accesso Technology Group plc
Annual Report & Accounts 2022

Redefining the guest experience

At *accesso*, we believe technology has the power to redefine the guest experience.

We provide solutions that empower our clients to create connected guest experiences to drive their businesses forward.

In 2022 we delivered a record year for revenue, continuing our robust growth trend as well as very strong cash EBITDA, beating our expectations.

accesso today is a strategically well-aligned, focused, and efficient business which is resilient in the face of challenge and capable of meeting the complex and evolving needs of the leading venue operators in the world.

During the year, with clear demand for our expanded offering, we achieved long-term renewals for two key enterprise customers, continued to secure a range of new customers and further expanded our penetration within our client base with ongoing cross-sell success. We move forward into 2023 with a clear focus on continued operational excellence and further organic growth whilst also evaluating opportunities for further expansion through strategic opportunities

With a strong operating performance track record and a robust balance sheet, we have never been better positioned as we move into 2023 and beyond."

Steve Brown, Chief Executive Officer

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Strategic Report

2022 Financial highlights

Revenue

$139.730m

2022	$139.730m	
2021	$124.794m	
vs 2021	12.0%	

Revenue – constant currency[4]

$145.196m

2022	$145.196m
2021	$124.794m
vs 2021	16.3%

Cash EBITDA[1]

$25.805m

2022	$25.805m
2021	$28.138m
vs 2021	(8.3)%

Statutory profit before tax

$12.417m

2022	$12.417m
2021	$12.110m
vs 2021	2.5%

Net cash[2]

$64.663m

2022	$64.663m
2021	$64.050m
vs 2021	1.0%

Adjusted basic EPS (cents)[3]

35.93

2022	35.93
2021	61.10
vs 2021	(41.2)%

Basic earnings per share (cents)

24.41

2022	24.41
2021	53.39
vs 2021	(54.3)%

1 Cash EBITDA: operating profit before the deduction of amortisation, depreciation, acquisition costs, and costs related to share-based payments less capitalised development costs paid in cash as per the consolidated cash flow statement (as detailed on page 57).

2 Net cash is calculated as cash and cash equivalents less borrowings.

3 Adjusted basic earnings per share is calculated after adjusting operating profit for impairment of intangible assets, amortisation on acquired intangibles, acquisition costs and share-based payments, net of tax at the effective rate for the period on the taxable adjusted items (as detailed on page 78).

4 Revenue metrics for the period ended 31 December 2022 have been prepared on a constant currency basis with the period ended 31 December 2021 to assist with assessing the underlying performance of the revenue streams. Average monthly rates for FY 2021 were used to translate the monthly FY 2022 results into a constant currency using the range of currencies as set out below:
a. GBP sterling – $1.33 – $1.41
b. Euro – $1.13 – $1.22
c. Canadian dollars – $0.78 – $0.82
d. Australian dollars – $0.72 – $0.78
e. Mexican pesos – $0.05 – $0.05
f. Brazilian real – $0.18 – $0.20

2022 Strategic Highlights

- **Return to full-demand environment supporting growth:** Revenue of $139.7m reflects strength in new business volume and continued growth in product utilisation. 29 new venues signed in 2022, with our focus on combined product offerings driving 25 new combination wins in the year, where customers take more than one of our products. Live entertainment tickets sales in US and Canada were up 170% year-on-year. As expected, this sector was the last to return to pre-pandemic demand.
- **Operational excellence drives strong profitability:** Cash EBITDA result of $25.8m demonstrates the successful focus on efficient resource utilisation and the flexibility established within our business to readily adapt to changes in customer needs or market conditions. This result was ahead of our initial expectations and was after the expected increase in the cost base, as the Company hired to capture the opportunities ahead of it and to fill vacancies remaining from 2021. The strength of our team underpins our success, with 2022 seeing our highest ever employee engagement score and low churn of 15%.
- **Key operator renewals underpin future growth plan:** Long-term enterprise customer renewals with Cedar Fair through 2028 and Village Roadshow Theme Parks through 2027, strengthens our forward visibility and long term repeatable revenue stream. Key flagship renewals demonstrate the quality and continued innovation in our must-have technology proposition, providing a firm foundation for future growth aspirations.
- **Increased geographic and customer diversity:** Growing breadth and scale increases resilience and routes for growth. A record 117.8 million *accesso Passport*® and *accesso ShoWare*SM eCommerce tickets sold with 30.9% growth in the EMEA and 75.0% growth in the Asia Pacific market. Revenue outside North America grew by 67.2% compared to 2021 and accounted for 31.2% of Group revenue (18.7% in 2021), returning to the pre-COVID geographic revenue mix.

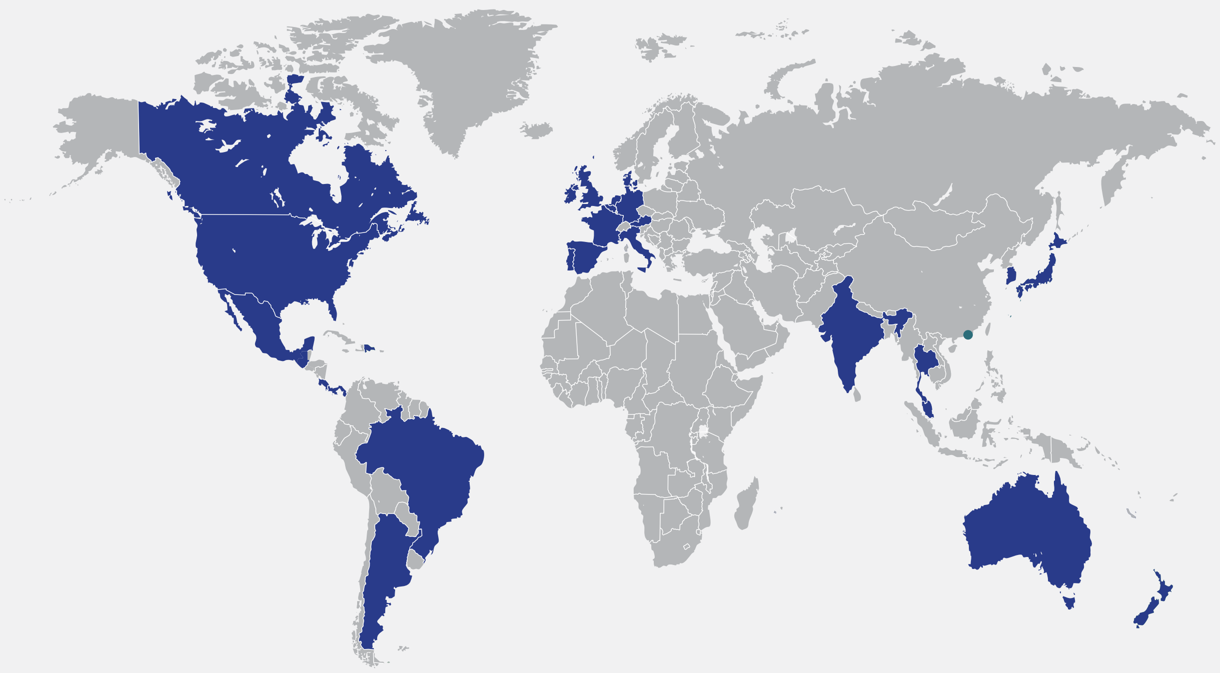
2023 Outlook & Guidance

- **Clear demand remains for our mission-critical technology to enhance guest experience:** The Group is mindful of ongoing economic uncertainty and continues to monitor key indicators. However, as things stand, early 2023 trading remains encouraging with January and February in line with expectations. The geographic diversity and nature of the Group's client base is a strength, as regional and local activities generally serve as substitutes for more expensive destination travel.
- **Strong cash position:** The Group continues to trade with no debt drawn and ends the period with net cash of $64.7m. As evidenced by the acquisition of high-quality Food & Beverage technology capability on 1 July 2022 for a consideration of £750k, the Group continues to consider value accretive acquisitions that align with our strategy.
- **Full year expectations for 2023:** We look forward to another profitable and cash generative year in line with current expectations.

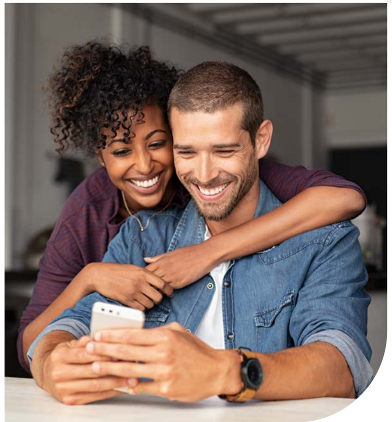
At a glance

At accesso, we believe technology has the power to redefine the guest experience.

Our patented and award-winning solutions drive increased revenue for attraction operators while improving the guest experience. Currently serving over 1,000 clients in 29 countries around the globe, accesso's solutions help our clients streamline operations, generate increased revenues, improve guest satisfaction and harness the power of data to facilitate business and marketing decisions.



accesso stands as the leading technology provider of choice for tomorrow's attractions, venues and institutions. To stay ahead, we invest heavily in research and development because our industries demand it, our clients benefit from it and it makes a positive impact on the guest experience. Our innovative technology solutions allow venues to increase the volume and range of on-site spending and to drive increased transaction-based revenue through cutting edge ticketing, point-of-sale, virtual queuing, distribution and experience management software.



Our global team (average headcount during 2022)	2022
UK & EU	**114**
APAC	**10**
South America	**27**
North America	**814**

Many of our team members come from backgrounds working within the attractions and cultural industry. In this way, we are experienced operators who run a technology company serving attractions operators, versus a technology company that happens to serve the market.

Our staff understand the day-to-day operations of managing complex venues and the challenges this creates, and together we strive to provide our clients and their guests with technology that empowers them to do more and enjoy more.

From our agile development team to our dedicated client service specialists, every team member knows that their passion, integrity, commitment, teamwork and innovation are what drive our success.

accesso is a public company, listed on AIM: a market operated by the London Stock Exchange. For more information visit www.accesso.com. Follow accesso on Twitter, LinkedIn and Facebook.

Chief Executive's statement

> I am thrilled with accesso's performance in 2022."

With visitor demand back to pre-pandemic levels, during 2022 *accesso* delivered another strong year with record revenue and very strong cash EBITDA reflecting continued progress along our growth path. We have navigated our business through the unique challenge of the pandemic and improved the resilience and capability of our operational platform. To have exited this extremely difficult time stronger than ever is a testament to the commitment, talent, and creativity of our team. I would like to thank them for their efforts and their continued dedication to driving *accesso* forward each, and every, year.

Our 2022 results are the product of the efforts we've made to realign our business and refocus on profitable growth. We've done this through driving efficiency across our business, boosting our already-leading product set, and doubling down on the areas of greatest growth potential. Of course, one of these is the business we win with totally new customers. But we are also capitalising on the significant growth potential we have within our existing base.

We're driving this activity forward in two main ways. First, we are driving increased product utilisation across our customer base, ensuring operators get the most from the technology they use. Second, we're driving hard on cross-sell opportunities from other solutions in our product set.

This might mean a ski venue deploying *accesso Passport* for eCommerce alongside *accesso Siriusware*SM for its point-of-sale capability, or it might mean customers using our mobile-first *accesso LoQueue*® product to improve guest experience and monetise a premium service. In any of these use cases, *accesso* technology is a mission critical component of our customers' ability to run their operations efficiently, productively, with the agility they need to adapt to change. We remain unmatched in delivering the range and quality of solutions across our portfolio.

The breadth of customers and venues we serve also continues to expand. Historically *accesso* has been seen as a company primarily serving theme parks in North America.

Today *accesso* is active and growing in live entertainment, museums, theatres, zoos and aquariums, and with our most recent technology addition we aim to expand by reaching into the broader hospitality marketplace with our newly acquired food and retail offering. Of course, North America remains an important market, but our customers are spread broadly across Europe, South America, and Asia Pacific. Revenue outside North America grew by 67.2% compared to 2021 and accounted for 31.2% of Group revenue (20.9% in 2021), returning to the pre-COVID geographic revenue mix.

Through the year, we have again proved our ability to be nimble and add value through change. Our near-term revenue, particularly in our queuing business, could have been significantly affected by a change in strategy from a major customer during the first half of the year. I am proud that we were able to absorb the impact of this situation during the second half by managing the circumstances with robust yield management while still delivering strong revenue growth across the wider customer base and product set.

Our agility in responding to the dynamic environment in which we operate continues to demonstrate our strength in the face of adversity and further demonstrates the increasing breadth, diversity, and resilience of our business as well as the underlying strength across the remainder of our business. This same agility, inherent in our operation, also allows us to respond to new opportunities as they present themselves by adjusting our resources and priorities accordingly.

Chief Executive's statement continued

In 2023, *accesso* will continue to innovate and help customers broaden their horizons as they consider how technology can transform their businesses for the better. Our pipeline is strong, our team is motivated, and we are off to a solid start on the year. With the strength of our balance sheet and solid operational model, we are prepared for the next step in our growth trajectory. We look forward to continuing our progress and delivering another strong year of profitable growth in 2023 and the years beyond.

2022 in review

Return to full-demand environment supporting growth

During 2022 we delivered record full year revenue, beating our initial expectations as demand returned to pre-pandemic levels across our key markets. This was despite the impact of reduced revenue from *accesso LoQueue* as a key customer strategically realigns its business. This strong growth was driven by a combination of new business volume and growing product utilisation across our product set.

Through the year we continued our successful new business performance, signing 29 new venues. Of these, 8 were in the live entertainment space. This area continues to present new opportunities as it returns to pre-pandemic events and performances as evidenced by 78.9% growth in *accesso ShoWare* ticket sales across all territories.

In addition, we won 25 combination deals, where customers take more than one *accesso* product, 15 of these deals were cross sales from existing customers, with 21 instances of customers utilising *accesso Passport* alongside *accesso Siriusware*. This takes the total number of customers using a combination of the Group's products to 97, up from 72 at the end of 2021.

Our sales to existing clients were well diversified during the year across attractions, cultural venues, and ski resorts. The ski market continues to represent significant growth potential for the Group, making up half of all combination deals signed with existing customers. The Group's strong performance in 2022, delivered across our wider customer base, highlights the underlying growth and demand for our products as well as the value in the diversity of our client base, geographies served, and the range of solutions offered.

Operational excellence drives improved profitability

Our operational model is continually evolving to further improve the quality of our revenues and drive profitability. We delivered cash EBITDA of $25.8m during the year, well ahead of our initial expectations. Importantly, this performance came against an expected 14.2% increase in our underlying administrative costs as hiring conditions improved and wage inflation continued. We also benefited from our strategic decision to shift to a near fully remote working model, which we believe contributed to our low churn and record employee engagement scores. Moreover, this approach further aligns our business with the geographical diversity of our customer base whilst expanding our opportunity to hire high quality talent. The full year impact of this increased headcount will be observable in our 2023 results and will lay the foundation for growth.

Importantly, our cost growth was in line with our plan and reflects the expectation we set in our March 2022 preliminary results announcement, where we noted that staffing would increase to capture the new opportunity presented by increased demand for our products as well as the inflationary pressure on salaries. We continue to align our team to the current and future potential of our business. Deployment of talent is not a static process, and we continuously review and adjust as demands shift or new opportunities present themselves.

Growing the business profitability remains a key focus for the Group and it was pleasing to see another year of strong profitability, as we continued to deliver revenue growth despite the expected increases in operating costs.

Chief Executive's statement continued

Key operator renewals underpin future growth plan

Our market leading positioning continues to be underpinned by long-term and constructive relationships with some of the largest and most important players in our market. We built upon our success in 2021 with the key renewal with Merlin; the continuation of our agreement with Six Flags, where they opted not to exercise their early termination rights and by reaching an agreement with Village Roadshow Theme Parks in September 2022, Village Roadshow is a customer central to our APAC presence and has renewed for five years with an option to extend by a further two, extending the relationship to at least 2027. In November 2022, we also announced a five-year extension with Cedar Fair Entertainment, securing our relationship through to 2028. These are the latest examples of our *accesso Passport* solution helping to enable the continued shift of the entertainment market to mobile-first technologies, where we are very well positioned across our solutions.

These companies are some of the largest attraction operators in the world and they continue to show their belief that *accesso* is the right partner for them. We're proud and grateful for their support. These renewals are important in providing a solid foundation on which the Group can plan its future growth. They demonstrate the quality and durability of our technology proposition for all to see. This gives us great confidence that we are investing in the right areas as we continue to drive product innovation and enhance our value proposition for both new and existing customers.

Increased geographic and customer diversity

Our outperformance in 2022 has been delivered, in part, because of our geographic and customer diversity. The breadth of our customer base provides us with resilience to economic challenges and as we increase our presence in newer markets, further routes to future growth.
Our increasingly global footprint can be seen in the performance of *accesso Passport* eCommerce outside of our North American market. Beyond North America we sold approximately 30 million tickets, with growth of 30.9% in EMEA and 75.0% in the Asia Pacific region. In EMEA we were particularly pleased to welcome new customers including Transport for London (TfL) and Lift 109, for whom we will facilitate the viewing experience at the newly renovated and iconic Battersea Power Station in London.

Our portfolio diversification was supported during the year by a landmark agreement with Parques Reunidos, one of the world's leading operators of leisure parks. This is a five-year deal to serve as Parques' enterprise provider of queue management services across its portfolio theme parks with an initial implementation of 4 theme parks completed in 2022 and further opportunity for additional installations.

Continued product innovation

Innovation is at the heart of our business. Quite simply, the quality of our product sets us apart. For many of our customers, we are the key support system helping them run efficient operations that delight guests, reduce cost and drive revenue.

Through the year we have innovated globally across our portfolio, expanding our partnership with PayPal with support for Venmo and Pay Later, along with expanding our alternative payment support including for Kakao Pay, Grab Pay and Alipay which are important to our APAC operations.
We have also introduced Protecht Ticket Insurance as our preferred ticket insurance provider for *accesso ShoWare* and *accesso Passport* and introduced a post-purchase advertising platform to help our customers drive revenue beyond the final moment of sale.

