions to enterprise brands that trade on major Southeast Asia platforms.

Investments

Hudson

The Group continues to hold a £74.6m equity investment in Hudson MX, an advertising software business providing media buying and media accounting solutions through a cloud-based SaaS platform. The investment is through a combination of preference stock measured at fair value through profit and loss, and common stock accounted for as an equity investment measured using the equity method respectively.

In the six months to 30 June 2022, we made further equity investments totalling £2.2m (H121: £28.3m) and recorded our share of the losses of the businesses totalling £0.9m (H121: £0.6m). We also made loans totalling £15.6m to Hudson which, together with loans made in 2021, are recorded as Other Receivables.

There has been no change in the accounting of the investment from that disclosed in the 2021 Annual Report and Accounts and the Group continues to exercise significant influence over Hudson. Further details are given in Note 10.

Deferred contingent consideration

The Company's preferred structure for acquisitions is to enter into long-term earnout arrangements with the founders of acquired companies and to link this to the post-acquisition performance of the acquired company and for certain elements make this contingent on the continuing employment of the founders. Accounting for the earnout is complex and requires considerable judgements to be made about the expected future performance of the acquired company at the both the point of acquisition and at each reporting date. This is especially difficult in the type of high growth, early stage, companies that Ascential acquires.

The earnout is accounted for in three ways:

1. A liability for deferred contingent consideration is established on the balance sheet at the point of acquisition based on that element of the earnout which is not dependent on the continuing employment of the founders. Any subsequent change in estimate is recorded as a Non-Trading item and in the six months to 30 June 2022 we recorded an income of £4.6m (H121: expense of £2.4m). During the half year we made cash payments of £35.4m (H121: £86.7m) in relation to this element of deferred contingent consideration.

2. The liability above is discounted to present value with the reversal of this discount being recorded as a finance cost. This amounted to a charge of £4.1m this half (H121: £5.5m).

3. Finally, that element of the deferred contingent consideration that is also contingent on the continuing employment of the founders is charged to the consolidated statement of profit or loss as a Non-Trading item over the service life of those founders (typically three years). This amounted to a charge of £12.2m

(H121: £7.3m). During the half year we made cash payments of £18.0m (H121: £34.4m) in relation to this element of deferred contingent consideration.

The liability for deferred contingent consideration amounted to £80.6m at 30 June 2022 (H121: £64.4m). In total, when combining this liability with the future income statement charges for discount unwind and for deferred contingent consideration that is contingent on continuing employment of the founders, the Company expects to pay out deferred contingent consideration of approximately £150m over the next four years for acquisitions to date. £2.1m is due in 2022 for performance to date with the balance expected to be paid between 2023 and 2026 based on the performance of the acquired businesses in the next three years.

Cash flow

Continuing operations

The Company generated Adjusted operating cash flow from continuing operations of £85.7m (H121: £76.5m), being a 128% operating cash flow conversion benefiting from strong forward bookings and collections particularly relating to our events and Product Design.

A feature of our cash flow is the working capital required in Digital Commerce for the purchasing of advertising media on behalf of customers where the payment terms agreed with the marketplace can differ from those agreed with customers. At 30 June 2022 we had £122.6m receivable from customers and £116.4m payable to the marketplaces up from £76.2m and £84.8m respectively at the June 2021 with the balances recorded in Other Debtors and Other Creditors respectively. In order to reduce the impact of this working capital dynamic on the Group, we have arranged a facility with a bank to sell certain of the customer receivables for an attractive rate of interest that is lower than our overall cost of borrowing. Drawings under this facility are broadly unchanged and amounted to £29.0m (H121: £27.5m) at the period end. The resultant net working capital position relating to such media reimbursables of a net receivable of £6.2m (H121: a net payable of £8.6m) do not have a significant overall impact on the Group's balance sheet.

Adjusting for the restatement of capitalised Salesforce and ERP implementation costs of £6.4m in H121, the Group's capital spend increased by £5.1m from the prior year to £13.9m (H121: £8.8m) driven by increased product development in the Digital Commerce business.

Tax paid on profits benefitted from a refund of £2.6m in the current year to give a net refund from continuing operations of £0.4m (H121: tax paid of £3.5m). Tax liabilities continue to be sheltered by significant prior period losses and tax-deductible acquisition consideration particularly in the US.

As a result, the Company generated free cash flow from continuing operations of £72.2m (H121: £64.2m) as shown in the table below:

£'m	**H122**	Restated* H121
Adjusted EBITDA	**67.2**	42.8
Working capital movements - media reimbursables	**6.7**	20.1
Working capital movements - other	**11.8**	13.6
Adjusted operating cash flow from continuing operations	**85.7**	76.5
Operating cash flow conversion (%)	**128%**	179%
Capital expenditure	**(13.9)**	(8.8)
Tax received / (paid)	**0.4**	(3.5)
Free cash flow from continuing operations	**72.2**	64.2
Free cash flow conversion (%)	**107%**	150%

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation

costs (see Notes 2 and 19).

Discontinued operations
The Company generated no free cash flow from discontinued operations (H121: £9.5m).

Total operations
The cash flow statement and net debt position are summarised as follows.

£'m	**H122**	Restated* H121
Free cash flow from continuing operations	**72.2**	64.2
Free cash flow from discontinued operations	**-**	9.5
Free cash flow from total operations	**72.2**	73.7
Acquisition of businesses net of cash acquired	**(60.9)**	(51.4)
Deferred contingent consideration including contingent employment cost	**(53.4)**	(121.1)
Disposal proceeds net of cash disposed and disposal costs	**(0.4)**	216.8
Acquisition of investments and loan to associate	**(18.5)**	(28.7)
Non-Trading costs paid	**(24.9)**	(9.0)
Cash flow before financing activities	**(85.9)**	80.3
Net proceeds from / (repayment of) borrowings	**91.8**	(70.0)
Net interest paid	**(2.5)**	(4.8)
Net lease liabilities paid	**(3.0)**	(3.6)
Proceeds of issue or sale of shares net of expenses	**-**	0.3
Dividends paid to non-controlling interest	**(1.2)**	(0.6)
Net cash flow	**(0.8)**	1.6
Opening cash balance	**84.1**	80.2
FX movements	**5.1**	(0.7)
Closing cash balance	**88.4**	81.1
Borrowings	**(265.2)**	(236.6)
Capitalised arrangement fees	**2.0**	2.8
Derivative financial instruments	**2.1**	0.1
Net debt	**(172.7)**	(152.6)

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation costs (see Notes 2 and 19).

Returns to shareholders
The Board has historically targeted a dividend payout ratio of 30% of Adjusted profit after tax. Following the impact of Covid on the business, no dividends were paid in 2020 and in 2021 cash flow was prioritised for acquisitions. The Board continues to prioritise capital for investment and acquisitions to support our growth strategy and has decided not to declare an interim 2022 dividend at this time. The Board will keep capital allocation priorities, including shareholder cash returns, continually under review.

Strong balance sheet and access to liquidity
Ascential manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt-to-equity balance. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent comprising capital, reserves and retained earnings. The Group's policy is to borrow centrally to meet anticipated funding requirements. These borrowings, together with cash generated from the operations, are on-lent at market-based interest rates and on commercial terms and conditions or contributed as equity to subsidiaries.

In January 2020, the Group entered into a five-year multi-currency revolving credit facility of £450m plus an accordion to raise further debt amounts, at the option of the lenders, of up to the greater of £120m or 150% of EBITDA. At 30 June 2022 the borrowings were subject to interest at a margin of 1.2% over LIBOR.

The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions and a minimum interest cover of 3.00x and are tested semi-annually. At 30 June 2022, the Group is well within both its covenant limits with a published leverage ratio of 1.6x (or 1.8x using covenant definitions) compared to the limit of 3.25x.

Going concern
The Board is required to assess going concern at each reporting period. After considering the current financial projections and the bank facilities available and then applying severe but plausible sensitivities, the Directors of the Company are satisfied that the Group has sufficient resources for its operational needs and to remain in compliance with the financial covenants in its bank facilities for at least the next 12 months from the date of approving these financial statements. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.
The process and key judgements in coming to this conclusion are set out in detail in Note 1. These assessments require judgement to determine the potential impact of future economic conditions on the Group, including the impact of any future Covid restrictions and of changes in economic conditions in the countries in which we operate.

ALTERNATIVE PERFORMANCE MEASURES

Ascential aims to maximise shareholder value by optimising the potential for return on capital through strategic investment and divestment, by ensuring the Company's capital structure is managed to support both strategic and operational requirements, and by delivering returns through a focus on organic growth and operational discipline. The Board considers it helpful to provide, where practicable, additional performance measures that distinguish between these different factors – these are also the measures that the Board uses itself to assess the performance of the Company, on which the strategic planning process is founded and on which management incentives are based. Accordingly, this report presents the following non-GAAP measures alongside standard accounting terms as prescribed by IFRS and the Companies Act, in order to provide this useful and additional information.

Adjusted profit measures

The Group uses Adjusted profit measures to assist readers in understanding underlying operational performance. These measures exclude income statement items relating to items arising from portfolio investment and divestment decisions, and from changes to capital structure. Such items arise from events which are non-recurring or intermittent, and while they may generate substantial income statement amounts, do not relate to the ongoing operational performance that underpins long-term value generation. The income statement items that are excluded from Adjusted profit measures are referred to as Adjusting items.

Both Adjusted profit measures and Adjusting items are presented together with statutory measures on the face of the profit and loss statement. In addition, the Group presents a non-GAAP profit measure, Adjusted EBITDA, in order to aid comparisons with peer group companies and provide a reference point for assessing the operational cash generation of the Group. Adjusted EBITDA is defined as Adjusted Operating Profit before depreciation and amortisation. The Group measures operational profit margins with reference to Adjusted EBITDA. As Adjusted results include the benefits of portfolio investment and divestment decisions but exclude significant costs (such as amortisation of acquired intangibles and Non-Trading items), they should not be regarded as a complete picture of the Group's financial performance, which is presented in its Total results. The exclusion of other Adjusting items may result in Adjusted results being materially higher or lower than Total results.

