AUDIOVISUAL INTERACTION
MADE EASY

Products

Industry

Clients

2018

ANNUAL REPORT AND ACCOUNTS

OUR YEAR

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EXECUTIVE MANAGEMENT

JOSÉ LUIS VÁZQUEZ
CEO

Founder and CEO of Mirada PLC and the Chairman of Spanish Association of Interactive Technology Companies (AEDETI). He holds a degree in Advanced Telecommunications Engineering and an MBA from IESE Business School.

GONZALO BABÍO
CFO

Prior to joining Mirada in 2015 as the CFO, he worked as Finance Director for both The Walt Disney Company (10 years) and Electronic Arts (10 years). He holds an EMBA from IESE Business School, among other titles.

JOSÉ GOZALBO
CTO

José has been CTO of Mirada since its creation. He holds a degree in Computer Science and he has in depth experience in Software Development and Digital TV markets.

NURIA LAHUERTA
VP HUMAN RESOURCES

In Mirada since 2011, Nuria has been recently appointed Head of Human Resources. She is a double graduate in Human Resources Management and History of Art and a skilled professional.

JAVIER PEÑÍN
VP SALES

His previous experience includes working at AUNA during the launch of Spain's first digital cable TV platform. He also worked as Senior Sales Manager in Telefonica and as Global Sales Manager at ADB. BSc in Telecoms Engineering and BMD from IESE.

ANTONIO RODRÍGUEZ
VP BUSINESS DEVELOPMENT

He joined Mirada from Jazztel PLC, where he held the roles of Network Engineering Manager and Telco Platforms and OSS Manager. He holds a BSc in Telecommunications Engineering and an MBA from IE Business School.

ROSZANA DALATI
VP MARKETING

Roszana joined Mirada as Marketing Manager before forming part of Executive Management in 2017. She holds a degree in International Relations and a Masters in Strategic Management of Sales & Marketing from IE Business School.

ABOUT MIRADA

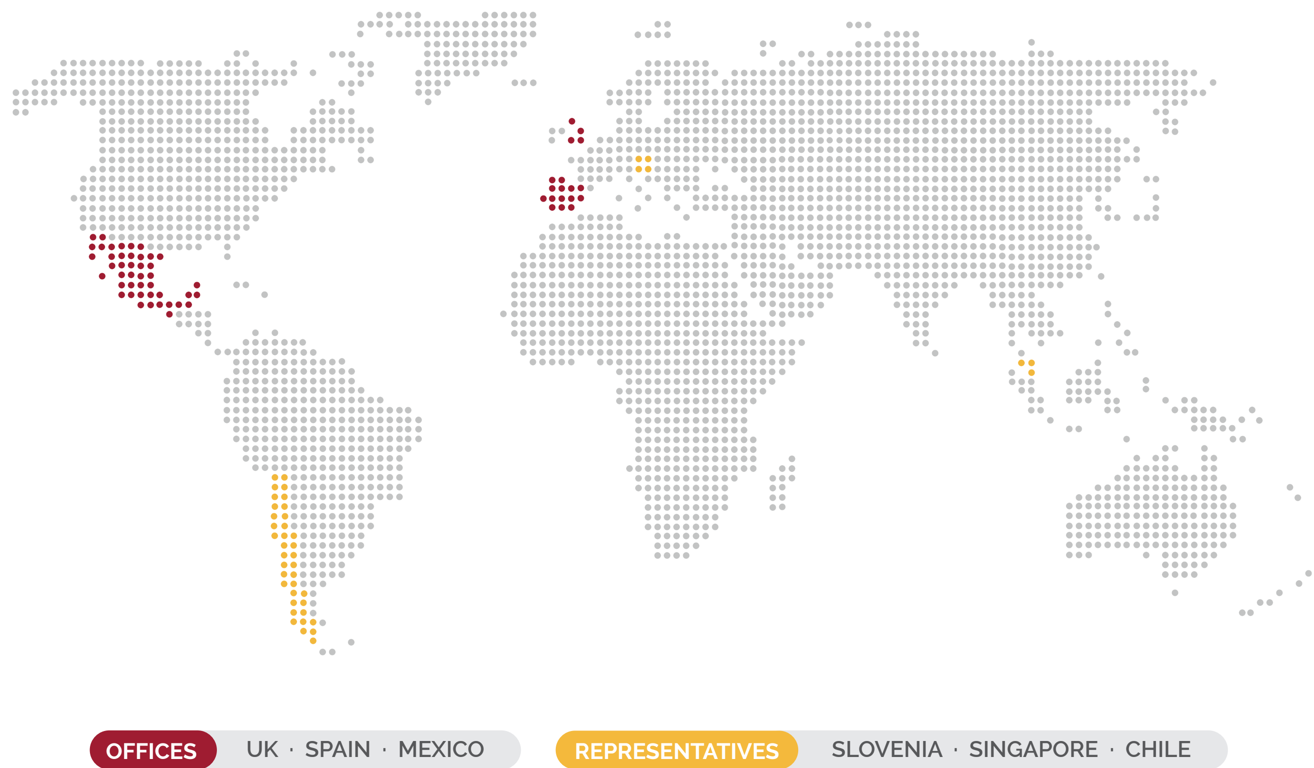
Mirada PLC is an AIM-quoted leading provider of products and services for global Digital TV operators and broadcasters. Founded in 2000 and led by Group CEO José Luis Vázquez, Mirada's core focus is on the ever-growing demand for "TV Everywhere" for which it offers a range of software products, notably the Iris multiscreen platform, acclaimed by clients for its incomparable flexibility and optimal time to market.

Mirada prides itself on being a global pioneer in Digital TV technology

Since its establishment eighteen years ago, Mirada's products and solutions have been deployed by some of the biggest names in broadcasting including Telefonica, Sky, Virgin Media, BBC, ITV and Televisa, the largest media company in the Spanish-speaking world. Mirada has also established partnerships with key players in the Digital TV world such as Conax and Ericsson.

The Company prides itself on being a pioneer in Digital TV technology, and following the success of izzi's platform powered by Iris which is currently considered to be the most advanced in the entire region, Mirada's growing pipeline of opportunities is currently the greatest the company has ever seen.

PRESENCE AROUND THE WORLD



OFFICES UK · SPAIN · MEXICO

REPRESENTATIVES SLOVENIA · SINGAPORE · CHILE

OUR PRODUCTS

IRIS END-TO-END SOLUTION

Mirada's seamless multiscreen solution for content consumption

Mirada's Iris software solution provides clients' subscribers with a seamless and easy-to-use platform to discover and consume both traditional broadcast and internet-based content anytime, anywhere. The multiscreen software suite enables content consumption across TVs, tablets, smartphones and laptops, in addition to the provision of essential tools for clients such as audience measurement and content management.

Incomparable flexibility of product and optimal time to market.

IRIS SERVICE DELIVERY PLATFORM (SDP)

Powerful tool for both TV operators and subscribers

This extensive back-end product - the brain of our Iris ecosystem - is an accessible platform providing operators with advanced tools to access configuration settings, statistics, content management and many other essential features to suit their specific marketing needs. Our SDP also provides users with features such as content suggestions and smart search throughout the catalogue.

Providing clients with desirable software management tools to suit their specific marketing needs.

INSPIRE UI

Our state-of-the-art user experience

Inspire is Mirada's exclusive user interface which enables a seamless content consumption experience across all platforms including smartphones, tablets and PCs. Developed with real-user live testing, our team of experts designed our user-centric Inspire UI to be both rich in high-end features and extraordinarily intuitive.

Suitability and satisfaction even with the most demanding users, both on the level of usability and visual attractiveness.

OVER-THE-TOP PLATFORM

Advanced platform to enjoy content anytime, anywhere

Over-the-top (OTT) refers to the ever-growing demand for content delivery on viewers' terms at the time, place and on the device of their choice… and this product does exactly that! Mirada's OTT platform enables viewers to enjoy their favourite content at any time on their preferred device (TVs, smartphones, tablets or laptops) and can work independently to the TV operator's cable/DTH/IPTV digital TV service.

Providing a future-proof solution independent from traditional broadcasting.

xPLAYER

Managing synchronised interactive content

One of Mirada's flagship products which manages red and green button interactivity on behalf of a channel. xPlayer allows viewers to interact efficiently with on-screen content (red button) in addition to scheduling recordings or reminders (green button).

Managing essential viewer interactivity within multiple TV devices.

LogIQ

Data intelligence platform

LogIQ is Mirada's new data analytics platform which uses holistic data retrieved from clients' operations to enable them to make better, data-driven decisions. With LogIQ, operators are finally armed with valuable insights about their platform, subscribers and consumption, empowering them to provide the most advanced and appealing offering in an increasingly competitive industry.

Empowering operators to make intelligent, data-driven decisions.

+50 SATISFIED CLIENTS

The technology that powers izzi's multiscreen platform is the most advanced in the entire region. Today, izzi tv is thriving at the forefront of the industry.

GUILLERMO SALCEDO
DIRECTOR OF MARKETING AT IZZI TELECOM

Mirada's client since 2014

INVESTOR INSIGHTS

MIRADA IN THE MARKET

Pay TV Market Overview

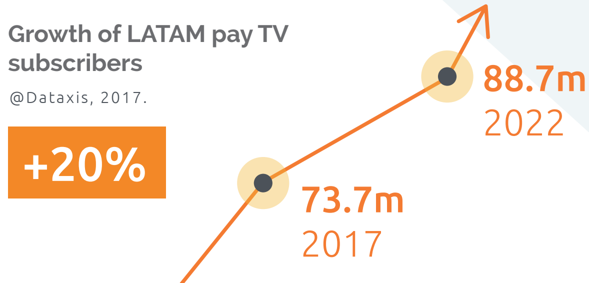
The global pay TV market, one of the fastest growing industries in the world, is on track to reach $254.77bn by 2025 (Grand View Research, 2017). However, the increasing popularity of alternative services and devices which allow viewers to access their favourite content on their terms, it has become a priority for operators and broadcasters worldwide to reconsider their business models in order to remain relevant in this rapidly evolving market. Telcos, for example, are expanding their vision to over-the-top (OTT) services as an alternative or complement to their existing platform, providing an effective user experience across devices to promote valuable content and engage viewers, and exclusive services to differentiate themselves from other industry service providers. Mirada's advanced Iris Ecosystem, composed of powerful front- and back-end products, is perfectly poised to serve such needs on a global scale. Mirada focuses particularly on the prosperous pay TV markets of the developing regions of Latin America, Eastern Europe and Asia Pacific.

LATIN AMERICA

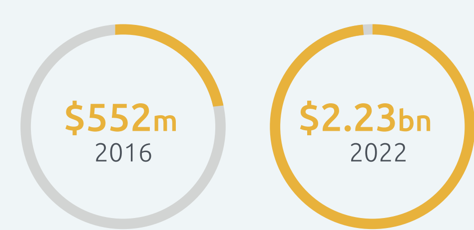
Growth within Latin America's pay TV market remains strong with pay TV subscribers on track to reach 88.7 million in 2022, up from 73.7 million in 2017. However, with 78% of major pay TV players in Latin America now offering TV Everywhere services (Nagra, 2017), operators are having to look elsewhere to strengthen their offering. Data intelligence platforms have become a major area of interest within the industry, with analytics within global pay TV services expected to grow by 105% over the next five years (ABI Research, 2017). Mirada's recently launched data intelligence platform, LogIQ, is the essential tool for operators and broadcasters in the region in need of a wider vision to make better data-driven decisions to remain on the cutting-edge of an increasingly competitive and innovative industry.

Growth of LATAM pay TV subscribers

@Dataxis, 2017.



The global pay TV market, one of the fastest growing industries in the world, is on track to reach **$254.77bn** by 2025.



Growth of OTT revenues in Eastern Europe

@Digital TV Research, 2017.

EASTERN EUROPE

With the region's pay TV penetration set to reach 80% and the number of pay TV subscribers expected to hit 82.8m by 2020 (IDC, 2017), Eastern Europe's pay TV market is advancing towards maturity. Multiscreen viewing has become commonplace across the region and service providers are now turning to new business models to reinforce their current offering. OTT viewing, for example, which was once seen as a threat by operators in the region, is now considered a vital part of the content mix, with OTT revenues in the region predicted to reach $1,976 million by 2021, up from $454 million in 2015. Mirada's acclaimed OTT platform is perfectly suited to serve all types of operators who are looking to future-proof their pay TV business thanks to its seamless integration with existing DVB/IPTV solutions.

2023 $686.4m

2017 $608.7m

Growth of pay TV subscribers in APAC

@Digital TV Research, 2018.

ASIA PACIFIC

Asia Pacific is the world's largest pay TV subscriber region, contributing 60% to the global total and with revenues expected to grow a further $8bn to reach $40bn by 2021. Despite such promising growth expectations, certain factors within the region, such as the increasing popularity of OTT services and demand for an improved user experience with personalised content recommendations, means operators need to adapt their offering in order to survive and thrive in the market. Mirada's Iris Ecosystem empowers operators with a powerful and future-proof platform that has the flexibility to continuously add new features and services, with the goal to attract retain customers with the ultimate viewing experience.

MIRADA IN NUMBERS

Facts about our company:

ESTABLISHED BUSINESS	UNRIVALLED EXPERIENCE	EXCEPTIONAL CLIENT LIST	EXTENSIVE PARTNER NETWORK
Founded **18** years ago	**+60** projects developed	**57** clients served globally	**29** trusted partnerships

MARKET LEADING PRODUCT		GLOBAL REACH	
Cutting edge technology	**85%** engineering experts	Operating across Asia, Europe and the Americas	Over **10 000 000** people using our technology

MIRADA'S STRATEGY

Our strategy focuses on four key areas:

Market Strategy

Mirada has identified a number of target geographies where it is fully focused on developing its presence. These markets display promising characteristics such as high annual growth rates in pay TV consumption, growing pay TV penetration and burgeoning middle classes providing rapid growth in consumer spending.