During the year, we also delivered enhancements across our products. We launched a new, updated version of the customer service module for *accesso Passport*; enhanced the reconciliation of activities between *accesso Siriusware* and *accesso Passport* eCommerce to improve operational performance; and introduced a Stay 22 post-purchase accommodation integration for *accesso ShoWare*. We are also continuing to fine tune the innovative Queue Length Measurement product offered by *accesso LoQueue*, which utilises purpose-placed cameras or park CCTV and our own Machine Learning service to calculate accurate queue wait times. We look forward to bringing these enhancements to the market through 2023.

Chief Executive's statement continued

Technology acquisition update

We are always looking for ways to improve our high-quality suite of solutions, whether by innovating our products or acquiring externally.

Last July we announced the £750k acquisition of high-quality technology assets in the Food & Retail space, giving us significant intellectual property and functionality across food and retail sales operations. The solution is well regarded by some of the largest and most well-known enterprise venue operators around the world.

The key rationale for this acquisition was to augment our existing business with a nearly complete, modernised version of this well-established solution. We will bring to the market a modern technology platform with robust functionality to serve food and retail operations delivered as a fully hosted solution. In a landscape of legacy providers with dated technologies and a stagnant focus on POS terminals, we believe this product will provide the operational model and modern system architecture that operators now expect in the mobile first and self-service landscape.

I am pleased to report that work to complete the solution is on track for operational readiness in the latter half of 2023 and we have already begun preliminary sales efforts.

Our strong cash position gives us the ability to add further to our proposition should we choose to do so. We are assessing opportunities with great care as any acquisition would need to fully align with our strategic needs and provide significant long-term growth opportunity.

People & culture

We are always looking for ways to improve the strength and diversity of our team, ensuring that we recruit and retain the very best talent. During 2022 we continued this effort, onboarding 162 new hires.

While recruitment is an important part of the puzzle, retention is key. I am delighted that we achieved our highest ever employee engagement score during 2022, launched our Wellness Programme and our Diversity, Equity, and Inclusion Council. All of this has combined to ensure our people feel *accesso* supports, trusts, and champions them. With a staff churn rate of just 15%, we are proud of the investments we have made in our team and the strong culture that sets us apart as a business.

Outlook and guidance

I'm very pleased with our 2022 performance. It isn't easy to deliver against our bold expectations across the board, and the team has done an extraordinary job. We provide a quality product offering which is in clear demand and touching even more verticals. We have never been better positioned as we start a new financial year, and I am excited by what *accesso* can achieve this year and beyond. I am confident we are on track with our platform, strategy, products, and team to make the most of our expanding market opportunity and deliver further growth.

Naturally, we are mindful of evolving economic conditions and continue to monitor key indicators closely. As things stand, our trading performance has been encouraging, with January and February in line with expectations. Our geographic diversity and the nature of the Group's client base are key strengths as regional and local activities serve as substitutes for more expensive destination travel.

This operational resilience is underpinned by a strong cash position as the Group continues to trade with no debt, ending the year with net cash of $64.7m.

For the full year 2023, we expect to see continued revenue growth and look forward to another profitable and cash generative year.

Steve Brown
Chief Executive Officer
3 April 2023

Our business model

Providing solutions that empower our clients to create connected guest experiences and **drive their businesses forward.**

What we do

Our technology solutions allow venues to increase the volume and range of on- and off-site spending and to drive increased transaction-based revenue through cutting-edge ticketing, point-of-sale, virtual queuing, distribution and experience management software.

Our solutions

Software solutions

Queuing

Ticketing with distribution

F&B and Retail Point of Service

Guest experience

Find out more about our software solutions at https://www.accesso.com/solutions

Augmented by

Professional services

Integrating *accesso* products into our clients' systems infrastructure for complete holistic solutions.

24/7 customer support teams

Our solutions have 24/7 customer support teams and a guest-facing call centre staff to support our hosted and local offerings.

Developed through

Organic growth through R&D

The development of technologies that can be deployed by entertainment operators and venues.

Strategic Partnerships and Acquisitions

Enabling complete solutions by augmenting offerings with managed partnerships and the acquisition of critical complementary Intellectual Property.

Sold to

Theme parks, ski resorts, zoos and aquariums, cultural venues, live entertainment, water parks, fairs and festivals, performing arts and tours and attractions.

Generating revenue through

Participation in our clients' success. We align our charging model so that we do well when our clients do well.

Active cross-selling of synergistic solutions allows us to establish long-term client partnerships which deliver value year after year while relentless focus on technology innovation drives margin improvement.

Our driving strengths

Leading technology

Integrated technology solutions for eCommerce ticketing, point of sale, virtual queuing, guest experience and ticket distribution.

A trusted brand

We work with the largest attraction operators under long-term agreements.

Globally dispersed operation

We support over 1,000 venues in 29 countries.

Experienced leadership

A clear strategy and focus on innovation and delivering best-in-class products.

Strong partnerships

An ongoing commitment to identifying the best complementary products to complete our solution and service offerings and the capacity to acquire market-leading IP.

Skilled and passionate people

Our success is driven by the passion of experts, many of whom know from personal experience the challenges we aim to address for our clients.

Our business model continued

How we generate value for stakeholders

See stakeholder engagement on pages 21 to 22

Customers

Our solutions enable customers to increase per capita spending; track, allocate and navigate capacity at large scale; deepen consumer insights and meet a flexible range of customer requirements. Our expert 24/7 support team deliver reliability at scale.

Shareholders

Shareholder value and returns from profitable, cash generative growth with a high proportion of recurring revenue. Large enterprise customers under long-term contracts with high barriers to entry drawing on patented award-winning technology.

Consumers

Driving brand loyalty for clients across our global portfolio by delivering exceptional integrated digital guest experiences designed to drive return visitations and brand advocacy.

Employees

Interesting and rewarding careers where innovation is at the forefront of our strategy, with the opportunity to work with an enviable customer base of blue chip and owner managed venues across the globe.

Alignment

Our goals are aligned with clients as we share in revenue upside, our teams' goals are aligned with business through incentive plans, our consumers' goals are aligned with their clients through personalisation at scale alongside identity services.

accesso's growth strategy

accesso's purpose is a simple one.

It is to partner with the operators of leisure attractions around the world and to help them deploy technology solutions to engage with their guests to deliver better guest experiences.

We remain convinced of the value in providing solutions to support the entire guest journey from trip anticipation and planning through contemplating the repeat visit. No other vendor across our target industries can offer the breadth of solutions that *accesso* delivers nor bring to bear the same level of R&D investment that we direct at ensuring our products are relevant and innovative.

Our long-term partnership with clients is the bedrock of our business. We look to expand the breadth of the enterprise software stack increasing the value we deliver, and share in, as well as establishing a vital position in their service delivery. Our strategy is to both drive efficiencies to improve margins and, through innovation, to augment the coverage of the guest journey.

We will focus on core value solutions such as eCommerce, point of service, virtual queuing and identity and augment by partnership or acquisition to harness unique opportunities or speed to market.

We continue to respond to the dual drivers of mobilisation and self-service, recognising increasing desire for guests to self-serve and allowing our clients to better allocate their resource to the highest value opportunities. We strive to grow existing and develop new revenue streams for our clients, participating in the added value created so that our clients' success becomes our success.

Through all, alignment with internal and external stakeholders and focus on a clear strategy establishes the platform for continued profitable growth.

Financial Review

"We are delighted to have built upon our excellent performance in 2021, delivering record revenue and profit before tax and exceeding the high expectations we set ourselves in all of our key metrics.

The stability of our balance sheet, net cash on hand and fully resourced and motivated team presents us with the perfect platform to capitalise on the opportunities available and drive our value proposition into new markets. The technology-based solutions for ticketing, virtual queuing and food & beverage provided by accesso continues to drive the expectations of consumers across our key markets."

Fern MacDonald
Chief Financial Officer

Revenue

$139.730m

2022	**$139.730m**
2021	$124.794m
2020	$56.094m

Group revenue is 12.0% up on 2021 as our Ticketing and Distribution revenue performed exceptionally well during the year, delivering 17.2% and 79.9% growth respectively over 2021. Ticketing benefited from a full year of revenues from the 64 new eCommerce clients deployed during 2021 and the addition of a further 54 during 2022 with a high proportion coming from live entertainment in North and South America which experienced a recovery from a COVID impacted 2021. Our Distribution business delivered a significant increase as anticipated with the UK based live entertainment returning closer to pre-pandemic operating levels with ticket volumes 100.3% up on 2021. As indicated in our interim results, our Virtual Queuing revenue experienced mixed performance falling short of 2021 by 14.3%. The Group's most significant US located queuing and ticketing customer launched a more premium focused experience, which resulted in their attendance falling by 26%. Despite this, our remaining Virtual Queuing customers were able to offset the impact of this by delivering a 39.4% increase in attendance.

Cash EBITDA[1]

$25.805m

2022	**$25.805m**
2021	$28.138m
2020	($11.450m)

The Group delivered cash EBITDA for the period of $25.8m, 8.3% down on 2021 but significantly ahead of our $19.9m initial consensus expectation at the start of the year and ahead of our revised expectation set in our 23 November 2022 trading update. This performance was aided by the Group's continued focus on tightly maintaining cost control as part of the operational excellence efforts; headcount increases taking place progressively through the year; not having a full year impact of these future staffing cost increases and a $1.2m reversal of part of our sales tax accrual recorded in 2021.

Whilst revenues were up 12.0% this delivered a gross margin of 74.4% rather than 77.2% in the prior year due to a recovery of the lower margin live entertainment revenue in 2022, further offset by the Group's planned increase in headcount with staff related costs up $8.7m.

1 Cash EBITDA: operating profit before the deduction of amortisation, depreciation, acquisition costs, and costs related to share-based payments less capitalised development costs paid in cash as per the consolidated cash flow statement (as detailed on page 57).
2 Net cash is calculated as cash and cash equivalents less borrowings.
3 Adjusted basic earnings per share is calculated after adjusting operating profit for impairment of intangible assets, amortisation on acquired intangibles, acquisition and aborted sale expenses and share-based payments, net of tax at the effective rate for the period on the taxable adjusted items (as detailed on page 78).

Statutory profit/(loss) before tax

$12.417m

2022	**$12.417m**
2021	$12.110m
2020	(32.862m)

High quality earnings and a continued reduction in acquisition related intangible amortisation and development cost amortisation charges has enabled the Group to deliver record profit before tax of $12.4m, up 2.5% on 2021.

Net cash[2]

$64.663m

2022	**$64.663m**
2021	$64.050m
2020	$29.656m

The Group concluded the year with $64.7m of cash and no drawn debt, an increase of 1% on 2021. Whilst the Group delivered strong EBITDA of $25.8m, the uptick in performance in Q4 led to a corresponding increase in working capital. The Group funded its Employee Benefit Trust for the purchase of $5.8m worth of shares. The Group's cash position suffered a $2.5m foreign exchange reduction owing to GBP balances weakening against the dollar significantly during 2022.

Adjusted basic EPS (cents)[3]

35.93

2022	**35.93**
2021	61.10
2020	(60.64)

Basic earnings per share (cents)

24.41

2022	**24.41**
2021	53.39
2020	(84.78)

Adjusted basic earnings per share of 35.93 and basic earnings per share of 24.41 reduced by 41.2% and 54.3% on 2021 respectively, this is a result of 2021 EPS measures benefiting from $12.6m of US losses and US tax credits, not recognised in 2020, being recognised in 2021 due to the ability to demonstrate future profitability and subsequent utilisation.

Financial Review continued

Financial overview

During 2022 the Group delivered record financial performance in revenue and profit before tax, with earnings significantly ahead of our initial expectations set at the start of 2022.

Our customer venues returned to their pre-pandemic operating levels, which delivered significant improvement in our earnings with the Group working extremely hard to get our team fully assembled to deliver on this revenue potential and capture the available opportunities in the market.

Key performance indicators and alternative performance measures

The Board continues to utilise consistent alternative performance measures ("APMs") internally and in evaluating and presenting the results of the business. The Board views these APMs as representative of the Group's underlying performance.

The historic strategy of enhancing *accesso's* technology offerings via acquisitions, as well as an all-employee share option arrangement, necessitate adjustments to statutory metrics to remove certain items which the Board does not believe are reflective of the underlying business. These adjustments may include aborted acquisition or aborted sale related expenses, amortisation related to acquired intangibles, deferred and contingent consideration linked to continued employment, share-based payments and impairments.

By consistently making these adjustments, the Group provides a better period-to-period comparison and is more readily comparable against businesses that do not have the same acquisition history and equity award policy.

APMs include cash EBITDA, adjusted basic EPS, net cash, underlying administrative expenditure and repeatable and non-repeatable revenue analysis and are defined as follows:

- Cash EBITDA is defined as operating profit before the deduction of amortisation, impairment of intangible assets, depreciation, acquisition costs, and costs related to share-based payments and paid capitalised internal development costs (see page 16);
- Adjusted basic earnings per share is calculated after adjusting operating profit for impairment of intangible assets, amortisation on acquired intangibles, acquisition and aborted sale expenses and share-based payments, net of tax at the effective rate for the period on the taxable adjusted items (see page 78);
- Net cash is defined as available cash less borrowings (see page 87). Lease liabilities are excluded from borrowings on the basis they do not represent a cash drawing;
- Underlying administrative expenses are administrative expenses adjusted to add back the cost of capitalised development expenditure and property lease payments and remove amortisation, impairment of intangible assets, depreciation, acquisition costs, and costs related to share-based payments (see page 16). This measure is to identify and trend the underlying administrative cost before these items;
- Repeatable revenue consists of transactional revenue from Virtual Queuing, Ticketing and eCommerce and is defined as revenue earned as either a fixed amount per sale of an item, such as a ticket sold by a customer or as a percentage of revenue generated by a venue operator. Normally this revenue is repeatable where a multi-year agreement exists and purchasing patterns by venue guests do not significantly change. Other repeatable revenue is defined as revenue, excluding transactional revenue, that is expected to be earned through each year of a customer's agreement, without the need for additional sales activity, such as maintenance and support revenue. Non-repeatable revenue is revenue that occurs one-time (e.g., up-front licence fees) or is not repeatable based upon the current agreement (e.g., billable professional services hours) and is unlikely to be repeatable without additional successful sales execution by *accesso*. Other revenue consists of hardware sales and other revenue that may or may not be repeatable with limited sales activity if customer behaviour remains consistent; and
- The revenue streams for year ended 31 December 2022 have been prepared on a proforma basis using consistent currency rates with the year ended 31 December 2021 to assist with assessing the underlying performance. Average monthly rates from 2021 were used to translate the monthly 2022 results into a constant currency using the range of currencies as set out below:
  - GBP sterling – $1.33 – $1.41
  - Euro – $1.13 – $1.22
  - Canadian dollars – $0.78 – $0.82
  - Australian dollars – $0.72 – $0.78
  - Mexican pesos – $0.05 – $0.05
  - Brazilian real – $0.18 – $0.20

The Group considers cash EBITDA, which disregards any benefit to the income statement of capitalised development expenditure, as its principal operating metric.

These APMs should not be viewed in isolation but as supplementary information. As adjusted results include the benefits of the Group's acquisition history but exclude significant costs (such as significant legal or amortisation expenditure), they should not be regarded as a complete picture of the Group's financial performance, which is presented in its total results.

Financial Review continued

Key Financial Metrics

Revenue

Group revenue of $139.7m (2021: $124.8m) represents a record for the Group and built on the excellent performance in 2021. Through 2022, customers continued to use our technology to tackle more typical problems such as physical queues and, also newer use-cases, with technology driving efficiency and compensating for staffing difficulties including wage inflation and recruitment challenges. Our touchless technologies and ability to drive eCommerce ahead of visitation reduces labour-intensive point-of-sale models and delivers an enhanced guest experience. These technology-based solutions are now the base-level consumer expectation across our key markets and will increasingly become the industry standard over time. We set out details of our revenue by segment, geography and repeatable to non-repeatable analysis below.

Revenue on a segmental basis was as follows:

	2022 $000	2021 $000	Vs 2021 %
Ticketing	77,175	65,877	17.2
Distribution	18,081	10,053	79.9
Ticketing and distribution	**95,256**	**75,930**	**25.5**
Queuing	28,179	32,888	(14.3)
Other guest experience	16,295	15,976	2.0
Guest experience	**44,474**	**48,864**	**(9.0)**
Total revenue	**139,730**	**124,794**	**12.0**

Ticketing and Distribution revenue was 25.5% up on 2021, benefiting from a full year with minimal capacity restrictions on venues. The distribution business, in particular, continues to be largely dependent on the UK theatre sector which was significantly impacted by mandated restrictions through most of 2021. These were lifted in early 2022 resulting a significant rebound in 2022 distribution revenues which were 79.9% ahead of 2021. In addition, the distribution business is beginning to diversify away from its reliance on the UK theatre market and is benefiting from wider integration into the Group's customer base allowing existing customers to distribute their ticket supply to wider markets.

During 2022 the Group went live with 54 new eCommerce ticketing clients, following on from a very strong 64 during 2021. This demonstrates a continued shift in consumer and attraction behaviour towards sales online, significantly benefiting both *accesso* and its customers as spend per guest increases, operational costs are reduced, and we gain additional insight into consumer behaviour through data.

Within the Guest Experience segment, *accesso LoQueue's* transactional-based queuing products had mixed performance with our most significant US located queuing and ticketing customer launching a more premium focused experience resulting in lower volumes through the year. Their attendance fell significantly in 2022 and as a consequence our queuing customer penetration fell from 6.1% to 4.4%. Encouragingly, our other *accesso LoQueue* customers were able to deliver an attendance level improvement of 39.4% and maintain penetration levels which helped to offset the reduction to a 14.2% revenue fall on 2021. During the year we worked hard with customers to enhance their yield management strategies, ensuring that revenue is increasingly being maximised from the available attendance at each venue.

The remaining revenue within the Guest Experience segment comes from *The Experience Engine*™ business which delivered consistent year-on-year performance, with revenues up 2.0% on 2021. This highlights the continued customer confidence in our bespoke professional services offerings, with large customers in the ski, theme park and cruise ship markets using our services.