Adjusting items are not a defined term under IFRS, so may not be comparable to similar terminology used in other companies' financial statements and should not be viewed in isolation but as supplementary information. Details of the charges and credits presented as Adjusting items are set out in Note 5 to the financial statements. The basis for treating these items as Adjusting is as follows:

Non-Trading items

Non-Trading items are recorded in accordance with the Group's policy set out in Note 5 to the financial statements. They arise from portfolio investment and divestment decisions, from changes to the Group's capital structure, as well as material events that are expected to be outside the course of ordinary operating activities, (e.g. deferred consideration, integration costs and professional fees on acquisitions). They do not reflect underlying operational performance.

Amortisation of intangible assets acquired through business combinations

Charges for amortisation of acquired intangibles arise from the purchase consideration of a number of separate acquisitions. These acquisitions are portfolio investment decisions that took place at different times over many years, so the associated amortisation does not reflect current operational performance.

Share-based payments

Ascential operates several employee share schemes. Income statement charges or credits relating to such schemes are a significant non-cash charge or credit and are driven by a valuation model which references the

Ascential share price and future performance expectations. The income statement charge or credit is consequently subject to volatility and does not fully reflect current operational performance.

Gains and losses on disposal
Gains and losses on disposal of businesses arise from divestment decisions that are part of strategic portfolio management and do not reflect current operational performance.

Finance costs
As part of the Group's early refinancing of its 2016 debt facility in 2020, unamortised arrangement fees relating to the previous facility were written off and fees for subsequent Covid-related covenant amendments were incurred. These one-off items do not reflect the current operational performance of the Group.

Tax related to Adjusting items
The elements of the overall Group tax charge relating to the Adjusting items are also, for consistency, treated as Adjusting. These elements of the tax charge are calculated with reference to the specific tax treatment of each Adjusting item, taking into account its tax deductibility, the tax jurisdiction concerned, and any previously recognised tax assets or liabilities.

Adjusted cash flow measures
The Group uses Adjusted cash flow measures for the same purpose as Adjusted profit measures. The two measures used are Adjusted Cash Generated from operations, and Free Cash Flow. The Group monitors its operational efficiency with reference to operational cash conversion. These are reconciled to IFRS measures as follows:

£'m	**H122**	Restated* H121
Cash generated from operations	**42.8**	34.5
Less: cash generated from discontinued operations	**-**	(9.5)
Add back: acquisition-related contingent consideration cash flow	**18.0**	34.4
Add back: other non-trading cash flow	**24.9**	17.1
Adjusted cash generated from operations	**85.7**	**76.5**
Adjusted EBITDA	**67.2**	42.8
Operating cash conversion	**128%**	**179%**
Net cash generated from operating activities	**43.2**	31.0
Less: cash generated from discontinued operations	**-**	(9.5)
Less: capital expenditure	**(13.9)**	(8.8)
Add back: acquisition-related contingent consideration cash flow	**18.0**	34.4
Add back: other non-trading cash flow	**24.9**	17.1
Free cash flow	**72.2**	**64.2**
Adjusted EBITDA	**67.2**	42.8
Free cash flow conversion	**107%**	**150%**

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation costs (see Notes 2 and 19).

Leverage

The ratio of net debt to last 12 months' EBITDA is calculated as follows:

£'m	**H122**
Adjusted EBITDA H1 2022	67.2
Less: Rent expense	(3.5)
Adjusted EBITDA (pre-IFRS16)	63.7
Adjusted EBITDA (pre-IFRS16) H2 2021	44.1
Pro-forma Adjusted EBITDA (pre-IFRS 16)	107.8
Net debt	172.7
Leverage ratio	**1.6x**

The Group also monitors leverage using definitions included in the Group's banking covenants which are subject to proforma adjustments for acquisitions including the pre-acquisition losses of both Sellics and Intrepid. Using these covenant definitions, the leverage ratio at the end of June 2022 was 1.8x.

Organic growth measures

To assess whether the Company is achieving its strategic goal of driving organic growth, it is helpful to compare like-for-like operational results between periods. Income statement measures, both Adjusted and Reported, can be significantly affected by the following factors which mask like-for-like comparability:

- acquisitions and disposals of businesses lead to a lack of comparability between periods due to consolidation of only part of a year's results for these companies;
- discontinuation or curtailment of products or the move of event products between different periods; and
- changes in exchange rates used to record the results of non-sterling businesses result in a lack of comparability between periods as equivalent local currency amounts are recorded at different sterling amounts in different periods.

Ascential therefore defines Organic growth measures, which are calculated with the following adjustments:

- results of acquired and disposed businesses are excluded where the consolidated results include only part-year results in either current or prior periods;
- results are normalised for events that move between H1 and H2 (for example Money20/20 Europe which was held in June in 2022 and September in 2021);
- results of specific product lines are excluded if they are being wholly or partly discontinued; and
- prior year and current year consolidated results are restated at constant currency for non-sterling businesses.

Organic growth is calculated as follows:

H122 **£'m**	**Digital Commerce**	**Product Design**	**Marketing**	**Retail & Financial Services**	**Corporate Costs**	**Total – continuing operations**
Revenue						
H122	95.1	51.2	80.8	33.6	-	**260.7**
Acquisitions	(25.6)	-	-	-	-	(25.6)
Transfer	(0.6)	-	-	0.6	-	-
*Other adjustments***	(7.7)	-	-	-	-	(7.7)
H122 – Organic basis	61.2	51.2	80.8	34.2	-	**227.4**
Organic revenue growth	*15%*	*14%*	*88%*	*74%*	*nm*	*42%*
*H121 – restated**	59.7	44.3	43.1	7.2	-	**154.3**
*Event timing adjustments****	-	-	-	12.4	-	12.4
*Other adjustments***	(9.0)	-	-	-	-	(9.0)
Currency adjustment	2.6	0.5	(0.1)	-	-	3.0
H121 – Organic basis	53.3	44.8	43.0	19.6	-	**160.7**
Adjusted EBITDA						
H122	1.8	24.4	43.2	8.8	(11.0)	**67.2**
Acquisitions	(0.2)	-	-	-	-	(0.2)
Transfer	0.4	-	-	(0.4)	-	-
*Other adjustments***	4.1	-	-	-	-	4.1
H122 – Organic basis	6.1	24.4	43.2	8.4	(11.0)	**71.1**
Organic EBITDA growth	*(58%)*	*17%*	*70%*	*nm*	*(23%)*	*38%*
*H121 – restated**	10.8	20.2	25.5	(5.4)	(8.3)	**42.8**
*Event timing adjustments****	-	-	-	5.5	-	5.5
*Other adjustments***	2.7	-	-	-	-	2.7
Currency adjustment	1.0	0.5	(0.2)	-	(0.6)	0.7
H121 – Organic basis	14.5	20.7	25.3	0.1	(8.9)	**51.7**

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation costs (see Notes 2 and 19).
** Other adjustments relate to the non-advertising business of Sellics and the Edge Digital Shelf product where substantial elements are being curtailed.
*** Event timing differences relate to Money20/20 Europe, Retail Week Awards and Retail Week Live which were all held in H2 in 2021 and H1 in 2022.

Proforma growth measures

Proforma growth is measured in a similar way to Organic growth but assumes that the Company's acquisitions or disposals were all made on the first day of the comparative accounting period and is a measure of the rate of growth of the brands owned today. Proforma growth is calculated as follows:

H122 £'m	**Digital Commerce**	**Product Design**	**Marketing**	**Retail & Financial Services**	**Corporate Costs**	**Total – Continuing Operations**
Revenue						
H122	95.1	51.2	80.8	33.6	-	**260.7**
Acquisitions	10.7	-	-	-	-	10.7
Transfer	(0.7)	-	-	0.7	-	-
*Other adjustments***	(7.8)	-	-	-	-	(7.8)
H122 – Proforma basis	97.3	51.2	80.8	34.3	-	**263.6**
Proforma revenue growth	*19%*	*14%*	*88%*	*74%*	*100%*	*40%*
*H121 – as restated**	59.7	44.3	43.1	7.2	-	**154.3**
Acquisitions	28.1	-	-	-	-	28.1
*Event timing adjustments****	-	-	-	12.4	-	12.4
*Other adjustments***	(10.2)	-	-	-	-	(10.2)
Currency adjustment	4.0	0.5	(0.1)	-	-	4.4
H121 – Proforma basis	81.6	44.8	43.0	19.6	-	**189.0**
Adjusted EBITDA						
H122	1.8	24.4	43.2	8.8	(11.0)	**67.2**
Acquisitions	(3.5)	-	-	-	-	(3.5)
Transfer	0.4	-	-	(0.4)	-	-
*Other adjustments***	4.3	-	-	-	-	4.3
H122 – Proforma basis	3.0	24.4	43.2	8.4	(11.0)	**68.0**
Proforma EBITDA growth	*(84%)*	*17%*	*70%*	*nm*	*(23%)*	*20%*
*H121 – as restated**	10.8	20.2	25.5	(5.4)	(8.3)	**42.8**
Acquisitions	5.1	-	-	-	-	5.1
*Event timing adjustments****	-	-	-	5.5	-	5.5
*Other adjustments***	3.0	-	-	-	-	3.0
Currency adjustment	0.8	0.5	(0.2)	-	(0.6)	0.5
H121 – Proforma basis	19.7	20.7	25.3	0.1	(8.9)	**56.9**

* Restated for discontinued operations relating to MediaLink and the 2021 IFRIC agenda decision on cloud configuration and customisation costs (see Notes 2 and 19).

** Other adjustments relate to the non-advertising business of Sellics and the Edge Digital Shelf product where substantial elements are being curtailed.

*** Event timing differences relate to Money20/20 Europe, Retail Week Awards and Retail Week Live which were all held in H2 in 2021 and H1 in 2022.