Product Strategy

Our market leading digital TV products have been designed to future-proof the platforms of operators and broadcasters worldwide, while dramatically improving their user experience with cutting-edge services at a competitive time to market. This enables us to fully satisfy our clients' needs for today, while also providing them with a roadmap and vision for the future.

Sales Strategy

We have recently boosted our sales and marketing resources to take full advantage of the augmented interest in our offerings following the successful high-profile deployment of our flagship product with Tier 1 operator izzi Telecom. We offer our products worldwide and we benefit from an increased pipeline of opportunities through a direct relationship with customers, for whom we are a partner for growth.

Business Model Strategy

Our business model has been developed to meet our clients' future needs with a strong focus on flexibility. We can provide both "Software as a Service" and hosted services, enabling us to give our clients exactly what they want. We grow as they grow, reinforcing long term bonds, while securing long-term recurring revenue streams.

HIGHLIGHTS OF THE YEAR

New contract wins

At the start of the current financial year, Mirada won two notable contracts in new territories for their end-to-end Iris multiscreen solution. The first was with ATNi, a US investment firm with operations in several US and Caribbean locations, for which Mirada has just announced the first commercial deployment with One Communications in Bermuda. Mirada will shortly be following up the initial release with advanced features including start-over, personalised recommendations and Cloud DVR, in addition to the upcoming deployment with Viya, an ATNi-owned operator in the US Virgin Islands.

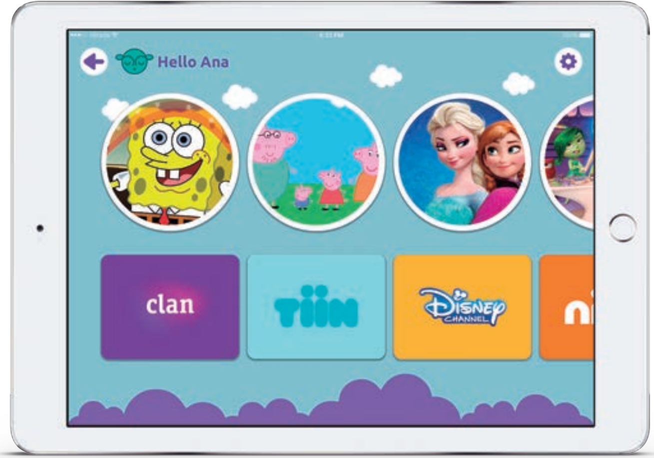
The second contract win was with Bolivian operator, Digital TV Cable. The five year contract will see Mirada deploy its entire Iris multiscreen solution, including its over-the-top platform and back-end application, Iris SDP across the network, with a target of up to nearly one million devices. Bolivia is the fastest-growing telecoms market in Latin America, and with Bolivia's pay TV household penetration rate predicted to grow from 10.9% to 27.1% by 2018, this project will see Mirada entering a new and highly promising market in the upcoming months.

Both contracts are based on Mirada's software as a service model, structured so that the Company will receive various long-term recurring revenue streams. In addition to initial set-up fees, Mirada will also receive monthly revenues from subscriber-based licence fees and the potential ongoing deployment of new features and services.

Launch of Mirada Kids

Earlier this year, Mirada launched Mirada Kids, a brand new OTT application for younger viewers to watch live and on-demand content in a safe yet fun environment. Mirada Kids is available on Android and iOS smartphones and tablets, and comes with a simplified and appealing UI designed specifically to charm and captivate the attention of children.

The app includes key features such as advanced parental controls, time limitation settings, custom profiles and the possibility to offer carefully selected content suitable for different ages, and offers operators a new and innovative way to extend their service to satisfy their youngest audience and in turn, their parents. Mirada Kids was launched commercially for the first time across izzi Telecom's service under the name izzi kids in November 2017.



Update on izzi

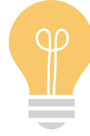
Mirada's project with izzi telecom has continued to grow over the fiscal year. In November 2017, Mirada launched their new OTT application, Mirada Kids, for children across izzi's service under the name izzi kids, to allow izzi's younger viewers to watch live and on-demand content on Android and iOS devices. At the start of the calendar year, izzi also extended their offering to another tier of customers, which has contributed greatly towards the number of new installations. With relation to this, on 22 March, Mirada achieved yet another milestone with izzi by surpassing 1 million set-top boxes installed across Televisa networks. At the end of September 2018, the number of deployed set-top boxes had reached 1.5 million.

World Cup at izzi

Post year-end, following Mirada's software adjustments, izzi Telecom extended access to their OTT application "izzi GO" from just izzi subscribers to everyone in Mexico in a massive World Cup-driven marketing campaign. As a result of the changes implemented by Mirada, izzi's platform saw over 5 million sessions across 1.3 million devices, an impressive 97% increase in live TV consumption via OTT and a 10% boost in TVoD purchases during the World Cup alone.

CEO STATEMENT

JOSÉ LUIS VÁZQUEZ



The two major milestones for the fiscal year were the contract wins of ATNi and Digital TV Cable

Overview

I am pleased to present the Group's financial results for the year ended 31 March 2018. During this period the Group focused on achieving and delivering new contract wins, notably with ATNi in the United States and Digital TV Cable Edmund S.R.L. ("Digital TV Cable") in Bolivia, whilst improving the market reach and ensuring a top-level service to present customers. Mirada was able to implement the transition to the new Software as a Service (SaaS) business model, securing long-term recurrent revenues from the new deals. As a result of our sales and marketing efforts, we increased our number of referrals, leveraging the excellent job our technical team performed at izzi Telecom. Also, and despite harsh conditions in the Mexican market due to the peso volatility after the US Elections, we were able to reinforce our relationship with our largest customer (izzi Telecom). This, resulted in the extension of the deployment of our technology over new customer segments and while improving the on-going monthly licence-fee revenues for Mirada.

Trading review

The two major milestones for the fiscal year under review were the contract wins of ATNi and Digital TV Cable. Both customers joined our new SaaS business model, which allows them to benefit from our support and maintenance and product updates on a timely manner, paying a monthly fee per subscriber with minimum guaranteed revenues. Although the set-up fees in this model are smaller than in the previous one, the contract value is not eroded and guarantees recurrent long-term licence fees, giving us much better visibility on medium and long-term revenues. SaaS agreements account for a continued growth of the customer subscribers base, typically over three to five years, with minimum guaranteed revenues aligned with this growth. Customers perceive that the model is aligned with their business plans, increasing Mirada's chance to land new deals. Both technical deployments ran smoothly, helping to improve Mirada's efficiency as we accumulate deployments of the Iris Inspire multiscreen product, and we plan to announce the commercial launch of both customers within this fiscal year.

In the case of ATNi, we plan to announce the first deployment very shortly, with others following over this

and the next fiscal year. Recurrent (monthly / quarterly) subscriber-based licence fees from both customers will start on the commercial deployments and ramp-up as these customers grow.

Our largest reference, izzi Telecom (part of the Televisa Group) continued to experience uncertainties resulting from the election of Donald Trump as president of the United States of America. izzi Telecom drastically decreased investments in foreign goods and services denominated in US Dollars, which is our default trading currency out of Europe. This had a short-term impact in the professional services contracted by izzi Telecom, especially during the first half of the year. This situation normalised after a few months, with higher confidence in the market during the second half of 2017. Additionally, post year end, in preparation for the FIFA World Cup there was a peak in related required professional services from izzi and other customers which will positively impact our revenues for the fiscal year ended 31 March 2019.

izzi decided to extend the deployment of Mirada's solution over a wider segment of its customer base

As a result of the continued relationship with izzi Telecom, and the successful deployment of our Iris Inspire solution, izzi decided to extend the deployment of the solution over a wider segment of its customer base. Mirada's product is now being installed over the middle and premium tiers, which has resulted in higher monthly installations and a post-year end increase of more than $1.5m in licence-fee, collections since April 2018. On the Over the Top (OTT) licences, the penetration of this product in the market is growing to ratios comparable to other regions like Western Europe, where households with OTT services added to the traditional Pay-TV subscription represent over 50% of the subscribers. Post year end, and using the FIFA World Cup momentum, izzi decided to promote their OTT service for users which have not currently installed Mirada's product in their households, and which still represent the vast majority of their subscriber's base. izzi is committed to the promotion of Mirada's OTT product over their platform, and we expect this to be reflected positively in our OTT-related revenues this year.

At 31 March 2018 izzi Telecom had over a million set-top boxes installed with our product, in nearly five hundred-thousand households. Currently izzi Telecom has over 4 million subscribers, of which Mirada represented roughly 13% of their base at fiscal year-end. At the present date, izzi Telecom has 1.5 million set-top boxes installed with our technology.

The pipeline continues to grow, powered by the increasing number of references and a very solid product

The Group remains committed to its sales and marketing efforts, and aims to close more deals in the present fiscal year. The pipeline continues to grow, powered by the increasing number of references and a very solid product, and the fact that our main customers are intensively using our technology at the forefront of their service delivery. The fact that izzi Telecom decided to actively promote our OTT product over their multi-million subscription base is a very strong selling point that very few competitors can match.

Our cashless payment parking (Mobile) division, independent from our Digital TV division, continues to deliver solid growth with a 20% increase in revenue, generating profits before tax this year of $0.2m (2017: $0.16m), contributing to 10.0% of total revenue in the current year (2017: 8.6%).

In May 2018, post year-end, we suffered the tragic and sad loss of Mr Javier Casanueva, who was a friend and a partner for many years, and a cornerstone for the successful deployment of Mirada. We will greatly miss him. Francis Coles, a long-standing non-executive Director, took the role of non-executive Chairman later in the month. We wish him the best for the new position.

With a growing pipeline, more references and a solid product that our customers are using more and more, we can only aim to continue deploying the business model and win more references. The business model is proving solid and with a higher percentage of revenues coming from recurrent subscriber-based licence fees, we are steadily reaching the point of profitability. We could not do all this without the continued support of our stakeholders: employees, customers, suppliers, partners and investors, to whom we are extremely grateful.

Financial overview

Revenue grew to $8.82 million (2017: $8.49 million). However, there was a decrease in revenues with izzi Telecom (Televisa group) after the Peso devaluation in December 2016 and izzi Telecom freeze of purchases in USD. This was offset by the revaluation of USD vs EUR, which has contributed to $0.63 million additional revenues.

Although gross profit grew to $7.94 million (2017: $7.88 million), there is a noted decrease in the gross margin percentage of 3.6% due to the additional cost associated with the increased number of sales representatives. Staff costs have increased due to the strengthening of the sales team and due to the contract wins under the Software as a service business model (ATNi and Digital TV cable). Operating loss decreased to £4.62 million (2017: £6.57 million). Adjusted EBITDA (as defined in Note 6) for the year decreased to a loss of $1.12 million (2017: loss of $0.04 million) resulting mainly from the efforts to win and deploy the new deals. Amortisation charges increased to $3.35 million from $2.72 million, due to increased product

development investment, related to Cloud and kids functionalities. There is a tax credit recognised in the current period as a result of Mirada Iberia's capitalisation of research and innovation tax deductions.

The Group reduced its net loss for the year to $4.87 million compared to a loss of $7.10 million in the prior year. This improvement resulted from a combination of the following factors: the one-off goodwill impairment applied in the financial year ended in March 2017 and the different revenue mix from increased licences this year.

Net Debt rose to $11.70 million (2017: $5.25 million) as a result of increased product investment, lower than expected Televisa revenue for the year, and the required investment in the new contracts signed under the Software as a Service ("SaaS") business model. Long term interest-bearing loans and borrowings decreased by 14% to $2.48 million (2017: $2.88 million) and short term borrowings increased to $11.16 million (2017: $2.66 million). Trade receivables increased from $0.99 million to $1.38 million, due to a $0.66m invoice to izzi Telecom billed in March 2018 and collected in April 2018.

The Company signed two debt facilities with related parties, one of £1.7 million in November 2017 which was converted post year end (August 29th, 2018) into equity, and a £3.0 million facility which was agreed to be capitalised alongside an additional capital injection of £3.0 million. These are subject to shareholder approval on October 4th, 2018. Both facilities were provided by our largest shareholders, showing their commitment to the business model. We are confident that the reduction in Net Debt will help in deploying new opportunities, both from the additional available working capital and due to the increased confidence of our Customers in our ability to develop the contracts.

Other intangible assets have increased by $1.14m mainly due to the increased valuation of the Euro against the US Dollar.

Cash at bank increased to $1.94 million from $0.28 million, mainly due to the £3.0 million facility received from Kaptungs in March 2018. Additional invoice discounting facilities of $1.34 million and unused short-term credit lines of $0.37 million were available at the end of March 2018.

The Group used $1.7m of cash in operating activities in the year (2017 – generated cash from operating activities of $3.3m) and spent a further $3.9m (2017 - $3.5m) in investing

activities, primarily related to developing the Group's software platform. This was funded through the facilities described above.

As set out in note 2 of the financial statements, given the funding needs of the Group, a General meeting has been called for October 4th, 2018, to approve a £3m cash injection required for the Group to continue as a Going Concern. See Note 2 for further details.

In this period, the Board decided to change the reporting currency for this year due to the growing exposure to the US Dollar, as all major contracts and most on the new potential deals for the Company are denominated in this currency. Coupled with the evolution of the business, the Group's shareholder base is now largely comprised of foreign investors to whom financial reporting in GBP is of limited relevance. Internally, the board also bases its performance evaluation and the majority of investment decisions on USD financial information. The exchange rate fluctuation between GBP and USD from March 2017 to March 2018, (1: 1.24775 to 1: 1.40795) has resulted in a consequent currency translation gain of $1 million.

Current Trading and Outlook

Mirada participated in a significant number of potential deals during the year and is seen as an increasingly relevant supplier as new bids appearing in the market. I am glad to say that we currently have a strong pipeline in terms of the number of opportunities we are participating in. This pipeline and an increasing number of successful references is helping us secure new opportunities and we are confident of announcing new relevant contract wins in the near future.