Revenue on a geographic and segmental basis was as follows:

	2022			2021		
Primary Geographic Markets	Ticketing and Distribution $000	Guest Experience $000	Group $000	Ticketing and Distribution $000	Guest Experience $000	Group $000
UK	24,636	2,441	27,077	14,939	2,179	17,118
Other Europe	3,085	3,233	6,318	1,443	1,808	3,251
Australia/South Pacific/Asia	4,797	1,975	6,772	3,219	1,318	4,537
USA	56,285	36,276	92,561	52,915	43,123	96,038
Canada	3,216	302	3,518	2,429	215	2,644
Mexico	2,618	247	2,865	829	221	1,050
Other Central and South America	619	–	619	156	–	156
	95,256	44,474	139,730	75,930	48,864	124,794

Our USA based customers reduced revenues by 3.6% due to the point noted above with our large US queuing and ticketing customer as well as other customers turning off their reservation functionality due to COVID related capacity restrictions being removed during 2022 which had generated $4.1m of revenue in the USA during 2021.

Selling our eCommerce solution into the USA and Canadian ski market continues to be one of the Group's medium-term strategic priorities.

Live entertainment across multiple geographies demonstrated superb performance during 2022 with rebounding volumes and a number of new customers being onboarded. Our *accesso ShoWare* product which predominantly serves customers in North and South America, delivered 78.9% increase year over year in ticket volumes following a difficult 2021 impacted by COVID restrictions. This translated to $5.0m of additional revenue across the regions and the addition of 27 *accesso ShoWare* new customers going live during the year (2021: 28).

Financial Review continued

In the UK, live entertainment remained closed for the majority of the first half of 2021, opening with partial capacities from May 2021 and then at full capacities from July 2021 with the key month of December being impacted by Omicron disruption with many shows being cancelled at short notice. During 2022, the region encountered very little disruption and was therefore able to deliver growth of 58.2% being an $10.0m increase on 2021, a result more aligned to pre pandemic levels.

Other European countries delivered growth of 94.3%, significantly ahead of pre pandemic levels represented by 2019 due to the onboarding of several key new clients in the region and an improvement in ticket volumes.

Australia, Asia and the South Pacific delivered growth of 49.3% with revenues of $6.8m, up from $4.5m in 2021. The Australian region delivered the majority of this increase and saw excellent performance from *accesso LoQueue* and *accesso Passport* with the success of a partnership renewal with a key customer in the region, Village Roadshow Theme Parks, extending our relationship through to 2027 with an option to extend to 2029.

Revenue quality

	2022 $000	2021 $000	%
Virtual queuing	**28,179**	65,877	(14.3)
Ticketing and eCommerce	**77,788**	10,053	32.9
Reservation revenue	**18**	4,073	(99.6)
Transactional revenue	**105,985**	95,498	11.0
Maintenance and support	**7,122**	7,281	(2.2)
Platform fees	**3,007**	2,592	16.0
Total repeatable	**116,114**	**105,371**	**10.2**
Licence revenue	**2,749**	2,162	27.2
Professional services	**15,988**	13,469	18.7
Non-repeatable revenue	**18,737**	**15,631**	**19.9**
Hardware	**1,434**	2,704	(47.0)
Other	**3,445**	1,088	216.6
Other revenue	**4,879**	**3,792**	**28.7**
Total revenue	**139,730**	**124,794**	**12.0**
Total repeatable as % of total	**83.1%**	**84.4%**	

The above is an analysis of the Group's revenue by type. Transactional revenue consisting of Virtual Queuing, Ticketing and eCommerce is defined as revenue earned as either a fixed amount per sale of an item, such as a ticket sold by a customer, or as a percentage of revenue generated by a venue operator. Normally this revenue is repeatable where a multi-year agreement exists and purchasing patterns by venue guests do not significantly change, as they did in 2020 as a result of the pandemic.

Other repeatable revenue is defined as revenue, excluding transactional revenue, that is expected to be earned through each year of a customer's agreement, without the need for additional sales activity, such as maintenance and support revenue. Repeatable of 83.1% is marginally behind the 84.4% achieved in 2021 but remains ahead of historic performance (2020: 73.6%, 2019: 81.5%). Non-repeatable revenue is revenue that occurs one-time (e.g., up-front licence fees) or is not repeatable based upon the current agreement (e.g., billable professional services hours) and is unlikely to be repeatable without additional successful sales execution by *accesso*.

Other revenue consists of hardware sales and other revenue that may or may not be repeatable with limited sales activity if customer behaviour remains consistent.

The Group's transactional revenue streams delivered exceptional performance during 2022 of $106.0m, up 11.0% on 2021. The Group's eCommerce products performed particularly well while Virtual Queuing's fall year over year is explained by the change to a US customer's admission strategy. As expected, reservation revenue fell significantly as there was no longer a requirement from some customers for advanced bookings as had been the case during the pandemic. Professional services revenue performed significantly ahead of our budget and 2021, a credit to our exceptional team which continued to deliver excellent bespoke solutions to the ski, cruise and attractions markets and delivering revenue 8.1% ahead of pre-pandemic levels in 2019. Our platform revenues continue to benefit from this bespoke development work whereby professional service customers have taken up repeatable platform fees for hosting food and beverage mobile apps. Platform revenues grew to $3.0m, which is above both 2021 and 2019. We have seen increased demand for contactless technology such as our mobile food and beverage apps, which both reduce physical contact points and help our attraction operators to reduce labour costs.

Other revenues were 28.7% higher due to increased referral income received from the Group's guest payment gateway partners as well as the expiration of unused gift cards offered to West End theatre customers following COVID cancellations in 2020 and 2021.

Gross margin

The Group's reported gross profit margin of 74.4% is a reduction on 77.2% in 2021 but remains slightly ahead of 2020 and 2019 when adjusted for $1.6m and $1.2m of server costs to aid comparability respectively). This 2.8% gross margin decrease is a result of the change in sales mix compared with 2021. Our lower margin distribution business performed well in 2022 and represented 4.4% of our gross profit compared to 2.5% in 2021.

Financial Review continued

Administrative expenses

Reported administrative expenses increased 10.1% to $91.2m in the year, while underlying administrative expenditure increased by 14.2% to $79.6m in 2022, as anticipated, due to a combination of factors; the most significant being the Group's headcount increasing from 513 to 568 (excluding seasonal staff). Positions were filled in a highly competitive job market alongside wage increases for our existing staff in a response to the inflationary pressure which aided our retention of staff.

Share-based payment costs increased on 2021 to $2.6m from $2.5m, reflective of key management incentive arrangements being granted in both 2020 and 2021 and an all-other staff share-based payment award granted in July 2021.

During the year the Group continued to take action to rationalise its property leases following the move to a hybrid and remote work environment, exiting two-thirds of the space leased in Lake Mary, Orlando. This follows on from the action taken in 2021 where the Group did not renew expiring leases in San Diego, London, Sao Paulo, Belfast and Annapolis. The Group will save a further $0.6m in property lease payments in 2023.

No government assistance has been received during 2022.

	2022 $000	2021 $000
Administrative expenses as reported	**91,209**	82,872
Capitalised development expenditure[1]	**2,155**	720
Amortisation related to acquired intangibles	**(1,667)**	(2,371)
Share-based payments	**(2,629)**	(2,490)
Amortisation and depreciation[2]	**(10,744)**	(12,183)
Property lease payments not in administrative expense[1]	**1,430**	1,408
Reversal of impairment of intangibles	**–**	1,707
Impairment of intangible assets	**(32)**	–
Acquisition expenses	**(137)**	–
Underlying administrative expenditure	**79,585**	**69,663**

1 See consolidated cash flow statement.
2 This excludes acquired intangibles but includes depreciation on right of use assets.

Cash EBITDA

The Group delivered cash EBITDA for the year of $25.8m, an 8.3% reduction on the record 2021 result however significantly ahead of our initial expectations for 2022. Whilst the Group delivered revenue growth of 12.0% this was at lower margins as explained above, along with an increase in payroll costs due to 55 full time additional headcount, the full year impact of 2021 headcount additions and wage inflationary pressure on existing pay levels. The Group also benefited from a reversal of part of our sales tax accrual from 2021 totalling $1.2m.

The table below sets out a reconciliation between statutory operating profit and cash EBITDA:

	2022 $000	2021 $000
Operating profit	**12,751**	13,521
Add: acquisition expenses	**137**	–
Add: Amortisation related to acquired intangibles	**1,667**	2,371
Add: Share-based payments	**2,629**	2,490
Add: Impairment of intangibles	**32**	–
Deduct: Reversal of impairment	**–**	(1,707)
Add: Amortisation and depreciation (excluding acquired intangibles)	**10,744**	12,183
Deduct: Capitalised internal development costs	**(2,155)**	(720)
Cash EBITDA	**25,805**	**28,138**

The Group recorded an operating profit of $12.8m in 2022 (2021: $13.5m); and adjusted basic earnings per share decreased to 35.93 cents (2020: 61.1 cents).

Development expenditure

	2022 $000	2021 $000
Total development expenditure	**43,174**	34,666
% of total revenue	**30.9%**	27.8%

2022 has been another tremendous period of innovation for *accesso*, with frontline and technical teams working at pace to deliver solutions to enable our customers to manage capacities, capture the uptick in demand for technology-based solutions to ticketing, eCommerce, distribution, queuing and mobile food and beverage purchasing. Our total development expenditure for 2022 increased to $43.2m, 24.5% higher than 2021 with open positions in our Engineering and Product groups being filled during the year. The development expenditure also includes $1.9m of cost incurred in relation to the recently acquired food & beverage intellectual property.

Development expenditure represents all expenses incurred by the Group's Engineering and Product Management functions, predominantly comprising payroll and software related costs. These functions maintain our existing solutions and work with our customers to ensure the Group's products are well positioned to meet customer needs. In addition, these functions also perform research and development activities based on the product roadmaps which set out the planned features and releases over time.

Financial Review continued

Development expenditure continued

The Group capitalises elements of development expenditure where it is appropriate and in accordance with IAS 38 Intangible Assets. Capitalised development expenditure of $2.2m (2021: $0.7m) represents 5.2% (2021: 2.1%) of total development expenditure. The Group's research and development is primarily focused on improving existing customer products, which in turn leads to increased customer satisfaction and retention, rather than a focus on creating new revenue streams . It continues to be critical in order to continue to meet and exceed the expectations of our existing customers' requirements and the current solutions they utilise. Development continues to expand the product set and add features that will be important for our customers' operations in the future.

Cash and net cash

Net cash at the end of the period has increased to $64.7m from 31 December 2021.

	2022 $000	2021 $000
Borrowings (including capitalised finance costs)	**–**	–
Less: Cash in hand and at bank	**64,663**	64,050
Net cash	**64,663**	64,050

The Group has maintained a strong net cash position with net cash inflow from operating activities of $14.5m (2021 Net inflow of $39..1m) offset by $3.8m used in investing activities and $7.5m used in financing activities. This included $5.8m of shares purchased by the Group's Employee Benefit Trust.

The Group continues to hold a 3-year, £18m Coronavirus Large Business Interruption Scheme Loan revolving credit facility at a 3.75% margin with a commitment fee of 1.5%, expiring in March 2024. Quarterly covenant tests were in place on minimum revenue and minimum liquidity for 2 years to December 2022. From March 2023 additional covenants are added for leverage and interest cover until the facility expires. No drawings have been made on this facility and all covenants have been met. The Group's increase in trade and other receivables s cash flow of $10.5m is a result of the strong end the Group's trading year, with many venues opening over the festive period in comparison with the same period in 2021 which was severely impacted by venue closures due to the Omicron COVID variant.

Dividend

The Board maintains its consistent view that the payment of a dividend is unlikely in the short to medium term with surplus cash more efficiently invested in strategic product development or, where the opportunities arise, value accretive acquisitions.

Employee Benefit Trust

The Group funded the trustees of the Employee Benefit Trust in the second half of 2022 to enable the trustees to purchase 761,971 shares at a total cost of $5.8m. The shares are held by the trustees and will be used to satisfy awards granted under the Company's employee share plans that are expected to vest in future years.

Impairment

In line with relevant accounting standards, the Group reviews the carrying value of all intangible assets on an annual basis or at the interim where indicators of impairment exist. As a result, the Group recognised a $0.03m impairment charge in the year over previously capitalised research and development projects where they were no longer expected to generate economic benefit.

Taxation

The tax charge of $2.36m represents an effective tax rate on the $12.4m of statutory profit before tax of 19.0% (2021: 81.8% effective tax rate based on a tax credit of $9.9m and a statutory profit before tax of $12.1m).

The key reconciling item to actual tax rates is $1.0m relating to the impact of changes in statutory tax rates being applied to the Group's earnings. The Group's principal rate of tax for the period, being the US federal rate of 21% plus a blended rate of 5.87% for US state taxes, was 26.87% compared to 24.0% in the prior year. This increase in principal tax rate arises predominantly due to an uplift in the number of states within the USA where income taxes are filed.

The Strategic Report on pages 2 to 27 has been approved by the Board and signed on its behalf by:

Fern MacDonald

Fern MacDonald
Chief Financial Officer
3 April 2022

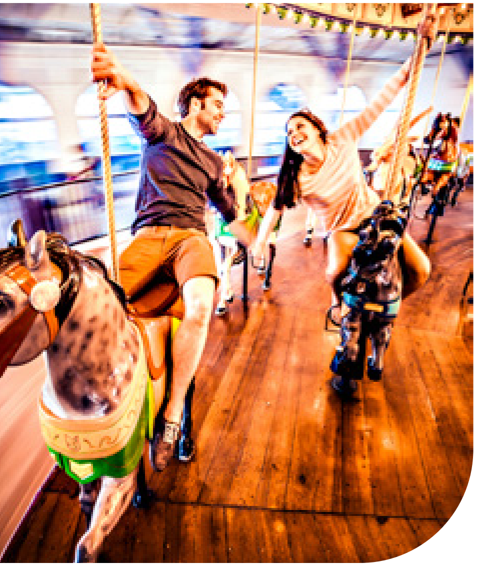
Principal risks and uncertainties

The Board has identified the following principal risks and uncertainties which it believes may impact the Group and its operations.

The Board is satisfied that the Group's risk management and internal control systems are adequate. At this stage the Board does not consider it to be appropriate to establish an internal audit function.

Principal risks and uncertainties	Description of risk and uncertainty	Mitigation
Staff retention risk	In line with groups of a similar size, the Group is managed by a limited number of key personnel, including Executive Directors and senior management, who have significant experience within the Group and the sectors it operates within, and who could be difficult to replace.	Executive Directors and senior management have remuneration plans, incorporating long-term incentives to mitigate this risk combined with an appropriate level of succession planning.
Customer concentration risk	A key risk relates to the high concentration of revenue derived from particular customers or guests of particular theme parks groups.	The Group continues to increase its customer base, extending its geographical presence and broadening its technologies to a wider range of venues.
Business disruption risk	The Group has a significant seasonal business with revenue and cash flows predominantly linked to leisure venue attendance which, with the current profile of business, peak in the summer months of the Northern Hemisphere. As demonstrated in 2020, attendance at leisure venues can be impacted by circumstances outside the control of the Group including, but not limited to pandemics, inclement weather, consumer spending capability within the regions we operate together with operator venue pricing, discount policies, investment capability, safety record and marketing.	The Group has demonstrated great resilience to COVID-19, rebounding in 2021 and continuing that trend in 2022. The Group's global footprint and diverse range of markets that it serves has enabled it to prosper even when certain markets, such as live entertainment, has taken longer to recover. Should 2023 mirror the pandemic year of 2020 as a severe worst case scenario, the Group has sufficient available liquidity to continue as a going concern.
Currency risk	A significant proportion of revenues of the business are denominated in US dollars. Although the majority of expenditure is also denominated in this currency, there remains an exposure to movements between the US dollar and either sterling, euros, the Australian dollar, the Brazilian real, the Mexican peso or the Canadian dollar.	The Group's treasury policy is to minimise holding currency (where practical) in an entity with a different functional currency to minimise the impact on Group profit before tax.
Intellectual property infringement	It is of fundamental importance in maintaining a sustainable long-term business that the Group is aware and takes action to mitigate competitive threats, whether from technological change, or from competition.	Effort is directed to ensure that the Group invests in appropriate and focused research and development activity and monitors technological advances and competitor activity. Linked to this, the Group is committed to protecting its technology by the development and/or purchase of patents and will take appropriate action to defend its intellectual property rights or ensure infringers enter into licensing arrangements. The Group capitalises appropriate levels of development expenditure but is exposed to the risk that development of a specific technology could suffer impairment.

