

AES Americas Limited
(Formerly AES Arena Event Services
Holdings Limited)

Annual Report and Financial Statements
For the period ended 31 March 2021

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AES Americas Limited

Annual Report and financial statements 2021

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AES Americas Limited

Annual Report and financial statements 2021

Officers and professional advisers

Directors

G Lawless
S Trowbridge

Registered office

4 Deer Park Road
London
SW19 3GY
England

Bankers

HSBC Bank Plc
London Corporate Banking
West End Corporate Centre
4th Floor
133 Regent Street
London
W1B 4HX

Solicitors

Pinsent Masons LLP
30 Crown Place
Earl Street
London
EC2A 4ES

AES Americas Limited

Strategic report

The directors present their annual report and the audited financial statements of AES Americas Limited ("the company") for the period ended 31 March 2021.

Principal activity

The company's principal activity during the year was that of a holding company.

Results, dividends and business review

The loss for the financial period of £1,397,000 (2020 fifteen month period: £1,022,000) has been transferred to reserves. At the balance sheet date, the company had net current liabilities of £46,842,000 (2020: £47,883,000).

The company had the following intercompany movements in funding during the year: Received £367,000 from AES Arena Event Services Group Holdings Limited and paid out £367,000 to WB CO 1402 Limited.

During the year the company did not pay or receive a dividend. At the balance sheet date the directors do not recommend the payment of a dividend.

The company relies upon the ongoing support of the Arena Events Group Plc Group, which includes the trading results of Arena Event Services Group Limited, AMEA Gulf Limited (Formerly Arena Events Limited), TGP Holdings, Ironmonger Limited, Arena Gulf Events LLC, Asia Tents Arena Sdn Bhd, Arena Event Services Pte. Ltd, Arena Hong Kong Limited, Arena Event Services Inc and Arena Stuart Rentals Inc.

Trading performance of the Company

The company generated an operating loss of £Nil (2020 loss: £106,000). The Group, which the company is part of, generated an operating loss of £9,800,000 for the year end to 31 March 2021 (2020 fifteen month period: loss £19,600,000).

Future outlook

The company is expected to continue to be profit making and has the continuing support of Arena Events Group Plc.

Going concern

In considering going concern and the viability of the Group, the Directors have reviewed the cash requirements of the Group reflecting the impact of COVID-19 and the expectation that the global events market will continue its recovery through 2021.

Through 2020 and early 2021, the Group has taken actions in order to enhance liquidity including increasing available debt facilities and reducing costs. The Board also notes the recent successful equity raising and the significant cash balance now within the Group.

In May 2021 the Group agreed the tests for covenants in June and September 2021 and is forecast to meet those covenants. The covenant tests for December 2021 and beyond have not currently been set by the bank and so the Group is dependent on meeting those covenants once set. However, dialogue with our bank is regular and the Board is confident that the covenants will be set at a level which the Group is likely to meet. The viability assessment also assumes the refinancing of the Group's Term A Loan prior to its expiry in October 2022 and any amounts outstanding on the Group's Term B (CLBILS) Loan prior to its expiry in October 2023.

The Group has prepared three views of future performance — a low; a mid; and an upside case. Each of these is built on bottom-up forecasts for the FY22 period. In light of the COVID-19 pandemic and the impact on the Group's visibility of trading in subsequent years, the Directors have used high-level assumptions for these periods based around the pace of recovery relative to 2019 levels of activity adjusted for a differing list of major global events.

The Group's mid-case scenario is modelled on the assumption that the UK and US markets begin to return to normal from July 2021, with the Middle East & Asia markets lagging by three months, and that there are no further significant lockdowns. The mid-case also forms the basis for all goodwill impairment reviews and work to support the going concern review, with the low and upside cases representing downside and high sensitivities respectively. Trading for the Group in the first two months of FY22 has been ahead of the mid-case scenario.