José Luis Vázquez
Chief Executive Officer
27th September 2018

Business model

The Company's main activity is the provision of software for the Digital TV market. Our major customers are Digital TV platforms, composed mainly of Pay TV service providers. We provide the technology needed to facilitate the final user's interaction with the devices they provide, including digital TV decoders (set-top boxes), tablets, smartphones, computers and smart TVs. Our major products are our navigational software proposition, Iris, including our Inspire user interface, and X-player, our broadcasting synchronisation technology.

Our customers need the services of a User Interface ("UI") provider such as Mirada when creating a new Digital TV service or replacing/upgrading an existing one. The UI provider interacts with the device vendor (in the case of set-top boxes), the encryption technology vendor (Conditional Access ("CA") vendor) for the protection of content, and the customer systems (billing and provisioning systems).

The Group tends to interact with the customer in the early stages of their decision-making process and help in the selection of the proper ecosystem. Our expertise is widely recognised in the industry, and we provide a value that goes beyond our actual UI proposition. Aside from the professional services related to deployment, support and maintenance, our licencing model varies depending on the size of the customer, from one-off fees per household for the product as it is, to recurrent revenues for a Software as a Service ("SaaS") model. The Group also provides cashless payment solutions to car park operators through a revenue-share agreement (Mobile segment). Revenue from this segment is earned when services are provided. Managed services such as quality assurance on functionality add-ons to platforms are also provided to customers.

Strategy

The Group's strategy is to extend its presence in the Digital TV markets, focusing on those markets with higher potential growth rates, for example the Latin American, Eastern Europe and South East Asia market. The aim is to increase the number of customers being charged subscriber-based licence fees, as these revenues command higher margins and grow, as long as the customer's subscriber base keeps growing, Mirada will continue to earn licence fees even from projects which were completed several years previously.

Reference deployments (defined as key deployments used as a reference to attract potential customers) are very important in this market, and winning reference contracts has been and remains an integral part of our strategy. The Group will need to continue investing in research and development in order to provide the required functionalities in our products to satisfy the cutting-edge demands from our customers, while maintaining a fair balance between potential growth and profitability. These include costs incurred towards developing new functionality such as an increased presence in the Cloud, enhanced search, recommendation and personalisation functionalities, integration with more content providers, chipsets and device manufacturers. Our continued investment in Iris is essential in ensuring a proper implementation of this strategy.

The main key performance indicator ("KPI") used by management in assessing the success of this strategy is the growth in Mirada's licence revenues, which will be led by the progress of our recent rollouts and any potential new licence-based contract wins. This license revenue has increased in the current year from $1.11m to $2.58m, as a result of the increased usage of our technology from our main customer as noted in the CEO report.

Development, performance and position of business

Development, performance and position of business have been discussed in the CEO report, with key items on page 13.

Principal risks and uncertainties

The key business risks affecting the Group are set out below.

Dependence on people

The Group recognises the value of the commitment of its key management personnel and is conscious that it must keep appropriate reward systems, both financial and motivational, in place to minimise this area of risk. Our share option scheme and investment in training are examples of this. Rotation of key management, considered to be the main measure of risk, is very low as there have been no changes in the key executive management team in the last five years, except for a change in the Finance Director in November 2015.

Digital TV and Broadcast markets

The sectors in which the Group operates may undergo rapid and unexpected changes. It is possible, therefore, that competitors will develop products that are similar to those of the Group, or its technology may become obsolete or less effective. The Group's success depends upon its ability to enhance its products and technologies and develop and introduce new products and features that meet changing customer requirements and incorporate technological advances on a timely and cost-effective basis. As a result, the Group continues to invest significantly in research and development.

Information technology

Data security, loss or corruption of data, and business continuity pose inherent risks for the Group leading to a loss of customer confidence in the Group being able to deliver their requirements. To mitigate this risk, the Group invests in, and keeps under review, formal data security and business continuity policies. The Group maintain both local and cloud-based back ups and regularly review plans on how to improve data management.

Intellectual property

There are certain markets in which there could be instances of disputes regarding intellectual property involving technology companies, including the Digital TV market. Although no such disputes have been raised within the Group, we recognise the associated risk as key. While the Group internally generates its products and software and strongly believes that it has not infringed any third-party intellectual property, management do recognise that due to the nature of the technology market there will always be a risk of other corporations potentially making claims regarding intellectual property/patent infringements.

Liquidity Risk

Liquidity risk is managed through the assessment of short, medium and long term cashflow forecasts to ensure the adequacy of funding in order to meet the Group's working capital requirements. Cash and cash flow forecasts are regularly reviewed by the Executive Directors and the Group constantly monitors these to ensure, among other scenarios, that the Group meets its liabilities as they fall due. Where a shortfall in funding is identified the Company will look to meet this shortfall through a variety of funding option including but not limited to the issuing of new equity. This area is considered further in the report of the directors and the accounting policies under 'Going concern'.

Approval

This strategic report was approved on behalf of the Board on 27th September 2018 and signed on its behalf.

José Luis Vázquez
Chief Executive Officer
27 September 2018

DIRECTORS' REPORT

Review of business and future developments

Reviews of the business, its results, future direction and key performance indicators are included in the Chief Executive Officer's Report and Strategic Report on pages 13 to 18.

Dividends

No dividend is declared in respect of the year (2017: $nil).

Reporting currency

In this period, the Board decided to change the reporting currency for this year due to the growing exposure to the US Dollar, as all major contracts and most on the new potential deals for the Company are denominated in this currency.

Financial risk management objectives and policies

The Group's activities expose it to a number of financial risks including capital risk, credit risk, foreign currency exchange risk, interest rate risk and liquidity risk. The management of financial risk is governed by the Group's policies approved by the board of directors, which provide written principles to manage these risks. See note 20 for further details on the Group's financial instruments.

Going concern

These financial statements have been prepared on the going concern basis. The Directors have reviewed the Company and Group's going concern position taking account of its current business activities, budgeted performance and the factors likely to affect its future development, are set out in its Annual report, and include the Group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposure to credit and liquidity risks.

The directors have prepared cash flow forecasts covering a period of at least 12 months from the date of approval of the financial statements. If the forecast is achieved, the Group will be able to operate within its existing facilities. However, the time to close new customers and the value of each customer, which are high volume and low value in nature are factors which constrain the ability to accurately predict revenue performance. Furthermore, investment in winning customers, via market expenditure, and servicing and delivering to new customers remains an important function of the forecasts too. As such, there is a risk that the group's working capital may prove insufficient to cover both operating activities and the repayment of its debt facilities.

In such circumstances, the group would be obliged to seek additional funding though a placement of shares, or source other funding. The directors have had a history of raising financing from similar transactions.

In order to obtain the necessary funding required, as announced in the Circular on September 17, 2018, the Company will be holding a General Meeting on October 4, 2018. In that General Meeting, it will be proposed to increase the ordinary share capital by £6.0 million, of which £3.0 million of the consideration will be received in cash. A further £3.0 million will be satisfied by discharging Mirada Plc from its liability to pay Kaptungs £3.0 million in accordance with the terms of a Facility Letter signed in March 2018, in consideration for the Company treating such discharged amount as payment in full for the subscription of 300,000,000 ordinary shares of 1p each in the capital of the Company at a subscription price of 1p per new ordinary share, each credited as fully paid up.

On September 14, 2018, Kaptungs signed an irrevocable voting undertaking referring the resolutions of the October 4, 2018, General Meeting.

On September 21, 2018, Kaptungs provided the Registrar of the Company with their Proxy voting in favour of both the resolutions for approval at the General Meeting. As per the Circular, Kaptungs has 60.82% of the voting rights of the Company.

On September 27, 2018, the directors received confirmation from Kaptungs that £3.0 million in cash will be transferred to received by Mirada Plc from Kaptungs on 28 September, 2018, for the subscription of 300 million new Ordinary Shares at 1p per share to be issued, as referred to above, on approval of the resolutions at the General Meeting to be held on October 4, 2018. The money received was requested to be paid before the General Meeting on October 4, 2018, by the Nominated Advisor (Allenby Capital) as it relates to the subscription of shares. The issue of ordinary shares and the discharging of the loan facility are conditional, inter alia, on the passing of the resolutions at the General Meeting and Admission becoming effective. Application will be made for the Subscription Shares and the Loan Capitalisation Shares to be admitted to trading on AIM, conditional on the resolutions being passed. It is expected that if the resolutions are passed, Admission will occur at 8.00 a.m. on 5 October 2018.

The directors remark that Kaptungs is a strong supporter of the Company after injecting $10m in cash between November 2017 and September 2018. However, the risk that both resolutions are not passed at the General Meeting on October 4, 2018, represents a material uncertainty, which may cast a doubt about the Company and Group's ability to continue as a going concern. Whilst recognising this uncertainty, on the basis of the Proxy votes received to date, and the strong support from Kaptungs, the directors believe that the resolutions will be passed at the General Meeting on October 4, 2018, and the company and group will be able to continue as a going concern. On this basis, these financial statements have been prepared on a going concern basis.

Directors' and officers' indemnity insurance

The Group has taken out an insurance policy to indemnify the directors and officers of the company and its subsidiaries in respect of certain liabilities which may attach to them in their capacity as directors or officers of the Group, so far as permitted by law. This policy remained in force throughout the year and remains in place at the date of this report.

Research and Development activities

The Group continues its development program of software for the Digital TV market including the research and development of new products and enhancements to existing products. The Directors consider the investment in research and development to be fundamental to the success of the business in the future.

Corporate Governance

The Board has decided to update its current Corporate Governance code and use the QCA Corporate Governance Code from September 28, 2018.

Directors

The directors who held office during the year are given below:

Executive directors

Mr José Luis Vázquez	*Chief Executive Officer*
Mr José Gozalbo	
Mr Gonzalo Babío	

Non-executive directors

Mr Javier Casanueva	*Non- Executive Chairman (passed away on May 12th, 2018)*
Mr Francis Coles	*New Chairman from May 17th, 2018*
Mr Matthew Earl	

Events since the reporting date

On August 29th, 2018 the General Meeting approved the conversion into shares of the £1.7m loan facility announced on Nov 28th, 2017

In the General Meeting to be held on October 4th, 2018, it will be proposed to increase capital by £6.0 million, with £3.0 million in cash and with £3.0 million by discharging Mirada Plc from its liability to pay to Kaptungs £3.0 million in accordance with the terms of a Facility Letter signed in March 2018, in consideration for the Borrower treating such discharged amount as payment in full for the subscription of 300,000,000 ordinary shares of 1p each in the capital of the Borrower at a subscription price of 1p per new ordinary share, each credited as fully paid up of an additional £3.0 million.

Auditors

Each of the persons who are directors at the date of approval of this report confirms that:

1. so far as the directors are aware, there is no relevant audit information of which the auditors are unaware; and

2. the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

BDO LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board:

José Luis Vázquez
Chief Executive Officer
27 September 2018

DIRECTORS' REMUNERATION REPORT

The Remuneration Committee decides the remuneration policy that applies to executive directors and senior management. The Remuneration Committee meets as necessary in order to consider and set the annual remuneration for executive directors and senior managers, having regard to personal performance and industry remuneration rates. In determining that policy, it considers a number of factors including:

- the basic salaries and benefits available to executive directors and senior management of comparable companies;
- the need to attract and retain directors and others of an appropriate calibre; and
- the need to ensure all executives' commitment to the success of the Group.

Non-executive directors are appointed on contracts with a three-month notice period and may be awarded fees as determined by the Board.

Executive directors are appointed on contracts with a 12-month notice period.

Directors' Remuneration

The following table summarises the remuneration receivable by the directors for the year ended 31 March 2018.

	Salary & fees $000	Benefits $000	Share-based payment $000	2018 Total $000	2017 Total $000
Executive					
José-Luis Vázquez	266	3	10	**279**	**302**
Jose Gozalbo	204	8	14	**226**	**230**
Gonzalo Babío	169	6	—	**175**	**175**
Non-executive					
Javier Casanueva	42	—	4	**46**	**46**
Matthew Earl	42	—	—	**42**	**42**
Francis Coles	42	—	3	**45**	**45**
	765	**17**	**31**	**813**	**840**

The directors' participation in the company's share option plan is detailed in Note 23 and, as confirmed on Note 7, there were no contributions paid into a pension scheme for any director.

Javier Casanueva sadly passed away on May 12th, 2018. Francis Coles, a long-standing non-executive Director, took the role of non-executive Chairman on May 17th, 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the Group for that year. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the requirements of 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.

Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIRADA PLC

Opinion

We have audited the financial statements of Mirada Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the consolidated statement of comprehensive income, the consolidated and company statements of changes in equity, the consolidated and company statements of financial position, the consolidated and company cashflow statements and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2018 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2 to the financial statements concerning the parent company and group's ability to continue as a going concern. As discussed in note 2, the group's available working capital may prove insufficient to cover both operating activities and the repayment of its debt facilities and the directors are planning to raise additional funding that is subject to shareholder approval.

In order to obtain the necessary funding required, as announced in the Circular on September 17, 2018, the Company will be holding a General Meeting on October 4, 2018. In that General Meeting, it will be proposed to increase the ordinary share capital by £6.0 million, of which £3.0 million of the consideration will be received in cash. A further £3.0 million will be satisfied by discharging Mirada Plc from its liability to pay Kaptungs £3.0 million in accordance with the terms of a Facility Letter signed in March 2018, in consideration for the Company treating such discharged amount as payment in full for the subscription of 300,000,000 ordinary shares of 1p each in the capital of the Company at a subscription price of 1p per new ordinary share, each credited as fully paid up.