Principal risks and uncertainties continued



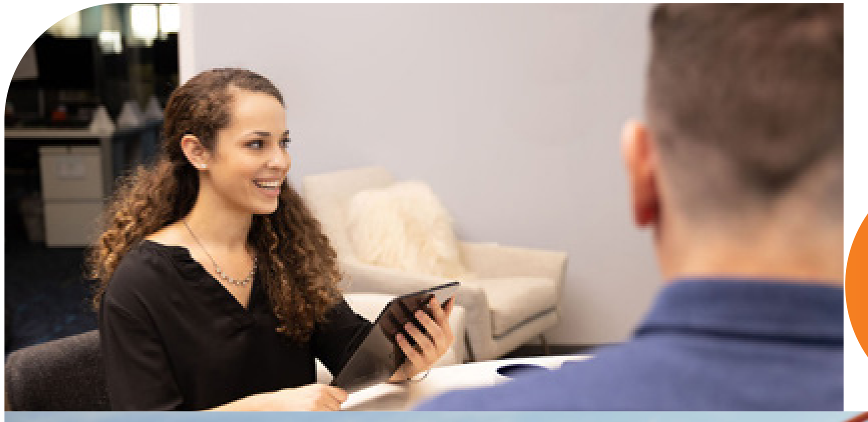
Principal risks and uncertainties	Description of risk and uncertainty	Mitigation
Cybersecurity	Cybersecurity is a primary concern at *accesso* and an ever-increasing threat on businesses.	We take a multi-layer approach to security, employing many solutions to protect our systems at every level including vulnerability management, intrusion detection and endpoint protection. We conduct aggressive penetration testing throughout the year and against all of our platforms. All of the above is built upon an ever-expanding set of policies that govern our approach to engagement, security and response. We also recognise that the first, and most likely, point of attack is against our people and go to great lengths to provide training on the types of attacks they may encounter and vulnerabilities to which they are subject. This includes, but is not limited to, regular phishing simulations at varying degrees of sophistication followed up by additional training and clarification. As attacks become more sophisticated and customised, our staff need to understand how to recognise and respond, as they are the last line of defence when something slips through our various protections.
Software systems and digital technology	Software and digital technology are key differentiators and are central to our product offering, customer interaction, service planning and delivery. Failure to invest or maintain software and systems, the loss of systems and/or data or poor system performance could cause a disruption to service delivery, impacting on performance with a potential financial impact	The Group has clear product roadmaps and has significant resources focused on the continuous development and maintenance of all software solutions and operational systems. The Group benefits from well-established operating processes and procedures including systems and data security and disaster recovery.
Environmental risks	Given the ever-developing agenda on climate change, which presents a number of physical risks (e.g. weather-related) and compliance/regulatory risks (e.g. more sustainable business practices) for the Group, we are currently reviewing our internal processes for managing any associated emerging risks and will incorporate this into our broader risk management practices.	The majority of the venues we serve have typically localised customer bases rather than being reliant on destination travel, consequently we consider the risk as minimal on our forecasts. Further information on our current progress on environmental, social and governance ('ESG')initiatives are set out in our ESG report on page 23.

Principal risks and uncertainties continued

Principal risks and uncertainties	Description of risk and uncertainty	Mitigation
Business growth and related acquisition risk	Acquiring differing businesses with differing technologies, people, competencies and processes creates risk to both customers and services being acquired, and the Group's existing operating model. Given the Group's significant surplus cash balance and acquisition appetite, this is considered an increasing risk. The Group considers this risk split into three main areas. Acquisition target risk – the risk that the Group is unable to identify suitable acquisition targets. Acquisition integration risk – the risk that completed acquisitions are not integrated into the underlying business in an efficient or effective way leading to potential loss of customers and employees from the acquired business. Post-acquisition performance risk – the risk that the acquired business may not perform as well as expected or synergies may not be delivered as planned. This has the potential to adversely impact both cashflow and profits post-acquisition.	Acquisition target risk is managed by a combination of internal resource dedicated to identifying targets complemented by strong relationships with external advisors. Acquisition integration risk is managed by detailed planning, including active participation from the vendors to ensure acquisitions are integrated effectively. Post-acquisition performance risk is mitigated through due diligence and integration planning including the use of experts throughout the acquisition process.

Stakeholder engagement and Section 172 statement

Compliance with Section 172 of the Companies Act



A Director of the Company must act in accordance with a set of general duties. These duties are detailed in Section 172 of the Companies Act 2006, summarised as follows:

- Consider the likely consequences of any decisions in the long term
- Consider the interests of the Company's employees
- Need to foster the Company's business relationships with suppliers, customers and other key stakeholders
- Review and assess the impact of the Company's operations on the community and the environment
- Maintain a reputation for high standards of business conduct, and
- Act fairly between members of the Company

In discharging its Section 172 duties the Board has considered the factors set out above and the views of key stakeholders.

Engaging, consulting and acting on the needs of different stakeholders is critical for the development and delivery of a culture and strategy that achieves long-term success. *accesso* undertakes meaningful engagement with its stakeholder groups to build trust and supports the ethos of Section 172.

These priorities reflect the need to consider the interests of our staff and the need to keep pace with market initiatives and technological changes so the business is appropriately positioned to take best advantage of market conditions. The strategic priorities are cascaded down to individuals within the business through the Performance and Development Review process.

The Board confirms that, during the year, the Board and its individual members have acted in a way that would be most likely to promote the success of the Company, for the benefit of its members as a whole, in the decisions made by the Board during the year. The Directors confirm that the deliberations of the Board, which underpin its decisions, incorporate appropriate regard to the matters detailed in section 172(1) of the Companies Act 2006. During the year, the Board considered information from across the Group's businesses and received presentations from management, reviewed papers and reports and took part in discussions which considered, where relevant, the impact of the Company's activities on its key stakeholders. These activities, together with direct engagement by the Board and individual Directors with the Company's stakeholders, helped to inform the Board in its decision-making processes.

Stakeholder engagement and section 172 statement continued

Compliance with Section 172 of the Companies Act

Stakeholder group	Why they are important	How we engage
Employees	Engaged, enabled, empowered employees who contribute to the best of their ability are fundamental to the long-term success of the business. We seek to attract, develop and retain high-calibre staff, and as a consequence, our customers can be assured that the service they receive is among the best available.	The Group's policy is to consult and engage with employees, by way of meetings, surveys and through personal contact by Directors and other senior executives, on matters likely to affect employees' interests. Information on matters of concern to employees is given in meetings, emails, letters and reports, which seek to achieve a common awareness on the part of all employees on the financial and economic factors affecting the Group's performance. We maintain oversight of their performance through an annual performance and development review process. We seek to offer appropriate levels of remuneration which we benchmark using market surveys. We value our employees' thoughts and ideas and two-way communication is actively sought and encouraged. An anonymous Staff Engagement Survey was conducted during the year, the results of which were considered in detail by management and helped to inform and guide subsequent strategic decisions that were made. Our expected standards of behaviour are set out in our Code of Business which all staff are expected to adhere to.
Customers and suppliers	*accesso's* customers and suppliers are key to the long-term success of our business. We seek to grow and maintain our customer base and select suppliers to ensure our reputation is preserved, protecting our position as the leading technology provider of choice for tomorrow's attractions, venues and institutions to help us achieve our growth ambitions.	They are key business partners and we set out our relationship in terms of business or service level agreements. We maintain oversight of these arrangements as well as making sure our customers receive an appropriate level of disclosure. We listen to our customers and invest in research and development because our industries demand it, our clients benefit from it and it makes a positive impact on the guest experience. Our innovative technology solutions allow venues to increase the volume and range of on-site spending and to drive increased transaction-based revenue through cutting-edge ticketing, point-of-sale, virtual queuing, distribution and experience management software. Many of our team members come from backgrounds working within the attractions and cultural industry. In this way, we are experienced operators who run a technology company serving attractions operators, versus a technology company that happens to serve the market. Our staff understand the day-to-day operations of managing complex venues and the challenges this creates, and together we strive to provide our clients and their guests with technology that empowers them to do more and enjoy more. From our agile development team to our dedicated client service specialists, every team member knows that their passion, integrity, commitment, teamwork and innovation are what drive our success.
Shareholders	Shareholders play an important role in the success and growth of the Group and as proved during the pandemic year were able to provide a source of equity to insulate the business. In addition, shareholders provide important feedback to the Executive Directors on market conditions, expectations, and economic performance.	We have an ongoing dialogue with shareholders through formal communication of financial results on a yearly and half yearly basis, we also provide periodic market updates and the required press releases to ensure compliance with the AIM rules. We engage with substantial shareholders to ensure that the strategic direction of the business is aligned with their expectations.

Environmental, social and governance report ('ESG report')

We understand the increasing importance of aligning to global Environmental, Social and Governance (ESG) corporate responsibility standards. With continuous developments in important areas such as climate change, globalisation, digitalisation, equality and diversity; *accesso* recognises the need to develop, monitor and improve its policies and practice to drive forward change.

Environmentally, we are committed to and actively striving for a sustainable future by engaging in decarbonisation and have established our first Climate Policy. Socially, we endeavour to be a strong advocate of equal opportunity, diversity and ethical business. In Governance, we work hard to ensure our procedures and management are conducive to managing the risks and opportunities posed by environmental and social issues, as well as achieving our own performance targets, with the Board constantly reviewing appropriate governance structures. Below we outline our performance in ESG during 2022 and what we are aiming to accomplish in 2023 and beyond.

Environment

Recognising the importance of climate change as a global issue, in 2022 we have accelerated efforts towards understanding our role in creating a sustainable future. The development of our Climate Policy has put us on a trajectory to carbon neutrality, broader environmental sustainability (e.g., by beginning to understand our wider waste footprint) and further improvement of our environmental governance. In 2022, we have started to explore disclosure frameworks, expanded climate metrics, environmental risk management and decarbonisation strategy. We will continue this work in 2023.

Climate policy

In line with our commitments for 2022, *accesso* were pleased to launch our first Climate Policy. We developed this in recognition of the urgency of climate action and the role *accesso* plays in reaching global climate targets, including limiting global warming to 1.5°C as outlined in the Paris Agreement. Our policy will apply to all our current and future operations and subsidiaries. Within these boundaries, we commit to a Net-Zero target for Scope 1 and 2 in 2035. To safeguard a science-based trajectory towards Net-Zero, we will start developing a decarbonisation strategy and roadmap in 2023, which includes setting intermediate targets towards 2035.

Furthermore, we commit to mapping and reducing emissions for material Scope 3 categories by 2035. To achieve this, we have pledged to start expanding our Scope 3 understanding and footprint beyond business travel, with the ultimate objective to map our entire Scope 3 Greenhouse Gas (GHG) emissions. This will enable us to determine the materiality of each category and develop a targeted Scope 3 decarbonisation strategy. The Climate Policy outlining these commitments and action plans will be reviewed annually by the Board and updated as needed.

Climate-related financial disclosures

As an AIM-listed company in the U.K., *accesso* will be required to make disclosures aligned to the recommendations of the Task Force on Climate-related Financial Disclosures ('TCFD') in our next annual report. We have already begun gathering the necessary information to assess and review our current alignment against the four pillars of the TCFD recommendations (Governance, Strategy, Risk Management, and Metrics and Targets), have started engaging with our customers and vendors where needed to support our analysis of our climate-related physical and transitional risks and opportunities, and have engaged with a third-party specialist for support.

We are developing our understanding of climate risk and opportunity as it relates to our business. Although our sector is less resource-intensive than others, such as extractives and heavy-manufacturing, we recognise that there are still risks attached to climate change that can impact the business. For example, extreme weather presents a physical risk whereby a reduction in attendance at *accesso's* customer venues would decrease our revenue.

Based on good market practice, we have also identified the two scenarios we will use to assess our strategy's resilience to identified risks and opportunities. These scenarios will be; achieving net-zero in 2050 with a 1.5-degree warming in 2100 following the Representative Concentration Pathway (RCP) 2.6; and a "climate chaos", business-as-usual scenario, which is linked to RCP 8.5. Lastly, as prescribed by the Metrics and Targets pillar, we are reviewing our GHG-emissions reporting methodology, having gathered data to report our emissions into Scope 1 and 2, and are further assessing Scope 3 according to the GHG-protocol.

In 2023 we will continue to build our understanding of the TCFD and work towards developing a robust disclosure that is in line with its requirements.

Understanding our footprint

In 2022 we have concentrated on refining our approach to GHG emissions footprinting. Using the GHG-Protocol Corporate Accounting Standard, we have reviewed our existing methodology and data for calculating GHG emissions, and now have a better understanding of emissions sitting within Scope 1, 2 and 3 categories. We have refined our approach so that our stated figures for office emissions are now based on direct usage from electricity and fuel bills.

For this year and the 2021 comparative, energy data and associated emissions have been disclosed for purchased electricity and natural gas, which are our most material Scope 1 and 2 emission sources. Total emissions for these in 2022 were 37 tCO_2e (2021 62 tCO_2e). Other fuels such as refrigerant gases or diesel for back-up generators are not included but are not expected to be material.

Our emissions from business travel are categorised as Category 6 of Scope 3 emissions (as defined in the GHG Protocol Accounting Standard). Total emissions for these in 2022 were 323 tCO_2e, an increase from 2021 (132 tCO_2e) due to a rise in air travel after the relaxation of global COVID-19 restrictions. In 2023, we will start to expand our understanding of the emissions in the other fourteen Scope 3 emissions. Where applicable and possible, we will engage with our clients and vendors to gain insight into where the most material emission categories will be, which we aim to disclose after thorough assessment in future reporting periods.

Environmental, social and governance report ('ESG report') continued

Decarbonisation

In 2022, we have begun looking at the key areas to focus on as we develop and refine a more detailed decarbonisation strategy in 2023, which will be informed by the footprinting exercise we expect to undertake. The below summarises the key initiatives we adopt within key areas to reduce emissions:

Our product

We support our customers in reducing paper consumption through using our digital ticket platforms, and venue applications such as digital maps and activity guides. However, we recognise that while reducing paper-usage, this simultaneously increases mobile phone usage, requiring capacity and run-time on our third-party data centre servers, which results in increased electricity use.

We understand the role we can play in reducing these emissions through optimising our software to decrease energy consumption on the venues' devices, users' phones, and data centres' servers. Our engineering team constantly look at operational efficiencies that can be made and will be looking into opportunities to improve our software capacity, auto-scaling and run-time performance and efficiency in 2023. This serves the dual benefit of reducing load on our servers thereby reducing cost and increasing margins, while simultaneously reducing associated emissions.

In addition to third parties using our technology, data center usage is likely to be one of the most material contributors to our Scope 3 footprint, and we are looking to quantify this in future reporting periods. Whilst our control over third party emissions is less than emissions within our operational boundary, we will work towards leasing server capacity at vendors that are committed to progressive climate policies. Currently, over 90% of our expense is from two main suppliers, namely Amazon Web Services (AWS) and RackSpace Technology. Both providers have clear environmental policies and decarbonisation timelines. Where feasible, we will look to engage with AWS, RackSpace and our other server space providers to obtain our footprint data as well as plans to reduce it. To enhance these efforts, a collaborative team across our Group is working to include a criterion on climate policy and/or climate impact in our vendor selection process.

Our only physical product, The *Prism*SM band, is manufactured by a supplier based in Penang, Malaysia. This manufacturer was selected and is monitored based on 12 standards including one on protection of the environment. Even though we observe an ongoing shift from The *Prism* band to mobile app use, we will engage with our supplier to gain insight in both its footprint as well as its climate policy, to understand where there are opportunities to leverage a more sustainable practice and decarbonisation strategy.

Our offices

Being a software company, our direct greenhouse gas emissions are primarily from office use. As a result of COVID-19, we have largely switched to remote working from home. Consequently, we rationalised our office space in 2021, resulting in lower electricity usage and GHG emissions for the Group. In 2022, this trend has continued with approximately 95% of our personnel working from home which has led to relocation from our larger floors and office buildings to smaller equivalents, significantly reducing our office square footage and by consequence, emissions.

This has resulted in an overall square footage reduction of nearly 62% in 2022. In addition, as part of our relocations, we have reused the existing furniture of the new offices and repurposed the furniture of our old offices, to prevent unnecessary purchase of new items and associated emissions.

Inside our offices, we try to keep our energy usage and waste production to a minimum. We do this by considerate use of space, where our LED lighting and heating or air-conditioning turn off automatically in spaces we do not use at that time. Moreover, we have looked to eradicate paper waste through digitalising our office activity as much as possible, reduced the use of single-use products and recycled our waste where possible. We will continue to adopt such initiatives to reduce our waste and associated emissions in 2023.

Working from home and travelling

With 95% of our workforce working from home, we understand that while our office energy use has decreased, the energy use in our employees' homes has increased as a result. We are developing an approach to quantify this usage and associated emissions and aim to disclose the figures in 2023. In addition, we will look at a sustainable awareness programme to provide employees with training and workshops on sustainable practices at home as well as incentives to reduce energy use.

Since COVID-19 brought business travel, and especially air travel, to a halt, our business travel emissions were relatively low in 2021. Now, post-COVID, travel networks have reopened, and our business travel has more than doubled in 2022. Although site visits are in the nature of our business and business travel can therefore not be avoided altogether, we have initiatives to reduce the frequency of these. Itineraries are approved based on necessity and we use video conferencing software where possible. We intend to further review our business travel policy as well as explore a carbon offset strategy to offset emissions that can be reduced no further.

Specific examples

As part of our attempts to reduce energy use at our third-party data centres, we have already implemented or planned the following software improvements:

accesso ShoWare

Migration of the *accesso ShoWare* application and related infrastructure to the cloud (i.e. Microsoft Azure) is currently being planned. This will replace the need for physical servers currently operating in a managed hosting environment with the more energy-efficient cloud-service servers at Microsoft Azure.

accesso LoQueue

Migration of the *accesso LoQueue* platform to .NET Core (i.e., an open-source software framework), allowing it to run on AWS instances that allow for less risky downscaling during times of decreased demand, decreasing energy use.

Migration of the *accesso LoQueue* database to PostgreSQL (i.e. an open-source relational database management system), allowing related subsystems to be more readily scaled to meet curves in system demand, reducing energy use.

Environmental, social and governance report (‘ESG report’) continued

Waste

In our Climate Policy, alongside carbon, we have committed to assessing our waste footprint and developing targets to reduce this. In 2022, we have started collecting data from our offices to gain insight into our waste footprint and will continue to mature this in 2023 by expanding the number of offices reporting and collecting monthly where possible.

Given the nature of our business we expect our water consumption to be small, being largely limited to office-based consumption from bathroom and kitchen facilities. We are in the early stages of gathering data on water consumption and expect to refine this further in 2023.

Currently, the amount of waste our offices produce is relatively small compared with larger corporates. We look to reuse materials where possible and have recycling initiatives at our sites. In our offices, IT-equipment waste comprises predominantly of outdated end-user hardware (for example laptops, mobile devices, peripherals). Our policy is to either donate equipment or to use our vendor’s recycling programme, such as the Dell Recycle Programme.

In addition, the use of third-party cloud data centres eliminates waste related to servers, network equipment, and other physical infrastructure within our own operations. For our *Prism* product, we reuse the straps and any reusable components. The remaining parts are recycled by an accredited recycling company in the UK and Europe, following the Regulations: restriction of hazardous substances (RoHS) and the Waste Electrical and Electronic Equipment Directive (WEEE). In the US, these non-reusable parts are disposed of by our partner that recycles components wherever possible.