Glossary of alternative performance measures

Term	Description
Organic revenue growth	Revenue growth on a like-for-like basis
Organic EBITDA growth	Adjusted EBITDA growth on a like-for-like basis
Proforma revenue growth	Revenue growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Proforma EBITDA growth	Adjusted EBITDA growth on a like-for-like basis assuming the Company's acquisitions or disposals were all made on the first day of the comparative accounting period
Non-Trading items	Items within Operating profit / (loss) separately identified in accordance with Group accounting policies
Adjusting items	Non-Trading items (e.g. deferred consideration, integration and restructuring costs), amortisation of intangible assets acquired through business combinations, share-based payments, gains and losses on disposal, write-off of unamortised arrangement fees on re-financing, covenant amendment fees and tax related thereto
Adjusted operating profit / (loss)	Operating profit / (loss) excluding Adjusting items
Adjusted EBITDA	Adjusted operating profit / (loss) excluding depreciation and amortisation
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of Revenue
Adjusted profit / (loss) before tax	Profit / (loss) before tax excluding Adjusting items
Adjusted tax charge	Tax charge excluding Adjusting items
Adjusted effective tax rate	Adjusted tax charge expressed as a percentage of Adjusted profit before tax
Adjusted EPS	EPS calculated with reference to Adjusted Profit / (loss) for the year
Adjusted cash generated from operations	Cash generated from operations with cash generated from discontinued operations, acquisition related contingent consideration and other non-trading cash flows excluded
Operating cash conversion	Adjusted cash generated from operations expressed as a percentage of Adjusted EBITDA
Free cash flow	Net cash generated from operating activities including capital expenditure. Net cash generated from discontinued operations, acquisition-related contingent consideration and other non-trading cash flow are excluded
Leverage	The ratio of Net debt to Adjusted EBITDA before, in both cases, accounting for the impact of IFRS 16
Net debt	Net debt comprises external borrowings net of arrangement fees, cash and cash equivalents and derivative financial instruments. Net debt excludes lease liabilities in line with how net debt is considered for the Group's banking covenants

Condensed Consolidated Statement of Profit and Loss

(£ million)	Note	**Six months to 30 June 2022 (Unaudited)** Adjusted Results	Adjusting Items	Total	Six months to 30 June 2021 (Unaudited and restated*) Adjusted Results	Adjusting Items	Total	Year to 31 December 2021 (Audited) Adjusted Results	Adjusting Items	Total
Continuing operations										
Revenue	4	260.7	-	260.7	154.3	-	154.3	349.3	-	349.3
Cost of sales		(95.7)	-	(95.7)	(52.9)	-	(52.9)	(127.6)	-	(127.6)
Sales, marketing and administrative expenses		(110.4)	(89.7)	(200.1)	(67.6)	(36.2)	(103.8)	(152.3)	(96.1)	(248.4)
Operating profit/(loss)	4	**54.6**	**(89.7)**	**(35.1)**	33.8	(36.2)	(2.4)	69.4	(96.1)	(26.7)
Adjusted EBITDA	4	67.2	-	67.2	42.8	-	42.8	88.9	-	88.9
Depreciation and amortisation		(12.6)	(17.5)	(30.1)	(9.0)	(14.7)	(23.7)	(19.5)	(31.9)	(51.4)
Non-trading items	5	-	(64.6)	(64.6)	-	(18.8)	(18.8)	-	(55.8)	(55.8)
Share-based payments		-	(7.6)	(7.6)	-	(2.7)	(2.7)	-	(8.4)	(8.4)
Operating profit/(loss)		**54.6**	**(89.7)**	**(35.1)**	33.8	(36.2)	(2.4)	69.4	(96.1)	(26.7)
Share of loss of associates		(1.0)	(0.3)	(1.3)	(0.9)	-	(0.9)	(2.4)	(0.1)	(2.5)
Finance costs	6	(8.0)	-	(8.0)	(11.2)	(0.8)	(12.0)	(20.1)	-	(20.1)
Finance income	6	2.8	-	2.8	1.7	-	1.7	2.7	7.0	9.7
Profit/(loss) before taxation		**48.4**	**(90.0)**	**(41.6)**	23.4	(37.0)	(13.6)	49.6	(89.2)	(39.6)
Taxation	7	(12.2)	15.8	3.6	-	2.6	2.6	(8.2)	9.8	1.6
Profit/(loss) from continuing operations		**36.2**	**(74.2)**	**(38.0)**	23.4	(34.4)	(11.0)	41.4	(79.4)	(38.0)
Discontinued operations										
(Loss)/profit from discontinued operations, net of tax		-	(0.4)	(0.4)	5.8	222.0	227.8	11.5	250.4	261.9
Profit/(loss) for the period		**36.2**	**(74.6)**	**(38.4)**	29.2	187.6	216.8	52.9	171.0	223.9
Profit/(loss) attributable to:										
Owners of the company		35.3	(73.5)	(38.2)	28.8	187.6	216.4	51.1	172.0	223.1
Non-controlling interest		0.9	(1.1)	(0.2)	0.4	-	0.4	1.8	(1.0)	0.8
Earnings/(loss) per share (basic and diluted, pence)										
Continuing operations		8.0	(16.6)	(8.6)	5.7	(8.6)	(2.9)	9.5	(18.8)	(9.3)
Discontinued operations		-	(0.1)	(0.1)	1.5	55.3	56.8	2.8	60.0	62.8
Total operations	9	8.0	(16.7)	(8.7)	7.2	46.7	53.9	12.3	41.2	53.5

* Restated for discontinued operations and the IFRIC agenda decision on cloud configuration and customisation costs in 2021 (See notes 2 and 19)

Condensed Consolidated Statement of Other Comprehensive Income

(£ million)	**Six months to 30 June 2022 (Unaudited)**			Six months to 30 June 2021 (Unaudited and restated*)			Year to 31 December 2021 (Audited)		
	Adjusted Results	**Adjusting Items**	**Total**	Adjusted Results	Adjusting Items	Total	Adjusted Results	Adjusting Items	Total
Profit/(loss) for the period from continuing operations	36.2	(74.2)	(38.0)	23.4	(34.4)	(11.0)	41.4	(79.4)	(38.0)
Profit/(loss) for the period from discontinued operations	-	(0.4)	(0.4)	5.8	222.0	227.8	11.5	250.4	261.9
Profit/(loss) for the period	36.2	(74.6)	(38.4)	29.2	187.6	216.8	52.9	171.0	223.9
Other comprehensive income									
Items that may be reclassified subsequently to profit or loss:									
Foreign exchange translation differences:									
- recognised in equity from continuing operations	52.7	-	52.7	5.0	-	5.0	18.5	-	18.5
- transferred from equity for disposed of entities	-	-	-	-	-	-	6.7	-	6.7
Other comprehensive income/(loss) net of tax	52.7	-	52.7	5.0	-	5.0	25.2	-	25.2
Total comprehensive income/(loss) for the period	88.9	(74.6)	14.3	34.2	187.6	221.8	78.1	171.0	249.1
Total comprehensive income/(loss) attributable to:									
Owners of the company	**85.4**	**(73.5)**	**11.9**	33.8	187.6	221.4	76.3	172.0	248.3
Non-controlling interest	**3.5**	**(1.1)**	**2.4**	0.4	-	0.4	1.8	(1.0)	0.8

* Restated for discontinued operations and the IFRIC agenda decision on cloud configuration and customisation costs in 2021 (See notes 2 and 19)

Condensed Consolidated Statement of Financial Position

(£ million)	Note	**30 June 2022 (Unaudited)**	30 June 2021 (Unaudited and restated*)	31 December 2021 (Audited)
Assets				
Non-current assets				
Goodwill	11, 12	682.4	522.9	603.6
Intangible assets	11	297.3	212.2	275.3
Property, plant and equipment		5.1	4.4	5.4
Right of use assets		22.3	13.3	21.8
Investments	10	92.8	59.1	82.2
Investment property		0.6	0.9	0.6
Deferred tax assets	7	63.2	59.0	57.7
Other investments, including derivatives		2.1	32.0	-
		1,165.8	**903.8**	1046.6
Current assets				
Inventories		3.5	1.5	1.9
Trade and other receivables	13	302.9	186.2	272.6
Current tax asset		-	1.4	-
Cash and cash equivalents	16	88.4	81.1	84.1
		394.8	**270.2**	358.6
Total assets		**1,560.6**	**1,174.0**	1,405.2
Liabilities				
Current liabilities				
Trade and other payables	14	218.9	142.9	198.4
Deferred income		121.0	106.0	100.3
Deferred contingent consideration	15	43.5	37.3	52.6
Lease liabilities		6.6	7.4	7.0
Current tax liabilities		5.9	-	3.6
Provisions		1.6	4.6	2.9
		397.5	**298.2**	364.8
Non-current liabilities				
Deferred income		0.9	0.5	0.7
Deferred contingent consideration	15	37.2	27.1	50.3
Lease liabilities		19.8	9.9	18.2
External borrowings	16	263.2	233.8	158.1
Deferred tax liabilities	7	14.1	7.0	6.5
Provisions		1.4	1.6	1.0
		336.6	**279.9**	234.8
Total liabilities		**734.1**	**578.1**	599.6
Net assets		**826.5**	**595.9**	805.6
Equity				
Share capital		4.4	4.0	4.4
Share premium		153.5	3.3	153.3
Other reserves		167.0	167.0	167.0
Translation reserve		32.2	(40.7)	(20.5)
Retained earnings		440.8	461.2	471.7
Non-controlling interest		28.6	1.1	29.7
Total equity		**826.5**	**595.9**	805.6

* Restated for the IFRIC agenda decision on cloud configuration and customisation costs in 2021 (See notes 2 and 19)

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Condensed Consolidated Statement of Changes in Equity