As set out in note 2, a significant shareholder has provided the Registrar of the Company with their Proxy voting in favour of both the resolutions for approval at the General Meeting. In addition, on 27 September, 2018, the directors received confirmation from Kaptungs that £3.0 million in cash will be transferred to received by Mirada Plc from Kaptungs on 28 September, 2018, for the subscription of 300 million new Ordinary Shares at 1p per share to be issued, as referred to above, on approval of the resolutions at the General Meeting to be held on October 4, 2018.

As stated in note 2, these matters indicate the existence of a material uncertainty which may cast significant doubt about the Company and Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company and Group were unable to continue as a going concern. Our opinion is not modified in respect of this matter.

The calculations supporting the going concern assessment require management to make highly subjective judgements. We have therefore spent significant audit effort in assessing the appropriateness of the assumptions involved, and as such this has been identified as a Key Audit Matter.

Our audit procedures included the following:

- Review of the group's cash flow forecast and other projections through to 31 March 2020, including assessing and challenging assumptions used and performing sensitivity analysis.
- Reviewing the terms of the group's proposed re-financing, specifically the 3 million proposed issue of share capital for cash, which as at the time of signing these accounts is subject to final shareholder approval at the General Meeting on October 4th, 2018.
- Reviewing the disclosures in the financial statements.

Key audit matters

In addition to the matter described in the material uncertainty related to going concern section, key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Matter	How we addressed the matter in our audit
Goodwill and Intangible asset impairment assessment Refer to note 12 and note 2. Determining if an impairment charge is required for Goodwill and Intangible assets involves significant judgements about the future results and cash flows of the business, including forecast growth in future revenues and operating profit margins, as well as determining an appropriate discount factor and long term growth rate. We therefore focused on this area and the judgements applied to future forecasts.	We checked and confirmed the allocation of Cash Generating Units to segments was consistent with internal management reporting and the prior year. We considered: • directors key assumptions including revenue growth rates used in the cash flow forecasts by comparing them to historical results and economic and industry forecasts; • the discount rate by assessing the cost of capital for the Group and comparable organisations; and • the long term growth rate by comparing management's rate to forecast long term GDP growth and inflation in the various regions and industry growth reports and then sensitising management's Value in Use model for the difference in this rate.
Capitalised development costs As described in note 2, the group capitalises costs incurred on product development relating to the design and development of new or enhanced products. Recognition of internally developed intangible assets was considered to be a key audit matter, given the involvement of significant judgement, including assessing the technological and commercial feasibility of the projects.	Our procedures included considering whether the development costs capitalised met the criteria for capitalisation under IAS 38. Our audit procedures involved: • Ensuring consistency in the capitalisation criteria from prior years. • Reviewing a sample of project summary reports for ongoing and completed projects during the year for which costs were capitalised to confirm that costs incurred are development in nature and not research costs. • For a sample of capitalised payroll costs, obtained and reviewed employment contracts and timecards to confirm that salary costs capitalised relates to development related activity and therefore appropriately capitalised.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIRADA PLC
continued

Matter	How we addressed the matter in our audit
Revenue recognition The group's revenue recognition policy can be found in note 2 to the financial statements. We consider a significant risk of material misstatement to arise from the incentive to overstate revenue for the current period due to a lack of revenue growth from the prior period; and the loss generated in the current period. Further, since growth in license revenue is management's main key performance indicator ("KPI") this increases the incentive to overstate revenue. Therefore, the key audit matter is the existence of revenue throughout the financial year.	We performed testing including: • Testing a sample of transactions from the revenue listing by obtaining the contracts, invoices raised and agreeing to cash received. • Where cash had not been received, the invoice details were agreed to contract, purchase orders received from customers, or correspondence with project management to ensure risks and rewards have transferred appropriately. • Reviewed a sample of sales invoices raised before and after year end to ensure that accounted for in the correct period and accrued for appropriately. A sample of accrued revenue balances as at year end has also been agreed to post year end invoices issued up to 31 July 2018.

Our application of materiality

We apply the concept of materiality in performing our audit and evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

We agreed with the audit committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of £7,000 (2017: £5,000). We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Group Overall materiality	£132,000 (2017: £95,000)
Group Performance materiality (75% of Overall materiality)	£99,000 (2017: £71,000)
Basis for determining (Group and Parent)	1.5% of group revenue (2017: 1.5% of group revenue)
Rationale for benchmark applied (Group and Parent)	Revenue provides a consistent year on year basis for determining materiality and as a significant driver of profit, revenue growth impacts the achievement of key performance indicators.
Parent company Overall materiality	£99,000 (2017: £71,000)
Parent company Performance Materiality	£74,000 (2017: £53,000)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIRADA PLC
continued

Component materiality

Each significant component of the group was audited to a lower level of materiality which is used to determine the financial statement areas that are included within the scope of our audit and the extent of sample sizes used during the audit.

We determined component materiality as follows:

Range of component materiality	8% to 75% of group materiality

An overview of the scope of our audit

Our group audit was scoped by obtaining an understanding of the group and its environment, including the group's system of internal control, and assessing the risks of material misstatement in the financial statements at the group level.

In determining the scope of our audit we considered the level of work to be performed at each component in order to ensure sufficient assurance was gained to allow us to express an opinion on the financial statements of the Group as a whole. We tailored the extent of the work to be performed at each component, either by us, as the group audit team or component auditors within the BDO International network, based on our assessment of the risk of material misstatement at each component. We identified four centrally controlled components, one of which is based in Madrid, Spain, as significant, and have audited these for group reporting purposes. All of the audit work was undertaken by BDO LLP and BDO Madrid (Component auditor). Detailed instructions were issued and discussed with the component auditor, and these covered the significant risks to be addressed.

The Group audit team was actively involved in directing the audit strategy of the component audit, reviewed in detail the findings and considered the impact of these upon the Group audit opinion.

For one of the components not considered significant, we performed analytical review procedures together with substantive testing on group audit risk areas applicable to that component based on its relative size, risks in the business and our knowledge of the entity appropriate to respond to the risk of material misstatement. Review procedures were performed by the group audit team on the remaining one reporting component not considered significant to the group.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MIRADA PLC
continued

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 22, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Butcher (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom
27 September 2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

At 31 March 2018

	Notes	2018 $000	2017 (Restated) $000
Revenue	5	8,816	8,489
Cost of sales		(874)	(614)
Gross profit		**7,942**	**7,875**
Depreciation	13	(73)	(46)
Amortisation	12	(3,352)	(2,718)
Share-based payment charge	23	(72)	(69)
Staff costs	7	(5,599)	(4,802)
Goodwill impairment	12	—	(3,744)
Other administrative expenses		(3,464)	(3,070)
Total administrative expenses		**(12,560)**	**(14,449)**
Operating loss	6	(4,618)	(6,574)
Finance income	8	84	3
Finance expense	9	(634)	(423)
Loss before taxation		(5,168)	(6,994)
Taxation	10	298	(103)
Loss for year		**(4,870)**	**(7,097)**
Currency translation differences		999	(763)
Total comprehensive loss for the period		**(3,871)**	**(7,860)**

	Notes	Year ended 31 March 2018 $000	Year ended 31 March 2017 (Restated) $000
Loss per share			
Loss per share for the year			
– basic & diluted	11	(0.035)	(0.051)

The notes on pages 35 to 63 form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2018

	Notes	2018 $000	2017 (Restated) $000	2016 (Restated) $000
Goodwill	12	6,492	5,643	10,111
Other Intangible assets	12	7,072	5,936	5,580
Property, plant and equipment	13	247	141	135
Deferred Tax Assets		—	—	568
Other Receivables	15	308	635	274
Non-current assets		**14,119**	**12,355**	**16,668**
Trade & other receivables	15	4,484	3,214	5,418
Cash and cash equivalents	25	1,937	277	1,025
Current assets		**6,421**	**3,491**	**6,443**
Total assets		**20,540**	**15,846**	**23,111**
Loans and borrowings	17	(4,246)	(2,655)	(3,471)
Related parties loans and interests	17	(6,917)	—	—
Trade and other payables	16	(2,320)	(1,384)	(1,867)
Deferred income	16	(1,360)	(1,844)	(326)
Current liabilities		**(14,843)**	**(5,883)**	**(5,664)**
Net current liabilities		**(8,422)**	**(2,392)**	**779**
Total assets less current liabilities		**5,697**	**9,963**	**17,447**
Interest bearing loans and borrowings	18	(2,477)	(2,875)	(2,542)
Other non-current liabilities		—	—	(26)
Non-current liabilities		**(2,477)**	**(2,875)**	**(2,568)**
Total liabilities		**(17,320)**	**(8,758)**	**(8,232)**
Net assets		**3,220**	**7,088**	**14,879**
Issued share capital and reserves attributable to equity holders of the company				
Share capital	21	2,261	2,261	2,261
Share premium		15,760	15,760	15,760
Other reserves		15,985	14,997	15,753
Accumulated loss		(30,786)	(25,930)	(18,895)
Equity		**3,220**	**7,088**	**14,879**

These financial statements were approved and authorised for issue on September 27th 2018

Signed on behalf of the Board of Directors

José Luis Vázquez
Chief Executive Officer

The notes on pages 35 to 63 form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION

At 31 March 2018

	Notes	2018 $000	2017 (Restated) $000	2016 (Restated) $000
Intangible assets	12	—	—	2
Investments	14	11,814	4,994	16,432
Non-current assets		**11,814**	**4,994**	**16,434**
Trade and other receivables	15	617	208	385
Cash and cash equivalents		101	9	66
Current assets		**718**	**217**	**451**
Total assets		**12,532**	**5,211**	**16,885**
Loans and borrowings	17	(277)	(392)	(401)
Related parties loans	17	(6,917)	—	—
Trade and other payables	16	(6,346)	(4,494)	(760)
Current liabilities		**(13,540)**	**(4,886)**	**(1,161)**
Net current liabilities		**(12,822)**	**(4,669)**	**(710)**
Total assets less current liabilities		**(1,008)**	**325**	**15,724**
Total liabilities		**(13,540)**	**(4,886)**	**(1,161)**
Net assets		**(1,008)**	**325**	**15,724**
Issued share capital and reserves attributable to equity holders of the company				
Share capital	21	2,261	2,261	2,261
Share premium		15,760	15,760	15,760
Other reserves		(1,609)	(1,684)	492
Accumulated losses		(17,420)	(16,012)	(2,789)
Equity		**(1,008)**	**325**	**15,724**

As permitted by section 408 of the Companies Act 2006, the Parent company's statement of Comprehensive Income has not been included in these financial statements. The loss for the financial year for the parent company was $1,411,689 (2017 – loss of $13,291,900).

These financial statements were approved and authorised for issue on 27th September 2018

Signed on behalf of the Board of Directors

José Luis Vázquez
Chief Executive Officer

The notes on pages 35 to 63 form part of these financial statements

Company number 3609752

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2018

	Share capital $000	Share premium $000	Foreign exchange reserve $000	Merger reserves $000	Accumulated losses $000	Total $000
Balance at 1 April 2017 (Restated)	**2,261**	**15,760**	**10,134**	**4,863**	**(25,930)**	**7,088**
Loss for the year	—	—	—	—	(4,870)	(4,870)
Other comprehensive income						
Movement in foreign exchange	—	—	988	—	11	999
Total comprehensive loss for the year	**2,261**	**15,760**	**11,122**	**4,863**	**(30,789)**	**3,217**
Transactions with owners						
Share-based payment	—	—	—	—	3	3
Balance at 31 Mar 2018	**2,261**	**15,760**	**11,122**	**4,863**	**(30,786)**	**3,220**

	Share capital $000	Share premium $000	Foreign exchange reserve $000	Merger reserves $000	Accumulated losses $000	Total $000
Balance at 1 April 2016 (Restated)	**2,261**	**15,760**	**10,890**	**4,863**	**(18,895)**	**14,879**
Loss for the year	—	—	—	—	(7,097)	(7,097)
Other comprehensive income						
Movement in foreign exchange	—	—	(756)	—	(7)	(763)
Total comprehensive loss for the year	**2,261**	**15,760**	**10,134**	**4,863**	**(25,999)**	**7,019**
Transactions with owners						
Share-based payment	—	—	—	—	69	69
Balance at 31 March 2017 (Restated)	**2,261**	**15,760**	**10,134**	**4,863**	**(25,930)**	**7,088**

The notes on pages 35 to 63 form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2018

	Share capital $000	Share premium $000	Foreign exchange reserves $000	Accumulated losses $000	Total $000
Balance at 1 April 2017 (Restated)	**2,261**	**15,760**	**(1,684)**	**(16,012)**	**325**
Loss for the year	—	—	—	(1,411)	(1,411)
Other comprehensive income					
Movement in foreign exchange reserve	—	—	75	—	75
Total comprehensive loss for the year	**2,261**	**15,760**	**(1,609)**	**(17,423)**	**(1,011)**
Transactions with owners					
Share-based payment	—	—	—	3	3
Balance at 31 March 2018	**2,261**	**15,760**	**(1,609)**	**(17,420)**	**(1,008)**

	Share capital $000	Share premium $000	Foreign exchange reserves $000	Accumulated losses $000	Total $000
Balance at 1 April 2016 (Restated)	**2,261**	**15,760**	**492**	**(2,789)**	**15,724**
Loss for the year	—	—	—	(13,292)	(13,292)
Other comprehensive income					
Movement in foreign exchange reserve	—	—	(2,176)	—	(2,176)
Total comprehensive loss for the year	**2,261**	**15,760**	**(1,684)**	**(16,081)**	**256**
Transactions with owners					
Share-based payment	—	—	—	69	69
Balance at 31 March 2017 (Restated)	**2,261**	**15,760**	**(1,684)**	**(16,012)**	**325**

The notes on pages 35 to 63 form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2018

	Notes	2018 $000	2017 (Restated) $000
Cash flows from operating activities			
Loss after tax		(4,870)	(7,097)
Adjustments for:			
Depreciation of property, plant and equipment	13	73	46
Amortisation of intangible assets	12	3,352	2,718
Goodwill impairment charge	12	—	3,744
Share-based payment charge		72	69
Finance income		(84)	(3)
Finance expense		634	423
Taxation		(298)	103
Operating cash flows before movements in working capital		**(1,121)**	**3**
(Increase)/Decrease in trade and other receivables		(1,608)	2,251
Increase in trade and other payables		453	1,008
Taxation received		540	33
Net cash generated from operating activities		**(1,736)**	**3,294**
Cash flows from investing activities			
Interest and similar income received		84	3
Purchases of property, plant and equipment	13	(161)	(59)
Purchases of other intangible assets	12	(3,780)	(3,438)
Net cash used in investing activities		**(3,857)**	**(3,494)**
Cash flows from financing activities			
Interest and similar expenses paid		(634)	(423)
Loans received		3,020	2,691
Related parties loans received		6,588	—
Repayment of loans		(1,827)	(2,821)
Net cash from financing activities		**7,147**	**(553)**
Net increase in cash and cash equivalents		**1,554**	**(753)**
Cash and cash equivalents at the beginning of the period	25	277	1,025
Exchange losses on cash and cash equivalents		106	5
Cash and cash equivalents at the end of the year	25	**1,937**	**277**

Cash and cash equivalents comprise cash at bank less bank overdraft.