AES Americas Limited

Strategic report

Going concern (continued)

The Board has reviewed management's "low case" scenario and which assumes further COVID-19 related disruption to events and a 40% reduction in EBITDA from the mid-case. Management have also run further aggressive downside revenue sensitivities taking the outturn for both revenue and profit significantly below that of FY21. All of these scenarios show that the Group still has sufficient liquidity for the reasonably foreseeable future, with opportunities to reduce capex and operating costs helping preserve cash balances.

As outlined above the Group has retained a positive dialogue with its main lending bank throughout the pandemic and the Directors have no reason to believe that continuing support and appropriate future covenant tests under the various scenarios will not be forthcoming.

Going Concern Statement

Based on the assessment outlined above which has been considered and reviewed by the Board, the Board has a reasonable expectation that the Group has access to sufficient liquidity for the foreseeable future. While the Group is in a net current liabilities position much of the current liability balance is deferred income, which will not require a cash repayment. Therefore, the Directors have a reasonable expectation that the Group has adequate resources to meet liabilities as they fall due and continue in operational existence for the foreseeable future and therefore have determined that the financial statements for the year ended 31 March 2021 should be prepared on a going concern.

Group borrowings

The company is an indirect 100% subsidiary of Arena Events Group Plc and is an obligor of the banking facilities of the Arena Events Group Plc.

As at 31 March 2021, the Arena Events Group Plc had total bank borrowings of £36,600,000 with HSBC Bank Plc (2020: £37,200,000).

Post balance sheet events and refinancing

Placing and subscription

On the 29 March 2021, the Group announced the conditional raising of £11m (before fees and expenses) by way of a subscription for 10,714,285 new Ordinary Shares and a placing of 67,857,143 new Ordinary Shares, in each case at a price of 14 pence per share. As well as strengthening the Group's balance sheet, the net proceeds of the capital raise will be used to take advantage of the opportunities presented by the COVID-19 affected market to acquire attractive assets on favourable terms, including the acquisition of the business and assets of Aztec Shaffer.

The issue price of 14 pence per new Ordinary Share, represented a 3.4 percent discount to the closing middle market price of 14.5 pence per Existing Ordinary Share on 26 March 2021, the last Business Day before the announcement of the Placing and Subscription.

The capital raising was conducted in two separate tranches:

Tranche One

The First Placing Shares and the First Subscription Shares issued pursuant to the Company's existing authorities to allot equity securities and disapply pre-emption rights granted at its Annual General Meeting held on 1 September 2020 and consisted of a subscription for 3,377,875 new Ordinary Shares and a placing of 21,393,208 new Ordinary Shares, in each case at a price of 14 pence per share. The First Placing Shares and the First Subscription Shares were admitted to trading on AIM on 31 March 2021.

Tranche Two

Following the passing by Shareholders of certain Resolutions at the General Meeting held on 14 April 2021, the second tranche consisting of the Second Placing Shares and the Second Subscription Shares were admitted to trading on AIM on 15 April 2021. The second tranche consisted of a subscription for 7,336,410 new Ordinary Shares and a placing of 46,463,935 new Ordinary Shares, in each case at a price of 14 pence per share.

AES Americas Limited

Strategic report

Acquisition of Aztec Shaffer

On 2 April 2021, a group subsidiary AAS Opco LLC made a bid for Aztec Shaffer as part of a Court-led auction process pursuant to Section 363 of the United States Bankruptcy Code. This bid was confirmed as successful on 6 April 2021 and was approved at the sale hearing at the United States Bankruptcy Court for the Southern District of Texas on 16 April 2021. The total value of the bid to the secured lender (AIG) and including amounts payable to the parties that provided interim funding through the bankruptcy process was \$25.6m. This purchase price was funded by an equity contribution of \$3.35 million by the Company (via its subsidiary, AES Arena Event Services Holdings Limited) in return for a 50% equity stake in AAS Opco LLC (with management control) alongside an \$18.25m debt financing package provided by the Company's Co-Bidders.