Looking ahead to 2023, we will continue to maintain practices that limit our waste and concentrate on collecting data from our operations to further inform our performance and approach.

Environmental metrics

Energy Use (MWh)

	2022	2021
Non-renewable fuel consumed[1]: Natural Gas	22	23
Electricity Consumption	148	232
Total Energy Consumption	**170**	255

GHG Emissions by Scope (tCO_2e)

	2022	2021
Scope 1[2]	4	4
Scope 2 (Location-Based)	37	62
Subtotal (Scope 1 + Scope 2)	**41**	66
Scope 3	323	132
Category 6 – Business Travel[3]	323	132
Total Emissions (Scope 1 + 2 + 3)	**364**	198

GHG Emissions by Region (tCO_2e)

	Location	2022	2021
Scope 1	Brazil	–	–
	Mexico	–	–
	United Kingdom	–	–
	United States	4	4
	Subtotal	**4**	4
Scope 2 (Location-Based)	Brazil	–	–
	Mexico	2	2
	United Kingdom	16	23
	United States	19	37
	Subtotal	**37**	62

GHG Emission Intensity (tCO_2e /Revenue M$)

	2022	2021
Revenue (M$)	**139.7**	124.8
Scope 1	0.03	0.03
Scope 2 (Location-Based)	0.26	0.50
Subtotal (Scope 1 + 2)	**0.29**	0.53
Scope 3: Category 6	2.31	1.05
Total Emissions (Scope 1 + 2 + 3) per Revenue (M$)	**2.60**	1.58

GHG Emission Intensity (tCO_2e /Operating Profit M$ & tCO_2e /employee)

	2022	2021
Operating Profit (M$)	12.7	13.5
Total Emissions (Scope 1 + 2 + 3) per operating profit (M$)	**29**	15
Employees	965	824
Total Emissions (Scope 1 + 2 + 3) per employee	**0.4**	0.2

1 F-gases and Diesel are not included.
2 See footnote 1.
3 These emissions do not include hotel stays.

Environmental, social and governance report ('ESG report') continued

Social

At *accesso* we recognise our employees are paramount to the success of our business. We continually seek opportunities to engage with our employees throughout the year. Our initiatives enhance employee wellbeing and support, which in turn, contribute to lower turnover and promote employee retention.

We administered the seventh annual Employee Engagement Survey with 91% participation and a 4.2 overall average score (out of 5.0) which represents the highest average score in the history of the survey and is above the 75th % for similarly sized organisations in our industry.

We launched a Wellness Programme focused on physical, emotional, financial, career and community initiatives and challenges hosted by the Wellworks platform.

Additionally, we implemented a more robust, global Employee Assistance Program in response to providing our employees the assistance they need in the different areas of their lives outside of work.

We hosted several live virtual teambuilding events throughout the year such as Online Office Olympics to engage our remote workforce.

In 2022, we onboarded 162 new hires, including 8 rehires and ended 2022 with 15.4% turnover, which is significantly lower than the previous year.

Diversity

Diversity, Equity & Inclusion ('DEI') remains a key focus area as we work to implement a more formalised strategy including updated metrics and targets. We have expanded our DEI metrics to include wider gender and racial/ethnic group representation metrics across the business. On 31 December 2022, our minority headcount was 31% and female headcount was 35%. We plan to further expand these metrics in future annual reporting.

We have continued to partner with the National Diversity Council to assess our current diversity landscape and assist with the building of our future efforts.

Following the launch of our DEI Strategic Council in January 2022, a formalised strategy was developed and communicated to all employees. Notable Council achievements during 2022 include:

- Optimised our closed captioning and translation capabilities to create a more inclusive environment during meetings.
- Created a DEI communication space for all employees with the purpose of educating, sharing different cultures, holidays and traditions.
- Provided more inclusive language of preferred pronouns in our application tracking system and email signatures.

In 2023, the Council will be implementing a diversity specific recruiting platform and looking to partner with organisations that will ensure increased exposure to a more diverse candidate pool.

accesso's diversity and inclusion policy, which encompasses the Board, is based on a commitment to creating an environment where diversity is valued and respected. We believe that business success is a direct result of the experience and quality of its people. Inherent within this approach is an acceptance and embracing of diversity in all its forms and an endorsement that the entire workforce, including the Board, be representative of the communities in which the Group operates. Key aims of the policy are to ensure equality, diversity and inclusion in the workplace and to promote a culture where everyone is treated with respect and dignity.

Community

accesso is a responsible member of its community; this reflects our culture and matters to our staff and local community. *accesso* has a strong culture of supporting staff in both individual and Group volunteering and fundraising initiatives. This includes encouraging staff to volunteer at local community projects and participate in local events; and providing corporate sponsorship of charitable activities.

In 2022, our Company won the Tech Cares Award from Trust Radius, which is granted on annual basis to a select group of businesses for their focus on Corporate Social Responsibility.

Volunteer time off

We utilise a Volunteer Time Off (VTO) Programme for all employees to volunteer a paid day off at a charity of their choosing. We partner with Technovation, a global tech education non-profit whose mission is to empower children to become more confident leaders and problem solvers in their communities. Our employees serve as judges to provide feedback to teams of girls on mobile apps they build from scratch. https://technovationchallenge.org

Charitable giving

Both directly and in partnership with our clients, we contribute to various causes including domestic violence prevention, childhood hunger, cancer research, and natural disasters. Two examples from 2022 include:

- Donating $20,000 USD to the Ukraine Relief Fund through Global Giving, based on a $10k donation from our employees which was matched by *accesso*.
- Donating $10,000 USD to the Hurricane Ian response fund through the Heart of FL United Way to help those in the Central FL area where we have a large number of employees.

Donation drives

Local offices regularly participate in company-sponsored activities such as Angel Trees, the purchasing of Christmas gifts for local foster children. https://saangeltree.org

Environmental, social and governance report ('ESG report') continued

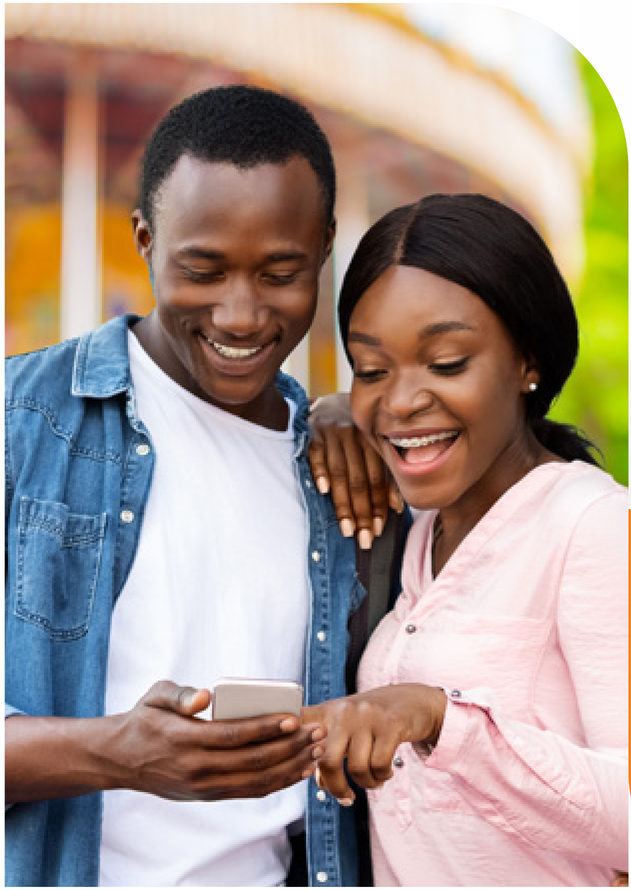
ESG Governance

The governance of ESG currently falls under the responsibility of the whole Board and is a recurring Board agenda point. This governance structure and approach is constantly under review. On Environment, as committed to in our Climate Policy we appointed a Board member with ESG-responsibilities. *accesso* recognises the importance of meeting globally recognised corporate responsibility standards and have given Jody Madden, Non-Executive Director, responsibility to drive forward ESG initiatives and facilitate ESG related risk assessment.

Looking ahead to 2023, we will install an ESG-Committee that will develop, guide, monitor and revise the plans, policies and structures wherever and whenever deemed necessary.

We employ an experienced Board made up of a diverse group of Executive and Non-Executive Directors with significant experience in the industry and as directors of other public companies to help us develop and adhere to best practice on governance matters. The three Non-Executive Directors are independent.

Governance



Corporate governance report

for the financial year ended 31 December 2022

The Board of Directors' (the 'Board') continues to support achieving high standards of corporate governance and we remain fully compliant with the principles of the Quoted Company Alliance's Corporate Governance Code (the 'QCA Code') *accesso's* adherence to high standards of ethics, values and corporate social responsibility are principles which underpin our governance procedures and the strategic and management decisions that we make. Our governance model evolves to support the business and the QCA Code continues to provide a flexible, yet rigorous approach to support this. The Board is continuing to review appropriate governance around ESG matters and has engaged with professional advisors to assist with the formalisation of relevant Board policies.

We also recognise that we have an impact on the world in which we live, our employees, and the people we interact with. We strive to deliver strong results to our investors through sustainable business practices across environmental, social and governance pillars.

Details of how we comply with the QCA Code are set out in our Statement of Compliance, a copy of which can be found on our website www.accesso.com. Details of our approach to ESG can also be found under the Environment section of the Strategic Report on page 23 and on our website.

Board composition

The Board of Directors comprised two Executive Directors, the Non-Executive Chairman and three independent Non-Executive Directors for the financial year 2022. Effective with the resignation of Karen Slatford on 17 January 2023 the current number of independent Non-Executive Directors has been reduced to two. A replacement independent Non-Executive Director will be appointed in due course. Full details of the Directors are on page 32.

All Directors are subject to election by shareholders at their first annual general meeting following their appointment to the Board and seek re-election at each annual general meeting thereafter.

Each of the Directors brings a mix of skills, experience and knowledge, the balance of which enables the Board to discharge its duties effectively. Upon joining the Board, Directors receive an induction on various aspects of the Group. The Directors receive updates from the Company Secretary and other various external advisers on legal requirements and regulations, remuneration matters and corporate governance best practice.

The Board will continue to look to build further diversity into leadership and across the business, recognising the value of building and developing a diverse workforce at all levels. Succession planning is a continuous strategic process and the Board has continued over the past year to focus on both long-term and short-term succession both for Board and senior management succession. Currently the Board is over one-third female, more than half are Non-Executive Directors, and the average Non-Executive tenure is under 4 years.

The role of the Board

The Board is responsible for the overall leadership of the Company and setting the Company's vision, purpose, values and standards. It approves the Group's strategic aims and objectives and the annual operating and capital expenditure budgets and ensures maintenance of a sound system of internal control and risk management. There is a formal schedule of matters reserved for the Board.

The Executive Directors have day-to-day responsibility for the operational management of the Groups' activities. The Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions and they also hold meetings on a regular basis to discuss matters without Executive Directors present to provide a forum for independent discussion. The Chairman is responsible for overseeing the running of the Board, ensuring that no individual or group dominates the Board's decision making and ensuring the Non-Executive Directors are properly briefed on matters. The Chief Executive Officer has responsibility for implementing the strategy of the Board, alongside the Chairman, and managing the day-to-day activity of the Group. The Company Secretary is responsible for ensuring that Board procedures are followed, and applicable rules and regulations are complied with. All Directors have access to the Company Secretary and are permitted to obtain independent professional advice at the Company's expense where they consider it necessary for them to effectively discharge their duties.

The Board has established an Audit Committee and Remuneration Committee to assist the Board in fulfilling its responsibilities. Both Board Committees have separate terms of reference, which along with the Board's schedule of matters reserved are reviewed on a regular basis. It is considered that the composition and size of the Board does not warrant the appointment of a Nominations Committee and appointments are dealt with by the Board as a whole. The need to appoint such a committee is subject to review by the Board.

Corporate governance report continued

for the financial year ended 31 December 2022

Board and Committee meetings 2022

The Company holds Board meetings regularly throughout the year. The Audit Committee held two meetings and the Remuneration Committee held five meetings. Attendance by Board members is shown below.

	Board	Audit Committee	Remuneration Committee
Number of meetings held	7	2	5
Executive Board members			
Steve Brown	7	–	–
Fern MacDonald	7	–	–
Non-Executive Board members			
Bill Russell	7	–	–
Andy Malpass	7	2	5
Karen Slatford	7	2	5
Jody Madden	7	2	5

In the event that Board approval is required between Board meetings, Board members are provided with supporting information to assist in making a decision. The decision of each Board member is communicated and recorded at the following Board meeting. Board members are aware of the time commitment required when joining the Board.

The Board agenda for each meeting is collated by the Chairman in conjunction with the Company Secretary. The agenda ensures that adequate time is spent on operational and financial issues as well as strategic matters. During the course of the year, the topics subject to Board discussion at Board meetings included:

- Protection and support of staff
- Key management and Company-wide share-based arrangements
- Strategic plan and annual forecast and budget
- Financial performance
- Capital management and utilisation.
- Succession planning
- Market and competitor reports
- Risk and internal controls
- Approval of annual and half year reports
- Stakeholder engagement
- Reports from the Audit and Remuneration Committees

Detailed proposal papers, management reports, progress on key initiatives and routine matters such as financial reports and a statement on current trading are produced in advance of meetings to enable proper consideration and debate of matters by the Board in its meetings. Major strategic initiatives involving significant cost or perceived risk are only undertaken following their full evaluation by the Board. Matters of an operational nature are delegated to executive management. The Board also receives management information on a regular basis between formal meetings.

The Chairman, the CEO and CFO are invited to attend the Audit and Remuneration Committee meetings if appropriate. Minutes of all Board and Committee meetings are recorded by the Company Secretary.

Audit Committee

The Audit Committee is chaired by Andy Malpass, and both Jody Madden and Karen Slatford were members during the financial year 2022. Karen Slatford resigned effective 17 January 2023.

The Committee met twice during the year to fulfil its duties. The Chairman, Chief Executive Officer, Chief Financial Officer and external auditor attended meetings by invitation.

The Committee is responsible for monitoring and reviewing the financial reporting of the Group from information provided by the management and the auditor. As part of this it reviews both the financial information and the narrative reporting within the externally published announcements and Company reports. It also considers the objectivity, independence and cost effectiveness of the external auditor. The Committee keeps under review the effectiveness of the Group's system of internal control on behalf of the Board. As part of this role, it reviews the Group's controls and procedures for the evaluation, monitoring and management of risks and advises the Board on the Group's risk strategy. The Executive Directors are closely involved with the management and review of business operations.

The Committee reviewed the position of the Group's independent external auditors and appointed Grant Thornton UK LLP in September 2022, replacing KPMG LLP.

The Committee considers the objectivity, independence and cost-effectiveness of the external auditor, taking into account the views of management.

The Audit Committee's recommendation is that Grant Thornton UK LLP be re-appointed as the Company's auditor and an appropriate resolution be put to the shareholders at this year's annual general meeting.

Remuneration Committee

The full Remuneration Committee report is on pages 33 to 41 which includes full details of the composition and terms of reference of the Committee.

Corporate governance report continued

for the financial year ended 31 December 2022

Relations with shareholders

The Company and Board recognise the importance of developing and maintaining good relationships with all the various categories of shareholders and devotes significant effort and resource in this respect.

There have been regular dialogues with shareholders during the year including holding briefings with analysts and other investors, including staff shareholders. The Company also uses the annual general meeting as an opportunity to engage with its shareholders. In addition to the Company's annual general meeting in May 2022, a further general meeting was held in December 2022 for a special resolution to permit the Company to buy back ordinary shares should it be considered an appropriate use of capital.

Notice of the date of the 2023 annual general meeting is included with this report. Separate resolutions on each substantially separate issue, in particular any proposal relating to the Annual Report and Accounts, will be made at the annual general meeting.

Board performance evaluation

In the last quarter of 2021, the Board undertook a formal review which was conducted internally by the Company Secretary and consisted of written responses to a questionnaire. Recommendations and issues raised by the evaluation exercise were used to improve the effectiveness of the Board and introduce improvements to Board processes during 2022 and consideration is now being given to when the next review will happen.

Bill Russell

Bill Russell
Non-Executive Chairman
3 April 2023

Board of Directors

Bill Russell
Non-Executive Chairman

Year appointed to the Board: 01 March 2019

Experience

Bill Russell has served in a variety of roles in both public and private technology company boards, in a career spanning several decades, with 23 years across a number of senior management roles at Hewlett Packard, including Vice President and General Manager of Hewlett Packard's multi-billion-dollar Enterprise Systems Group and its Software Solutions Group. Bill is currently Non-Executive Chairman at PROS Holdings, a provider of AI-powered solutions that optimise selling in the digital economy, and previously served on the boards at SABA Software, Inc., webMethods and Cognos. Bill has a BSc (Hons) in Computer Science from Edinburgh University and is based in the United States.

Bill Russell joined as the Group's Non-Executive Chairman on 1 March 2019.

Andy Malpass
Non-Executive Director

Year appointed to the Board: 26 June 2018

Experience

Andy Malpass has over 30 years' experience in the software industry covering both private and public companies, including approximately 20 years as Group Finance Director of Fidessa Group plc. Andy also served as Company Secretary of Fidessa Group plc for many years. He is currently an Independent Non-Executive Director and Chair of the Audit Committee at Kainos Group plc. Andy graduated with a BA (Hons) in Accounting and Finance from Lancaster University and is a Fellow of the Chartered Institute of Management Accountants.

Andy joined *accesso* on 26 June 2018 as Independent Non-Executive Director, Andy is the Chair of the Audit Committee and became a member of the Remuneration Committee in March 2019.

Jody Madden
Non-Executive Director

Year appointed to the Board: 1 January 2021

Experience

Jody is an experienced technology leader, and is currently Chief Executive Officer of Foundry, a London-based creative software developer for the Media and Entertainment industry. She has 20 years of experience in Media and Entertainment and held a range of senior roles at Digital Domain, Lucasfilm and Industrial Light & Magic prior to joining Foundry. Jody is also on the Board of Directors of the Sustainable Food Center, a Central Texas non-profit group. Jody has a Bachelor of Arts degree from Stanford University.