The notes on pages 35 to 63 form part of these financial statements

COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 March 2018

	2018 $000	2017 (Restated) $000
Cash flows from operating activities		
Loss after tax	(1,412)	(13,292)
Adjustments for:		
Amortisation of intangible assets	—	2
Share-based payment charge	72	69
Investment impairment charge	—	12,337
Finance income	(24)	(18)
Finance expense	484	34
Operating cash flows before movements in working capital	**(880)**	**(868)**
Decrease in trade and other receivables	(409)	177
Increase in trade and other payables	(2,770)	3,734
Net cash (used in)/generated from operating activities	**(4,059)**	**3,043**
Cash flows from investing activities		
Interests and similar expenses received	24	18
Investment in Mirada Iberia	(1,541)	(3,222)
Net cash used in investing activities	**(1,517)**	**(3,204)**
Cash flows from financing activities		
Interests and similar expenses paid	(484)	(34)
Related parties loans received	6,588	—
Repayment of loans	(115)	(9)
Net cash from financing activities	**5,989**	**(43)**
Net (decrease)/increase in cash and cash equivalents	**413**	**(204)**
Cash and cash equivalents at the beginning of the year	9	66
Exchange losses on cash and cash equivalents	(322)	147
Cash and cash equivalents at the end of the year	**100**	**9**

The notes on pages 35 to 63 form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018

1. General information

Mirada plc is a company incorporated in the United Kingdom. The address of the registered office is 68 Lombard Street, London, EC3V 9LJ. The nature of the Group's operations and its principal activities are the provision and support of products and services in the Digital TV and Broadcast markets.

2. Significant accounting policies

Basis of accounting

These Group financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations issued by the International Accounting Standards Board as adopted by European Union ("IFRSs") and with those parts of the Companies Act 2006 applicable to companies preparing their accounts under IFRSs.

Reporting currency

In this period, the Board decided to change the reporting currency due to the growing exposure to the US Dollar, as all major contracts and most on the new potential deals for the Company are denominated in this currency. The board therefore believes that USD financial reporting provides more relevant presentation of the group's financial position, funding and treasury functions, financial performance and its cash flows. Coupled with the evolution of the business, the group's shareholder base is now largely comprised of foreign investors to whom financial reporting in GBP is of limited relevance. Internally, the board also bases its performance evaluation and many investment decisions on USD financial information.

It should be noted that the functional currencies of the group's underlying businesses – functional currencies referring to the currencies of the primary economic environments in which underlying businesses operate – remain unchanged and that foreign exchange exposures will therefore be unaffected by the change, albeit that the effects of such exposures will be presented in USD.

To assist investors in understanding the change in accounting policy, restated statements of financial position have been presented, providing restated USD financial information for the financial years ended 31 March 2017 and 2016. The six-month interim periods ended 30 September 2017 and 2016 were also presented in USD and are available online, as announced on December 20th, 2017.

A change in reporting currency represents a change in an accounting policy in terms of IAS *8 Accounting Policies, Changes in Accounting Estimates and Errors* requiring the restatement of comparative information. In accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, the following methodology was followed in restating historical financial information from GBP into USD:

- Non-USD assets and liabilities were translated at the relevant closing exchange rate at the end of the reporting period. Non-USD items of income and expenditure and cash flows were translated at average exchange rates for the reporting period disclosed;

- Share capital, premium and other reserves, as appropriate, were translated at the historic rates prevailing at the dates of underlying transactions; and

- The effects of translating the group's financial results and financial position into USD were recognised in the foreign currency translation reserve.

The Group has provided the average exchange rates of its major functional currencies relative to US dollar as an approximation for these rates for reference in the following table. The closing exchange rates of the group's major trading currencies relative to US dollar, used when translating the statements of financial position presented in this release into US dollar, are also detailed in this table.

	31 March 2016		31 March 2017		31 March 2018	
	Average rate	Closing rate	Average rate	Closing rate	Average rate	Closing rate
Sterling	—	1.4368	1.3071	1.2487	1.3268	1.4017
Euro	—	1.1357	1.0976	1.0683	1.1705	1.2360
Mexican peso	—	—	0.0521	0.0534	0.0541	0.0551

The cumulative foreign currency translation reserve was nil at the date of transition to IFRS. All subsequent movements comprising differences on the retranslation of the opening net assets of non-sterling subsidiaries have been taken to the foreign currency translation reserve. Share capital, share premium and other reserves were translated at the historic rates prevailing at the dates of transactions.

2. Significant accounting policies – continued

	As per Statement of Financial Position	GBP	Currency Translation effect	USD
31 March 2016	Total Assets	16,069	7,042	23,111
	Total Liabilities	(5,779)	(2,453)	(8,232)
	Share Capital	(1,391)	(870)	(2,261)
	Share Premiuj	(9,859)	(5,901)	(15,760)
	Other reserves	(3,033)	(12,720)	(15,753)
	Accumulated losses	3,993	14,902	18,895
31 March 2017	Total Assets	12,117	3,729	15,846
	Total Liabilities	(7,018)	(1,740)	(8,758)
	Share Capital	(1,391)	(870)	(2,261)
	Share Premium	(9,859)	(5,901)	(15,760)
	Other reserves	(3,303)	(11,694)	(14,997)
	Accumulated losses	9,454	16,476	25,930

The 2018 consolidation has been prepared in USD and not GBP as the decision to change reporting currencies was taken during the year. The currency translation effect has therefore not been disclosed. Share capital, share premium and other reserves were translated at the historic rates prevailing at the dates of transactions giving rise to those equity items. The transfer between reserves that arose on the capital reduction completed in on 12 January 2011 has been recognised at the average rate that was used to translate the shares cancelled.

Going concern

These financial statements have been prepared on the going concern basis. The Directors have reviewed the Company and Group's going concern position taking account of its current business activities, budgeted performance and the factors likely to affect its future development, which are set out in this Annual report, and include the Group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposure to credit and liquidity risks.

As at 31 March 2018, the Group had cash and cash equivalents of $1.94m (2017: $0.28m), net cash used in operating activities of $1.74m (2017: net cash generated of $3.29m), realised a loss for the year of $4.87m, (2017: a loss of $7.09m which included a one-off goodwill impairment of $3.74m), net current liabilities of $8.42m (2017: net current liabilities of $2.39m) and had net assets of $3.22m (2017: $7.09m).

The directors have prepared cash flow forecasts covering a period of at least 12 months from the date of approval of the financial statements. If the forecast is achieved, the Group will be able to operate within its existing facilities. However, the time to close new customers and the value of each customer, which are deemed high volume and low value in nature are factors which constrain the ability to accurately predict revenue performance. Furthermore, investment in winning customers, via marketing expenditure, and servicing and delivering to new customers remains an important function of the forecasts too. As such, there is a risk that the group's working capital may prove insufficient to cover both operating activities and the repayment of its debt facilities. In such circumstances, the group would be obliged to seek additional funding though a placement of shares or source other funding. The directors have had a history of raising financing from similar transactions.

On August 29th, 2018 the General Meeting approved the conversiton into shares of the £1.7m loan facility announced on November 28th, 2017.

In order to obtain the necessary funding required, as announced in the Circular on September 17, 2018, the Company will be holding a General Meeting on October 4, 2018. In that General Meeting, it will be proposed to increase the ordinary share capital by £6.0 million, of which £3.0 million of the consideration will be received in cash. A further £3.0 million will be satisfied by discharging Mirada Plc from its liability to pay Kaptungs £3.0 million in accordance with the terms of a Facility Letter signed in March 2018, in consideration for the Company treating such discharged amount as payment in full for the subscription of 300,000,000 ordinary shares of 1p each in the capital of the Company at a subscription price of 1p per new ordinary share, each credited as fully paid up.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

On September 14, 2018, Kaptungs signed an irrevocable voting undertaking referring the resolutions of the October 4, 2018, General Meeting.

On September 21, 2018, Kaptungs provided the Registrar of the Company with their Proxy voting in favour of both the resolutions for approval at the General Meeting. As per the Circular, Kaptungs has 60.82% of the voting rights of the Company.

On September 27, 2018, the directors received confirmation from Kaptungs that £3.0 million in cash will be transferred to Mirada Plc from Kaptungs on 28 September, 2018, for the subscription of 300 million new Ordinary Shares at 1p per share to be issued, as referred to above, on approval of the resolutions at the General Meeting to be held on October 4, 2018. The money received was requested to be paid before the General Meeting on October 4, 2018, as it relates to the subscription of shares. The issue of ordinary shares and the discharging of the loan facility are conditional, inter alia, on the passing of the resolutions at the General Meeting and Admission becoming effective. Application will be made for the Subscription Shares and the Loan Capitalisation Shares to be admitted to trading on AIM, conditional on the resolutions being passed. It is expected that if the resolutions are passed, Admission will occur at 8.00 a.m. on 5 October 2018.

The directors remark that Kaptungs is a strong supporter of the Company after injecting $10m in cash between November 2017 and September 2018. However, the risk that both resolutions are not passed at the General Meeting on October 4, 2018, represents a material uncertainty, which may cast a doubt about the Company and Group's ability to continue as a going concern. Whilst recognising this uncertainty, on the basis of the Proxy votes received to date, and the strong support from Kaptungs, the directors believe that the resolutions will be passed at the General Meeting on October 4, 2018, and the company and group will be able to continue as a going concern. On this basis, these financial statements have been prepared on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March 2018.

Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Revenue recognition

Interactive service revenues are divided into 4 types: development fees, the sale of licences, managed services and self-billing revenues.

Revenues from development fees (which include set-up fees): these are recognised according to management's estimation of the stage of completion of the project. This is measured by reference to the amount of development time spent on a project compared to the most up to date calculation of the total time estimated to complete the project in full.

Sale of license: Revenue from licenses are earned from two specific and separate streams.

1) Where the revenue relates to the sale of a one-off licence, the licence element of the sale is recognised as income when the following conditions have been satisfied:

    - The software has been provided to the customer in a form that enables the customer to utilise it;
    - The ongoing obligations of the Group to the customer are minimal; and
    - The amount payable by the customer is determinable and there is a reasonable expectation of payment.

2) Contracts licence fees payable by customers are dependent upon the number of end user subscribers signing up to the customer's digital television service. For this type of contract revenues are recognised by multiplying the individual licence fee by the net increase in the customer's subscriber base.

2. Significant accounting policies – continued

Revenues from Software as a Service (SaaS) – The Group licenses software under licence agreements. Under this model, lower integration set up fees than in other agreements are offset by recurrent monthly licence fee revenues. License fee revenues are recognised on practical acceptance of the software, when all obligations have been substantially completed. This is when the customer has accepted the product ie. the risks and rewards of ownership have been transferred, it is probable that the economic benefits of the transaction will flow to the Group, all costs and revenue in relation to the transaction can reliably be measured. Additionally, after deployment, the Group provides support and maintenance services to the customer.

Managed services – revenue is measured on a straight line basis over the length of the contract. Where agreements involve multiple elements, the entire fee from such arrangements is allocated to each of the individual elements based on each element's fair value. The revenue in respect of each element is recognised in accordance with the above policies.

Self-billing revenues: These are earned through a revenue-share agreement between Mirada and the customer which is presented in the Mobile segment. The Group are informed by the customer of the amount of revenue to invoice and the revenues are recognised in the period these services are provided.

Certain revenues earned by the Group are invoiced in advance. As outlined in the revenue recognition policy above, revenues are recognised in the period in which the Group provides the services to the customer, revenues relating to services which have yet to be provided to the customer are deferred.

Business combinations

Acquisitions of businesses are accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued or to be issued, by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost and is accounted for according to the policy below.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the acquired business at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Other intangible assets

Intangible assets acquired as part of a business combination are initially recognised at their fair value and subsequently amortised on a straight line basis over their useful economic lives. Intangible assets that meet the recognition criteria of IAS 38, "Intangible Assets" are capitalised and carried at cost less amortisation and any impairment losses. Intangible assets comprise of completed technology, acquired software, capitalised development costs and goodwill.

Amortisation of other intangible assets is calculated over the following periods on a straight-line basis:

Completed technology - over a useful life of 4 years

Deferred development costs - over a useful life of 3 to 4 years

The amortisation is charged to administrative expenses in the consolidated income statement. Completed technology relates to software and other technology related intangible assets acquired by the Group from a third party. Deferrred development costs are internally-generated intangible assets arising from work completed by the Group's product development team.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

Internally-generated intangible assets – research and development expenditure

Any internally-generated intangible asset arising from the Group's development projects are recognised only if all of the following conditions are met:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The intention to complete the intangible asset and use or sell it.
- The ability to use or sell the intangible asset.
- How the intangible asset will generate probable future economic benefits. Among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

If a development project has been abandoned, then any unamortised balance is immediately written off to the income statement. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred. The amortisation is charged to administrative expenses in the consolidated statement of comprehensive income.

