

# Half Year 2022

## Financial Report



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**MBH CORPORATION PLC**

**UNAUDITED FINANCIAL REPORT**

**FOR THE HALF YEAR ENDED 30 JUNE 2022**

**MBH CORPORATION PLC**  
**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**HALF YEAR ENDED 30 JUNE 2022**

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**MBH CORPORATION PLC**  
**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**HALF YEAR ENDED 30 JUNE 2022**

**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The Board of Directors</b>	Mr Callum Arthur Michael Laing Ms Victoria Sylvester Mr Stanislaw Jozef Patey Ms Margaret Manning (resigned on 14 January 2022) Ms Lisa Claire Maynard-Atem (appointed on 14 January 2022) Mr Paul Seabridge (appointed on 31 May 2022) Ms Victoria Smith (appointed on 31 May 2022)
<b>Company registration number</b>	10238873
<b>Registered office</b>	7 Royal Victoria Patriotic Building John Archer Way London SW18 3SX United Kingdom
<b>Auditors</b>	Barnes Roffe LLP Chartered Accountants & Statutory Auditors Charles Lake House Claire Causeway Crossways Business Park Dartford DA2 6QA United Kingdom
<b>Share registrar</b>	Avenir Registrars Limited 5 St John's Lane Farringdon London EC1M 4BH United Kingdom
<b>UK solicitors to the Company</b>	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
<b>Stock exchange listing</b>	MBH Corporation plc is listed on: <ul style="list-style-type: none"><li>• Primärmarkt of the Düsseldorf Stock Exchange (M8H:GR)</li><li>• Frankfurt Stock Exchange (M8H)</li><li>• OTC Markets Group Inc (OTCMKTS: MBHCF)</li></ul>

**MBH CORPORATION PLC**  
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**INTERIM FINANCIAL REPORT**

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 31 December 2021 and any public announcements made by MBH Corporation Plc during the interim reporting period.

MBH Corporation Plc ("the Company") is a public limited company domiciled and incorporated in the United Kingdom (Company Registration Number 10238873). The registered office address is 7 Royal Victoria Patriotic Building, John Archer Way, London SW18 3SX, United Kingdom. Its shares are listed on the Frankfurt Stock Exchange.

These interim financial statements were approved for issue on 30 September 2022.

The interim financial statements have not been audited.

**Key Events**

The key events for the Group in the interim period were:

- completion of divestment of the Parenta Group (Amplify Investments Ltd and its wholly-owned subsidiaries) (refer note 18); and
- a strong growth in revenue across all verticals as business activities improved since lockdowns have largely been scaled back.. However, margins were adversely impacted by higher raw material and overhead costs due to macroeconomic conditions such as global inflation and the ongoing war in Ukraine.

**Principal Risks and Uncertainties**

MBH Group and each business considers strategic, operational and financial risks and identifies actions to mitigate those risks. These risk profiles are updated at least annually. The principal risks and uncertainties for the remaining six months of the financial year are discussed below. Further details of the Group's risk profile analysis can be found on pages 6 to 7 of our Annual Report for the year ended 31 December 2021.

Continued uncertainty in the global economy due to ongoing geopolitical developments and the continuing impact of the pandemic has caused volatility in financial markets and adversely impacting business conditions

**Going Concern**

The Group has considerable financial resources, together with committed contracts with numerous customers and suppliers across different geographic areas and market sectors. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully despite the uncertainties in the global economic outlook.

After making enquiries, the Directors have a reasonable expectation that the Group and parent company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors confirm that these interim financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report

The directors of MBH Corporation Plc are listed on page 3 of this report.

These unaudited consolidated financial statements were approved by the Directors and authorised for issue on 30 September 2022 and were signed on their behalf by:



**Callum Laing**  
Chief Executive Officer  
MBH Corporation plc

Approved by the Directors on 30 September 2022.

**MBH CORPORATION PLC**  
**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
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**Consolidated Statement of Comprehensive Income**  
**Half Year Ended 30 June 2022**

	<b>Note</b>	<b>30 June 2022 (Unaudited) £'000</b>	<b>1H 2021 (Unaudited) £'000</b>	<b>Increase / (Decrease) %</b>
<b>Continuing operations</b>				
Revenue from contracts with customers	4	73,137	49,647	47.3
Cost of sales		(57,427)	(37,943)	51.4
<b>Gross profit</b>		<b>15,710</b>	<b>11,704</b>	34.2
Other income	6	77	746	(89.7)
Administrative expenses	6	(13,982)	(9,789)	42.8
Finance costs, net	5	(1,062)	(765)	38.8
<b>Operating profit</b>		<b>743</b>	<b>1,896</b>	(60.8)
Fair value gain		399	87	NM
<b>Profit before income tax</b>		<b>1,142</b>	<b>1,983</b>	(42.4)
Income tax expense		(208)	(296)	(29.7)
<b>Profit from continuing operations</b>		<b>934</b>	<b>1,687</b>	(44.6)
<b>Profit from discontinued operations</b>	19	-	272	NM
<b>Profit for the half year</b>		<b>934</b>	<b>1,959</b>	<b>(52.3)</b>
<b>Other comprehensive income</b>				
<i>Items that may be reclassified to profit or loss</i>				
Foreign exchange differences on translation of foreign		199	(111)	NM
<b>Other comprehensive income for the period, net of tax</b>		<b>199</b>	<b>(111)</b>	NM
<b>Total comprehensive income for the period</b>		<b>1,133</b>	<b>1,848</b>	(38.7)
<b>Earnings per share for profit</b>				
Basic earnings per share (pence) from continuing operations	7	0.95	2.35	(59.6)
Diluted earnings per share (pence) from continuing operations	7	0.92	2.24	(58.9)
Basic earnings per share (pence) from continuing and discontinued operations	7	0.95	2.73	(65.2)
Diluted earnings per share (pence) from continuing and discontinued operations	7	0.92	2.60	(64.6)