Jody was appointed as a Non-Executive Director of the Group on 1 January 2021 and is a member of *accesso's* Audit Committee and Chair of the Remuneration Committee.

Steve Brown
Chief Executive Officer

Year appointed to the Board: 27 January 2020

Experience

Steve founded the Company's namesake accesso business in 2008, which became part of what is now accesso Technology Group plc when it was acquired from Steve in 2012. During a period of rapid expansion between 2013 and 2017, the Company acquired Siriusware, ShoWare, Ingresso and TE2. Steve served as President and CEO from 2016 until 2018 when he departed the Company. He stepped back into the CEO role in January 2020 to reinvigorate the Company's strategic plan to fully leverage the range of assets within its portfolio and deliver value-enhancing solutions to the marketplace.

Steve brings a strong operations and finance background to accesso with extensive experience in ticketing, pricing strategy, eCommerce and revenue management. His theme park career began during college at Walt Disney World Resort. Over the course of sixteen years, he held a variety of roles with increasing responsibility in financial planning and pricing strategy including Director, Walt Disney World Ticketing and Vice President, Revenue Management for Disneyland Resort, where he drove dramatic growth in park admissions and hotel revenues utilising strategic and promotional pricing. Prior to joining accesso, Steve served as the corporate Vice President of Ticket Strategy and Sales for Six Flags.

Steve received his MBA from the Goizueta Business School at Emory University in Atlanta and graduated with a BSc in Marketing from the University of South Florida in Tampa.

Fern MacDonald
Chief Financial Officer

Year appointed to the Board: 27 April 2020

Experience

Fern is an experienced international accounting and finance professional who served as Senior Vice President of Finance at *accesso* from May 2018 prior to her appointment as Chief Financial Officer on 27 April 2020.

Fern has more than 20 years of experience and a deep understanding of the *accesso* business. Prior to joining *accesso*, she spent eight years in various financial leadership roles at ZeroChaos (now Workforce Logiq), a global provider of workforce management solutions, culminating as Executive Vice President, Finance. Previously, Fern was a senior manager with Ernst & Young, serving a series of public and private clients from both the Dublin, Ireland and Moscow, Russia offices. Fern graduated with a BA (Hons) in Accounting and Finance from Dublin City University; she is a fellow of Chartered Accountants Ireland and CPA qualified.

Directors' remuneration report

for the financial year ended 31 December 2022

Introduction

As disclosed to the market on 17th January 2023, Karen Slatford stood down from her Company duties, including the position of Chair of the Remuneration Committee and I have been appointed as the new Committee Chair in her place. Before presenting our Remuneration Report below, I would first like to thank Karen for her significant role in steering the Company's Remuneration Policy.

As the new Chair of the Remuneration Committee, I am pleased to present our report setting out *accesso's* Remuneration Policy, practice and activities during the financial year.

Although a full remuneration report is not a requirement of an AIM listed company, the Committee has decided that, as was the case last year, a more comprehensive report is good practice and provides shareholders with more clarity around how we set and manage executive remuneration for our Executive Directors.

This report gives an overview of the year, the Remuneration Policy of the Company and provides detail of the amounts paid in 2022 as well as how the Remuneration Policy will be implemented in the 2023 financial year.

The Company continued to comply with the Quoted Companies Alliance's Corporate Governance Code (the 'QCA Code'), and the report has been prepared in accordance with the principles of the QCA Code. The content of this report is unaudited unless otherwise stated.

We hope you find the information in this report helpful to you as a shareholder.

Committee membership

Chair	Members
Jody Madden[2] Karen Slatford[1]	Andy Malpass

1 Resigned 17 January 2023; served as Chair until that date.
2 Appointed as chair 24 January 2023; served as member until that date.

Committee membership is limited to independent Non-Executive Directors of the Company unless there is an insufficient number of appointed Non-Executive Directors at any point, in which case an Executive Director will be appointed. Martha Bruce, the Company Secretary, or her designate acts as secretary to the Committee.

Role of the Committee

The Committee's primary role is to determine, and agree with the Board, the Remuneration Policy for the Executive Directors and senior management as well as to oversee the remuneration of the Group, ensuring alignment of objectives and rewards. Within the terms of the policy, the Committee also approves performance-related and discretionary awards to Executive Directors. The Committee's full Terms of Reference may be viewed on *accesso's* website. Senior members of *accesso's* management team may attend meetings by invitation but will not be present when their own remuneration is discussed.

Appointment of external advisors

The Committee continued to use external independent remuneration consultants, Mercer Limited, to assist the Company with setting fair and balanced remuneration policies for its key management. Mercer is a signatory to, and adheres to, the Code of Conduct for Remuneration Consultants (which can be found at www.remunerationconsultantsgroup.com).

Principal activities in 2022

The principal activities undertaken by the Committee during 2022 were as follows:

- Reviewed and approved Company-wide salary increases with effect from January 2023;
- Reviewed and approved the Long-Term Incentive Plan ("LTIP") and Company-wide share award plan grants for 2022;
- Reviewed and approved the Company-wide bonus pool;
- Reviewed and approved the terms of reference of the Committee;
- Reviewed and approved Directors' expenses for 2021 and the policy for authorisation;
- Reviewed and approved plans for investor engagement; and

Activities undertaken between the end of the financial year and the date of this report:

- Reviewed and approved the bonus awards in respect of the 2022 performance year;
- Reviewed the annual bonus targets for the Executive Directors for the financial year 2022 and measured performance against them;
- Reviewed and approved Directors' expenses for 2022 and the policy for authorisation.

Directors' remuneration report continued

for the financial year ended 31 December 2022

Remuneration Policy overview

The principal objectives of the Company's Remuneration Policy are to attract, retain and motivate the Company's Executive Directors and senior management and provide incentives that align with, and support, the Company's business strategy. This objective is critical as the Company operates in a market where wage pressure and competition for talent continues to have a significant impact on the business.

The Remuneration Committee oversees the implementation of this policy and seeks to ensure that the Executive Directors are fairly rewarded for the Company's performance over the short, medium and long term. Taking typical practice within the sector into account, the Committee has decided that a significant proportion of potential total remuneration should be performance related.

Over 2022 the Committee undertook a review of the remuneration arrangements of the CEO and CFO to ensure that the overall package remained competitive against our chosen peers and that the structure of the package supported and reinforced our business strategy. As part of the review the Committee sought the input of shareholders for their views and perspectives, and these were carefully considered when developing the changes agreed for 2023.

As a result of this review, The Committee approved changes to the 2023 salary and variable remuneration arrangements for Steve Brown as CEO and Fern MacDonald as CFO and which are set out in the Executive Director remuneration table below.

The Committee will continue to monitor the salary and total remuneration for Executive Directors closely and reserves the right to make an increase in excess of typical UK market practice if it considers it necessary and appropriate, especially given the Company's predominant presence in the US.

Focus for 2023

In the coming year, the Remuneration Committee will consider a number of matters including:

- securing the extension of the employment agreements of the CEO and CFO for a further 3 years;
- approval of bonus performance measures and targets for 2023;
- approval of performance conditions and awards under the Company's LTIP for 2023;
- approval of any awards under the Company-wide share award plan;
- assessment of the ongoing appropriateness of the remuneration arrangements in light of remuneration trends, market practice and the ongoing consequences of the pandemic;
- consideration of the incorporation of ESG targets in the Company's incentive arrangements.

Resolutions at the AGM

A full remuneration report is not a requirement for AIM-listed companies and similarly votes on remuneration policy and reports are not required for such companies. Therefore, shareholders will not be invited to vote on our Remuneration Policy or the Remuneration Report. The policy has been presented only for information and to give shareholders full background on the Company's approach to remuneration.

Directors' Remuneration policy

This section sets out *accesso's* Remuneration Policy for Executive and Non-Executive Directors.

The Policy explains the purpose and principles underlying the structure of remuneration packages and how the Policy links remuneration to the achievement of sustained high performance and long-term value creation.

Shareholders should note that approximately 70% of the Company's workforce, including both Executive Directors, are based in the US and their remuneration reflects that market, whilst recognising that the Company is UK-listed. Overall remuneration is structured and set at levels to enable *accesso* to recruit and retain high-calibre executives necessary for business success whilst ensuring that:

- our reward structure, performance measures and mix between fixed and variable elements are comparable with similar organisations;
- our remuneration supports the implementation of strategy and aims of the business, and effective risk management for the medium to long term;
- the right behaviours, values and culture are encouraged and rewarded; and
- the approach is simple to communicate to participants and shareholders.

Directors' remuneration report continued

for the financial year ended 31 December 2022

Fixed elements of remuneration for Executive Directors

Element of Remuneration	Link to Company Strategy	Operation	Maximum Opportunity
Salary	Provides a set level of remuneration sufficient to attract and retain Executives with the appropriate experience and expertise.	The Committee takes into account a number of factors when setting and reviewing salaries, including: • Scope and responsibility of the role; • Any changes to the scope or size of the role; • The skills and experience of the individual; • Salary levels for similar roles within appropriate comparators; and • Value of the remuneration package as a whole.	There is no set maximum to salary levels or salary increases. Account will be taken of increases applied to colleagues as a whole when determining salary increases for the Executive Directors, however the Committee retains the discretion to award higher increases where it considers it appropriate.
Benefits	Provides benefits sufficient to attract and retain Executives with the appropriate experience and expertise.	Executive Directors are eligible for the following benefits; • Healthcare • Life Insurance • Short and long-term disability insurance	The Committee recognises the need to maintain suitable flexibility in the benefits provided to ensure it is able to support the objective of attracting and retaining personnel in order to deliver the Company strategy. The maximum will be set at the cost of providing the benefits described. One-off payments such as legal fees or outplacement costs may also be paid if it is considered appropriate.
Retirement Schemes	Provides retirement scheme contributions sufficient to attract and retain Executives with the appropriate experience and expertise.	Executive Directors are eligible to receive employer contributions to the Company's pension plan(s) (which are defined contribution plans).	4% of salary per annum for the CEO and CFO subject to an annual maximum for the type of scheme per local tax and/or retirement regulations. To the extent that Executive Directors participate in the Company's pension arrangements, they do so on the same terms as the workforce.

Directors' remuneration report continued

for the financial year ended 31 December 2022

Variable elements of remuneration for Executive Directors

Element of Remuneration	Link to Company Strategy	Operation	Target Opportunity	Performance Metrics
Annual Bonus	Variable remuneration that rewards the achievement of annual financial, operational and individual objectives integral to Company strategy.	Objectives are set annually based on the achievement of strategic goals. At the end of the year, the Committee meets to review performance against the agreed objectives and determines payout levels. Awards are made in cash.	200% salary for the CEO and 150% salary for the CFO.	Awards are based on financial, operational and individual goals set at the start of the year. Up to 50% of the award will be assessed against the Company's financial performance in that year. The remainder of the award will be based on achievement against specific personal and strategic objectives. The Committee reserves the right to make an award of a different amount produced by achievement against the measures if it believes the outcome is not a fair reflection of Company or personal performance. The split between these performance measures will be determined annually by the Committee and exceptionally during the year if there is a compelling reason to do so.
Long-Term Incentive Plan (LTIP)	Variable remuneration designed to incentivise and reward the achievement of long-term targets aligned with shareholder interests. The LTIP also provides flexibility in the retention and recruitment of Executive Directors.	Awards granted under the LTIP vest subject to achievement of performance conditions measured over a three-year period. LTIPs may be made as conditional share awards or in other forms (e.g., nil cost options) if it is considered appropriate. Accrued dividends may be paid in cash or shares, to the extent that awards vest. The plan also allows for Share Options to be granted, subject to a six-month exercise period. The Committee may adjust and amend awards in accordance with the LTIP rules.	Overall maximum of up to 300% salary in any one year, including any Share Option Plan awards. The CEO received an award in the 2020 performance year of 582,567 performance shares. No awards were made to the CEO in fiscal years 2021 or 2022.	Performance measures are currently related equally to Total Shareholder Return ("TSR") and cash EBITDA. The Committee reserves the right to adjust the measures before awards are granted to reflect relevant strategic targets. The Committee reserves the right to exercise discretion to adjust the outcome produced by achievement against the measures if it believes the outcome is not a fair reflection of Company performance.

Directors' remuneration report continued

for the financial year ended 31 December 2022

Notes to the policy table

All LTIP and bonus awards made to Executive Directors are subject to Malus and Clawback provisions. The Committee may, in its absolute discretion, determine to reduce the number of shares to which an award or option relates or cancel it altogether. Alternatively, the Committee could impose further conditions on the vesting or exercise of an award or option. At any time within two years of an award vesting the Committee may require the Executive Director to transfer to the Company a number of shares or a cash amount in:

- any circumstances justifying summary dismissal of a participant from their office or employment with any Group Company including, but not limited to, dishonesty, fraud, misrepresentation or breach of trust;
- any material breach of a participant's terms and conditions of employment;
- any material violation of Company policy, rules or regulations;
- any material failure of risk management; and/or
- any inaccurate reporting of any accounts, financial data or such other similar information resulting in such accounts, financial data or other information or any future accounts, financial data or other information having to include material write-downs, adjustments or other corrective items.

Remuneration policy for other employees

As with the Executive Directors, salary for other employees is set at a level sufficient to attract and retain them, taking into account their experience and expertise. Annual bonus for other employees is normally payable as a percentage of salary and is set annually, based on the achievement of strategic and personal goals.

Selected employees may be invited to participate in *accesso's* LTIP, Share Award plan, CSOP, EMI or unapproved option schemes to aid retention and motivation. Pension arrangements are consistent across the UK and US workforce including Executive Directors.

Executive Directors' service contracts

Each of the Executive Directors has a rolling service contracts terminable by the Company on six months' notice or by the Executive Director on 90 days' notice. Each Executive Director receives life insurance, the benefit of which amounts to a maximum of $600,000. Each Executive Director is entitled to reimbursement of reasonable expenses incurred by them in the performance of their duties. The service contracts for Executive Directors make no provision for termination payments, other than for payment in lieu of salary.

Recruitment policy

The Committee will seek to align a new Executive Director's remuneration package to the Company's Remuneration Policy as set out above. In determining remuneration for a new Executive Director, the Committee will consider all relevant factors, including the requirements of the role, the external market and internal relativities, while ensuring it does not pay more than is necessary to appoint the preferred candidate. Benefits will be limited to those outlined in the Remuneration Policy, with relocation assistance provided where appropriate. Awards under the LTIP rules and/or CSOP rules that may be awarded to a new Executive Director will be limited to 300% of salary and bonus limited to 200% of salary.

The Committee may buy out remuneration a new hire has had to forfeit on joining the Group if it considers the cost can be justified and is in the best interests of the Company. Any such buyout would be in addition to the limits set out above. Any such buyout awards will be of comparable commercial value and reflect as closely as practicable the form and structure of the forfeited awards, including timing of vesting, performance conditions and the probability of those conditions being met. The fair value of any bought-out awards will be no higher than that of those forfeited. Where appropriate, the Committee retains the discretion to use the provisions provided in the Listing Rules for the purpose of making such an award, or to utilise any other incentive plan operated by the Group.

Where an Executive Director is appointed from within the Group, any legacy arrangements would be honoured in line with the original terms and conditions as long as these do not cause a material conflict with the Remuneration Policy. If an Executive Director is appointed following an acquisition of, or merger with, another Company, legacy terms and conditions that are of higher value than provided in the Policy would normally be honoured.

Termination of office policy

If the employment of an Executive Director is terminated, any compensation payable will be determined by reference to the terms of the service contract in force at the time. As variable pay awards are not contractual, treatment of these awards is determined by the relevant rules. The Committee may structure any compensation payments beyond the contractual notice provisions in the contract in such a way as it deems appropriate.

The Company may at its discretion make termination payments in lieu of notice calculated only on base salary. Service agreements may allow for garden leave during any notice period.

There is no entitlement to a bonus in any year. The Committee retains discretion to award bonuses for leavers taking into account the circumstances of departure. Any bonus would normally be subject to performance, deferral and time pro-rating as appropriate.

Directors' remuneration report continued

for the financial year ended 31 December 2022

Termination of office policy continued

Treatment of share awards is governed by the plan rules. If an Executive Director ceases to be a Director or employee of a Group Company before (i) the release date of an award granted as a conditional share award or (ii) the date on which an award granted as an option becomes capable of exercise by reason of death or any other reason other than for cause, the award shall be released or become exercisable to the participant. The release or exercise will be subject to the extent that any relevant performance condition has been satisfied over the relevant period, which may be determined by the Board. Any part of the Award which remains unvested as at the date of cessation, office or employment shall lapse immediately.

If a participant ceases to be a Director or employee of a Group Company for cause, all awards shall lapse immediately.

The Committee has discretion regarding whether to pro-rate the bonus based on the proportion of the year worked. The Committee's intention is that it will pro-rate the bonus for time, taking performance measures up to that time into account. The Committee anticipates it would only use its discretion to not pro-rate only where there is an exceptional business case, which would be explained in full to shareholders.

Change of control policies

LTIP awards issued in 2020, 2021 and 2022 vest in full on a change of control where the sale price exceeds a threshold price per share.

Awards issued under the Company-wide share plan from 2021 entitles an award holder to a pro-rated time-based vesting of their award on a change of control, with a 50% minimum if the award has not reached a 50% point in the vesting period.

Stakeholder engagement

In making remuneration decisions, the Committee considers the pay and employment conditions elsewhere in the Group although employees were not formally consulted prior to setting the Remuneration Policy for Executive Directors. Employees within the Group receive base salary, benefits, pension and an annual bonus subject to appropriate eligibility conditions. The terms and value of these elements vary based on seniority. The Committee appreciates the importance of understanding the views of the Company's shareholders. The Committee is open to listening to the views of our shareholders and engaging in ongoing dialogue with them on executive remuneration matters. The Committee also takes full account of the guidelines of investor bodies and shareholder views in determining the remuneration arrangements in operation within the Group. Shareholders should also note that a significant proportion of the Company's workforce are based in the US and their remuneration reflects that market.