(£ million)	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings*	Non-controlling interest	Total
	Attributable to owners of the Company						
Restated balance at 31 December 2020 (Audited)	**4.0**	**3.0**	**(45.7)**	**167.0**	**241.6**	**1.3**	**371.2**
Profit for the period*	-	-	-	-	216.4	0.4	216.8
Other comprehensive income	-	-	5.0	-	-	-	5.0
Total comprehensive income	-	-	5.0	-	216.4	0.4	221.8
Issue of shares	-	0.3	-	-	-	-	0.3
Share-based payments	-	-	-	-	2.5	-	2.5
Taxation on share-based payments	-	-	-	-	0.7	-	0.7
Dividends paid	-	-	-	-	-	(0.6)	(0.6)
Balance at 30 June 2021 (Unaudited)	**4.0**	**3.3**	**(40.7)**	**167.0**	**461.2**	**1.1**	**595.9**
Profit for the period	-	-	-	-	6.7	0.4	7.1
Other comprehensive income	-	-	13.5	-	-	-	13.5
Transferred to the income statement	-	-	6.7	-	-	-	6.7
Total comprehensive income	-	-	20.2	-	6.7	0.4	27.3
Issue of shares	0.4	150.0	-	-	-	-	150.4
Acquisition of subsidiary with non-controlling interest	-	-	-	-	-	28.3	28.3
Foreign exchange movements	-	-	-	-	-	0.7	0.7
Share-based payments	-	-	-	-	5.9	-	5.9
Taxation on share-based payments	-	-	-	-	(2.1)	-	(2.1)
Dividends paid	-	-	-	-	-	(0.8)	(0.8)
Balance at 31 December 2021 (Audited)	**4.4**	**153.3**	**(20.5)**	**167.0**	**471.7**	**29.7**	**805.6**
Loss for the period	-	-	-	-	(38.2)	(0.2)	(38.4)
Other comprehensive income	-	-	52.7	-	-	-	52.7
Total comprehensive income	-	-	52.7	-	(38.2)	(0.2)	14.3
Issue of shares	-	0.2		-	-	-	0.2
Share-based payments	-	-	-	-	8.2	-	8.2
Taxation on share-based payments	-	-	-	-	(0.9)	-	(0.9)
Dividends paid	-	-	-	-	-	(0.9)	(0.9)
Balance at 30 June 2022 (Unaudited)	**4.4**	**153.5**	**32.2**	**167.0**	**440.8**	**28.6**	**826.5**

* Restated for the IFRIC agenda decision on cloud configuration and customisation costs in 2021 (See notes 2 and 19)

Condensed Consolidated Statement of Cash Flows

(£ million)		**Six months to 30 June 2022 (Unaudited)**	Six months to 30 June 2021* (Unaudited)	Year to 31 December 2021 (Audited)
Cash flow from operating activities	**Note**			
Loss before taxation on continuing operations*		(41.6)	(13.6)	(39.6)
(Loss)/profit before taxation on discontinued operations		(0.4)	227.5	265.7
Adjustments for:				
Impairment of intangible assets		31.4	-	-
Depreciation and amortisation		30.1	25.3	54.4
Deferred contingent consideration costs	5	7.6	12.9	35.1
Gain on disposal of business operations		-	(226.1)	(259.4)
Share-based payments		7.6	3.0	9.1
Share of loss in equity-accounted investees, net of tax		1.3	0.9	2.5
Net finance costs	6	5.2	10.3	10.4
Cash generated from operations before changes in working capital, provisions and deferred and contingent consideration		**41.2**	40.2	78.2
Deferred contingent consideration paid		(18.0)	(34.4)	(39.4)
Changes in:				
Inventories		0.4	0.6	0.1
Trade and other receivables		16.4	20.3	(65.7)
Trade and other payables		3.7	10.6	65.5
Provisions		(0.9)	(2.8)	(5.5)
Cash generated from operations		**42.8**	34.5	33.2
Cash generated from operations before non-trading operating items		85.7	76.5	84.0
Cash outflows for discontinued operations		-	9.5	12.0
Cash outflows for acquisition-related contingent employment costs	15	(18.0)	(34.4)	(39.4)
Cash flows for other non-trading items		(24.9)	(17.1)	(23.4)
Cash generated from operations		**42.8**	34.5	33.2
Tax received/(paid)		**0.4**	(3.5)	(3.3)
Net cash generated from operating activities		**43.2**	31.0	29.9
Cash flow from investing activities				
Acquisition of businesses, net of cash acquired	12	(60.9)	(51.4)	(195.3)
Deferred contingent consideration paid**	13	(35.4)	(86.7)	(87.6)
Acquisition of investments	10	(2.9)	(28.7)	(44.0)
Loan to associate		(15.6)	-	(7.3)
Acquisition of software intangibles and property, plant and equipment		(13.9)	(8.8)	(23.3)
Disposal of businesses, net of cash disposed of		(0.4)	224.9	342.4
Net cash (used by)/generated from investing activities		**(129.1)**	49.3	(15.1)
Cash flow from financing activities				
Net proceeds/(repayments) from external borrowings	16	91.8	(70.0)	(149.0)
Proceeds from issue of shares		-	0.3	150.7
Interest and arrangement fees paid		(2.5)	(4.8)	(6.4)
Lease liabilities paid		(3.0)	(3.6)	(7.2)
Dividend paid to non-controlling interest		(1.2)	(0.6)	(0.5)
Net cash generated/(used in) financing activities		**85.1**	(78.7)	(12.4)
Net increase in cash and cash equivalents		**(0.8)**	1.6	2.4
Cash and cash equivalents at the beginning of the period		84.1	80.2	80.2
Effect of exchange rate changes		5.1	(0.7)	1.5
Cash and cash equivalents at the end of the period		**88.4**	81.1	84.1

* Restated for discontinued operations and the IFRIC agenda decision on cloud configuration and customisation costs in 2021 (See notes 2 and 19)

** Includes payments for both deferred and contingent consideration recognised on initial acquisition as well as any subsequent remeasurements. Payments linked to ongoing employment as well as business performance are shown within cash generated from operations

Notes to the Condensed Consolidated Interim Financial Statements

1. Basis of preparation

Ascential plc (the "Company") is a public limited company, which is listed on the London Stock Exchange and incorporated and domiciled in the United Kingdom. These unaudited condensed consolidated interim financial statements as at and for the six months to 30 June 2022 comprise the results and financial position of the Company and its subsidiaries and were approved by the Board of Directors on 1 August 2022. The condensed consolidated interim financial statements have been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting" (IAS 34) as adopted for use in the UK.

As required by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, this condensed set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the company's published consolidated financial statements for the year ended 31 December 2021 which were prepared in accordance with applicable law and UK-adopted international accounting standards. These condensed consolidated half-yearly financial statements do not comprise statutory accounts within the meaning of Section 435 of the Companies Act 2006 and should be read in conjunction with the Annual Report and Accounts 2021. Those accounts were reported upon by the Group's auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain statements under Section 498 (2) or (3) of the Companies Act 2006. The Annual Report and Accounts 2021 are available upon request from the Company's registered office at 33 Kingsway, London, WC2B 6UF, United Kingdom or at www.ascential.com.

Going concern

After considering the current financial projections and the bank facilities available and then applying severe but plausible sensitivities, the Directors of the Company are satisfied that the Group has sufficient resources for its operational needs and will remain in compliance with the financial covenants in its bank facilities for at least the next 12 months from the date of approving these interim financial statements. The process and key judgements in coming to this conclusion are set out below.

The Board is required to assess going concern at each reporting period. These assessments require judgement to determine the impact of future economic conditions on the Group, including the impact of any future Covid-19 restrictions on the economies in which we operate and the impact of downward recessionary pressures. The Directors have considered three main factors in reaching their conclusions on going concern – liquidity, covenants and scenario planning – as set out below.

Liquidity

In January 2020, the Group entered into a new 5-year multi-currency revolving credit facility ("RCF") of £450m plus an accordion to raise further debt amounts, at the option of the lenders, of up to the greater of £120m or 150% of EBITDA. At 30 June 2022 the borrowings were subject to interest at a margin of 1.2% over LIBOR. These facilities provide ample liquidity of £277.3m when judged against the net debt of the Company of £172.7m at 30 June 2022.

Covenants

The more sensitive aspects of the Company's financing are the application of covenant tests to these facilities and the most sensitive covenant is Net Debt Leverage (broadly, the ratio of Net Debt to Adjusted pre-IFRS16 EBITDA). The facility covenants include a maximum net leverage of 3.25x with the benefit of additional 0.5x leverage spikes for relevant acquisitions, a minimum interest cover of 3.00x and are tested semi-annually. To address the uncertain business environment and ensure maximum flexibility in the medium term, across a broad range of business planning scenarios, the Group has previously agreed covenant amendments with its banking group but following the strong performance of live events in 2021, this amendment was cancelled in December 2021.

At 30 June 2022, our leverage ratio was 1.6x or 1.8x on a covenant basis compared to the limit of 3.25x), and therefore well within our banking covenants. All other covenants were also in compliance.

<u>Scenario planning</u>
After two years of Covid impacts on our live events and following the successful return of these events in the last 12 months, the Directors have reassessed the most plausible severe downside case for assessing going concern. The Directors concluded that the most severe but plausible scenario that could affect the business was the impact of a recession in the major markets in which the Group operates, driven by the economic uncertainty from supply chain challenges and the increased inflationary pressures. This scenario is not a forecast of the Company that the Directors believe will eventuate, but is designed to stress test liquidity and covenant compliance. The key assumption is that recessionary pressures will reduce the anticipated revenue growth rates or result in revenue decline in some segments across our different business sectors. This scenario results in our leverage ratios increasing to between 1.7x to 1.9x at each of the three 6-monthly testing points in between the date of this report and our assessment period up to 31 December 2023.

In their review of the downside scenario, the Directors have also considered a number of mitigations that could reduce the leverage ratio further and are at their discretion, including but not limited to: future dividend policy, the use of equity to meet deferred consideration obligations, and further restructuring and cost cutting measures. In this downside scenario there is sufficient headroom against all banking covenant tests. Accordingly, the Directors continue to adopt the going concern basis for the preparation of the financial statements.

2. Accounting policies, developments and changes

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those set out in the Group's Annual Report and Accounts for the year ended 31 December 2021 and will be applied for the year ended 31 December 2022.

New and amended accounting standards
The following amended standards and interpretations were effective in the six months to 30 June 2022. The updates have had no impact on our condensed consolidated financial statements.
- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

Restatement of capitalisation of costs incurred in the implementation of business systems built upon public cloud "software as a service" (SaaS)
In 2021, IFRIC issued an agenda decision on configuration and customisation costs in a cloud computing arrangement relating to IAS 38 "Intangible Assets". In response the Group's accounting policy on intangible assets has been updated, specifically to expense costs incurred in the implementation of business systems built upon software that is contracted on a "software as a service" (SaaS) basis and hosted in a public cloud where these do not give rise to an identifiable intangible asset that the Group control. In limited circumstances, configuration and customisation costs may give rise to an identifiable intangible asset, for example, where code is created that is controlled by the entity. This change in accounting policy is applied retrospectively. The Group is mid-way through the implementation of new Salesforce and ERP systems which are significant, once-in-a-decade investments and the impact of expensing such implementation costs in the year of spend is material. As such, these costs, which form part of our continuing operations, have been treated as a non-trading item. The impact on the Group's financial statements for the six months to 30 June 2021 is summarised in note 19.