Aztec Shaffer comprises two businesses, Aztec Events & Tents ("Aztec") and Shaffer Sports & Events ("Shaffer"). Aztec is a very similar business to Arena's existing subsidiary based in California: Arena Stuart Rentals. Aztec is based in Houston, the fourth largest city in the US, and has a diversified customer base with its products including party/wedding tents as well as tables, chairs, linens, table-top items, dance floors and decorative items. By contrast Shaffer operates across North America from its Houston base, with the majority of its historical revenues coming from golf, supporting in excess of 15 tournaments a year including the Players Championship and the Presidents Cup. Other sports served by Shaffer include motorsports and horse racing. Shaffer's focus on sports is well aligned with the Group's other US subsidiary, Arena Events Services Inc. which has a similar product focus but a broader customer mix, also serving many events and projects outside of the sporting world.

Coronavirus Large Business Interruption Loan Scheme (CLBILS)

On 12 October 2020, supported by HSBC, the Group secured an extra £15.6m of funding under the UK Government-backed CLBILS. This facility provides additional liquidity headroom to the Group in the UK to manage any uncertainty around the pace of opening up of events to mass participation as COVID-19 restrictions are eased.

The terms of the facility require an initial draw to be made within the first six months and a second (final) draw to be made before the first anniversary of the facility. Failure to make the first draw would see the entire facility forfeited and, in line with this requirement, on 1 April 2021, the Group drew down £4m. Drawn amounts bear interest at LIBOR plus a 2.4% margin whilst the remaining unutilised facility bears interest at 1% per annum.

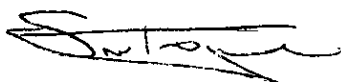
Restructure

On the 15 April 2021, the Group underwent a restructure of its UK owned subsidiaries to reduce complexity, better align the corporate structure with the management of the trading divisions and to simplify entity balance sheets. As part of this restructure AES Arena Event Services Holdings Limited was renamed AES Americas Limited and as part of the restructuring, investments in AES EMEA Ltd, WB Co (1402) Limited and AES Americas Ltd were transferred to be direct investments of the Company. The restructuring is not expected to have any material financial impact on the Group.

Principal risks and uncertainties, financial risk management and key performance indicators ('KPIs')

AES Americas Limited is a subsidiary of Arena Events Group Plc. As such the principal risks, financial risk management and key performance indicators adopted by Arena Events Group Plc are applicable to AES Americas Limited, and are detailed in the directors' report of the financial statements of Arena Events Group Plc for the year ended 31 March 2021. As AES Americas Limited is a holding company no separate KPIs are produced.

Approved by the Board of Directors on 14 September 2021 and signed on its behalf.



S Trowbridge

Director

AES Americas Limited

Directors' report

Directors

The directors present their annual report on the affairs of the company, together with the financial statements, for the year ended 31 March 2021. The directors who held office during the year, and up to the date of signing the financial statements, were as follows:

G Lawless
S Trowbridge

Capital structure

AES Americas Limited is a private company incorporated in the United Kingdom and registered in England and Wales and limited by shares.

Dividends

As at the balance sheet date the directors do not recommend the payment of a dividend.

During the year the company did not pay or receive a dividend (note 10).

The loss for the financial year of £1,037,000 has been transferred to reserves. (2020 15 month period: profit £1,022,000)

Future developments and events after the balance sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic Report on page 2 and form part of this report by cross-reference.

Going concern

Details of going concern review can be found on pages 2, 3 and 4 and form part of this review by cross-reference.

Principal risk and uncertainties and financial risk management

Details of principal risks and uncertainties can be found on page 4 and form part of this review by cross-reference.

Directors' qualifying third party indemnity provision

AES Americas Limited has indemnified, by means of directors and officers liability insurance, one or more directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the directors' report.

Exemption from audit

The company is exempt from audit under section 479C of the Companies Act 2006: Parent Undertakings Declaration of Guarantee. Reference to this guarantee can be found in the audited accounts of the ultimate parent company, Arena Events Group Plc.

AES Americas Limited

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with specific requirements in FRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- make an assessment of the Company's ability to continue as a going concern.