External appointments

Executive Directors may hold external directorships if the Board determines that such appointments do not cause any conflict of interest. Where such appointments are approved and held, it is a matter for the Board to agree whether fees paid in respect of the appointment are retained by the individual or paid to the Company.

Non-Executive Director remuneration

Element of Remuneration	Link to Company Strategy	Operation	Maximum Opportunity
Non-Executive Director fees	Fees are set at a level to reflect the amount of time and level of involvement required in order to carry out their duties as members of the Board and its Committees and to attract and retain Non-Executive Directors of the highest calibre with relevant commercial and other experience.	The fees paid to the Non-Executive Directors are determined by the Board as a whole.	Fee levels are set by reference to Non-Executive Director fees at companies of similar size and complexity and general increases for salaried employees within the Company.

Appointment of Non-Executive Directors

All the Non-Executive Directors have letters of appointment with the Company. Appointment is terminable on written notice. The appointment letters for the Non-Executive Directors provide that no compensation is payable upon termination of employment. Letters of appointment are available for inspection at the Company's registered offices. Each of the Non-Executive Directors are subject to annual re-election.

Directors' remuneration report continued

for the financial year ended 31 December 2022

Single total figure of remuneration

The following tables set out the aggregate emoluments earned by the Directors in respect of the years ended 31 December 2022 and 2021, respectively.

	2022						2021	2022	2021
	Salary $000	Fees $000	Bonus $000	Share-based payments $000	Other Benefits $000	Total $000	Total $000	Retirement Contributions $000	
Non-Executive Directors									
Bill Russell	–	190	–	–	–	190	190	–	–
Karen Slatford [1]	–	65	–	–	–	65	69	–	–
Andy Malpass [1]	–	58	–	–	–	58	61	–	–
Jody Madden	–	61	–	–	–	61	56	–	–
Executive Directors									
Steve Brown	428	–	857	805	16	2,106	1,893	–	–
Fern MacDonald	375	–	562	316	15	1,268	941	12	12
Total	**803**	**374**	**1,419**	**1,121**	**31**	**3,748**	**3,210**	**12**	**12**

1 Salary or fees payable in GBP and converted at the applicable monthly exchange rate.

(i) **Annual salary and fees** – correspond to the amount earned during the relevant financial year, either as base salary for executives or fees for non-executives.

(ii) **Annual bonus** – corresponds to the amount earned in respect of the relevant financial year. Details of how this was calculated are set out below.

(iii) **Benefits** – corresponds to the taxable value of benefits received during the relevant financial year and principally includes life assurance and permanent health insurance.

(iv) **Share-based payment** – corresponds to the amount charged against current financial year earnings for equity awards to the Executive Directors in the current or previous financial year.

(v) **Retirement contributions** – corresponds to the amount contributed to a defined contribution retirement plan. The Executive Directors received a retirement plan contribution of up to 4% of salary as detailed earlier in this report.

2022 annual bonus

The 2022 annual bonus performance measures were selected to reflect *accesso's* annual and long-term objectives and reflect financial and strategic priorities, as appropriate. Performance targets are set to be stretching but achievable, considering a range of reference points including financial performance versus budget and achievement of certain strategic milestones.

In respect of the year ended 31 December 2022, the Remuneration Committee reviewed the corporate performance of the Group and decided that the Executive Directors should receive their maximum bonus.

Statement of Directors' shareholding and scheme interests

The share option and LTIP awards of the Directors are set out below:

	31 December 2021	Exercised in the period	Lapsed in the period	Granted in the period	31 December 2022	Exercise price	Date from which exercisable
Steve Brown							
27 January 2020	582,567	–	–	–	582,567	£0.01	25 April 2023
Fern MacDonald							
13 May 2019 [1]	6,799	5,099	1,700	–	–	£0.01	12 May 2022
16 September 2020	154,422	–	–	–	154,422	£0.01	16 September 2023
25 March 2021	44,432	–	–	–	44,432	£0.00	30 April 2024
25 April 2022	–	–	–	45,237	45,237	£0.00	24 April 2025

LTIP awards represent the maximum award if the performance conditions are fully met.

1 Granted to Fern MacDonald in her capacity as an employee before she was appointed an Executive Director on 27 April 2020. These were exercised on 19 May 2022 resulting in a gain of $40,626.

Directors' remuneration report continued

for the financial year ended 31 December 2022

LTIP Awards

There are four unvested LTIP awards currently in issue to the Executive Directors. The performance conditions are set out below. More detailed information on the specifics of the TSR, EPS and cash EBITDA targets will be disclosed when the awards vest but are not published at this stage as they are considered commercially sensitive.

Date of Award	Vesting Period (months)	Period stock to be held following exercise (months)	Performance Conditions
27 January 2020 (LTIPs were issued to Steve Brown after his appointment as Executive Director on 27 January 2020)	39	6	50% of the performance condition for the 2020 Award is related to Total Shareholder Return (TSR) over the period to 25 April 2023. Performance in line with the threshold and stretch targets will result in 25% and 100% vesting of the TSR element, respectively, with straight-line interpolation between these two points. 50% of the performance condition for the 2020 Award is related to cash EBITDA for the fiscal year 31 December 2022. Performance in line with the threshold and stretch targets will result in 25% and 100% vesting of the EBITDA element, respectively, with straight-line interpolation between these two points.
16 September 2020 (LTIPs were issued to Fern MacDonald after her appointment as Executive Director on 27 April 2020)	36	6	50% of the performance condition for the 2020 Award is related to Total Shareholder Return (TSR) over the period to 16 September 2023. Performance in line with the threshold and stretch targets will result in 25% and 100% vesting of the TSR element, respectively, with straight-line interpolation between these two points. 50% of the performance condition for the 2020 Award is related to cash EBITDA for the fiscal year 31 December 2022. Performance in line with the threshold and stretch targets will result in 25% and 100% vesting of the EBITDA element, respectively, with straight-line interpolation between these two points.
25 March 2021 (Fern MacDonald only)	36	6	50% of the performance condition for the 2021 Award is related to Total Shareholder Return (TSR) over the period to 30 April 2024. Performance in line with the threshold and stretch targets will result in 25% and 100% vesting of the TSR element, respectively, with straight-line interpolation between these two points. 50% of the performance condition for the 2021 Award is related to cash EBITDA for the fiscal year 31 December 2023. Performance in line with the threshold and stretch targets will result in 25% and 100% vesting of the EBITDA element, respectively, with straight-line interpolation between these two points.
25 April 2022 (Fern MacDonald only)	36	6	50% of the performance condition for the 2021 Award is related to Total Shareholder Return (TSR) over the period to 24 April 2025. Performance in line with the threshold and stretch targets will result in 25% and 100% vesting of the TSR element, respectively, with straight-line interpolation between these two points. 50% of the performance condition for the 2021 Award is related to cash EBITDA for the fiscal year 31 December 2024. Performance in line with the threshold and stretch targets will result in 25% and 100% vesting of the EBITDA element, respectively, with straight-line interpolation between these two points.

Directors' remuneration report continued

for the financial year ended 31 December 2022

Fees for the Non-Executive Directors

A summary of current fees for the year ended 31 December 2023 is shown below. A review of non-executive fees took place in 2022. No increase was made to the Non-Executive Chairman fees, but market increases were awarded to the remaining Non-Executive Director fees and are reflected in the numbers below.

	Basic Fee $	Role
Bill Russell	190,000	Non-Executive Chairman
Andy Malpass [1]	63,014	Chair of the Audit Committee
Jody Madden [2]	78,000	Chair of the Remuneration Committee

1 Payable in GBP and converted on 1 January 2023 rate of 1.206.
2 Appointed as Chair of the Remuneration Committee on 24 January 2023.

External appointments

No Executive Director held an external appointment as at 31 December 2022.

Implementation of policy for 2023

Salaries for Executive Directors are reviewed each year taking into account the Remuneration Policy set out in this report. The table below shows the salaries for the Executive Directors as at 1 January 2023 in comparison to base salary at 1 January 2022;

	1 January 2022 $	1 January 2023 $	% change
Steve Brown	428,400	450,000	5.0%
Fern MacDonald	374,850	400,000	6.7%

The increases awarded to the Executive Directors are broadly in line with the average awarded to the wider workforce.

Annual bonus and LTIP performance measures are selected annually to reflect *accesso's* annual and long-term objectives and reflect financial and strategic priorities, as appropriate. Performance targets are set to be stretching and achievable, taking into account a range of reference points including the strategic plan and broker forecasts, as well as the Group's strategic priorities and the external context.

In respect of the annual bonus, as part of the implementation of the strategic plan the following measures have been agreed:

- Revenue, profitability and cash flow management;
- Meeting the relevant 2023 targets in the Company's long-term plan; and
- Retention of key staff.

The achievement of stretch targets will usually result in the maximum bonus being awarded under the formula. Falling below the pre-determined threshold targets will ordinarily result in no award being made in respect of that measure. The final determination on bonus awards is however made by the Committee taking all available factors into account.

The Committee will set appropriate performance conditions for any LTIP awards made to Executive Directors in 2023.

Jody Madden
Chair of the Remuneration Committee
3 April 2023

Report of the Directors

for the financial year ended 31 December 2022

The Directors present their report with the financial statements of the Company and the Group for the financial year ended 31 December 2022.

Dividends

No dividends will be proposed for the financial year ended 31 December 2022 (31 December 2021: none).

Research and development

The Group's research and development activities relate to the development of technologies that can be deployed by entertainment operators and venue owners within leisure, entertainment and cultural markets. During the financial year ended 31 December 2022 the Group capitalised $2.2m of research and development spend (year ended 31 December 2021: $0.7m) and impaired $0.03m of development costs within the guest experience segment (2021: $nil).

Directors

The Directors during the period under review and to the date of approval of the financial statements were:

Bill Russell, Non-Executive Chairman
Steve Brown, Executive Director
Fern MacDonald, Executive Director
Andy Malpass, Non-Executive Director
Karen Slatford, Senior Independent Director (Resigned 17 January 2023)
Jody Madden, Non-Executive Director

The Company paid for sufficient directors and officer's indemnity insurance during the period, and to the date of approval of these financial statements, to enable the Directors to carry out their duties.

The beneficial interests of the Directors holding office on 31 December 2022 in the issued share capital of the Company were as follows:

Ordinary share capital £0.01 shares	As at 31 December 2022	As at 1 January 2022
Bill Russell, Non-Executive	53,507	53,507
Steve Brown, Executive	700,774	686,774
Fern MacDonald, Executive	22,570	17,471
Andy Malpass, Non-Executive	23,424	23,424

Details of the Directors' share options are disclosed within the Directors' remuneration report.

Financial instruments

Details of the Group's financial risk management objectives and policies, including the use of financial instruments, are included within the accounting policies in note 7 to the financial statements.

As at 31 March 2023 the Company had been notified that the following were interested in 3% or more of the ordinary share capital of the Company:

Shareholder	Number of ordinary shares	% of issued ordinary share capital
Long Path Partners LP	5,791,874	13.99%
Canaccord Genuity Group Inc	5,142,782	12.42%
BlackRock, Inc.	2,770,338	6.69%
Amati AIM VCP plc and T B Amati Investment Funds Limited	2,205,191	5.33%
Chelverton Asset Management Limited	2,125,000	5.13%

There were no further updates to the date of this report. Changes in major interests in the Company are updated on the Company's website as and when these occur.

Annual general meeting

The annual general meeting of the Company will be held on Tuesday, 16th May 2023. The notice convening the meeting is enclosed with these financial statements.

Branch registration

The Company operates branches in Germany and Italy.

Employees

The Directors believe that the Group's people are its most important asset. Our policy is to employ the best people irrespective of race, gender, nationality, disability or sexual orientation. Consultation with employees or their representatives occurs at all levels, with the aim of ensuring their views are taken into account when decisions are made that are likely to affect their interests. Further information on how Directors have engaged with employees is given in our Environmental, Social and Governance Strategy on pages 21 to 22 and Directors' duties on pages 23 to 27.

Business relationships

Information on how the Company has engaged with suppliers, customers and business relationships is detailed in the Directors' duties on pages 21 to 22.

Report of the Directors continued

for the financial year ended 31 December 2022

Emissions and energy use

The Company's Streamlined Energy and Carbon Report for the financial year is included in our Environmental, Social and Governance Strategy on page 25.

Political donations

The Group did not make any political donations or incur any political expenditure during the year (2021: nil).

Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for the going concern period, which indicate that, taking account of severe but plausible downsides, the Group will have sufficient funds to meet the liabilities of the Group as they fall due for that period. The Group's severe but plausible downside scenario models revenue of $136.3m for 2023 and marginally decreases thereafter. Underlying administrative spend reduces to $82.1m and a marginal decrease thereafter for the same corresponding periods to reflect cost cutting measures that would be implemented. The severe but plausible downside scenario indicates that the Group's cash balance reaches a low point of $61.2m and does not utilise any of its £18m loan facility. The Group's forecasts do not include the impact of any possible future potential acquisitions and, if needed, the Group would ensure additional funding had been obtained prior to committing to such acquisitions.

At 31 December 2022 the Group has cash of $64.7m and an available undrawn loan facility of £18m. Covenants on the undrawn facility were passed during 2022 and are forecast to be passed through the going concern period.

Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for the assessment period being at least 12 months from the date of signing and therefore have prepared the financial statements on a going concern basis.

Disabled employees

The Group's policy is one of equal opportunity in the selection, training, career development and promotion of staff. The Group has a policy not to discriminate against disabled employees for those vacancies that they are able to fill and will provide facilities, equipment and training to assist any disabled persons employed.

All necessary assistance with initial training courses will be given. Once employed, a career plan will be developed so as to ensure suitable opportunities for each disabled person. Arrangements will be made, wherever possible, for re-training employees who become disabled to enable them to perform work identified as appropriate to their aptitudes and abilities.

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 Group'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.

Statement as to disclosure of information to auditor

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditor is unaware, and each Director has taken all the steps that they ought to have taken as a Director in order to make themself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

A resolution approving the re-appointment of Grant Thornton UK LLP will be proposed at the forthcoming annual general meeting.

Other information

An indication of likely future developments in the business have been included in the Strategic Report on pages 5 to 6. No significant events have occurred since the end of the financial year which would require disclosure in this report.

On behalf of the Board

Fern MacDonald

Fern MacDonald
Chief Financial Officer
3 April 2023

Statement of Directors' responsibilities

in respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under the AIM Rules of the London Stock Exchange they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law and they have elected to prepare the parent Company financial statements on the same basis.

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 parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report and a Directors' Report that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Fern MacDonald
Chief Financial Officer
3 April 2023

Independent auditor's report

to the members of accesso Technology Group plc

GrantThornton

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of accesso Technology Group plc (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Consolidated statement of comprehensive income, the Consolidated and Company statements of financial position, the Consolidated and Company statements of cash flows, the Consolidated and Company statements of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards 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 December 2022 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards 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.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group or the parent company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the Group's and the parent company's ability to continue to adopt the going concern basis of accounting included, but was not restricted to:

- obtaining and understanding management's assessment of going concern based on what they have prepared and challenging the assumptions used in the cash flow forecasts, which have been approved by the Board;
- obtaining management's base case scenario, together with supporting evidence for all key trading, working capital and cash flow assumptions;
- challenging the key assumptions in the forecasts and the scope of scenario planning undertaken. Assumptions challenged include growth rates in the underlying forecasts, working capital changes, and capital expenditure;
- obtaining an understanding of the financing arrangements in place and management's assessment of their adequacy and plans to manage these arrangements;
- obtaining management's reverse stress test and downside scenarios, which reflect management's assessment of uncertainties. The assumptions regarding the forecast period and reduced trading levels were evaluated for plausibility; and
- evaluating the policies and disclosures in respect of going concern given in the financial statements for appropriateness.

Independent auditor's report continued

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and the parent company's business model including effects arising from macro-economic uncertainties such as inflationary pressures, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and the parent company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

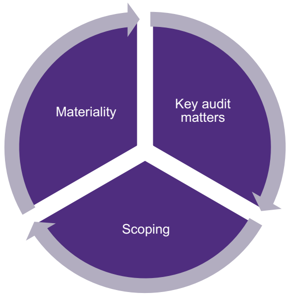
Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our approach to the audit

Overview of our audit approach

Overall materiality:

Group: $1,030,000, which represents 0.75% of the Group's revenue at the planning stage of the audit.
Parent company: $463,500, which represents 0.25% of the parent company's total assets at the planning stage of the audit.



Key audit matters at the group level were identified as

- Risk of fraud in revenue recognition – occurrence of revenue for multi-year Siriusware licences and support services with non-substantive termination clauses (new for this year);
- Valuation of Goodwill (new for this year); and
- Accuracy of calculation of tax losses to be utilised under s382 of US tax legislation (new for this year).

In the prior year, the recoverability of the US component deferred tax asset was identified as a key audit matter. This was not considered a key audit matter in the current year due to the absence of indicators of issues with recoverability due to improvement in business performance and future forecasts.

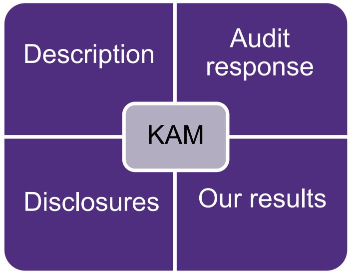
No key audit matters were identified for the parent company. This is a change from the prior year which included impairment in investments in subsidiaries (and impairment reversal for the parent). This was not considered a key audit matter in the current year due to the absence of impairment indicators as a result of improved trade.

The group engagement team have performed:

- An audit of the financial information for 2 components (full scope audit procedures)
- Specific-scope audit procedures for 3 components
- This resulted in coverage of 92% of the Group's revenues and 95.5% of total assets of the consolidated Group
- The Group engagement team have performed analytical procedures to group materiality on the financial information of all other components within the Group.