Restatement for disposal of MediaLink
As part of its growth strategy to focus resources and investment on its strategic priorities, the Group disposed of MediaLink, a brand previously within the Marketing segment, on 15 December 2021. The impact on the Group's financial statements for the six months to 30 June 2021 is summarised in note 19.

3. Critical accounting judgements and estimates

The preparation of these financial statements requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The actual future outcomes may differ from these estimates and give rise to material adjustments to the reported results and financial position of the Group. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the year in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgement or complexity and assumptions or estimation remain consistent with those disclosed in the Group's consolidated financial statements as at and for the year ended 31 December 2021 and are set out below.

Critical accounting judgements
- Alternative performance measures (APMs)
- Recognition of associates (note 10)

Key sources of estimation
- Initial recognition of goodwill and intangible assets in business combinations (notes 11 and 12)
- Valuation of contingent consideration and acquisition-related employment costs (notes 15)
- Goodwill and acquired intangibles recoverable amount (note 11)

4. Operating segments

The Group has four reportable segments that are used to present information to the Board (Chief Operating Decision Maker) on a monthly basis. End market risks and opportunities vary and capital allocation decisions are made on the basis of four reportable segments. The four reportable segments are Digital Commerce, Product Design, Marketing, and Retail & Financial Services. The reportable segments offer different products and services and are managed separately as a result of different capabilities, technology, marketing strategies and end market risks and opportunities. The following summary describes the continuing operations in each of the Group's reportable segments:

- Digital Commerce: measurement, optimisation and execution for digital commerce growth
- Product Design: consumer product trend forecasting, data and insight to create world-class products and experiences
- Marketing: services and tools to measure and optimise marketing creativity, media and platform effectiveness and efficiency
- Retail & Financial Services: events, data and tools to improve performance and drive innovation in retail and financial services

Information regarding the results of each reportable segment is included below. Reportable segment profits are measured at an Adjusted operating profit level, representing reportable segment Adjusted EBITDA, less depreciation costs and amortisation in respect of software intangibles, without allocation of Corporate costs as reported in the internal management reports that are reviewed by the Board. Reportable segment Adjusted EBITDA and reportable segment Adjusted operating profit are used to measure performance as management believes that such information is the most relevant in evaluating the results of the reportable segments relative to other comparable entities. Total assets and liabilities for each reportable segment are not disclosed because they are not provided to the Board on a regular basis. Total assets and liabilities are internally reviewed on a Group basis.

Six months to 30 June 2022 (Unaudited)

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial services	Corporate costs	Continuing operations total	Discontinued operations	Total
Revenue	95.1	51.2	80.8	33.6	-	260.7	-	260.7
Adjusted EBITDA	1.8	24.4	43.2	8.8	(11.0)	67.2	-	67.2
Depreciation and software amortisation	(7.7)	(2.2)	(1.4)	(0.2)	(1.1)	(12.6)	-	(12.6)
Adjusted operating profit/(loss)	**(5.9)**	**22.2**	**41.8**	**8.6**	**(12.1)**	**54.6**	**-**	**54.6**
Amortisation of acquired intangible assets						(17.5)	-	(17.5)
Non-trading items						(64.6)	-	(64.6)
Disposal of business						-	(0.4)	(0.4)
Share-based payments						(7.6)	-	(7.6)
Operating loss						**(35.1)**	**(0.4)**	**(35.5)**
Share of net loss in equity-accounted investee						(1.3)	-	(1.3)
Finance costs						(8.0)	-	(8.0)
Finance income						2.8	-	2.8
Loss before tax						**(41.6)**	**(0.4)**	**(42.0)**

Six months to 30 June 2021 (Unaudited and restated)

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial services	Corporate costs	Continuing operations total	Discontinued operations	Total
Revenue	59.7	44.3	43.1	7.2	-	154.3	25.6	179.9
Adjusted EBITDA	10.8	20.2	25.5	(5.4)	(8.3)	42.8	8.0	50.8
Depreciation and software amortisation	(4.2)	(1.4)	(2.2)	(0.4)	(0.8)	(9.0)	(0.1)	(9.1)
Adjusted operating profit/(loss)	**6.6**	**18.8**	**23.3**	**(5.8)**	**(9.1)**	**33.8**	**7.9**	**41.7**
Amortisation of acquired intangible assets						(14.7)	(1.4)	(16.1)
Non-trading items						(18.8)	222.4	203.6
Share-based payments						(2.7)	(0.3)	(3.0)
Operating loss						**(2.4)**	**228.6**	**226.2**
Share of net loss in equity-accounted investee						(0.9)	-	(0.9)
Finance costs						(12.0)	-	(12.0)
Finance income						1.7	-	1.7
Loss before tax						**(13.6)**	**228.6**	**215.0**

* Restated for discontinued operations and the IFRIC agenda decision on cloud configuration and customisation costs in 2021 (See notes 2 and 19).

Year to 31 December 2021 (Audited)

(£ million)	Digital Commerce	Product Design	Marketing	Retail & Financial services	Corporate costs	Continuing operations total	Discontinued operations	Total
Revenue	147.3	91.3	56.5	54.2	-	349.3	49.3	398.6
Adjusted EBITDA	31.1	41.3	25.6	10.9	(20.0)	88.9	16.0	104.9
Depreciation and software amortisation	(10.0)	(2.9)	(3.0)	(1.8)	(1.8)	(19.5)	(0.3)	(19.8)
Adjusted operating profit/(loss)	**21.1**	**38.4**	**22.6**	**9.1**	**(21.8)**	**69.4**	**15.7**	**85.1**
Amortisation of acquired intangible assets						(31.9)	(2.7)	(34.6)
Disposal of business						-	259.4	259.4
Non-trading items						(55.8)	(6.0)	(61.8)
Share-based payments						(8.4)	(0.7)	(9.1)
Operating loss						**(26.7)**	**265.7**	**239.0**
Share of net loss in equity-accounted investee						(2.5)	-	(2.5)
Finance costs						(20.1)	-	(20.1)
Finance income						9.7	-	9.7
Loss before tax						**(39.6)**	**265.7**	**226.1**

Non-trading items within continuing operations of £64.6m (31 December 2021: £55.8m; 30 June 2021: £18.8m) include £10.6m (31 December 2021: £36.6m; 30 June 2021: £11.6m), £nil (31 December 2021: £0.1m; 30 June 2021: £nil), £nil (31 December 2021: £nil; 30 June 2021: £nil), £nil (31 December 2021: £nil; 30 June 2021: £nil) and £54.0m (31 December 2021: £19.1m; 30 June 2021: £7.2m) which are attributable to Digital Commerce, Product Design, Marketing, Retail & Financial Services and Corporate costs respectively. Finance costs, finance income, share of net profit in equity accounted investees and share-based payments are not allocated to segments, as these types of activity are driven by the Group corporate function and are considered to be non-trading items.

Additional segmental information on revenue

The Group's main revenue streams are those described in the Annual Report for the year ended 31 December 2021. The Group's revenue is derived from contracts with customers.

Disaggregation of revenue

The following table shows revenue disaggregated by major service lines, and the timing of revenue recognition:

(£ million)	Timing of revenue recognition	Six months to 30 June 2022 (Unaudited)	Six months to 30 June 2021 (Unaudited and restated*)	Year to 31 December 2021 (Audited)
Digital Subscriptions & Platforms	Over time	89.6	54.9	136.2
Advisory	Over time	5.5	4.8	11.1
Digital Commerce		**95.1**	**59.7**	**147.3**
Digital Subscriptions & Platforms	Over time	45.4	39.8	81.9
Advisory	Over time	5.8	4.5	9.4
Product Design		**51.2**	**44.3**	**91.3**
Digital Subscriptions & Platforms	Over time	11.1	8.4	18.2
Advisory	Over time	1.9	2.9	3.7
Benchmarking Awards	Point in time	25.7	27.2	29.3
Events	Point in time	42.1	4.6	5.3
Marketing		**80.8**	**43.1**	**56.5**
Digital Subscriptions & Platforms	Over time	4.5	5.7	10.8
Advisory	Over time	1.5	1.1	2.7
Events	Point in time	27.6	0.4	40.7
Retail & Financial Services		**33.6**	**7.2**	**54.2**
Revenue from continuing operations		**260.7**	**154.3**	**349.3**

* Restated for discontinued operations (see notes 2 and 19).

Seasonality of operations

The Group's results are impacted by seasonality. The majority of Ascential's revenues come from robust digital subscriptions and platforms and high repeat advisory revenue streams which contain little seasonal fluctuation. However, the Company delivers a material amount of revenue from Benchmarking Awards and Events which typically are more weighted to the first half of the year.

5. Adjusting items

Adjusting items are those which are considered significant by virtue of their nature, size or incidence and are presented separately in the consolidated statement of profit and loss to enable a full understanding of the Group's financial performance. Adjusting items are not a defined term under IFRS and include the share-based payment charge, amortisation of intangibles acquired through business combinations and non-trading items such as costs incurred for acquisitions and disposals, integration, non-recurring business restructuring, intangible impairment and capital restructuring. The tax effect of Adjusting items is also included within Adjusting items.

Adjusting items included in profit/(loss) before tax are:

(£ million)	**Six months to 30 June 2022 (Unaudited)**	Six months to 30 June 2021 (Unaudited and restated*)	Year to 31 December 2021 (Audited)
Revaluation of contingent consideration	(4.6)	2.4	5.2
Acquisition–related employment costs accrued in the period	12.2	7.3	24.7
Total deferred contingent consideration costs	7.6	9.7	29.9
Impairment in Edge CGU	31.4	-	-
Implementation of new ERP instance	6.4	3.9	10.1
Implementation of new Salesforce instance	6.9	2.5	6.8
Transaction and integration costs	12.8	2.7	9.0
Property impairments and provisions	(0.5)	-	-
Non-Trading items	**64.6**	**18.8**	**55.8**
Amortisation of acquired intangible assets	**17.5**	**14.7**	**31.9**
Share-based payments	**7.6**	**2.7**	**8.4**
Adjusting items included within operating profit/(loss)	**89.7**	**36.2**	**96.1**
Finance costs/(income)	-	0.8	(7.0)
Share of the loss of associates	0.3	-	0.1
Adjusting items included with profit/(loss) before tax from continuing operations	**90.0**	**37.0**	**89.2**

* Restated for discontinued operations and the IFRIC agenda decision on cloud configuration and customisation costs in 2021 (see notes 2 and 19).