*The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.*

NM – Not meaningful

**MBH CORPORATION PLC**  
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**Consolidated Statement of Financial Position**  
**As at 30 June 2022**

	<b>Note</b>	<b>30 June 2022 (Unaudited) £'000</b>	<b>31 December 2021 £'000</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		9,858	8,932
Intangible assets		2,583	1,734
Right-of-use assets		4,183	4,264
Goodwill	9	105,758	102,719
Investment		202	255
Deferred tax assets		445	627
<b>Total non-current assets</b>		<b>123,029</b>	<b>118,531</b>
<b>Current assets</b>			
Cash and cash equivalents		6,311	6,088
Trade and other receivables	10	27,671	20,538
Inventories	11	4,572	4,822
Assets classified as held for sale	19	-	5,142
<b>Total current assets</b>		<b>38,554</b>	<b>36,590</b>
<b>Total assets</b>		<b>161,583</b>	<b>155,121</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		3,430	3,598
Deferred tax liabilities		557	599
Loan and other borrowings	12	5,892	5,819
Bonds	13	25,130	24,484
Contingent consideration	14	18,095	20,711
Other payables	15	206	345
<b>Total non-current liabilities</b>		<b>53,310</b>	<b>55,556</b>
<b>Current liabilities</b>			
Lease liabilities		1,149	1,030
Loan and other borrowings	12	4,454	5,134
Bonds	13	2,528	2,534
Contingent consideration	14	3,201	1,156
Trade and other payables	15	26,731	24,888
Provisions		152	95
Current tax liabilities		691	800
Liabilities classified as held for sale	19	-	1,142
<b>Total current liabilities</b>		<b>38,906</b>	<b>36,779</b>
<b>Total liabilities</b>		<b>92,216</b>	<b>92,335</b>
<b>Net assets</b>		<b>69,367</b>	<b>62,786</b>
<b>EQUITY</b>			
Share capital and share premium	16	79,254	73,933
Other reserves	17	(16,225)	(16,829)
Translation reserve		152	(47)
Retained earnings		6,186	5,729
<b>Total equity</b>		<b>69,367</b>	<b>62,786</b>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes.*



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**Consolidated Statement of Changes in Equity**  
**Half Year Ended 30 June 2022**

	Share capital and premium	Other reserves	Translation reserves	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 January 2021</b>	<b>69,638</b>	<b>(15,869)</b>	<b>52</b>	<b>5,960</b>	<b>59,781</b>
Profit for the half year	-	-	-	1,959	1,959
Other comprehensive income	-	-	(111)	-	(111)
<b>Total comprehensive income for the half year</b>	<b>-</b>	<b>-</b>	<b>(111)</b>	<b>1,959</b>	<b>1,848</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of ordinary shares as consideration for a business combination	1,792	(944)	-	-	848
Credit to equity for equity-settled share-based payments	308	-	-	-	308
Issue of ordinary shares	18	-	-	-	18
Dividends declared	293	-	-	(297)	(4)
	<u>2,411</u>	<u>(944)</u>	<u>-</u>	<u>(297)</u>	<u>1,170</u>
<b>Balance at 30 June 2021</b>	<b>72,049</b>	<b>(16,813)</b>	<b>(59)</b>	<b>7,622</b>	<b>62,799</b>
<b>Balance at 1 January 2022</b>	<b>73,933</b>	<b>(16,829)</b>	<b>(47)</b>	<b>5,729</b>	<b>62,786</b>
Profit for the half year	-	-	-	934	934
Other comprehensive income	-	-	199	-	199
<b>Total comprehensive income for the half year</b>	<b>-</b>	<b>-</b>	<b>199</b>	<b>934</b>	<b>1,133</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of ordinary shares as consideration for a business combination	4,825	604	-	-	5,429
Credit to equity for equity-settled share-based payments	75	-	-	-	75
Dividends declared	421	-	-	(477)	(56)
	<u>5,321</u>	<u>604</u>	<u>-</u>	<u>(477)</u>	<u>5,448</u>
<b>Balance at 30 June 2022</b>	<b>79,254</b>	<b>(16,225)</b>	<b>152</b>	<b>6,186</b>	<b>69,367</b>

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

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**Consolidated Statement of Cash Flows**  
**Half Year Ended 30 June 2022**