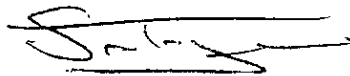
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies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

Responsibility Statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with applicable law and UK GAAP accounting standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
- the strategic report includes a fair review of the development and performance of the business and the position of the company together with the principal risks and uncertainties that they face.

This responsibility statement was approved by the Board of Directors on 14 September 2021 and signed on its behalf by:



S Trowbridge
Director

AES Americas Limited

Income statement

For the period ended 31 March 2021

		Year ended 31 March 2021	Fifteen months to 31 March 2020
	Notes	£'000	£'000
Administrative income/(expense)		-	(106)
Other operating income		-	-
Operating profit/(loss)	2	-	(106)
Finance income/(costs)	3	915	1,128
Exceptional Items	4	(2,312)	-
Profit/(loss) on ordinary activities before taxation		(1,397)	1,022
Tax on loss on ordinary activities	5	-	-
Profit/(loss) for the financial year		(1,397)	1,022

All results derive entirely from continuing operations.

The company has no recognised gains or losses other than those included in the results above and therefore no separate statement of other comprehensive income has been presented.

AES Americas Limited

Balance Sheet

Registered number: 07889158

		31 March 2021	31 March 2020
	Notes	£'000	£'000
Non-current assets			
Investments	6	32,990	36,361
Trade and other receivables due after more than one year	7	29,575	28,035
		<u>62,565</u>	<u>64,396</u>
Current assets			
Trade and other receivables	7	26,879	26,453
Total current assets		<u>26,879</u>	<u>26,453</u>
Current liabilities	8	(73,721)	(74,336)
Net current liabilities		<u>(46,842)</u>	<u>(47,883)</u>
Total assets less current liabilities		<u>15,723</u>	<u>16,513</u>
Non-current liabilities			
Loan notes owed to group undertakings	8, 9	(12,500)	(12,500)
Loan note interest owed to group undertakings	8	(1,316)	(709)
		<u>(13,816)</u>	<u>(13,209)</u>
Net assets		<u>1,907</u>	<u>3,304</u>
Capital and reserves			
Called up share capital	10	8	8
Retained earnings		<u>1,899</u>	<u>3,296</u>
Total shareholder's funds		<u>1,907</u>	<u>3,304</u>

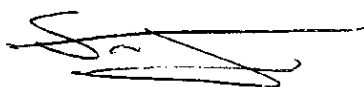
For the period ending 31 March 2021 and the fifteen month period 31 March 2020 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting

The financial statements of AES Americas Limited, (company registration number 07889158), were approved by the Board of Directors and authorised for issue on 14 September 2021.

Signed on behalf of the Board of Directors



S Trowbridge
Director

AES Americas Limited

Statement of changes in equity

Company	Notes	Called up Share capital £'000	Retained earnings £'000	Total Equity £'000
Balance at 1 January 2019		8	2,274	2,282
Profit for the year		-	1,022	1,022
Balance at 31 March 2020		<u>8</u>	<u>3,296</u>	<u>3,304</u>
As at 1 April 2020		8	3,296	3,304
Loss for the year		-	(1,397)	(1,397)
Balance at 31 March 2021		<u>8</u>	<u>1,899</u>	<u>1,907</u>

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021

1. Principal accounting policies

Basis of preparation

These financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and consistently applied accounting policies and prepared in accordance with applicable accounting standards in the United Kingdom.

The nature of the Company's operations and its principal activities are set out in the strategic report on pages 2 and 3. The financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions. Where relevant, equivalent disclosures have been given in the group accounts of Arena Events Group Plc.

Going concern

The Company is reliant upon the ongoing support of Arena Events Group Plc, ("the Group"), which includes trading results of Arena Event Services Group Limited, Arena AMEA Gulf Limited (Formerly: Arena Events Limited), Arena Events Gulf LLC, TGP Holdings, Ironmonger Limited, Asia Tents Arena Sdn Bhd, Arena Event Services Pte. Ltd, Arena Hong Kong Limited, Arena Event Services Inc, Arena Stuart Rentals Inc.