An impairment charge of £31.4m (31 December 2021: £nil; 30 June 2021: £nil) has been recognised in the Edge CGU driven by the decline in profitability of the Digital Shelf offering (see note 11).

Acquisition-related employment costs incurred in the period relate primarily to that element of the purchase consideration for the acquisitions of WhyteSpyder, OneSpace, 4K Miles, Perpetua and DZ, which, absent the link to continued employment, would have been treated as consideration. Under the sale and purchase agreements, between 25% and 100% of deferred payments are contingent on not only the results of the business in the post-acquisition period but also the continued employment of the founders.

The Group is undertaking a multi-year programme to introduce a new ERP to replace the current Oracle system introduced in 2007 and a new instance of Salesforce, both of which are cloud-based and the implementation costs are subject to the recent IFRIC agenda decision relating to IAS 38 and accordingly are now required to be expensed. Costs relating to this programme totalling £13.3m (31 December 2021: £16.9m; 30 June 2021: £6.4m) have been expensed, and given the materiality and incidence, have been recorded as a non-trading item.

As part of the overall strategy of managing the Group's portfolio, we consider the costs incurred as part of the acquisition and integration of acquired businesses to be Adjusting items. Acquisition transaction costs include directly linked transaction costs such as legal and diligence fees as well as stamp duty where applicable. Integration spend includes the costs of transferring acquired businesses onto the Group's processes, IT and revenue platforms, merging of products and rebranding. In 2022, and as previously announced, we have also incurred costs in evaluating the merits of a managed separation of the Digital Commerce assets from the rest of the Group, the costs of which are included in the Transaction and integration costs line item.

The share-based payments charge of £7.6m incorporates the Share Incentive Plan, the SAYE and the Performance Share Plan. As explained in the Alternative Performance Measures section, we treat share-based payments as an Adjusting item because they are a significant non-cash charge driven by a valuation model that references Ascential's share price and so is subject to volatility rather than referencing operational activity.

6. Finance costs and finance income

(£ million)	**Six months to 30 June 2022 (Unaudited)**	Six months to 30 June 2021 (Unaudited)	Year to 31 December 2021 (Audited)
Interest on deposits and investments	0.9	1.7	2.5
Fair value gain on derivative financial instruments	1.9	-	0.2
Finance income	**2.8**	**1.7**	**2.7**
Interest payable on external borrowings	(3.1)	(4.6)	(8.6)
Amortisation of arrangement fees	(0.4)	(0.4)	(0.9)
Discount unwind on deferred and contingent consideration	(4.1)	(5.5)	(9.0)
Discount unwind of lease liability	(0.5)	(0.4)	(1.0)
Discount unwind of property provisions	-	(0.1)	-
Foreign exchange gain/(loss) on cash and cash equivalents	0.1	(0.2)	(0.6)
Adjusted finance costs	**(8.0)**	**(11.2)**	**(20.1)**
Covenant amendment costs	-	(0.8)	(0.8)
Remeasurement of trade investments to fair value	-	-	7.8
Adjusting finance (costs)/income	**(8.0)**	**(12.0)**	**(13.1)**
Net finance costs from continuing operations	**(5.2)**	**(10.3)**	**(10.4)**

7. Tax on profit on ordinary activities

The total tax credit for the period is £3.6m (30 June 2021: credit of £2.6m) which comprises a tax charge of £12.2m on Adjusted profits and a tax credit of £15.8m on Adjusting items (being the amortisation of acquired intangible assets, share-based payments and non-trading items).

The tax credit on Adjusted profits for the period has been calculated by applying the expected full year rate of 25.3% (30 June 2021: 20.7%) to the results for the six months ended 30 June 2022. In the prior year, there were also a number of discrete items reducing the final effective tax rate on Adjusted profits to nil.

A tax credit of £15.8m is recorded in relation to Adjusting items for the six months ended 30 June 2022 (30 June 2021: £2.6m; 31 December 2021: £9.8m). A deferred tax charge of £0.9m (30 June 2021: credit of £0.7m; 31 December 2021: £1.4m charge) is recognised in equity relating to share-based payments.

The total tax credit for the period comprises:

	Restated*		
(£ million)	**Six months to 30 June 2022 (Unaudited)**	Six months to 30 June 2021 (Unaudited)	Year to 31 December 2021 (Audited)
Current tax			
UK tax credit on income for the period	-	-	(0.2)
Overseas tax charge on income for the period	1.2	-	2.8
Adjustments in respect of prior years	-	-	1.2
Total current tax charge/(credit)	**1.2**	-	3.8
Deferred tax			
Current period credit	(5.0)	(3.3)	(2.3)
Adjustments in respect of prior years	0.2	-	(3.3)
Impact of rate changes on opening balances	-	0.7	0.2
Total deferred tax credit	**(4.8)**	**(2.6)**	(5.4)
Total tax credit	**(3.6)**	**(2.6)**	(1.6)
Total effective tax rate	**8.5%**	**17.8%**	4.0%

*Restated for discontinued operations (see note 19)

The deferred tax balances shown in the consolidated statement of financial position are analysed as follows.

(£ million)	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)	31 December 2021 (Audited)
Deferred tax assets	**63.2**	56.6	57.7
Deferred tax liabilities	**(14.1)**	(7.0)	(6.5)
Total	**49.1**	49.6	51.2

The £2.1m net movement in deferred tax in the period largely results from a deferred tax liability recognised on new acquisitions in the period, along with a reduction in deferred tax assets utilised in the period, net of a credit arising as a result of the impairment of tangible and intangible assets related to the Edge business (see note 11 for details). In addition, the Group benefited from a credit arising on foreign exchange movements of £2.4m on deferred tax assets held in US dollar.

At 30 June 2022, the Group had utilisable losses in the US and UK with a future tax impact of £38.8m (31 December 2021: £33.5m). The movement from the year end arises due to recognition of a deferred tax asset on losses arising on acquisitions net of utilisation of losses against profits in the period. Our ability to utilise losses in future years is primarily driven by the level of taxable profits arising in the US and UK and we expect our deferred tax assets to convert into cash savings over the next ten years with the majority being recovered over the next four years.

8. Dividends

The Board has decided to prioritise the preservation of capital for potential acquisitions rather than paying an interim dividend. The Board will keep capital allocation priorities including shareholder cash returns continually under review.

9. Earnings per share

The calculations of basic and diluted EPS are based on the profit attributable to ordinary shareholders and a weighted average number of shares outstanding during the related period.

The weighted average number of ordinary shares in issue during the period, excluding those held by Employee Benefit Trusts, was 439.0 million (30 June 2021: 401.7 million and 31 December 2021: 417.3 million). There is no dilutive impact from potential ordinary shares as potential ordinary shares can only be considered dilutive when their inclusion would decrease earnings or increase loss per share.

	Six months to 30 June 2022 (Unaudited)			Six months to 30 June 2021 (Unaudited)			Year to 31 December 2021 (Audited)		
	Adjusted Results	Adjusting Items	Total	Adjusted Results	Adjusting Items	Total	Adjusted Results	Adjusting Items	Total
Profit/(loss) attributable to owners of the Company (£ million)									
Profit/(loss) for the year-continuing operations	35.3	(73.1)	(37.8)	23.0	(34.4)	(11.4)	39.6	(78.4)	(38.8)
Profit/(loss) for the year - discontinued operations	-	(0.4)	(0.4)	5.8	222.0	227.8	11.5	250.4	261.9
Profit/(loss) for the year	**35.3**	**(73.5)**	**(38.2)**	**28.8**	**187.6**	**216.4**	**51.1**	**172.0**	**223.1**
Share number (million)									
Basic weighted average number of shares	439.0	439.0	439.0	401.7	401.7	401.7	417.3	417.3	417.3
Diluted weighted average number of shares	**439.0**	**439.0**	**439.0**	**401.7**	**401.7**	**401.7**	**417.3**	**417.3**	**417.3**
Earnings/(loss) per share (basic and diluted, pence)									
Continuing operations	8.0	(16.6)	(8.6)	5.7	(8.6)	(2.9)	9.5	(18.8)	(9.3)
Discontinued operations	-	(0.1)	(0.1)	1.5	55.3	56.8	2.8	60.0	62.8
Total operations	**8.0**	**(16.7)**	**(8.7)**	**7.2**	**46.7**	**53.9**	**12.3**	**41.2**	**53.5**

10. Investments in associates

(£ million)	Total
At 1 January 2022	82.2
Acquisition of investments	2.9
Share of the loss of joint ventures and associates	(1.3)
Movements in exchange rates	9.0
At 30 June 2022	92.8

Investments as at 30 June 2022 were made up as follows:

(£ million)	Total
Trade investments and preference shares measured at fair value through profit or loss	89.2
Associates and joint ventures accounted for using the equity method	3.6

Hudson MX

Included within the above balances, the Group continues to hold a £74.6m (31 December 2021: £65.9m) investment in Hudson MX, an advertising software business providing media buying and accounting solutions through a cloud-based SaaS platform. This investment is made up of ordinary stock and preference stock.

In addition, we have invested £18.1m in unsecured promissory notes (31 December 2021: £8.2m) and £7.1m in secured debt (31 December 2021: nil) in Hudson MX at 30 June 2022. These are included in Other Receivables, see note 13.

Classification of Investment

There has been no change in the accounting for the investment from that disclosed in Note 3 "Critical Accounting Judgements – Recognition of Associates" and Note 18 "Investments" of the 2021 Annual Report and Accounts.

As more fully disclosed in that Annual Report, we continue to conclude that Ascential has significant influence and not control over Hudson MX, and therefore account for the investment as an associate. The primary factors considered by the Directors in making this judgement include: i) Ascential voting rights are capped at 19.9% and ii) Ascential does not have an ability to appoint Hudson MX directors, with the only rights in this respect being able to have two passive Board observer seats with protective rights only. In addition, an option to acquire Hudson MX that existed at 31 December 2021, which was deemed to not confer substantive rights at that point in time, lapsed on 31 January 2022.