		<b>30 June 2022 (Unaudited) £'000</b>	<b>30 June 2021 (Unaudited) £'000</b>
<b>Operating activities</b>			
Profit before income tax from continuing operations		1,142	1,983
Adjustments for:			
Interest income	5	(4)	(5)
Interest expense	5	1,066	770
Depreciation and amortisation expense	6	1,426	908
Fair Value gain	6	(399)	(87)
(Gain)/loss on disposal of plant and equipment	6	(26)	96
Loss allowance on trade receivables	6	946	49
Acquisition related cost	18(d)	-	4
Share-based payments expense		30	114
<b>Operating cash flows before movements in working capital</b>		<b>4,181</b>	<b>3,832</b>
Increase in trade and other receivables		(5,453)	(117)
Decrease in inventory		250	904
Increase/ (decrease) in trade and other payables		4,889	(769)
Increase in provisions		-	72
<b>Cash generated by operations</b>		<b>3,867</b>	<b>3,922</b>
Income tax paid		(165)	(94)
<b>Net cash generated by operating activities from continuing operations</b>		<b>3,702</b>	<b>3,828</b>
<b>Investing activities</b>			
Interest received		4	5
Proceeds from sale of property, plant and equipment		105	166
Purchase of plant and equipment		(393)	(262)
Addition to intangible assets		-	(102)
Acquisition related costs paid		-	(4)
Acquisition of subsidiaries, net of cash acquired		365	1,270
<b>Net cash generated by investing activities from continuing operations</b>		<b>81</b>	<b>1,073</b>
<b>Financing activities</b>			
Interest paid		(797)	(539)
Proceeds from borrowings		1,903	900
Repayments of loans and borrowings		(2,625)	(2,772)
Repayment of bonds		(1,056)	(802)
Dividends paid		(56)	(3)
Payment of lease liabilities		(804)	(684)
<b>Net cash used in financing activities from continuing operations</b>		<b>(3,435)</b>	<b>(3,900)</b>
<b>Net increase in cash and cash equivalents from continuing operations</b>		<b>348</b>	<b>1,001</b>
Net increase in cash and cash equivalents from discontinued operations	19	-	136
Proceeds from discontinued operations, net of cash held	19	-	(444)
<b>Cash and cash equivalents at beginning of the half year</b>		<b>5,451</b>	<b>5,754</b>
Effect of foreign exchange rate charges		197	(107)
<b>Cash and cash equivalents at end of the half year</b>		<b>5,996</b>	<b>6,340</b>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

**MBH CORPORATION PLC**  
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**Notes to the Consolidated Financial Statements**  
**Half Year Ended 30 June 2022**

**1. GENERAL INFORMATION**

MBH Corporation plc ("the Company") is a public limited company domiciled and incorporated in the United Kingdom (Company Registration Number 10238873). The registered office address is 7 Royal Victoria Patriotic Building, John Archer Way, London SW18 3SX, United Kingdom.

The principal activity of the Company is that of investment holding.

These interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2021 were approved by the board of directors on 27 April 2022 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

The interim financial statements have not been audited.

**2. ACCOUNTING POLICIES**

**(a) Basis of preparation**

This consolidated interim financial report for the half year reporting period ended 30 June 2022 has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and Accounting Standard IAS 34 *Interim Financial Reporting*, as adopted by the European Union.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting in IFRS in conformity with the requirements of the Companies Act 2006. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 31 December 2021 and any public announcements made by MBH Corporation Plc during the interim reporting period.

These financial statements are presented in British Pounds.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. There are no changes to the accounting policies as described in the 2021 annual financial statements except for the adoption of new and amended standards as set out below. The Group has not early adopted any other standard or amendments that have been issued but not yet effective.

**Interpretations and amendments to published standard effective in 2022**

There are no changes to the accounting policies as described in the 2021 annual financial statements and the Group has not early adopted any standard or amendments that have been issued but not yet effective. A number of amendments were effective from 1st January 2022. The more important amendments applicable to the Group is as follows:

*Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract (effective from 1st January 2022)*

The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The Group applied the amendment from 1st January 2022 and there is no significant impact on the Group's consolidated financial statements.

**(b) Critical estimates and critical judgements**

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results might differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2021, with the exception of changes in estimates that are required in determining the provision for income taxes and the critical estimates in the impairment of goodwill.

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**3. OPERATING SEGMENTS**

**(a) Basis for segmentation**

The Group's Board of Directors (the chief operating decision-makers) monitor the operating results of the segments separately for the purpose of making decisions about resource allocation and performance assessment. The Group's operating segments are organised by industry sector and the nature of products and services offered. Operating segments for the half year ended 30 June 2022 were determined based on reporting at regular Board meetings of the Group.

The following summary describes the operations of each reportable segment:

Reportable Segments	Operations
Education	Includes the provision of education and learning related services for apprentices.
Construction Services	Includes commercial interior fit-out and construction contractor services.
Leisure	Includes the sale of new and pre-owned touring caravans and related caravan accessories and awnings.

Other operations include the provision of care services and residential elderly-care, food and beverage, engineering services, transportation services including taxis and licensed private hire operators and property services including state brokerage, commercial funding company and a real estate investor association and mentoring programme. None of these segments met the quantitative thresholds for reportable segments in 2022.

**(b) Information about reportable segments**

Information related to each reportable segment is set out below.

The Board primarily uses a measure of adjusted earnings before interest and tax (EBIT, see below) to assess the performance of the operating segments. For the purposes of monitoring segment performance and allocating resources between segments, the Board also receives information about the segments' revenue, assets and liabilities on a monthly basis. Disaggregated information about segment revenue including by geographic location is disclosed in note 4.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2.

The previous year's segment information has been re-presented to show the comparative figures in a similar manner to the current year.