In considering going concern and the viability of the Group, the Directors have reviewed the cash requirements of the Group reflecting the impact of COVID-19 and the expectation that the global events market will continue its recovery through 2021.

Through 2020 and early 2021, the Group has taken actions in order to enhance liquidity including increasing available debt facilities and reducing costs. The Board also notes the recent successful equity raising and the significant cash balance now within the Group.

In May 2021 the Group agreed the tests for covenants in June and September 2021 and is forecast to meet those covenants. The covenant tests for December 2021 and beyond have not currently been set by the bank and so the Group is dependent on meeting those covenants once set. However, dialogue with our bank is regular and the Board is confident that the covenants will be set at a level which the Group is likely to meet. The viability assessment also assumes the refinancing of the Group's Term A Loan prior to its expiry in October 2022 and any amounts outstanding on the Group's Term B (CLBILS) Loan prior to its expiry in October 2023.

The Group has prepared three views of future performance — a low; a mid; and an upside case. Each of these is built on bottom-up forecasts for the FY22 period. In light of the COVID-19 pandemic and the impact on the Group's visibility of trading in subsequent years, the Directors have used high-level assumptions for these periods based around the pace of recovery relative to 2019 levels of activity adjusted for a differing list of major global events.

The Group's mid-case scenario is modelled on the assumption that the UK and US markets begin to return to normal from July 2021, with the Middle East & Asia markets lagging by three months, and that there are no further significant lockdowns. The mid-case also forms the basis for all goodwill impairment reviews and work to support the going concern review, with the low and upside cases representing downside and high sensitivities respectively. Trading for the Group in the first two months of FY22 has been ahead of the mid-case scenario.

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021 (Continued)

Going concern (continued)

The Board has reviewed management's "low case" scenario and which assumes further COVID-19 related disruption to events and a 40% reduction in EBITDA from the mid-case. Management have also run further aggressive downside revenue sensitivities taking the outturn for both revenue and profit significantly below that of FY21. All of these scenarios show that the Group still has sufficient liquidity for the reasonably foreseeable future, with opportunities to reduce capex and operating costs helping preserve cash balances.

As outlined above the Group has retained a positive dialogue with its main lending bank throughout the pandemic and the Directors have no reason to believe that continuing support and appropriate future covenant tests under the various scenarios will not be forthcoming.

Going Concern Statement

Based on the assessment outlined above which has been considered and reviewed by the Board, the Board has a reasonable expectation that the Group has access to sufficient liquidity for the foreseeable future. While the Group is in a net current liabilities position much of the current liability balance is deferred income, which will not require a cash repayment. Therefore, the Directors have a reasonable expectation that the Group has adequate resources to meet liabilities as they fall due and continue in operational existence for the foreseeable future and therefore have determined that the financial statements for the year ended 31 March 2021 should be prepared on a going concern.

Accounting policies

In accordance with the requirements of International Accounting Standard ("IAS") 8, "Accounting Policies", the directors have reviewed the accounting policies of the company to ensure that they are the most appropriate to its particular circumstances. A summary of the principal accounting policies is set out below:

Basis of consolidation

These financial statements present information about the company as an individual. The company is exempt under section 400 of the Companies Act 2006 from the obligation to prepare group financial statements and to deliver them to the Registrar of Companies as its results are included in the consolidated financial statements of Arena Events Group Plc.

Investments

Investments in subsidiary undertakings are stated at purchase cost of acquisition (including any incidental costs of acquisition) together with the amount of any long-term loans advanced to those undertakings.

Where, in the opinion of the directors, there has been an impairment of the investments, appropriate provisions are made and charged to the income statement.

Finance costs/income

Initial debt issue costs are charged to the profit and loss account on a straight-line basis over the term of the facility. All other borrowing costs and finance income are recognised in the profit and loss in the period in which they are incurred.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021 (Continued)

Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Key estimation techniques and critical judgements

There are no critical judgements or key sources of estimation uncertainty.

2. Operating loss

The company had no employees during the year (2020 Fifteen month period: Nil).

There were no audit fees charged to the company in the year (2020 Fifteen month period: £Nil).