Impairment of non current assets excluding deferred tax assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the impairment of intangible assets line in the consolidated statement of comprehensive income as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior periods. A reversal of an impairment loss is recognised as income immediately.

Goodwill impairments are not reversed.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is provided on all property, plant and equipment, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on current prices, of each asset evenly over its expected useful life, as follows:

– Office & computer equipment 33.3% per annum

– Short-leasehold improvements 10% per annum

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. The asset's residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial period end.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position at fair value when the Group becomes a party to the contractual provisions of the instrument.

2. Significant accounting policies – continued

Trade receivables

Trade receivables represent amounts due from customers in the normal course of business. All amounts are initially stated at their fair value and are subsequently carried at amortised cost, less provision for impairment which is calculated on an individual customer basis, where there is objective evidence.

Cash and cash equivalents

Cash and cash equivalents include cash at hand and deposits held at call with banks with original maturities of three months or less.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Group's ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

Incremental external costs directly attributable to the issue of new shares (other than in connection with a business combination) are recorded in equity as a deduction, net of tax, to the share premium reserve.

Bank Borrowings

Interest-bearing bank loans are initially recorded at fair value less direct issue costs. Finance charges are accounted for on an accruals basis in the income statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Employee share incentive plans

The Group issues equity-settled share-based payments to certain employees (including directors). These payments are measured at fair value at the date of grant by use of the Black-Scholes pricing model. This fair value cost of equity-settled awards is recognised on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of any non market-based vesting conditions. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. A corresponding credit is recorded in equity in the retained earnings.

Leases

Leases taken by the Group are assessed individually as to whether they are finance leases or operating leases. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease rental payments are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term. The benefit of lease incentives is spread over the term of the lease.

Taxation

The tax expense represents the sum of the current tax and deferred tax charges.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Research and development tax credit

Companies within the group may be entitled to claim special tax allowances in relation to qualifying research and development expenditure (e.g. R&D tax credits). The group accounts for such allowances as tax credits, which means that they are recognised when it is probable that the benefit will flow to the group and that benefit can be reliably measured. R&D tax credits reduce current tax expense and, to the extent the amounts due in respect of them are not settled by the balance sheet date, reduce current tax payable. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets. They are recognised to the extent that it is expected to be recoverable against future taxable profits.

Retirement benefit costs

The Group operates defined contribution pension schemes. The amount charged to the statement of comprehensive income in respect of pension costs and other post-retirement benefits is the contributions payable in the period.

Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

Foreign exchange

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the result and the financial position of each group company are expressed in US Dollars, which the presentational currency for the consolidated financial statements.

On translation of balances into the functional currency of the entity in which they are held, exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used.

Exchange differences arising on translating the opening statement of financial position and the current year income statements are classified as equity and transferred to the Group's foreign exchange reserve. Such translation differences are recognised as income or an expenses in the period in which the operations is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. The Group has elected to treat goodwill and fair value adjustments arising on acquisitions before the date of transition to IFRS as sterling denominated assets and liabilities.

3. Standards not yet effective to the Group

Standards, interpretations and amendments not yet effective

The following standards have been issued by the IASB and have been adopted by the EU:

IFRS 9 – Financial instruments (Applicable from 1 April 2018)

IFRS 15 – Revenue from contracts with customers (Applicable from 1 April 2018)

IFRS 16 – Leases (Applicable from 1 April 2019)

IFRS 16 – Leases

This standard requires almost all leases to be recorded in the statement of financial position. This requires recognition of a right-of-use asset and lease liability. The lease liability is measured as the present value of the future lease payments, discounted at the interest rate implicit in the lease if determinable, or otherwise at the lessee's incremental borrowing rate. The asset is measured as equivalent to the lease liability, adjusted for other costs including initial direct costs or obligations under the lease such as restoration costs. The asset is subsequently depreciated on a straight line basis to the expected maturity date of the lease. The liability is increased by interest and reduced by the lease payments made. The impact of this standard is currently being assessed. See note 24 for detail on operating lease payment commitments.

IFRS 15 – Revenue from customer contracts

This standard comes into effect for accounting periods beginning on or after 1 January 2018. The standard applies a single, five-step model based on the principle of transfer of promised goods and services (performance obligations) to the customer. Revenue is recognised upon satisfaction of these performance obligations. Mirada Plc are in the early stages of carrying out a detailed assessment of the types of contracts the Group has with its customers and is therefore not in a position to yet concluded whether the new standard will have a material impact on reported revenue due to the change in the timing of revenue recognition. The Group notes this assessment to be concluded before announcing the 6 month interim financial results for the period ended 30 September 2018 in December 2018. The Group expects to use the retrospective approach when adopting the standard.

IFRS 9 – Financial instruments

This standard comes into effect for accounting periods beginning on or after 1 January 2018. Given the nature of the financial assets and liabilities of the Group and the parent Company, the key areas for consideration are trade receivables and intercompany receivables with the introduction of 'expected credit loss' calculations. The Group are in the early stages of carrying out an assessment and are yet to conclude on whether the new standard will have a material impact on the financial results. The Group notes this assessment to be concluded before announcing the 6 month interim financial results for the period ended 30 September 2018 in December 2018.

The adoption of other amendments and interpretations are likely to not have a material impact on the financial statements of the Group and Company.

4. Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying the Group's accounting policies

In the application of the Group's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Key sources of estimation uncertainty and judgements

The following are the critical judgements that the directors have made in the process of applying the Group's accounting policies that has the most significant effect on the amounts recognised in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

Presenting financial information in USD

In this period, the Board decided to change the reporting currency due to the growing exposure to the US Dollar, as all major contracts and most on the new potential deals for the Company are denominated in this currency. The board therefore believes that USD financial reporting provides more relevant presentation of the group's financial position, funding and treasury functions, financial performance and its cash flows. Coupled with the evolution of the business, the group's shareholder base is now largely comprised of foreign investors to whom financial reporting in GBP is of limited relevance. Internally, the board also bases its performance evaluation and many investment decisions on USD financial information.

Impairment of goodwill and intangibles

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating units and the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the cash-generating unit. This includes the directors' best estimate on the likelihood of current deals in negotiation not yet concluded. Consequently, the outcome of negotiations may vary materially from management expectation.

See note 12 for details of key assumptions and an assessment of reasonable changes in key assumptions used in the impairment test.

Capitalised development costs

Any internally generated intangible asset arising from the Group's development projects are recognised only once all the conditions set out in the accounting policy Internally Generated Intangible Assets (refer to note 2) are met. The amortisation period of capitalised development costs is determined by reference to the expected flow of revenues from the product based on historical experience. Furthermore, the Group reviews, at the end of each financial year, the capitalised development costs for each product for indications of any loss of value compared to net book value at that time. This review is based on expected future contribution less the total expected costs.

The Group capitalises spend on development new software and the delivery of innovative software. Management exercises judgement in establishing both the technical feasibility of completing an intangible asset which can be sold, and the degree of certainty that a market exists for the asset, or its output, based on feedback from existing and potential customers, for the generation of future economic benefits. In addition, amortisation rates are based on estimates of the useful economic lives and residual values of the assets involved.

5. Segmental reporting

Reportable segments

The chief operating decision maker for the Group is ultimately the board of directors. For financial and operational management, the board considers the Group to be organised into two operating divisions based upon the varying products and services provided by the Group – Digital TV & Broadcast and Mobile. The products and services provided by each of these divisions are described in the Strategic Report. The segment headed other relates to corporate overheads, assets and liabilities.

Segmental results for the year ended 31 March 2018 are as follows:

	Digital TV & Broadcast $000	Mobile $000	Other $000	Group $000
Revenue	7,938	878	—	8,816
Segmental profit/(loss) (Adjusted EBITDA, see note 6)	(102)	209	(1,228)	(1,121)
Finance income	—	—	84	84
Finance expense	—	—	(634)	(634)
Depreciation	(63)	(10)	—	(73)
Amortisation	(3,352)	—	—	(3,352)
Share-based payment charge	—	—	(72)	(72)
Profit/(Loss) before taxation	**(3,517)**	**199**	**(1,850)**	**(5,168)**

$1.228 million (2017: $1.16 million) disclosed as "Other" comprises employment, legal, accounting and other central administrative costs incurred at a Mirada Plc level.

The segmental results for the year ended 31 March 2017 are as follows:

	Digital TV & Broadcast $000	Mobile $000	Other $000	Group $000
Revenue	7,755	734	—	8,489
Segmental profit/(loss) (Adjusted EBITDA, see note 6)	957	162	(1,160)	(41)
Finance income	—	—	3	3
Finance expense	—	—	(423)	(423)
Depreciation	(44)	(2)	—	(46)
Amortisation	(2,715)	(3)	—	(2,718)
Goodwill impairment charge	(3,744)	—	—	(3,744)
Share-based payment charge	—	—	(69)	(69)
Irrecoverable sales tax expense	44	—	—	44
Profit/(Loss) before taxation	**(5,502)**	**157**	**(1,649)**	**(6,994)**

There is no material inter-segment revenue.

The Group has a major customer in the Digital TV and Broadcast segment that generates revenues amounting to 10% or more of total revenue that account for $5.2 million of $8.8m total revenue. This is approximately 61% of all revenue (2017: $6.0 million, out of $8.5m) of the total Group revenues.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

5. Segmental reporting – continued

The segment assets and liabilities at 31 March 2018 are as follows:

	Digital TV $000	Mobile $000	Other $000	Group $000
Additions to non-current assets	3,941	—	—	3,941
Total assets	13,612	194	6,734	20,540
Total liabilities	(9,590)	(74)	(7,656)	(17,320)

Capital expenditure comprises additions to property, plant and equipment and intangible assets.

The segment assets and liabilities at 31 March 2017 are as follows:

	Digital TV $000	Mobile $000	Other $000	Group $000
Additions to non-current assets	3,496	—	—	3,496
Total assets	9,933	218	5,695	15,846
Total liabilities	(8,032)	(85)	(641)	(8,758)

Segment assets and liabilities are reconciled to the Group's assets and liabilities as follows:

	Assets 2018 $000	Liabilities 2018 $000	Assets 2017 $000	Liabilities 2017 $000
Digital TV – Broadcast & Mobile	13,807	9,664	10,151	8,118
Other:				
Goodwill	6,492	—	5,643	—
Other financial assets & liabilities	241	7,656	52	640
Total other	**6,733**	**7,656**	**5,695**	**640**
Total Group assets and liabilities	**20,540**	**17,320**	**15,846**	**8,758**

Assets allocated to a segment consist primarily of operating assets such as property, plant and equipment, intangible assets, goodwill and receivables.

Liabilities allocated to a segment comprise primarily trade payables and other operating liabilities.

Geographical disclosures

	External revenue by location of customer		Total assets by location of assets	
	2018 $000	2017 $000	2018 $000	2017 $000
Mexico	5,466	6,630	6	17
Europe	2,010	1,859	20,534	15,829
Other Americas	1,267	—	—	—
Asia	73	—	—	—
	8,816	**8,489**	**20,540**	**15,846**

5. Segmental reporting – continued

Revenues by Products:

	Digital TV & Broadcast 2018 $000	Mobile 2018 $000	Digital TV & Broadcast 2017 $000	Mobile 2017 $000
Development	4,363	—	5,541	—
Transactions	—	878	—	734
Licenses	2,581	—	1,114	—
Managed Services	994	—	1,100	—
	7,938	**878**	**7,755**	**734**

6. Operating loss

This has been arrived at after charging:

	2018 $000	2017 $000
Depreciation of owned assets (note 13)	73	46
Amortisation of intangible assets (note 12)	3,352	2,718
Goodwill impairment charge (note 12)	—	3,744
Operating lease charges	473	411

Analysis of auditors' remuneration is as follows:

	2018 $000	2017 $000
Fees payable to the company's auditor for the audit of the company's annual accounts	87	74
Audit of the account of subsidiaries	34	17

Reconciliation of operating profit for continuing operations to adjusted earnings before interest, taxation, depreciation and amortisation:

	2018 $000	2017 $000
Operating loss	(4,618)	(6,574)
Depreciation	73	46
Amortisation	3,352	2,718
Goodwill impairment charge (note 12)	—	3,744
Operating profit/loss before interest, taxation, depreciation, amortisation, impairment (EBITDA)	(1,193)	(66)
Share-based payment charge	72	69
Irrecoverable sales tax income	—	(44)
Adjusted EBITDA	**(1,121)**	**(41)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

7. Staff costs and employee information

	Group 2018 $000	Group 2017 $000	Company 2018 $000	Company 2017 $000
Staff costs (including directors) comprise:				
Wages and salaries	7,394	6,673	244	240
Social security costs	1,670	1,367	13	13
Other pension costs	24	22	1	—
Share based payments	72	69	72	69
Staff costs	**9,160**	**8,131**	**330**	**322**

Contained within staff costs are amounts capitalised as intangible assets totalling $3.6m (2017: $3.3m), with $5.6m (2017: $4.8m) charged to administrative expenses.

The Group operates a defined contribution pension scheme for certain employees. No directors are members of this scheme in both the current year and the previous year.

The average number of persons, including executive directors, employed by the Group during the year was:

	2018	2017
By activity		
Office and management	11	10
Platform and development	132	118
Sales and marketing	6	6
	149	**134**

The average number of persons, including executive directors, employed by the Company during the year was 7 (2017: 7) within the office and management team.

Directors and key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the directors of the company listed on page 21, the Director of Business Development and the Sales Director.

	2018 $000	2017 $000
Salaries and fees	1,171	1,149
Social Security costs	69	50
Other benefits	28	26
Share-based payments	56	56
	1,324	**1,281**

7. Staff costs and employee information – continued

Director's remuneration

The emoluments received by the directors who served during the year were as follows:

	2018 $000	2017 $000
Executive directors		
Aggregate emoluments	680	707
Non-Executive directors		
Aggregate emoluments	133	133
	813	**840**

The directors' remuneration is disclosed in the Directors' Remuneration Report on page 21.