	Reportable segments				All Other Segments	Total
	Education	Construction Services	Leisure	Total Reportable segments		
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Half year 2022</b>						
Total Segment Revenue from continuing operations (Note 4)*	7,727	41,488	13,144	62,359	10,778	<b>73,137</b>
Adjusted EBIT	560	370	789	1,719	679	<b>2,398</b>
<b>Half year 2021</b>						
Total Segment Revenue from continuing operations (Note 4)*	5,958	25,260	11,747	42,965	6,682	<b>49,647</b>
Adjusted EBIT	946	449	1,158	2,553	441	<b>2,994</b>
<b>Segment Assets</b>						
30 June 2022	31,692	19,883	7,142	58,717	13,177	<b>71,894</b>
31 December 2021	30,531	17,347	6,660	54,538	14,854	<b>69,392</b>
<b>Segment Liabilities</b>						
30 June 2022	(4,172)	(15,067)	(5,322)	(24,561)	(7,982)	<b>(32,543)</b>
31 December 2021	(3,446)	(12,752)	(5,367)	(21,565)	(7,117)	<b>(28,682)</b>

\* Transactions between segments are carried out at arm's length basis and are eliminated on consolidation. There was no inter-segment revenue in the half year (2021: Nil).

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**3. OPERATING SEGMENTS (continued)**

**(c) Reconciliations of information on reportable segments to the amounts reported in the financial statements**

*(i) Adjusted EBIT*

Adjusted EBIT excludes the allocation of central administration costs and directors' salaries; management fee charges; the effects of significant items of income and expenditure which may have an impact on the quality of earnings such as restructuring costs, legal expenses, and impairments where the impairment is the result of an isolated, non-recurring event. It also excludes the effects of unrealised gains or losses on financial instruments.

A reconciliation of adjusted EBIT to Profit from continuing operations in the Statement of Comprehensive Income is provided as follows:

	<b>Half year</b>	
	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Total segment Adjusted EBIT</b>	<b>2,398</b>	<b>2,994</b>
Other income	(13)	33
Central administration costs and directors' salaries	(143)	(135)
Professional and Marketing Fees	(437)	(265)
Group eliminations	-	34
Finance costs, net	(1,062)	(765)
Fair value gain	399	87
<b>Profit before income tax</b>	<b>1,142</b>	<b>1,983</b>
Income tax expense	(208)	(296)
<b>Profit for the half-year from continuing operations</b>	<b>934</b>	<b>1,687</b>

*(ii) Segment Assets and Liabilities*

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset. Goodwill has been allocated to reportable segments as described in note 9. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

Unallocated corporate assets mainly represent bank balances and cash, other receivables, deposits and prepayments at corporate level. Unallocated corporate liabilities represent other payables and bonds at corporate level.

	<b>Assets</b>		<b>Liabilities</b>	
	<b>2022</b>	2021	<b>2022</b>	2021
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
<b>Total Segment Assets/(Liabilities)</b>	<b>71,894</b>	<b>69,392</b>	<b>(32,543)</b>	<b>(28,682)</b>
Unallocated assets/(liabilities)	9,223	5,240	(31,236)	(34,232)
Goodwill recognised on acquisition (note 9)	105,758	102,719	-	-
Bonds issued on acquisition	-	-	(25,130)	(27,018)
Contingent consideration recognised on acquisition	-	-	(3,201)	(1,156)
Discontinued operations (note 19)	-	6,964	-	(1,142)
Group eliminations	(25,292)	(29,194)	(106)	(105)
<b>Total assets/(liabilities) as per the Balance Sheet</b>	<b>161,583</b>	<b>155,121</b>	<b>(92,216)</b>	<b>(92,335)</b>

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**3. OPERATING SEGMENTS (continued)**

**(d) Geographical information**

The Group's information about its segment non-current assets and Group non-current assets including goodwill by geographical location are detailed below:

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Primary geographical location</b>		
United Kingdom	87,636	83,988
Oceania	26,178	26,194
Asia	1,098	1,084
Canada	899	-
North America	7,218	7,265
	<b>123,029</b>	<b>118,531</b>

**(e) Information about major customers**

There is no single customer which contributes 10% or more of the revenue in 2022 (2021: £7,375,000 from a single customer of the Group's Construction segment) of the Group's total revenues. There are no other single customers which contributes 10% or more of the revenue in the half year ended 30 June 2022 and 30 June 2021, respectively.

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**4. REVENUE**

***Disaggregation of revenue from contracts with customers***

In the following table, revenue from contracts with customers is disaggregated by major products/services, primary geographical locations and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Groups three reportable segments (see note 3).