3. Interest payable and similar charges

	Year ended 31 March 2021 £'000	Fifteen months to 31 March 2020 £'000
Loan note interest due to group undertakings	625	799
Loan note interest due from group undertakings	(1,540)	(1,926)
	<u>(915)</u>	<u>(1,127)</u>

4. Exceptional Items

	Year ended 31 March 2021 £'000	Fifteen months to 31 March 2020 £'000
Group restructuring costs	2,314	-
	<u>2,314</u>	<u>-</u>

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021 (Continued)

5. Tax on loss on ordinary activities

	Year ended 31 March 2021 £'000	Fifteen months to 31 March 2020 £'000
Current taxation	-	-
Tax on loss on ordinary activities	-	-

Factors affecting the tax charge for the year:

The tax credit assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK 19% (2020: 19%). The differences are explained below:

	Year ended 31 March 2021 £'000	Fifteen months to 31 March 2020 £'000
Profit/(loss) on ordinary activities before tax	(1,397)	1,022
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	(265)	194
Effects of:		
Expenses not deductible for tax purposes	-	-
Transfer pricing adjustment	-	(266)
Effects of other tax rates	-	(55)
Amounts not recognised	265	75
Group relief surrendered	-	52
Current tax charge for the year	-	-

The UK corporation tax expense within these financial statements has been provided for at the rate of 19% (2020: 19%). On 3 March 2021 the Government announced that the main rate of Corporation Tax would remain at 19% (effective 06 April 2021) increasing to 25% in 2023. Deferred tax assets and liabilities are measured at tax rates that are enacted or substantively enacted at the balance sheet date and accordingly deferred tax has been recognised within these financial statements at 19% (2020: 19%).

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021 (Continued)

6. Investments

	Shares in subsidiary undertakings £'000
Cost and net book value	
At 31 March 2021	32,990

During the period there were no investments (2020 year: £Nil).

Fixed asset investments in subsidiary undertakings are stated at cost less provisions for impairment where appropriate. The directors believe that the carrying value of the investments is supported by their underlying trading and assets. A list of subsidiary undertakings is shown below.

The following information relates to the subsidiary undertakings of the company as at 31 March 2021, all of which are incorporated in the United Kingdom and registered in England except for TGP Holdings incorporated in Dubai, UAE, Arena Saudi Company for Industry LLC incorporated in the Kingdom of Saudi Arabia, AMEA Gulf Limited incorporated in the British Virgin Islands, Arena Hong Kong Limited and Ironmonger Limited incorporated in Hong Kong, Asia Tents Arena Sdn. Bhd. incorporated in Malaysia, AES Arena Event Services Inc. and Arena Stuart Rentals Inc. incorporated in the US.

Name of Company	Percentage of ordinary shares held	Nature of business during the year	Registered address
WB Co (1402) Limited	100	Holding Company	4 Deer Park Road, London SW19 3GY UK
Arena Event Services Inc	100	Temporary Structures	c/o Corporations Service Company, 2711 Centerville Road, Suite 400, Wilmington, New Castle County, Delaware 19808
Arena Stuart Rentals Inc	100	Temporary Structures	c/o Corporations Service Company, 2711 Centerville Road, Suite 400, Wilmington, New Castle County, Delaware 19808
AES EMEA Limited	100*	Holding Company	4 Deer Park Road, London SW19 3GY, UK
Arena Event Services Group Limited	100**	Temporary structures and seating	Needingworth Industrial Estate, Needingworth Road, St Ives. PE27 4NB UK
AMEA Gulf Limited	100 ***	Temporary Structures	Al Quoz, PO Box 114384 Dubai

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021 (Continued)