Both the common stock and preference stock investment form part of the long-term investment in Hudson MX.

The common stock we hold is accounted for by applying equity accounting under IAS 28 ("Investments in Associates and Joint Ventures"), including recording our share of the results of Hudson MX in proportion to our common stock holding. The carrying value of our equity-accounted balance has been reduced to nil (31 December 2021: £0.5m) as a result of our 8% share of Hudson MX losses in the 6 months to 30 June 2022, totalling £0.9m (H121: £0.6m). All further losses over and above those taken to reduce the carrying value of the common stock portion to nil will be recorded against the value of preference stock.

The attributes of the preference stock we hold meet the attributes of a financial instrument measured at fair value through profit and loss under IFRS 9 ("Financial Instruments"). The fair value is assessed at each reporting date, with any revaluation recorded through the consolidated income statement. This preference stock forms part of the long-term investment in Hudson MX and total £74.6m (31 December 2021: £65.4m). In the 6 months to 30 June 2022, we completed the final tranche of preference stock investments of £2.2m (H121: £28.3m) and we recorded no change in the fair value of the equity investments in the period (H121: nil).

No dividends were received from Hudson MX in the 6 months to 30 June 2022.

Summarised financial information for the Hudson MX entity for the 6 months to 30 June 2022 is as follows: The balance sheet includes current assets of £4.1m, non-current assets of £63.2m and current liabilities of £8.1m. Included in these amounts are cash and cash equivalents of £3.1m and current financial liabilities of £25.2m. The income statement includes a loss from operations (all continuing) of £10.9m resulting in an Other Comprehensive Expense of £10.9m. Included in these amounts are depreciation and amortisation of £3.1m and interest expense of £0.8m. Hudson recognises £87.5m of preference stock as equity.

Investment Valuation
The valuation of our equity investments at 30 June 2022 is informed by valuation data associated with Hudson MX's ongoing financing round, external market evidence, viability of Hudson MX's future and the internal assessment we performed for the 31 December 2021 Annual Report and Accounts all of which allow the Directors to estimate the enterprise value of the investment with a greater degree of certainty. This supports the carrying value of our total investment of £74.6m and total debt receivable of £25.2m and we consider that this is a reasonable approximation of fair value.

An assessment of the sensitivity of the valuation has been performed and a 5% increase / 5% decrease in the enterprise valuation of Hudson MX would not materially affect the value of our investment.

11. Goodwill and acquired intangibles

At 30 June 2022, the Group had £979.7m of goodwill and intangibles acquired through acquisitions (31 December 2021: £878.9m), with the increase of £100.8m reflecting £72.2m of acquisitions and £59.8m of favourable foreign exchange movements, offset by an impairment charge of £31.4m.

The goodwill and acquired intangibles attributed to each of the Group's cash generating units (CGUs) and group of CGUs are assessed for impairment each year or where there are indicators of impairment. If such indicators exist, an estimate of the CGU's recoverable amount is determined. The recoverable amount is the higher of value in use and fair value less costs of disposal. As at 30 June 2022 we have identified an impairment trigger in our Edge CGU driven by the decline in profitability of the Digital Shelf offering. No indicators of impairment have been identified in the other CGUs or Group of CGUs for the six months ended 30 June 2022.

Impairment of Edge

The Group has reassessed its profit and cash flow projections for Edge based on the current economic environment considering its strategic direction. As a result, the Group has updated its impairment review for Edge in June 2022 based on these revised assumptions.

When testing for impairment, the recoverable amounts have been measured at their value-in-use by discounting the future expected cash flows from the assets in the Edge CGU. The key assumptions and estimates used for value-in-use calculations are as follows:

a) Future expected cash flows

Cash flow forecasts over a five-year horizon have been prepared after considering the current economic environment in the relevant markets. In calculating the terminal value, cash flows beyond the five-year period are extrapolated using a long-term growth rate of 3% (31 December 2021: 3%), representing our best estimate of cash flow growth beyond the reassessed period.

b) Discount rates

Inputs include risk-adjusted, pre-tax discount rates, calculated by reference to the weighted average cost of capital for each CGU, weighted to the country, or countries, which the CGU operates in. Movements in the pre-tax discount rates for CGUs since the year ended 31 December 2021 are driven by changes in market-based inputs and the Company specific risk which is assessed based on economic outlook. The pre-tax discount rate applied to the risk-adjusted cash flow forecasts for Edge was 11.1%. £32.1m of acquired intangible assets and £16.5m of other assets are allocated to Edge at 30 June 2022 testing point.

Impairment losses of £31.4m have been recognised for the Edge CGU for the half year ended 30 June 2022 (December 2021: £nil). The impairment charge has been recognised against intangible assets of £31.2m and tangible fixed assets of £0.2m, both predominantly related to Digital Shelf.

The calculation of value in use is most sensitive to the discount rates and long-term growth rates used. The Group has performed sensitivity analyses on the CGUs tested, using reasonably possible changes in the long-term growth rates and pre-tax discount rates arising from reasonably possible trading and economic scenarios. The sensitivity analysis showed that there will still be an impairment charge from these changes for Edge. This analysis showed that in isolation, a 1.0% decrease in the discount rate would still result in an impairment of £25.5m and a 1% increase in the long-term growth rate would still result in an impairment of £27.0m.

12. Business combinations

2022 acquisitions

In April 2022, the Group acquired 100% of Sellics Marketplace Analytics GmbH ("Sellics"). Sellics provides a mix of advertising spend optimisation, campaign automation and profit analytics, through a suite of software solutions, to challenger brands that trade on Amazon across the US and Europe. Sellics will be merged into challenger brand specialist Perpetua within Digital Commerce.

In June 2022, the Group acquired 100% of Intrepid E-Commerce Services Pte. Ltd. ("Intrepid") for an initial cash consideration of £46.9m, plus estimated earnout payments payable over 4 years resulting in an estimated total consideration (including the initial consideration) between £82.1m and £161.8m. The maximum consideration payable, in the event that very stretching targets are reached, is capped at £205.3m. Intrepid provides eCommerce execution, backed by proprietary software solutions to enterprise brands that trade on major Southeast Asia platforms.

The provisional fair values of the identifiable assets purchased and liabilities assumed as at the date of acquisition are detailed below. The fair values are provisional due to insufficient time since the completion dates to be finalised and may materially change once the purchase price allocation has been finalised.

(£'m)	Total
Customer relationships	14.7
Brands	4.3
Software & Technology	22.4
Property, plant and equipment	0.3
Net working capital	3.0
Total identifiable net assets at fair value	**44.7**
Initial cash consideration	64.1
Contingent consideration payable in 2022 - 2025	12.9
Total consideration	**77.0**
Goodwill on acquisition	32.3
Acquisition of businesses (net of cash acquired)	**60.9**

The goodwill of £32.3m arising on acquisitions comprises earnings attributable to new service offerings, growth through new customer relationships and the assembled workforces. Of the £32.3m goodwill acquired during the period, no goodwill is expected to be deductible for tax purposes.

From the date of acquisition, Sellics and Intrepid contributed £1.3m revenue and an adjusted EBITDA loss of £0.5m. If the acquisitions had occurred at the beginning of the year, the acquired companies would have contributed an additional £10.7m of revenue and adjusted EBITDA loss of £3.5m.

2021 acquisitions

In 2021, the Group acquired Shenzhen 4KMiles Technologies, Ltd. ("4K Miles"), OneSpace ("Onespace"), and ASR Group Holdings LLC ("ASR"). Given the proximity of the acquisition to year end, the purchase price allocation exercise was ongoing and draft figures were disclosed based on the accumulated knowledge of prior acquisitions. The updated fair values of the identifiable assets purchased and liabilities assumed as at the date of acquisition are detailed below.

(£'m)	Total
Customer relationships	54.9
Brands	1.6
Software & Technology	7.8
Property, plant and equipment	0.2
Trade and other receivables	15.1
Cash	3.6
Investment	0.2
Trade and other payables	(14.4)
Deferred tax liability	(3.1)
Total identifiable net assets at fair value	**65.9**
Initial cash consideration	123.9
Non-controlling interest	28.1
Contingent consideration payable in 2022 - 2025	6.5
Total consideration	**158.5**
Goodwill on acquisition	92.6
Acquisition of businesses (net of cash acquired)	**120.3**

13. Trade and other receivables

(£ million)	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)	31 December 2021 (Audited)
Trade receivables, net of the allowance for doubtful debts	100.2	73.9	91.2
Prepayments	24.0	14.7	10.7
Contract assets – accrued income	21.4	14.7	17.4
Other receivables	157.3	82.9	153.3
Total	**302.9**	**186.2**	**272.6**

Other receivables include amounts due from customers for pass-through costs of £122.6m (31 December 2021: £137.4m) principally in relation to the purchase of media on their behalf. These costs comprise amounts paid to external suppliers which are charged directly to clients. The amounts due to external suppliers in these relationships are recognised in other payables (see note 14).

14. Trade and other payables

(£ million)	30 June 2022 (Unaudited)	30 June 2021 (Unaudited)	31 December 2021 (Audited)
Trade payables	12.9	12.5	12.7
Other payables	134.3	90.6	136.6
Accruals	59.2	29.9	39.5
Derivatives	-	-	0.2
Interest accruals	0.6	0.8	0.5
Taxes and social security costs	11.9	9.1	8.9
Total trade and other payables	**218.9**	**142.9**	**198.4**

Other payables include amounts due to external suppliers in relation to pass-through costs of £116.4m (31 December 2021: £124.1m). Pass-through costs comprise amounts paid to external media suppliers which are charged directly to clients. The amounts due from customers in these relationships are recognised in other receivables (see note 13).

15. Deferred contingent consideration

The Group has liabilities in respect of deferred contingent consideration payments under various business acquisition contracts as set out below.