Half year ended	Reportable segments								All Other Segments		Total	
	Education		Construction		Leisure		Total Reportable		2022	2021	2022	2021
	2022	2021	2022	2021	2022	2021	2022	2021				
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Primary geographical</b>												
United Kingdom	7,543	5,754	24,908	9,932	13,144	11,747	45,595	27,433	7,028	4,196	52,623	31,629
Oceania	-	-	16,580	15,328	-	-	16,580	15,328	-	-	16,580	15,328
Asia	184	204	-	-	-	-	184	204	-	-	184	204
North America	-	-	-	-	-	-	-	-	2,207	1,690	2,207	1,690
Other	-	-	-	-	-	-	-	-	1,543	796	1,543	796
	<b>7,727</b>	<b>5,958</b>	<b>41,488</b>	<b>25,260</b>	<b>13,144</b>	<b>11,747</b>	<b>62,359</b>	<b>42,965</b>	<b>10,778</b>	<b>6,682</b>	<b>73,137</b>	<b>49,647</b>
<b>Major products/ services</b>												
Course Training services	7,714	5,958	-	-	-	-	7,714	5,958	-	-	7,714	5,958
Other Education Training	13	-	-	-	-	-	13	-	-	-	13	-
Commercial Refurbishment	-	-	41,488	25,260	-	-	41,488	25,260	-	-	41,488	25,260
Sale of goods (caravans)	-	-	-	-	13,144	11,747	13,144	11,747	-	-	13,144	11,747
Transportation services	-	-	-	-	-	-	-	-	4,503	2,688	4,503	2,688
Health and care services	-	-	-	-	-	-	-	-	901	570	901	570
Property related services	-	-	-	-	-	-	-	-	481	349	481	349
Food and beverage sector	-	-	-	-	-	-	-	-	1,726	1,340	1,726	1,340
Engineering sector	-	-	-	-	-	-	-	-	3,167	1,735	3,167	1,735
Other services	-	-	-	-	-	-	-	-	-	-	-	-
	<b>7,727</b>	<b>5,958</b>	<b>41,488</b>	<b>25,260</b>	<b>13,144</b>	<b>11,747</b>	<b>62,359</b>	<b>42,965</b>	<b>10,778</b>	<b>6,682</b>	<b>73,137</b>	<b>49,647</b>
<b>Timing of Revenue</b>												
At a point in time	-	-	-	-	13,144	11,747	13,144	11,747	6,228	4,027	19,372	15,774
Over time	7,727	5,958	41,488	25,260	-	-	49,215	31,218	4,550	2,655	53,765	33,873
	<b>7,727</b>	<b>5,958</b>	<b>41,488</b>	<b>25,260</b>	<b>13,144</b>	<b>11,747</b>	<b>62,359</b>	<b>42,965</b>	<b>10,778</b>	<b>6,682</b>	<b>73,137</b>	<b>49,647</b>

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**5. FINANCE COSTS, NET**

	<b>Half year</b>	
	<b>2022</b>	2021
	<b>£'000</b>	£'000
<u>Financial income</u>		
Interest income	(4)	(5)
<u>Financial expense</u>		
Interest expenses on bonds	618	505
Interest expense on bank overdraft	9	-
Interest expense on borrowings	261	122
Interest expense on lease liabilities	142	129
Interest expense on other	36	14
Total Financial expense	1,066	770
<b>Finance costs, net</b>	<b>1,062</b>	<b>765</b>

**6. PROFIT FOR THE HALF YEAR**

Profit for the half year has been arrived at after charging/(crediting):

	<b>Half year</b>	
	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Depreciation and amortisation expenses</b>		
Depreciation of plant and equipment	428	376
Amortisation of intangible assets	331	189
Amortisation of right-of-use assets	667	343
<b>Total</b>	<b>1,426</b>	<b>908</b>
Loss allowance on trade receivables	946	49
Net foreign exchange losses/(gains)	81	(35)
(Gain)/loss on sale/disposal of fixed assets	(26)	96
Fair value gain on bond redemption	(408)	(89)
<b>Other income</b>		
Government grant income	14	397
Other income	63	349
<b>Total</b>	<b>77</b>	<b>746</b>
<b>Salaries and wages</b>		
Salaries and wages	6,109	4,588
Directors' remuneration – Directors of the Company	101	97
<b>Total salaries and wages</b>	<b>6,210</b>	<b>4,685</b>

**Income tax**

Income tax expense is recognised based on management's estimate of the weighted average effective annual tax rate expected for the full financial year. The estimated average annual tax rate used for the year to 30 June 2022 is 18%, compared to 15% for the six months ended 30 June 2021. The tax rate was lower in 2021 due to the utilisation of carried forward tax losses.



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**7. EARNINGS PER SHARE**

	Half year	
	2022 pence	2021 pence
<b>Basic earnings per share</b>		
From continuing operations	0.95	2.35
From discontinued operations	-	0.38
<b>Total Basic earnings per share attributable to the ordinary equity holders of the company</b>	<b>0.95</b>	<b>2.73</b>
<b>Diluted earnings per share</b>		
From continuing operations	0.92	2.24
From discontinued operations	-	0.36
<b>Total Diluted earnings per share attributable to the ordinary equity holders of the company</b>	<b>0.92</b>	<b>2.60</b>

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	Half year	
	2022 £'000	2021 £'000
<b>Basic earnings per share</b>		
Profit attributable to the ordinary equity holders of the company used in calculating basic earnings per share:		
From continuing operations	934	1,687
From discontinued operations	-	272
	<b>934</b>	<b>1,959</b>
<b>Diluted earnings per share</b>		
Profit attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share:		
From continuing operations	934	1,687
From discontinued operations	-	272
	<b>934</b>	<b>1,959</b>
	2022 Number ('000)	2021 Number ('000)
Weighted average number of ordinary shares for the purposes of basic earnings per share	97,923	71,714
Effect of dilutive potential ordinary shares from share options and convertible bonds	3,211	3,638
<b>Weighted average number of ordinary shares for the purposes of diluted earnings per share</b>	<b>101,134</b>	<b>75,352</b>

**8. DIVIDENDS**

	2022 £'000	2021 £'000
Final dividend paid of EUR 0.005 (2021: EUR 0.005) per share	<b>477</b>	<b>297</b>

The final dividend for 2022 comprising cash dividend of £56,000 and scrip dividend of £421,000 were approved by the shareholders at the 2022 annual general meeting. The payment of this dividend will not have any tax consequences for the Group.