Name of Company	Percentage of ordinary shares held	Nature of business during the year	Registered address
Arena Events Gulf LLC	100***	Temporary Structures	Office #110, Level 1, B1 Cubes Park ICT, Mussafah, Abu Dhabi, United Arab Emirates
TGP Holdings	100***	Exhibitions and Graphics	Al Barsha South, Office No, 1304, Level 13. PO Box: 65588, Dubai
Arena Saudi Company for Industry LLC	100***	Temporary Structures	PO BOX 10000, Riyadh, KSA
Arena Event Services PTE Limited	100***	Temporary structures	35 Selegie Road, 09-14/15 Parklane Shopping Mall Singapore 188307
Asia Tents Arena Sdn.Bhd	100***	Temporary Structures	Lot 863, Jalan Subang 8, Taman Perindustrian Subang, 47500 Subang Jaya, Selangor, darul Ehsan, Malaysia
Arena Hong Kong	100***	Temporary Structures	Room 902, Double Building, 22 Stanley Street, Central Hong Kong
Ironmonger Limited	100***	Event services	Room 902, Double Building, 22 Stanley Street, Central Hong Kong

* indirect holding through WB Co (1402) Limited

** indirect holding through AES EMEA Limited

*** indirect holding through Arena Event Services Group Limited

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021 (Continued)

7. Trade and other receivables

	31 March 2021 £'000	31 March 2020 £'000
Amounts due in less than one year		
Amounts owed by group undertakings	26,879	26,453
	<u>26,879</u>	<u>26,453</u>
Amounts due after more than one year		
Loan note owed by group undertakings	25,500	25,500
Loan note interest owed by group undertakings	4,075	2,535
	<u>29,575</u>	<u>28,035</u>
Total trade and other receivables	<u><u>56,454</u></u>	<u><u>54,488</u></u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. Loan notes are unsecured, carry an interest rate of 5%, have no fixed repayment date and are repayable on demand. Loan notes were issued during the year.

8. Trade and other payables falling due within one year

	31 March 2021 £'000	31 March 2020 £'000
Note		
Amounts owed to group undertakings	73,721	74,336
	<u>73,721</u>	<u>74,336</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Trade and other payables falling due after more than one year

	31 March 2021 £'000	31 March 2020 £'000
Note		
Loan note due to group undertakings	8 12,500	12,500
Loan note interest due to group undertakings	1,316	709
	<u>13,816</u>	<u>13,209</u>

Loan notes are unsecured, carry an interest rate of 5% have no fixed repayment date and are repayable on demand.

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021 (Continued)

9. Other borrowings

(a) Other borrowings

	31 March 2021 £'000	31 March 2020 £'000
Loan note due to group undertakings	12,500	12,500
	<u>12,500</u>	<u>12,500</u>

(b) Maturity of other borrowings

	31 March 2021 £'000	31 March 2020 £'000
Greater than five years	12,500	12,500
	<u>12,500</u>	<u>12,500</u>

10. Called up share capital

	31 March 2021 £'000	31 March 2020 £'000
Allotted, called up, authorized and fully paid		
779,260 ordinary share of £0.01 each (2020: 779,260)	8	8
	<u>8</u>	<u>8</u>

11. Dividends

The company neither paid or received a dividend in the period. (2020 period: £Nil).

12. Commitments

The Company had no commitments or guarantees (2020: Nil).

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021 (Continued)

13. Post balance sheet events

Placing and subscription

On the 29 March 2021, the Group announced the conditional raising of £11m (before fees and expenses) by way of a subscription for 10,714,285 new Ordinary Shares and a placing of 67,857,143 new Ordinary Shares, in each case at a price of 14 pence per share. As well as strengthening the Group's balance sheet, the net proceeds of the capital raise will be used to take advantage of the opportunities presented by the COVID-19 affected market to acquire attractive assets on favourable terms, including the acquisition of the business and assets of Aztec Shaffer.

The issue price of 14 pence per new Ordinary Share, represented a 3.4 percent discount to the closing middle market price of 14.5 pence per Existing Ordinary Share on 26 March 2021, the last Business Day before the announcement of the Placing and Subscription.

The capital raising was conducted in two separate tranches:

Tranche One

The First Placing Shares and the First Subscription Shares issued pursuant to the Company's existing authorities to allot equity securities and disapply pre-emption rights granted at its Annual General Meeting held on 1 September 2020 and consisted of a subscription for 3,377,875 new Ordinary Shares and a placing of 21,393,208 new Ordinary Shares, in each case at a price of 14 pence per share. The First Placing Shares and the First Subscription Shares were admitted to trading on AIM on 31 March 2021.