Emoluments payable to the highest paid director are as follows:

	2018 $000	2017 $000
Aggregate emoluments	279	302

There were no Company contributions to the pension scheme or benefits on behalf of the highest paid director.

8. Finance income

	2018 $000	2017 $000
Interest received on bank deposits	84	3
	84	**3**

9. Finance expense

Finance charges include all fees directly incurred to facilitate borrowing. These include professional fees paid to accounting practices, bank arrangement fees and fees to secure required guarantees.

	2018 $000	2017 $000
Bank interest payable	243	423
Related parties interests	391	—
	634	**423**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

10. Taxation

The tax assessed on the loss on ordinary activities for the period differs from the standard rate of tax of 19% (2017-20%). The differences are reconciled below:

	2018 $000	2017 $000
Loss before taxation	**(5,168)**	**(6,994)**
Loss on ordinary activities multiplied by 19% (2017: 20%)	(982)	(1,399)
Losses carried forward	982	1,399
Witholding Taxes	125	135
Total current tax	**125**	**135**
Decrease of deferred tax assets	**39**	**495**
Subtotal	164	630
R&D	(497)	(491)
Foreign exchange	35	(36)
Total tax (credit)/expense	**(298)**	**103**

Deferred Taxation

Deferred tax assets related to tax losses were reduced by $495,000 during FY17 in Mirada Iberia S.A. Foreign exchange differences of $44,000 arising on consolidation of the deferred tax asset were recognised in other comprehensive income.

Deferred tax assets related to tax losses were reduced by $30,000 during FY18 in Mirada Connect. Foreign exchange differences of $8,000 arising on consolidation of the deferred tax asset were recognised in other comprehensive income.

Reconciliation of deferred tax asset and liabilities:

	2018 Asset $000	2017 Asset $000
Balance at 1 April	30	569
Reversal of Deferred tax asset	(39)	(495)
Foreign exchange	9	(44)
Balance at the end of year	**—**	**30**

Deferred taxation amounts not recognised are as follows:

	Group 2018 $000	Group 2017 $000	Company 2018 $000	Company 2017 $000
Losses	16,272	15,290	23,870	22,459
Research & Development Tax Credits, useable against future profits	3,082	2,739	—	—
Balance at the end of the year	**19,354**	**18,029**	**23,870**	**22,459**

The gross value of tax losses carried forward at 31 March 2018 equals $78.0 million (2017: $70.0 million).

The deferred tax asset for the company has not been recognised on the grounds that there is insufficient evidence at the balance sheet date that it will be recoverable. The asset would start to become potentially recoverable if, and to the extent that, the company were to generate taxable income in the future.

11. Earnings per share

	Year ended 31 March 2018 Total	Year ended 31 March 2017 Total
Loss for year	$(4,870,019)	$(7,096,551)
Weighted average number of shares	139,057,695	139,057,695
Basic loss per share	**$(0.035)**	**$(0.051)**
Diluted loss per share	**$(0.035)**	**$(0.051)**

The Company has 4,697,166 (2017: 4,697,166) potentially dilutive ordinary shares arising from share options issued to staff. However, in 2018 and 2017 the loss attributable to ordinary shareholders and weighted average number of ordinary shares for the purpose of calculating the diluted earnings per ordinary share are identical to those used for basic earnings per ordinary share. This is because the exercise of share options would have the effect of reducing the loss per ordinary share and is therefore anti-dilutive.

12. Intangible assets

	Deferred development costs $000	Completed Technology $000	Total Intangible assets $000	Goodwill $000
Cost				
At 1 April 2016	15,698	1,633	17,331	41,978
Additions	3,258	180	3,438	—
Foreign exchange	(1,333)	(185)	(1,518)	(4,905)
At 31 March 2017	17,623	1,628	19,251	37,073
At 1 April 2017	17,623	1,628	19,251	37,073
Additions	3,732	48	3,780	—
Foreign exchange	2,818	221	3,039	4,904
At 31 March 2018	24,173	1,897	26,070	41,977
Accumulated amortisation and impairment				
At 1 April 2016	10,306	1,445	11,751	31,867
Provided during the year	2,625	92	2,717	—
Impairment charge	—	—	—	3,744
Foreign exchange	(982)	(171)	(1,153)	(4,181)
At 31 March 2017	11,949	1,366	13,315	31,430
At 1 April 2017	11,949	1,366	13,315	31,430
Provided during the year	3,234	118	3,352	—
Foreign exchange	2,143	188	2,331	4,055
At 31 March 2018	17,326	1,672	18,998	35,485
Net book value				
At 31 March 2018	**6,847**	**225**	**7,072**	**6,492**
At 31 March 2017	**5,674**	**262**	**5,936**	**5,643**
At 31 March 2016	**5,392**	**188**	**5,580**	**10,111**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

12. Intangible assets – continued

Company	Deferred development costs $000
Cost	
At 1 April 2017	173
Foreign exchange	22
At 31 March 2018	195
Depreciation	
At 1 April 2017	173
Foreign exchange	22
At 31 March 2018	195
Net book value	
At 31 March 2018	—
At 31 March 2017	—

The key assumptions for the value in use calculations are those regarding the discount rate applied, and the forecast sales growth in a five years budget period approved by management. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The cash flow forecast has been prepared with revenue being forecast per customer based on historical performance of the business.

There are 2 CGUs that have been assessed for impairment are Digital TV – Broadcast, and Connect. The sales growth forecasts are based on current contracts and management's estimate of revenues relating to opportunities that are currently being pursued for the two different CGUs. CGUs defined are: "Digital TV – Broadcast" which refers to the provision of software for the Digital TV market. Major customers are Digital TV platforms, mostly Pay TV service providers and the Group provide the technology needed to facilitate the final user's interaction with the devices they provide; and "Connect" (Mobile segment) refers to Mirada Connect providing cashless payment solutions to car park operators through a revenue-share agreement This rate does not exceed the average long-term growth rate for the relevant markets. The rate used to discount the forecast post-tax cash flows for both CGUs is 10.0% (2017: 10%). A 2% increase/decrease to the discount rate does not result in an impairment. In the previous financial period, a 1% increase/decrease to the discount rate resulted in a $500k increase and $600k decrease to the impairment processed. A 10% decrease in the five year cash flow and terminal value forecast for both CGUs does not result in an impairment. In the previous financial period, a 1% increase/decrease to the average sales growth over the forecast period resulted in a $100k decrease and a $700k increase to the impairment processed. A perpetual rate of 2% (2017: 2.5%) has been used in the impairment assessment.

During the previous financial period, the Group did not achieve their budget mainly due to a different revenue mix and the increased spending on sales, marketing and operational capabilities required for the achievement and successful execution of new contract wins. This resulted in an impairment to goodwill of $3.7 million. During the current financial period, no impairment has been recognised predominantely due to new contracts won. The split of goodwill by CGU is as follows:

	Group 2018 $000	Group 2017 $000
Digital TV – Broadcast	5,521	4,951
Connect	971	692
	6,492	**5,643**

13. Property, plant and equipment

	Office and computer equipment $000	Short-leasehold improvements $000	Total $000
Cost			
At 1 April 2016	1,035	69	1,104
Additions	50	9	59
Foreign exchange	(109)	(11)	(120)
At 31 March 2017	976	67	1,043
At 1 April 2017	976	67	1,043
Additions	91	70	161
Foreign exchange	138	9	147
At 31 March 2018	1,205	146	1,351
Amortisation			
At 1 April 2016	900	69	969
Provided during the year	46	—	46
Foreign exchange	(102)	(11)	(113)
At 31 March 2017	844	58	902
At 1 April 2017	844	58	902
Provided during the year	62	11	73
Foreign exchange	121	8	129
At 31 March 2018	1,027	77	1,104
Net book value			
At 31 March 2018	**178**	**69**	**247**
At 31 March 2017	**132**	**9**	**141**
At 31 March 2016	**135**	**—**	**135**

The Company has no Property, plant and equipment.

14. Investments

	$000
Cost	
At 1 April 2017	12,843
Additions	6,163
Foreign exchange	1,642
At 31 March 2018	20,648
Amounts provided	
At 1 April 2017	7,849
Foreign exchange	985
At 31 March 2018	8,834
Net book value	
At 31 March 2018	**11,814**
At 31 March 2017	**4,994**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

14. Investments – continued

The Company increased its investment in Mirada Iberia, SA by $6.2 million on March 12th, 2018 ($3.22 million for the financial year ended 31 March 2017).

Despite a market capitalisation of £1.45m on the AIM London Stock Exchange, management have assessed the recoverable amount of investments in Digital Impact and Mirada Iberia to be higher than their carrying amounts based on a 5 year discounted cash flow forecast including a terminal value. Key assumptions include a post tax WACC of 10% (2017: 10%); perpetual rate of 2% (2017: 2.5%) and sales growth based on historic win rate. BDO have sensitised the assumptions by increasing WACC by 2%, decreasing the perpetual rate by 1% and reducing the five year cash flow and terminal value forecast by 10% noting no impairment in any of the sensitivities.

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of company	Holding	% Voting rights	Country of incorporation	Registered address	Nature of business
Digital Interactive Television Group Limited	Ordinary shares	100%	UK	68 Lombard Street London EC3V 9LJ	Dormant
Digital Impact (UK) Limited*	Ordinary shares	100%	UK	68 Lombard Street London EC3V 9LJ	Interactive TV Services
Mirada Connect Ltd	Ordinary shares	100%	UK	68 Lombard Street London EC3V 9LJ	Payment solutions provider
Mirada Iberia, S.A.	Ordinary shares	100%	Spain	Avda.General Fanjul 2B 28044 Madrid	Interactive TV services
Mirada Mexico, S.A.*	Ordinary shares	100%	Mexico	Montes Urales 505-2º 11000 México DF	Interactive TV services

* Held indirectly in Mirada Iberia S.A.

15. Trade & other receivables

	Group 2018 $000	Group 2017 $000	Company 2018 $000	Company 2017 $000
Trade receivables	1,384	999	95	—
Amounts owed by group undertakings	—	—	476	166
Allowance for bad debts	—	—	—	—
Other receivables	1,388	1,266	7	5
R&D tax credit	489	272	—	—
Prepayments and accrued income	1,223	677	39	37
	4,484	**3,214**	**617**	**208**
Non current other receivables R&D tax credit	308	635	—	—
	308	**635**	**—**	**—**

15. Trade & other receivables – continued

Trade receivables

Trade receivables net of allowances are held in the following currencies:

	2018 $000	2017 $000
Sterling	239	90
US Dollars	1,016	481
Euro	129	428
Total	**1,384**	**999**

The fair values of trade and other receivables are the same as book values as credit risk has been addressed as part of impairment provisioning and, due to the short term nature of the amounts receivable, they are not subject to other ongoing fluctuations in market rates.

Before accepting any new customer, the Group uses a credit approval process to assess the potential customer's credit quality and defines credit limits by customer.

Included in the Group's trade receivable balance are debtors with a carrying amount of $16,000 (2017: $423,000) which are past due at the reporting date and have been collected before 31 July 2018. The average age of these receivables is 120 days (2017: 107 days).

Ageing of past due but not impaired trade receivables:

	2018 $000	2017 $000
30-60 days	—	45
60-90 days	—	95
90+ days	16	283
Total	**16**	**423**

Movement in allowance for doubtful debts:

	2018 $000	2017 $000
Balance at beginning of year	—	33
Utilised in year	—	(33)
Balance at the end of the year	**—**	**—**

In determining the recoverability of a trade receivable the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable set out above. Trade receivables have been collected post year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

16. Trade and other payables

The fair values of trade and other payables are the same as book values as due to the short term nature of the amounts payable, they are not subject to other ongoing fluctuations in market rates.

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 56 days (2016: 76 days).

	Group 2018 $000	Group 2017 $000	Company 2018 $000	Company 2017 $000
Trade payables	327	585	118	84
Amount owed to group undertakings	—	—	5,903	4,246
Other payables	976	401	71	61
Other taxation and social security taxes	488	268	54	39
Accruals	529	130	117	—
Deferred income	1,360	1,844	83	64
	3,680	**3,228**	**6,346**	**4,494**

Maturity analysis of the group and company financial liabilities, excluding other taxation and social security and deferred income, is as follows:

	Group 2018 $000	Group 2017 $000	Company 2018 $000	Company 2017 $000
Up to 3 months	1,271	531	1,137	2,317
3 to 6 months	84	106	772	652
6 to 12 months	477	479	4,300	1,422
	1,832	**1,116**	**6,209**	**4,391**

17. Loans and borrowings

	Group 2018 $000	Group 2017 $000	Company 2018 $000	Company 2017 $000
Advances Drawn on invoice discounting facilities	985	—	—	—
Bank loans	3,083	2,576	277	392
Other Loans	178	79	—	—
Related parties loans	6,917	—	6,917	—
	11,163	**2,655**	**7,194**	**392**
The borrowings are repayable as follows:				
Up to 3 months	10,473	1,999	—	—
3 to 6 months	198	253	—	—
6 to 12 months	492	403	7,194	392
On demand or within one year	**11,163**	**2,655**	**7,194**	**392**

17. Loans and borrowings – continued

At 31 March 2018, the Group has $0.37 million in available credit lines not used and $1.34 million in available invoice discounting lines not used.

The above bank loans are denominated in Euros and are unsecured.

Interest-bearing bank loans are initially recorded at fair value less direct issue costs.

Directors estimate the fair value of the Group's borrowing to be consistent with its carrying value. There is no material difference between the value of the gross undiscounted cash flows and carrying amounts in the statement of financial position.