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**9. GOODWILL**

**Cost**

At 1 January 2021	<b>90,605</b>
Adjustments to previous business combinations	2,182
Arising on acquisition of subsidiaries	12,408
At 31 December 2021	<b>105,195</b>
Adjustments to previous business combinations (note 18)	(2,161)
Arising on acquisition of subsidiaries (note 18)	5,200
Disposal of a subsidiary	(2,476)
<b>At 30 June 2022</b>	<b>105,758</b>

**Accumulated impairment**

At 1 January 2021	<b>2,476</b>
Disposal of a subsidiary	(2,476)
<b>At 30 June 2022</b>	<b>-</b>

**Net book value at 30 June 2022**

Net book value at 31 December 2021	<b>105,758</b>
	102,719

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGU) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

	<b>30 June 2022</b>	31 December 2021
	<b>£'000</b>	£'000
Education sector	29,139	31,398
Construction service sector	37,323	37,323
Leisure sector	10,500	10,500
Health sector	5,330	1,030
Transportation services sector	10,908	10,810
Property service sector	3,850	3,850
Food and beverage sector	6,708	5,808
Engineering sector	2,000	2,000
	<b>105,758</b>	<b>102,719</b>

	<b>Growth rates</b>		<b>Pre-tax discount rates</b>	
	<b>30 June 2022</b>	31 December 2021	<b>30 June 2022</b>	31 December 2021
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Education sector	7-9	4-11	9.04-9.40	9.04-9.40
Construction service sector	14-36	13-18	8.67-8.87	8.67-8.87
Leisure sector	10	10	9.08	9.08
Health services sector	10	10	8.26	8.26
Transportation services sector	15-16	14-20	9.08	9.08
Property service sector	10	25	6.25	6.25
Food and beverage sector	10	7-8	8.26-8.87	8.26-8.87
Engineering sector	10	5-30	7.59	7.59

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**9. GOODWILL (continued)**

<b>Assumption</b>	<b>Description</b>
Growth rates	The forecasted growth rates are based on published industry research, potential of growth within the industry, and do not exceed the long-term average growth rate for the industries relevant to the CGUs.
Pre-tax discount rates	Discount rates represent the current market assessment of the risks specific to each entity within the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

*Sensitivity to changes in assumptions*

With regards to the assessment of value in use for both CGUs, the Group believes that no reasonably possible changes in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

**10. TRADE AND OTHER RECEIVABLES**

	<b>30 June 2022</b>	31 December 2021
	<b>£'000</b>	£'000
Trade receivables	13,846	10,530
Contract assets	5,382	4,912
Loss allowance	(1,296)	(416)
	<b>17,932</b>	<b>15,026</b>
Other debtors	7,241	3,756
Prepayments	2,498	1,756
	<b>27,671</b>	<b>20,538</b>

**11. INVENTORIES**

	<b>30 June 2022</b>	31 December 2021
	<b>£'000</b>	£'000
Raw materials	214	216
Work in progress	(227)	366
Finished goods	4,585	4,240
<b>Total</b>	<b>4,572</b>	<b>4,822</b>

**12. LOAN AND OTHER BORROWINGS**

	<b>30 June 2022</b>	31 December 2021
	<b>£'000</b>	£'000
<u>Current</u>		
Bank overdraft	315	637
Bank loans	1,468	1,009
Stock financing	2,671	3,488
	<b>4,454</b>	<b>5,134</b>
<u>Non-current</u>		
Bank loans	5,092	4,819
Loan notes	800	1,000
	<b>5,892</b>	<b>5,819</b>
<b>Total</b>	<b>10,346</b>	<b>10,953</b>

**(a) Bank overdraft**

Bank overdrafts are repayable on demand. Overdrafts have been secured by a charge over certain of the Group's assets.

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**13. BONDS**

	<b>30 June 2022 £'000</b>	31 December 2021 £'000
<u>Current</u> Bonds	<b>2,528</b>	<b>2,534</b>
<u>Non-current</u> Bonds	<b>25,130</b>	<b>24,484</b>

Further information on the MBH Bond can be found on the Company's website <https://www.mbhcorporation.com/mbh-bond>.

The terms and conditions of outstanding bonds are as follows:

Type of loan	Currency	Nominal interest rate	Year of maturity	<b>2022 Carrying amount £'000</b>	2021 Carrying amount £'000
Unsecured loan	EUR	2.00%	2025	2,528	2,860
Unsecured loan	GBP	5.00%	2025	9,182	9,182
Unsecured loan	GBP	5.00%	2025	2,858	2,858
Unsecured loan	USD	5.00%	2025	1,457	2,220
Unsecured loan	GBP	5.00%	2025	5,104	5,259
Unsecured loan	GBP	5.00%	2026	1,479	1,479
Unsecured loan	GBP	5.00%	2026	2,976	2,976
Unsecured loan	EUR	5.00%	2026	2,074	184
				<b>27,658</b>	<b>27,018</b>