Tranche Two

Following the passing by Shareholders of certain Resolutions at the General Meeting held on 14 April 2021, the second tranche consisting of the Second Placing Shares and the Second Subscription Shares were admitted to trading on AIM on 15 April 2021. The second tranche consisted of a subscription for 7,336,410 new Ordinary Shares and a placing of 46,463,935 new Ordinary Shares, in each case at a price of 14 pence per share.

Acquisition of Aztec Shaffer

On 2 April 2021, a group subsidiary AAS Opco LLC made a bid for Aztec Shaffer as part of a Court-led auction process pursuant to Section 363 of the United States Bankruptcy Code. This bid was confirmed as successful on 6 April 2021 and was approved at the sale hearing at the United States Bankruptcy Court for the Southern District of Texas on 16 April 2021. The total value of the bid to the secured lender (AIG) and including amounts payable to the parties that provided interim funding through the bankruptcy process was \$25.6m. This purchase price was funded by an equity contribution of \$3.35 million by the Company (via its subsidiary, AES Arena Event Services Holdings Limited) in return for a 50% equity stake in AAS Opco LLC (with management control) alongside an \$18.25m debt financing package provided by the Company's Co-Bidders.

Aztec Shaffer comprises two businesses, Aztec Events & Tents ("Aztec") and Shaffer Sports & Events ("Shaffer"). Aztec is a very similar business to Arena's existing subsidiary based in California: Arena Stuart Rentals. Aztec is based in Houston, the fourth largest city in the US, and has a diversified customer base with its products including party/wedding tents as well as tables, chairs, linens, table-top items, dance floors and decorative items. By contrast Shaffer operates across North America from its Houston base, with the majority of its historical revenues coming from golf, supporting in excess of 15 tournaments a year including the Players Championship and the Presidents Cup. Other sports served by Shaffer include motorsports and horse racing. Shaffer's focus on sports is well aligned with the Group's other US subsidiary, Arena Events Services Inc. which has a similar product focus but a broader customer mix, also serving many events and projects outside of the sporting world.

AES Americas Limited

Notes to the financial statements For the period ended 31 March 2021 (Continued)

Post Balance Sheet events (continued)

Coronavirus Large Business Interruption Loan Scheme (CLBILS)

On 12 October 2020, supported by HSBC, the Group secured an extra £15.6m of funding under the UK Government-backed CLBILS. This facility provides additional liquidity headroom to the Group in the UK to manage any uncertainty around the pace of opening up of events to mass participation as COVID-19 restrictions are eased.

The terms of the facility require an initial draw to be made within the first six months and a second (final) draw to be made before the first anniversary of the facility. Failure to make the first draw would see the entire facility forfeited and, in line with this requirement, on 1 April 2021, the Group drew down £4m. Drawn amounts bear interest at LIBOR plus a 2.4% margin whilst the remaining unutilised facility bears interest at 1% per annum.

Restructure

On the 15 April 2021, the Group underwent a restructure of its UK owned subsidiaries to reduce complexity, better align the corporate structure with the management of the trading divisions and to simplify entity balance sheets. As part of this restructure AES Arena Event Services Holdings Limited was renamed AES Americas Limited and as part of the restructuring, investments in AES EMEA Ltd, WB Co (1402) Limited and AES Americas Ltd were transferred to be direct investments of the Company. The restructuring is not expected to have any material financial impact on the Group.

14. Related party transactions

There were no related party transactions (2020: none).

15. Ultimate parent company and controlling party

AES Arena Event Services Group Holdings Limited is the immediate parent undertaking of the company and Arena Events Group Plc is the ultimate parent undertaking of the group. There is no ultimate controlling party as at 31 March 2021 (2020: none).

The consolidated financial statements of Arena Events Group Plc are available from the registered address 4 Deer Park Road, London SW19 3GY.