18. Non-current liabilities

	2018 $000	2017 $000
Interest bearing loans and borrowings:		
Bank loans	863	1,322
Other loans	1,614	1,553
	2,477	**2,875**

Other loans relate to loans received by the Group's Spanish operation to assist in funding the continued development of the Group's Digital TV products.

Capital risks have been analysed in the Director's report (page 19).

Net Debt

Net Debt is calculated based on short term loans, long terms loans and cash and cash equivalents:

	2018 $000	2017 $000
Loans and borrowings – Current	11,163	2,655
Loans and borrowings – Non Current	2,477	2,875
Cash	(1,937)	(277)
Net Debt	**11,703**	**5,253**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

18. Non-current liabilities – continued

Borrowings, including interest, are repayable as follows:

	2018 $000	2017 $000
Bank loans		
On demand or within one year	1,871	1,368
Between one and two years	618	668
Between two and five years	293	708
	2,782	**2,744**
Other loans		
On demand or within one year	2,004	1,424
Between one and two years	268	233
Between two and five years	1,181	1,024
More than 5 years	175	153
	3,628	**2,834**
Related parties loans		
On demand or within one year	6,917	—
	6,917	**—**
Advances drawn on invoice discounting		
On demand or within one year	985	—
	985	**—**
Total borrowings		
On demand or within one year	11,777	2,792
Between one and two years	886	901
Between two and five years	1,474	1,732
More than 5 years	175	153
	14,312	**5,578**

19. Retirement benefit schemes

The Group operates defined contribution pension schemes. The pension charge for the period represents contributions payable by the Group to the schemes and amounted to $29,230 (2017: $21,684).

At 31 March 2017, contributions amounting to $5,432 (2017: $5,149) were payable and included in other payables.

20. Financial instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 17 and 18, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the Consolidated Statement of Changes in Equity and note 21.

Externally imposed capital requirement

The Group is not subject to externally imposed capital requirements.

20. Financial instruments – continued

Categories of financial instruments

	2018 $000	2017 $000
Financial assets		
Asset held at cost:		
– Trade and other receivables, excluding prepayments	4,250	2,983
– Cash and cash equivalents	1,937	277
	6,187	**3,260**
Financial liabilities		
Liabilities at amortised cost:		
– Trade and other payables*	1,832	1,116
– Loans and borrowings due within one year	11,163	2,655
– Interest bearing loans and borrowings due after one year	2,477	2,875
	15,472	**6,646**

* Excluding other taxation, social security and deferred income.

Financial risk management objectives

The Group monitors and manages the risks relating to the financial instruments held. These risks are discussed in further detail below.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group does not use forward foreign exchange contracts to hedge exchange rate risk.

Foreign currency risk management

The Group has undertaken certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The majority of cash at bank is held in Sterling and Euro accounts. There are also trade balances in these currencies. The Group is increasing signing more sales contracts in US dollars and is currently investigating ways of reducing the risk on any potential future fluctuations in the US dollar exchange rate. Any foreign exchange gains or losses on trading activities are recognised in the consolidated income statement.

The company is aware that the UK decision to leave the European Union may affect the intercompany trading between the different subsidiaries. We will adapt our internal policies accordingly if required. In the short term, exchange rates are likely to increase the GBP denominated revenues, as the primary cash inflows for the Group are based in US dollars. Brexit has not been considered to be as a principal risk due to the non-EU focussed customer base.

The carrying amounts of the Group's material foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	2018 $000	2017 $000	2018 $000	2017 $000
US Dollar denominated assets and liabilities	—	—	1,017	481
Euro denominated assets and liabilities	9,512	7,961	5,747	3,040

Entities from United Kingdom have no balance Euro/USD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

20. Financial instruments – continued

Foreign currency sensitivity analysis

In fiscal year 2017, the Company used the Sterling pound as presentational currency and disclosed the foreign exchange sensitivity of the Euro and USD with the Sterling.

In fiscal year 2018, the Company has used USD Dollar as presentational currency. The following table details the Group's sensitivity to a 20% increase and decrease in USD against the Euro and to a 20% increase and decrease in USD against Sterling. The sensitivity analysis includes Euro and Sterling denominated monetary items and adjusts their translation at the period end for a 20% change in the Euro/USD rate and for a 20% change in the Sterling/USD rate at March 31, 2018. A positive number below indicates an increase in profit and other equity where US Dollar strengthens against the relevant currency. For a weakening of US Dollar against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative. The sensitivities below are based on the exchange rates at the balance sheet used to convert the asset or liability to US Dollar.

Contained within Sterling are the related party loans (one of £1.7 million in November 2017 which was converted post year end (August 29th, 2018) into equity, and a £3.0 million facility), totalling $3.3m. Without taking into account these two loans, the total would be $1.5m.

	Profit and loss impact	
	2018 $000	2017 $000
Euro	(941)	(1,230)
Sterling	(1,530)	(1,621)

Interest rate risk management

At 31 March 2018, the Group was exposed to interest rate risk as the interest payable on some of the Group's loans and borrowings are linked to Euribor. The Group's loans and borrowings where interest payable is linked to Euribor include bank loans and development loans totalling $456,473. The remaining bank loans totalling $1,282,460 pay fixed rates of interest.

Neither interest rate swaps contracts nor forward interest rate contracts are used to hedge any risks arising.

If interest rates changed by 1% (100 basis points) the profit and loss impact would not be material to the Group's results.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group faces exposure to credit risk on its trade receivables and cash equivalents. The Group has some exposure to credit risk from credit sales. It is the Group's policy to assess the credit risk of new customers before entering into contracts. Historically, as Mirada's customers are mainly broadcasters and medium/large telecommunication companies, bad debts across the Group have been low.

The risk of financial loss arising from defaults on trade receivables is mitigated by the Group using a credit approval process to assess the potential customers' credit quality and also establishes credit limits by customer. The limits and credit scores attributed to customers is reviewed bi-annually however, the sales ledger is reviewed at least monthly to ensure all receivables are recoverable.

Please refer to note 15 for further details on trade receivables, including analyses of bad debts, ageing and profile by currency.

20. Financial instruments – continued

The Group believes the credit risk on liquid funds, being cash and cash equivalents, to be limited because the counterparties are banks with high-credit ratings assigned by international credit-rating agencies. However, the concentration of credit risk by counterparty does exceed 10% of the overall cash and cash equivalents balance (being £22,178 at 31 March 2017 and £470,000 at 31 March 2016) in some cases. The table below shows the balance of counterparties at the reporting date in excess of 10% of the overall balance, together with the Standard and Poor's credit rating symbols.

		2018		2017	
Counterparty	Rating	% of overall cash & cash equivalents	Carrying amount $000	% of overall cash & cash equivalents	Carrying amount $000
Santander	A	—	—	7.0%	19
CaixaBank	BBB+	91.9%	1,780	—	—
BBVA	A-	1.1%	21	—	—
Barclays	A	6.7%	130	27.6%	77
Bankia	BBB	—	—	6.2%	17
Bankinter	BBB+	0.1%	2	47.0%	130

Liquidity risk management

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. As part of this monitoring the Group ensures that the financial liabilities due to be paid can be met by existing cash and cash equivalents, forecasted receipts from customers and borrowing facilities.

Tables showing the maturity profile of the Group's financial liabilities are included in notes 16, 17 and 18.

21. Share capital

A breakdown of the authorised and issued share capital in place as at 31 March 2018 is as follows:

	2018 Number	2018 $000	2017 Number	2017 $000
Allotted, called up and fully paid				
Ordinary shares of £0.01 each	139,057,695	2,261	139,057,695	2,261

22. Reserves

Share premium

The amount subscribed for share capital in excess of nominal value.

Other Reserves – Foreign exchange reserve

This reserve relates to exchange differences arising on the translation of the balance sheet of the Group's foreign operations at the closing rate and the translation of the income statement of those operations at the average rate.

Other Reserves- Merger reserve

Under the provisions of s612 of the Companies Act 2006, the premium that arose on the shares issued as consideration in the acquisition of Mirada Iberia S.A, formally known as Fresh Interactive Technologies S.A, has been taken to the merger reserve.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

23. Share based payments

Equity settled share option scheme

On 20 December 2013 the Company granted a total of 5,301,238 share options to certain employees and directors through approved and unapproved share option schemes. The exercise price for these options is £0.10. The exercise of these options is not subject to any performance criterion and they vest in three equal instalments on 1 January 2015, 1 February 2015 and 1 March 2016. If the options remain unexercised after a period of ten years from the date of grant the options expire. The options are forfeited if the employee leaves before the options vest.

The directors granted options under this scheme are as follows:

	No. of share options
Jose Gozalbo Sidro	938,728
Jose Luis Vazquez	631,464
Javier Casanueva	247,850
Francis Coles	185,888
Rafael Martin Sanz	185,888

Javier Casanueva passed away on May 12th, 2018

In prior periods the Company has granted share options to employees and directors through approved and unapproved share option schemes. The exercise of options for all options granted during the 12 months ended 31 March 2008 is subject to a performance criterion being satisfied. The exercise of options granted prior to 1 January 2007 is not subject to any performance criterion. If the options remain unexercised after a period of ten years from the date of grant the options expire. The options are forfeited if the employee leaves before the options vest.

In accordance with IFRS 2 the Group has elected not to apply IFRS 2 to options granted on or before 7 November 2002 or to options which had vested by 1 January 2006.

Details of the share options outstanding during the period for options issued since 22 June 2007 are as follows:

	2018		2017	
	No. of share options	Weighted average exercise price (£)	No. of share options	Weighted average exercise price (£)
Outstanding at the beginning of period	**4,697,166**	**0.10**	**4,697,166**	**0.10**
Granted during period	—	—	—	—
Lapsed during period	—	0.10	—	0.10
Exercised during period	—	—	—	—
Outstanding at the end of the period	**4,697,166**	**0.10**	**4,697,166**	**0.10**
Exercisable at the end of the period	**4,697,166**	**0.10**	**4,697,166**	**0.10**

23. Share based payments – continued

The options outstanding at 31 March 2018 and at 31 March 2017 had a range of exercise prices from £0.10 to £1.85.

The options outstanding at 31 March 2018 had a weighted average remaining contractual life of 3.4 years (2017: 4.4 years).

For the year ended 31 March 2018, the Group has recognised a total expense of $72,000 (2017: $69,000) related to equity-settled share-based payment transactions.

The estimated fair values for determining this charge were calculated using the Black-Scholes option pricing model. This produces a fair value for each grant of options made and the fair value is then charged over the vesting period, which is three years.

24. Operating lease arrangements

At the reporting date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2018 $000	Group 2017 $000	Company 2018 $000	Company 2017 $000
Within one year	498	325	29	31
In second to fifth years inclusive	596	367	—	18
After 5 years	1,360	—	—	—
	1,094	**692**	**29**	**49**

Operating lease payments represent rentals payable by the Group for its office properties. Leases of buildings are subject to rent reviews at specified intervals and provide for the leasee to pay all insurance, maintenance and repair costs.

25. Notes supporting cash flow statement

Cash and cash equivalents comprise:

	2018 $000	2017 $000
Cash available on demand	1,937	277
Net cash increase/(decrease) in cash and cash equivalents	1,660	(748)
Cash and cash equivalents at beginning of year	**277**	**1,025**
Cash and cash equivalents at end of year	**1,937**	**277**

Cash and cash equivalents

Cash and cash equivalents are held in the following currencies:

	2018 $000	2017 $000
Sterling	130	77
Mexican Peso	2	10
Euro	1,805	190
Total	**1,937**	**277**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2018 – continued

25. Notes supporting cash flow statement – continued

Reconciliation of liabilities from financing activities:

Group	2017 $000	Cash flows	Non-cash changes Foreign exchange movement	2018 $000
Loans received	5,530	1,193	—	6,723
Related parties loans	—	6,588	—	6,588
Related parties loans interests	—	—	329	329
Total liabilities from financing activities	**5,530**	**7,781**	**329**	**13,640**

Company	2017 $000	Cash flows	Non-cash changes Foreign exchange movement	2018 $000
Loans received	392	(115)	—	277
Related parties loans	—	6,588	—	6,588
Related parties loans interests	—	—	329	329
Total liabilities from financing activities	**392**	**6,473**	**329**	**7,194**

26. Related party transactions

As part of the £1.5m placing on 24th November 2016, key management personal participated in the placing and acquired £70,000 of shares on the same terms as other participants.

On 28 November 2017, the Company announced it entered into agreements for the provision to the Company of unsecured one-year loan facilities of up to an aggregate amount of $2.4 million. The Facility has certain conditional subscription rights in respect of new ordinary shares of 1p each in the capital of the Company. The Facility is being provided by Kaptungs Limited, Kronck Business S.A. and Minles Corporation Inc.

On 7 March 2018, the Company announced it entered into a secured one-year loan facility for up to $4.2 million. The Facility is being provided by Kaptungs Limited.

Kaptungs is an investment company which is beneficially owned by Mr Ernesto Luis Tinajero Flores and, at March 31st 2018, has a total beneficial interest in 37,593,449 Ordinary Shares in Mirada, which represents 27.03 per cent of the voting rights in the Company.

Company

Details of balances and transactions with group companies:

	2018		2017	
	Balance $000	Transactions $000	Balance $000	Transactions $000
Mirada Iberia	(5,178)	256	(4,247)	284
Digital Impact	(327)	24	(100)	18
Mirada Connect	77	—	265	—

27. Events after the reporting date

Refer to note 2 of the financial statements for detail on events after the reporting date.

OFFICERS AND PROFESSIONAL ADVISERS

Directors

Mr Javier Casanueva	*Non-Executive Chairman (passed away on May 12th, 2018)*
Mr José-Luis Vázquez	*Chief Executive Officer*
Mr Francis Coles	*Non-Executive Director (new Chairman from May 17th, 2018)*
Mr Matthew Earl	*Non-Executive Director*
Mr Jose Gozalbo Sidro	*Executive Director*
Mr Gonzalo Babío	*Executive Director*

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