**14. CONTINGENT CONSIDERATION**

	<b>30 June 2022 £'000</b>	31 December 2021 £'000
Amount due for settlement within 12 months (shown under current liabilities)	3,201	1,156
Amount due for settlement after 12 months (shown under non-current liabilities)	18,095	20,711
	<b>21,296</b>	<b>21,867</b>

**15. TRADE AND OTHER PAYABLES**

	<b>30 June 2022 £'000</b>	31 December 2021 £'000
<b>Current</b>		
Trade payables	10,683	7,555
Other taxation and social security	3,500	1,726
Other payables	1,887	2,935
Accruals	772	1,273
Deferred consideration	8,594	10,302
Contract liabilities	1,168	907
Bonds interest payable	127	190
	<b>26,731</b>	<b>24,888</b>
<b>Non-current</b>		
Other payables	206	345
	<b>26,937</b>	<b>25,233</b>

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

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**16. ISSUED CAPITAL AND SHARE PREMIUM**

	<b>Allotted and issued #'000</b>	<b>Class</b>	<b>Nominal Value Euro</b>	<b>30 June 2022 £'000</b>	<b>31 December 2021 £'000</b>
Share capital	72,577,164	Deferred	0.99	63,909	63,909
Share capital	113,452,897	Ordinary	0.01	993	727
				<b>64,902</b>	<b>64,636</b>
Share premium				14,352	9,297
				<b>79,254</b>	<b>73,933</b>

The following table reconciles the movements in the number of shares on issued and the movement in share capital by class of share and share premium:

	Share Capital				Share premium	Total	
	Number of shares	Ordinary Share Capital at Euro 1.00	Ordinary Share Capital at Euro 0.01	Deferred Share Capital at Euro 0.99	Total Share Capital		
	'000	£'000	£'000	£'000	£'000	£'000	
At 1 January 2022	82,080	-	727	63,909	64,636	9,297	73,933
Issue of ordinary shares as consideration for a business combination	18,039	-	151	-	151	2,892	3,043
Credit to equity for equity-settled share-based payments	456	-	4	-	4	72	76
Issuance of ordinary shares	10,625	-	92	-	92	1,736	1,828
Dividends declared	2,253	-	19	-	19	355	374
At 30 June 2022	113,453	-	993	63,909	64,902	14,352	79,254

**17. OTHER RESERVES**

The Other Reserve has arisen through the issue of share capital in consideration for the acquisition of investments in subsidiary companies. Where the fair value of consideration exceeds the nominal value of share capital issued, merger relief would apply. In order for the requirements of IFRS 3 to be complied with by accounting for investments at their fair value, the difference between the fair value of consideration and the nominal value of shares capital issued has been reflected within the Other Reserve.

**18. BUSINESS COMBINATIONS**

**2022 Acquisitions**

**(a) Acquisition of subsidiaries**

*i) BEP Engineering Services (1997) Ltd ("BEP Engineering Services")*

On 24 February 2022, the Group acquired, via a special purpose entity, BEP Engineering Services (1997) Ltd, a general contractor of mill engineering and industrial designers based British Columbia, Canada. BEP Engineering Services will be included in Engineering vertical in the Group.

The transaction has been accounted for by the acquisition method of accounting, with no consideration paid in cash.

The total consideration is to be settled in MBH shares. The contingent consideration will be settled in MBH shares by the purchaser in accordance with the terms stipulated in the Share Purchase Agreement.

The consideration and fair value of assets and liabilities acquired has only been provisionally determined based on the management's best estimate of the likely values at the point of acquisition and will be finalised within 12 months from acquisition date.

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**18. BUSINESS COMBINATIONS (continued)**

**(a) Acquisition of subsidiaries (continued)**

*ii) Vista Care Solutions Limited ("Vista Care")*

As described in the annual report as at 31 December 2021, the Group announced the acquisition of 100% of the share capital of Vista Care Solutions Limited (Vista Care), a company whose principal activity is home care agency provider in the United Kingdom which will be included in the Health vertical in the Group. The acquisition accounting was completed on 17 May 2022 via a special purpose entity.

The transaction has been accounted for by the acquisition method of accounting, with no consideration paid in cash.

The total consideration is to be settled in MBH shares. The contingent consideration will be settled in MBH shares by the purchaser in accordance with the terms stipulated in the Share Purchase Agreement.

The consideration and fair value of assets and liabilities acquired has only been provisionally determined based on the management's best estimate of the likely values at the point of acquisition and will be finalised within 12 months from acquisition date.

The consideration and fair value of assets and liabilities acquired has only been provisionally determined based on the management's best estimate of the likely values at the point of acquisition and will be finalised within 12 months from acquisition date.

	<b>BEP Engineering</b>	<b>Vista Care</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fair value of assets acquired</b>			
Property, plant and equipment	-	970	970
Trade and other receivables	70	27	97
Cash and cash equivalents	83	282	365
Trade and other payables	(12)	(28)	(40)
Loans and borrowings	(18)	(625)	(643)
Income tax payable	-	(6)	(6)
Deferred tax liability	-	(28)	(28)
	<b>123</b>	<b>592</b>	<b>715</b>
<b>Identifiable intangible assets acquired</b>			
Add: goodwill (note 9)	900	4,300	5,200
<b>Total consideration</b>	<b>1,023</b>	<b>4,892</b>	<b>5,915</b>
<b>Breakdown</b>			
Consideration – MBH shares	706	2,448	3,154
Other non-monetary asset	82	1,423	1,505
Contingent consideration	235	1,021	1,256
<b>Total consideration</b>	<b>1,023</b>	<b>4,892</b>	<b>5,915</b>