(£ million)	Note	Total
At 31 December 2021 (Audited)		**102.9**
Additions		12.9
Acquisition–related employment costs accrued in the period	5	12.2
Revaluation of contingent deferred consideration recognised in the consolidated statement of profit and loss	5	(4.6)
Revaluation of contingent deferred consideration recognised on acquisition goodwill		(1.0)
Discount unwind on contingent deferred consideration	6	4.2
Acquisition–related employment cost paid in the period		(18.0)
Deferred consideration paid in the period		(35.4)
Effect of movements in exchange rates		7.5
At 30 June 2022 (Unaudited)		**80.6**

At 30 June 2022, £54.4m of deferred contingent consideration was categorised as level 3 in the fair value hierarchy of financial instruments (31 December 2021: £72.0m). Covid-19 and uncertainty in the economic environment has increased the level of uncertainty in the Group's projections with a consequent impact on the potential range of these level 3 valuations. The resurgence of pandemic-related lockdowns in China and resultant global supply chain pressures has provided challenges to our Digital Commerce businesses which form the majority of this balance. The balance is also impacted by economic uncertainty in the markets we operate. It is therefore possible that this uncertainty could result in the recognition of materially additional or lower contingent consideration.

Both contingent consideration and acquisition-related employment costs are based on the future performance of the acquired business to which they relate. Performance is assessed using forecast profits and the five-year plan which is updated annually. Forecasts are inherently a source of management estimation, resulting in a range of outcomes. A 10% increase in the results of all acquired businesses subject to deferred contingent consideration in all remaining years would result in an additional payment of around £48m over 2023 to 2025. A 10% reduction in the revenue of all acquired businesses subject to deferred contingent consideration in all remaining years would result in a lower payment of around £42m over 2023 to 2025.

16. Borrowings

Details of the Company's borrowing facilities are set out in note 1.

Reconciliation of movement in net debt

(£ million)	Cash	Cash in transit	Short-term deposits	Interest rate cap	External Borrowings	Net debt*
At 31 December 2021 (Audited)	**55.7**	**0.4**	**28.0**	**0.2**	**(158.1)**	**(73.8)**
Exchange differences	5.1	-	-	-	(12.9)	(7.8)
External debt repayment	-	-	-	-	-	-
External debt cash flow drawdown	-	-	-	-	(91.8)	(91.8)
Acquisition of subsidiary	4.5	-	-	-	-	4.5
Fair value movement	-	-	-	1.9	-	1.9
Amortisation of debt arrangement fees	-	-	-	-	(0.4)	(0.4)
Net cash movement	3.5	0.6	(9.4)	-	-	(5.3)
At 30 June 2022 (Unaudited)	**68.8**	**1.0**	**18.6**	**2.1**	**(263.2)**	**(172.7)**

* Refer to the Glossary of Alternative Performance Measures for the definition of Net Debt.

Borrowings are shown net of unamortised issue costs of £2.0m (31 December 2021: £2.4m). The carrying amounts of borrowings approximate their fair value. The Group's borrowings at 30 June 2022 were $227m and €92m (31 December 2021: $92m and €110m).

17. Related parties

Other than as described elsewhere in these financial statements, there are no material related party transactions requiring disclosure under IAS 24 “Related Party Disclosures” other than compensation of key management personnel, which will be disclosed in the Group's Annual Report for the year ended 31 December 2022.

18. Principal risks and uncertainties

We have no direct operations in Russia, Ukraine or Belarus and had minimal revenue generated from those territories in 2021. We have made the decision to suspend business activities with Russia and Belarus and will continue to comply with sanctions imposed by the UN, the EU, and the UK and US governments.

The geopolitical and macro-economic environment has become more challenging since December 2021 with the likelihood of global recession increasing, continuing global supply chain issues and increasing inflationary pressures. We continue to manage these risks through our operational risk framework as explained in the 2021 Annual Report.

We recognise that our success with executing against our strategy by enhancing our capabilities and increasing addressable market through the acquisitions of Sellics in Germany and Intrepid in Southeast Asia in the first half of 2022, increases the complexity of our integration activities and adds to the work to be done to bring the systems of control in these small and developing businesses to the standards required of a listed Company.

We note the increasingly competitive recruitment market and the impact of inflationary pressures on our people. We continue to monitor our reward and retention policies, as well as the wider factors that impact our people, to ensure that Ascential can continue to attract and retain the talent that is a critical contribution to our success.

The Board and management are mindful that risk trends may change quickly and continue to monitor the risk landscape and the Company's mitigation strategies. However, a number of these risks and uncertainties could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ from expected and historical results.

19. Restatement of results for the six months to 30 June 2021

Consolidated statement of profit or loss for the six months to 30 June 2021	Reported			Discontinued operations			IFRIC agenda decision			Restated		
(£ million)	**Adjusted results**	**Adjusting items**	**Total**	**Adjusted results**	**Adjusting items**	**Total**	**Adjusted results**	**Adjusting items**	**Total**	**Adjusted results**	**Adjusting items**	**Total**
Revenue	175.1	-	175.1	(20.8)	-	(20.8)	-	-	-	154.3	-	154.3
Cost of sales	(63.1)	-	(63.1)	9.9	-	9.9	0.3	-	0.3	(52.9)	-	(52.9)
Sales, marketing and administrative expenses*	(73.8)	(34.7)	(108.5)	5.4	4.9	10.3	0.8	(6.4)	(5.6)	(67.6)	(36.2)	(103.8)
Operating profit/(loss)	**38.2**	**(34.7)**	**3.5**	**(5.5)**	**4.9**	**(0.6)**	**1.1**	**(6.4)**	**(5.3)**	**33.8**	**(36.2)**	**(2.4)**
Adjusted EBITDA	47.7	-	47.7	(5.6)	-	(5.6)	0.7	-	0.7	42.8	-	42.8
Depreciation and amortisation	(9.5)	(16.1)	(25.6)	0.1	1.4	1.5	0.4	-	0.4	(9.0)	(14.7)	(23.7)
Exceptional items	-	(15.6)	(15.6)	-	3.2	3.2	-	(6.4)	(6.4)	-	(18.8)	(18.8)
Share-based payments	-	(3.0)	(3.0)	-	0.3	0.3	-	-	-	-	(2.7)	(2.7)
Operating profit/(loss)	**38.2**	**(34.7)**	**3.5**	**(5.5)**	**4.9**	**(0.6)**	**1.1**	**(6.4)**	**(5.3)**	**33.8**	**(36.2)**	**(2.4)**
Profit/(loss) before taxation	**27.8**	**(35.5)**	**(7.7)**	**(5.5)**	**4.9**	**(0.6)**	**1.1**	**(6.4)**	**(5.3)**	**23.4**	**(37.0)**	**(13.6)**
Taxation	(1.5)	2.7	1.2	1.6	(1.3)	0.3	(1.6)	2.5	0.9	(1.6)	3.9	2.3
Profit/(loss) from continuing operations	**26.3**	**(32.8)**	**(6.5)**	**(3.9)**	**3.6**	**(0.3)**	**(0.5)**	**(3.9)**	**(4.4)**	**21.8**	**(33.1)**	**(11.3)**
Profit/(loss) from discontinued operations	**1.9**	**225.6**	**227.5**	**3.9**	**(3.6)**	**0.3**	**-**	**-**	**-**	**5.8**	**222.0**	**227.8**
Basic & diluted EPS (total)	6.9	48.0	54.9	-	-	-	(0.1)	(1.0)	(1.1)	6.8	47.0	53.8

* The impact of the restatement due to the IFRIC agenda decision was £8m on total adjusted EBITDA, a £0.4m reduction of total depreciation and amortisation, and an increase of £6.4m of total non-trading items for the six months ended 30 June 2021

Consolidated statement of financial position and Consolidated statement of changes in equity

(£ million)	Reported	IFRIC agenda decision	Restated
June 2021			
Intangible assets	**226.6**	**(14.4)**	**212.2**
Deferred tax assets	**55.4**	**3.6**	**59.0**
Retained earnings	**472.0**	**(10.8)**	**461.2**

* Reported is after adjusting for the restatement for discontinued operations (see notes 2 and 19)

Consolidated statement of cash flows

(£ million)	Reported	Discontinued operations	IFRIC agenda decision	Restated
Six months to 30 June 2021				
Loss before taxation on continuing operations	(7.7)	(0.6)	(5.3)	(13.6)
Profit before taxation on discontinued operations	227.5	0.3	-	227.8
Depreciation and amortisation	25.6	-	(0.4)	25.2
Cash generated from operations	**40.9**	**(0.3)**	**(5.7)**	**34.9**
Cash generated from operations before exceptional operating items	81.7	(6.0)	0.8	76.5
Cash flows from acquisition-related contingent employment costs	4.3	5.2	-	9.5
Cash flows from other exceptional operating items	(10.7)	-	(6.4)	(17.1)
Cash generated from operations	**40.9**	**(0.8)**	**(5.6)**	**34.5**
Acquisition of software intangibles and property, plant and equipment	(15.2)	-	6.4	(8.8)
Cash flow from investing activities	**42.9**	**-**	**6.4**	**49.3**

* Reported is after adjusting for the restatement for discontinued operations (see notes 2 and 19)

Responsibility statement

We confirm that to the best of our knowledge:

a. The Condensed set of Consolidated Financial Statements has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted for use in the UK;

b. The interim management report includes the following information as required by Disclosure Guidance and Transparency Rule ("DTR") 4.2.7R:

   i. An indication of important events that have occurred during the first six months of the financial year, and their impact on the Condensed set of Consolidated Financial Statements; and

   ii. A description of the principal risks and uncertainties for the remaining six months of the year.

c. The interim management report includes the following information as required by DTR 4.2.8R:

   i. Related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group in that period; and

   ii. Any changes in the related party transactions described in the 2021 Annual Report that could have material effect on the financial position or performance of the Group in the current period.

By order of the Board

Duncan Painter	**Mandy Gradden**
Chief Executive Officer	**Chief Financial Officer**

1 August 2022

INDEPENDENT REVIEW REPORT TO ASCENTIAL PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 which comprises the Condensed Consolidated Statement of Financial Position of Ascential plc ('the Company') as at 30 June 2022, and the related Condensed Consolidated Statement of Profit and Loss, Condensed Consolidated Statement of Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows for the six month period then ended, and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("ISRE (UK) 2410") issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.
As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards.

The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the directors are responsible for assessing the Group'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 to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Christopher Hearn
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 SGL

1 August 2022