**(b) Goodwill arising on acquisitions**

Goodwill amounting to £5,200,000 (2021: £12,408,000) arose in the acquisition of the above companies and business because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development of these companies. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

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**18. BUSINESS COMBINATIONS (continued)**

**(c) Impact of acquisitions on the results of the Group**

Included in the revenue and profit after income tax for the half year is £576,000 and losses of £74,000 respectively attributable to the additional business generated by the above acquisitions. Had these business combinations been effected at 1 January 2022, the revenue and profit after income tax for the half year of the Group from continuing operations would have been as follows:

	<b>Revenue</b>	<b>Profit/(Loss)</b>
	<b>£'000</b>	<b>after income tax</b>
		<b>£'000</b>
BEP Engineering	391	(110)
Vista Care	1,823	93
<b>Total</b>	<b>2,214</b>	<b>(17)</b>

The Directors consider these "pro-forma" numbers to represent an approximate measure of the performance of the combined Group on an annualised basis and to provide a reference point of comparison in future periods. The total profit/(loss) after tax is not an accurate representation of the trading results for the Group as the pre-acquisition results include significant one-off transactions which would not normally occur under the Group's ownership if the companies have been acquired at the beginning of the current year.

**(d) Acquisition-related costs**

In 2022, acquisition-related costs amounting £1,071 had been excluded from the consideration transferred and have been recognised as an expense in the period, within the "non-operating expenses" line item in the statement of comprehensive income.

**2021 Acquisitions**

As disclosed in the 31 December 2021 annual report and accounts the Group acquired 100% of the issued share capital and voting rights of:

- 3 K'S Engineering Company Limited ("3K's")
- GBS Partners Inc ("GBS")
- 4X Limited ("4X")
- Intercity Private Hire Limited ("Intercity")
- Approved Air Limited ("Approved Air")

A provisional fair value exercise to determine the fair value of assets and liabilities acquired in relation to the above acquisitions was carried out. Within the twelve-month hindsight period, the Group has reassessed the provisional fair values, which have now been finalised as per the table below.

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**18. BUSINESS COMBINATIONS (continued)**

**Final recognised amounts of identifiable net assets**

	3Ks	GBS	4X	Intercity	Approved Air	Total
<b>Fair value of assets acquired</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Property, plant and equipment	1,075	265	252	60	31	1,683
Intangibles	-	-	-	11	-	11
Right-of-use assets	18	656	56	-	-	730
Investments	-	382	-	-	-	382
Trade and other receivables	963	374	259	904	224	2,724
Inventory	204	98	12	1	-	315
Cash and cash equivalents	697	221	188	2,452	446	4,004
Deferred tax asset	-	-	13	-	-	13
Trade and other payables	(808)	(90)	(352)	(67)	(76)	(1,393)
Lease liabilities	(18)	(684)	(110)	-	-	(812)
Loans and borrowings	(499)	-	-	-	-	(499)
Income tax payable	25	(7)	(46)	(100)	-	(128)
Deferred tax liability	(174)	-	-	(13)	-	(187)
<b>Net identifiable assets acquired</b>	<b>1,483</b>	<b>1,215</b>	<b>272</b>	<b>3,248</b>	<b>625</b>	<b>6,843</b>
Add: goodwill (note 9)	2,408	2,000	1,600	3,098	3,400	12,506
<b>Total consideration</b>	<b>3,891</b>	<b>3,215</b>	<b>1,872</b>	<b>6,346</b>	<b>4,025</b>	<b>19,349</b>
<b>Breakdown</b>						
Consideration – Cash	-	-	-	2,287	-	2,287
Consideration – MBH shares	426	-	-	879	-	1,305
Bonds	2,964	2,069	906	2,054	1,929	9,922
Other non-monetary asset	424	954	562	612	1,306	3,858
Contingent consideration	77	192	404	514	790	1,977
<b>Total consideration</b>	<b>3,891</b>	<b>3,215</b>	<b>1,872</b>	<b>6,346</b>	<b>4,025</b>	<b>19,349</b>
<b>Effects on cash flows of the Group</b>						
Cash paid	-	-	-	(2,287)	-	(2,287)
Add: net of cash and cash equivalents and bank overdraft in businesses acquired	697	221	188	2,453	472	4,031
<b>Cash inflow on acquisition</b>	<b>697</b>	<b>221</b>	<b>188</b>	<b>166</b>	<b>472</b>	<b>1,744</b>

**19. ASSETS AND LIABILITIES HELD FOR SALE**

As disclosed in the 31 December 2021 annual report and accounts, the Group announced its intention to divest the Parenta Group (comprising Amplify Investments Ltd and its wholly-owned subsidiaries). The assets and liabilities of the Parenta Group were consequently presented as held for sale as at 31 December 2021.

The sale was completed on 31 January 2022 for a consideration of £4,000,000 and since the actual impairment losses incurred remained the same as the provision made as at 31 December 2021, comprising a provision for impairment losses of £1,822,000 and an impairment of goodwill of £2,476,000, no further adjustment on the impairment losses were being accounted for as at 30 June 2022.

**20. SUBSEQUENT EVENTS**

No significant event or transaction has occurred between 1st July 2022 and the date of this report.