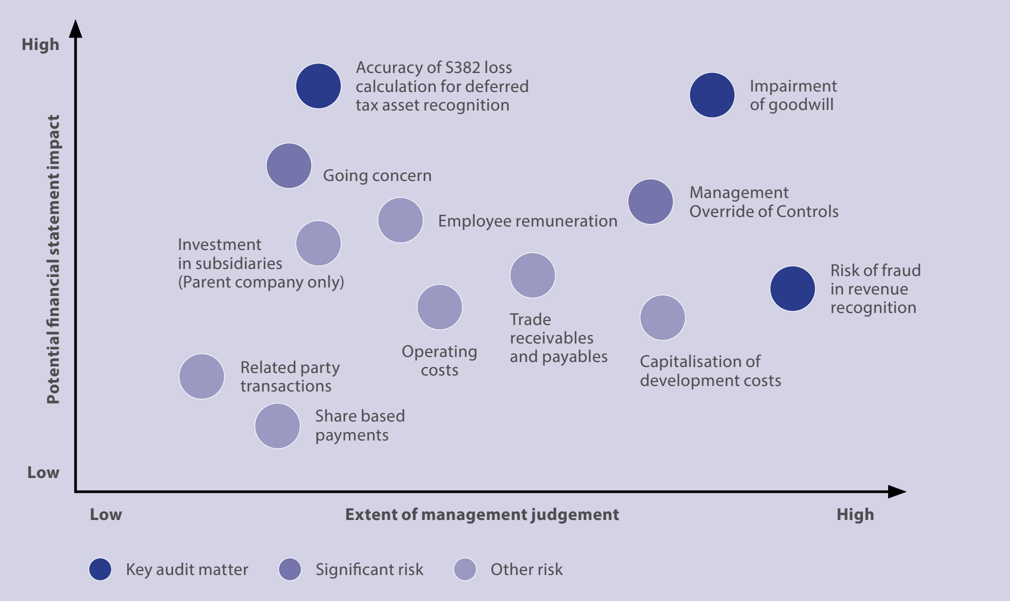
Key audit matters

Key audit matters are those matters that, in our professional judgement, 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) that we identified. These matters included those that 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.



Independent auditor's report continued

In the graph below, we have presented the key audit matters, significant risks and other risks relevant to the audit.



Key Audit Matter – Group	How our scope addressed the matter – Group
Risk of fraud in revenue recognition We identified occurrence of revenue as one of the most significant assessed risks of material misstatement due to fraud. Under ISA (UK) 240 'The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements', there is a rebuttable presumption that there is a risk of fraud in revenue recognition. We have identified a Key Audit Matter relating to the occurrence of revenue for multi-year Siriusware software licences and associated support services with non-substantive termination clauses. We have specifically pinpointed this population of revenue ($1.9m), as the related accounting policy has changed during the year which presents an enhanced risk relating to fraud and error. The remainder of revenue within the Group is considered to be less complex and therefore carries a lower level of risk. Revenue recognition for the identified Key Audit Matter is at a point in time for software licenses and over time for support services, which is aligned with the requirements of IFRS 15 'Revenue from Contacts with Customers'.	In responding to the key audit matter, we performed the following audit procedures: • Obtained an understanding of the revenue streams associated with the Siriusware product, alongside the design and implementation of controls surrounding the business processes; • Assessed whether the accounting policies adopted by the Directors are in accordance with the requirements of International Financial Reporting Standard (IFRS) 15 'Revenue from Contracts with Customers', by reference to a sample of representative contracts for multi-year Siriusware licences and support; • Tested the occurrence of a sample of revenue transactions through agreeing to supporting evidence such as contract, "go-live" licence date, sales invoices and proof of cash receipt; • Recalculated any associated recognition of support revenues over-time as a dual sample with the above, along with any expected deferral of revenues at the year end; and • Assessed the disclosures made in the financial statements for completeness and accuracy in line with the requirement of IFRS 15.
Relevant disclosures in the Annual Report and Accounts 2022 • Financial statements: Note 4 for the accounting policy; Note 9 for Revenue; and Note 8 for Segmental Information.	**Our results** Our audit testing did not identify any material misstatements in relation to the occurrence of Siriusware revenue and associated support services with non-substantive termination clauses.

Independent auditor's report continued

Grant Thornton

Key Audit Matter – Group	How our scope addressed the matter – Group
Valuation of Goodwill We identified valuation of goodwill as one of the most significant assessed risks of material misstatement due to error. The Group has goodwill, with a carrying value of \$97.6m (2021: \$103m), which has arisen as a result of historical acquisitions in prior years. Under IAS 36 'Impairment of Assets', management is required to test the goodwill annually for impairment. Management prepare impairment models to assess the value in use. Management's assessment of potential impairment incorporates significant judgements in assumptions, such as the determination of cash generating units ("CGUs") along with the appropriate allocation of goodwill to them, and the timing and extent of future cash flows related to those CGUs whilst applying an appropriate discount rate that is at risk of management bias. The selection of certain inputs within the cash flow forecasts can also significantly impact the results of the impairment assessment.	In responding to the key audit matter, we performed the following audit procedures: • Obtained an understanding of business processes and assessed the design and implementation of the associated controls; • Evaluated the Group's accounting policy for consistency with IAS 36 and considered whether the accounting policy has been applied accurately and consistently across the Group; • Tested the arithmetical accuracy and integrity of the models and underlying data used by management in their impairment assessment by checking the consistency of formulae used and agreeing the underlying forecasts to approved budgets; • Considered the historical forecasting ability of management by comparing budgets to actual performance; • Obtained a paper from the management and based on our knowledge of their business, challenged their identification of CGUs with the requirements of IAS 36; • Used an auditor's internal valuation expert to calculate estimated range of discount rates (in respect of value-in-use assessments) which we applied to the cash flows; • Challenged management's model in respect of allocated costs and allocated capital expenditure; • Performed our own sensitivity analysis by reducing growth rates based on industry market information and discount rates using auditor's range determined and evaluated the headroom under each of these scenarios to assess whether goodwill could be impaired; • Challenged management's assumptions concerning forecast cash flows, based on historical trends and any changes in customer preferences and regulations. This also involved considering any contradictory evidence noted in other areas of the audit; and • Evaluated the disclosures made in the financial statements and compared them for completeness and accuracy in line with the requirement of the standards.
Relevant disclosures in the Annual Report and Accounts 2022 • Financial statements: Note 4 for the accounting policy; Note 16 for Impairment (excluding deferred tax assets) and Intangibles;	**Our results** Our audit testing did not identify any material misstatements in relation to the valuation of goodwill.
Accuracy of calculation of tax losses to be utilised in the US s382 We identified the accuracy of calculation of tax losses available to be utilised in the US as one of the most significant assessed risks of material misstatement due to error. The US Component has significant tax losses (net operating loss carryovers or "NOLs") and tax credits brought forward which have been recognised as a material deferred tax asset on the basis of future taxable profits. The ability of the component to use these losses is assessed in accordance with s382 in the US. Management have used external tax advisors to support with this assessment given it requires a comprehensive understanding of US tax legislation. Our significant risk was pinpointed to the accuracy of the calculation around the available losses which can be used going forward given the complexity of the US tax legislation. Given this complexity and the size of the deferred tax asset relative to materiality, this was assessed to be a significant risk and was a matter which required input from senior audit team members and specialists.	In responding to the key audit matter, we performed the following audit procedures: • Assessment of the design and implementation of controls over the calculation of the available tax losses; • Assessed the objectivity, competence and independence of management's experts; • Use of an auditor's internal US tax expert to assess the calculation of available losses. In doing so, the experts used their in depth understanding of the s382 legislation to challenge management on the calculation of available losses and in particular, the impact of any limitation imposed by ownership changes; • Our internal tax experts assessed the accuracy of the calculation with reference to the US component's tax position, the existence of brought forward losses using their knowledge and experience of the application of relevant tax legislation; Our internal tax experts specifically challenged the period over which management's analysis was calculated, the tax base in the underlying assets, the evidence of the ownership changes across the assessment period and the application of specific s382 exemptions; and We considered the completeness and accuracy of the disclosures around the calculation and recognition of the year end deferred tax asset.
Relevant disclosures in the Annual Report and Accounts 2022 • Financial statements: Note 4 for the accounting policy; Note 6 for judgement; and Note 13 for the tax schedule	**Our results** Our audit testing did not identify any material misstatements in relation to the accuracy of the losses and tax credits available for use.

Independent auditor's report continued

Grant Thornton

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

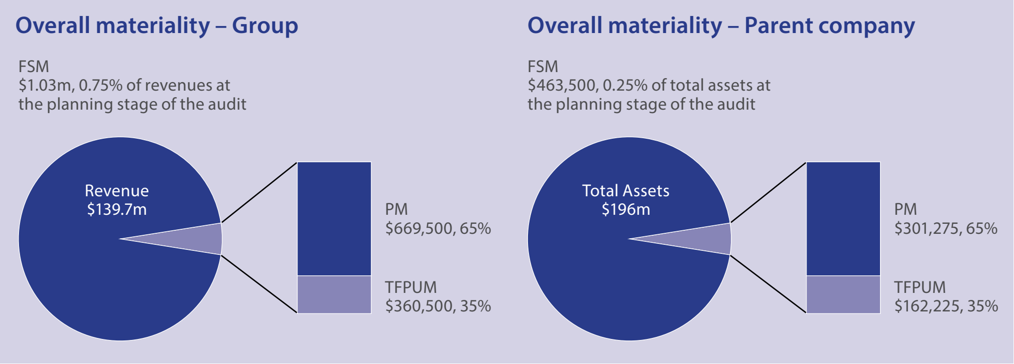
Materiality was determined as follows:

Materiality measure	Group	Parent company
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	$1.03m, which is 0.75% of the Group's revenues at the planning stage of the audit.	$463,500 which is 0.25% of total assets at the planning stage of the audit.
Significant judgements made by auditor in determining materiality	In determining materiality, we made the following significant judgements: • Revenue was determined to be the most appropriate benchmark for the Group because in our view, it is most reflective of the performance of the business given the size and the nature of its operations. • The measurement of 0.75% is, in our view, appropriate to result in a materiality which is sufficient to identify any material misstatements. Materiality for the current year is lower than the level that was determined for the year ended 31 December 2021 to reflect the fact that it is our first year of audit.	In determining materiality, we made the following significant judgements: • Total assets was determined to be the most appropriate benchmark for the Parent company because in our view, it is most reflective of the financial position of the parent and it's nature of operations. • The measurement of 0.25% is, in our view, appropriate to result in a materiality which is sufficient to identify any material misstatements. Materiality for the current year is lower than the level that was determined for the year ended 31 December 2021 to reflect the fact that it is our first year of audit.
Performance materiality used to drive the extent of our testing	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.	
Performance materiality threshold	$669.5k, which is 65% of financial statement materiality.	$301,275, which is 65% of financial statement materiality.
Significant judgements made by auditor in determining performance materiality	In determining performance materiality, we made the following significant judgements: • The number and magnitude of adjusted and unadjusted misstatements to the Group's financial statements in prior years; and • The nature and impact of significant control deficiencies identified in prior years.	In determining performance materiality, we made the following significant judgements: • The number and magnitude of adjusted and unadjusted misstatements to the Parent's financial statements in prior years; and • The nature and impact of significant control deficiencies identified in prior years.
Specific materiality	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.	
Specific materiality	We determined a lower level of specific materiality for the following areas: • directors' remuneration; and • related party transactions	We determined a lower level of specific materiality for the following areas: • directors' remuneration; and • related party transactions
Communication of misstatements to the audit committee	We determine a threshold for reporting unadjusted differences to the audit committee.	
Threshold for communication	$51,500 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	$23,200 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

Independent auditor's report continued

Grant Thornton

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.



FSM: Financial statements materiality, PM: Performance materiality, TFPUM: Tolerance for potential uncorrected misstatements

An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the group's and the parent company's business and in particular matters related to:

Understanding the group, its components, and their environments, including group-wide controls

- The Group engagement team obtained an understanding of the Group and its environment, including Group-wide controls, and assessed the risks of material misstatement at the Group level;
- In addition, we evaluated the design and implementation of controls over the financial reporting systems identified as part of our risk assessment. With respect to the risk of fraud in revenue recognition we evaluated the design and implementation of controls in addition to performing substantive procedures. For taxes in the US entities, we engaged with tax specialists in the US to understand the procedures followed by local management and then reviewed the work, assessed compliance with US tax legislation.
- Inspecting the processes management follow to prepare and report results Management review the results on a revenue product basis and as an overall Group rather than on an individual company basis. The subsidiaries in the Group are all controlled by the parent company.

Identifying significant components and type of work performed on the components identified

- Evaluation by the Group engagement team of identified components to assess the significance of that component and to determine the planned audit response based on a measure of materiality, considering the relative size of each component as a percentage of total revenues and total assets. Accordingly for any component that was classified as 'individually financially significant to the Group' we performed an audit of the financial information using component materiality (full-scope audit);
- With regard to the US entities, there were 7 entities each having a varying share of the Group's revenues. We have aggregated these entities into a single larger component given that the processes, controls and procedures across these entities are similar;
- Two components (the parent company and the aggregated US entities) were identified as individually financially significant components through assessing their relative share of key financial benchmarks including revenue and total assets;
- The Group engagement team performed full-scope audit procedures to component materiality on the financial information of the parent company and aggregated US entities;
- Additional components were selected based on an assessment of the risk of material misstatement to the Group. For these identified components either an audit of one or more accounts, balances, classes of transactions or disclosures (specific-scope audit) or specified audit procedures were performed depending on the risk assessed;
- Ingresso UK and accesso Technology Group Employee Benefit Trust were classified as significant components because they were identified as likely to contain group-level significant risks. The Group engagement team performed specified procedures on balances identified at the Group level using Group materiality;
- LoQ Limited was classified as a non-significant component which could contain risks assessed at the Group level. The Group engagement team performed specific scope audit procedures on balances identified at the Group level using Group materiality;
- Analytical procedures were performed over all other components using Group materiality;
- The procedures performed in respect of the parent company and other significant components included all our audit work on the identified key audit matters as described in the key audit matters section of our report.

Independent auditor's report continued

Grant Thornton

Performance of our audit

- The audit team visited the Group's head office frequently during the course of the audit. We also visited the US corporate office to meet the members of the Group based in the US and to corroborate our understanding.
- The work performed was supported through the use of software collaboration platforms for the secure and timely delivery of requested audit evidence. The audit team held weekly pre-scheduled meetings at the Group's head office throughout the course of the audit fieldwork.

Audit approach	No. of components	% coverage Total assets	% coverage Revenue
Full-scope audit	2	87%	79%
Specific-scope audit	1	0.5%	0%
Specified audit procedures	2	8%	13%
Analytical procedures	10	4.5%	8%
Total		**100%**	**100%**

Communications with component auditors

- We did not engage any component auditors as the Group engagement team performed all of the required procedures.

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report and financial statements. 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.

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 themselves. 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.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

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.

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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:

- 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 44, 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.

Independent auditor's report continued

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We enquired of management, the finance team and the Board of Directors about the Group's and the parent company's policies and procedures relating to the identification, evaluation and compliance with laws and regulations and the detection and response to the risks of fraud and the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations;
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and the parent company. We determined that the most significant laws and regulations are those related to financial reporting and taxation in the UK and the US, being UK-adopted international accounting standards (for the Group and parent), the Companies Act 2006, the AIM Listing Rules, and the application of tax rules in the UK and the US;
- We enquired of management and the Board of Directors whether they were aware of any instances of non-compliance with laws and regulations and whether they had any knowledge of actual, suspected or alleged fraud and corroborated this with our review of the board minutes;
- In assessing the potential risks of material misstatement, we obtained an understanding of the Group's and the parent company's operations, including the nature of income sources and of their objectives and strategies in order to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
- We assessed the susceptibility of the Group's and the parent company's financial statements to material misstatement, including how fraud might occur and the risk of management override of controls. Audit procedures performed by the engagement team included:
  - Enquiring of management, the finance team and the Board of Directors about the risks of fraud at the Group and the parent company and the controls implemented to address those risks. Assessing the design and implementation of controls relevant to the audit that management has in place to prevent and detect fraud, including updating our understanding of the internal controls over journal entries, including those related to the posting of entries used to record non-recurring, unusual transactions or other non-routine adjustments;
  - Making specific inquiries of each member of the finance team to ascertain whether they had been subject to undue pressure or had been asked to make any unusual postings or modifications to reports used in financial reporting;
  - Identifying and testing journal entries, with selection based on risk profiling;
  - Running specific keyword searches (including to related parties and of those previously connected to related entities) over the journal entry population to identify descriptions that could indicate fraudulent activity or management override of controls. Unusual entries noted from these searches were agreed to supporting documentation to assess the validity of the posting;
  - Planning specific procedures responding to the risk of fraudulent recognition of revenue as detailed within the Key Audit Matters section above;
  - Assessing the disclosures within the annual report, including principal and emerging risks; and
  - Challenging assumptions and judgements made by management in its significant accounting estimates.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation; and
- We communicated relevant laws and regulations and potential fraud risks with all the engagement team, including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Wendy Russell
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Milton Keynes
3 April 2023

Financial Statements

Consolidated statement of comprehensive income

for the financial year ended 31 December 2022

	Notes	2022 $000	2021 $000
Revenue	9	**139,730**	124,794
Cost of sales		**(35,770)**	(28,401)
Gross profit		**103,960**	96,393
Administrative expenses		**(91,209)**	(82,872)
Operating profit before reversal of impairment of intangible assets		**12,783**	11,814
Reversal of impairment of intangible assets	16	**–**	1,707
Impairment of intangible assets	16	**(32)**	–
Operating profit		**12,751**	13,521
Finance expense	12	**(566)**	(1,450)
Finance income	12	**232**	39
Profit before tax		**12,417**	12,110
Income tax (expense)/benefit	13	**(2,361)**	9,908
Profit for the period		**10,056**	22,018
Other comprehensive (loss)/income			
Items that will be reclassified to income statement			
Exchange differences on translating foreign operations		**(5,283)**	(219)
Income tax credit on items recorded in other comprehensive income		**–**	188
		(5,283)	(31)
Total comprehensive income		**4,773**	21,987
All profit and comprehensive income is attributable to the owners of the parent			
Earnings/(losses) per share expressed in cents per share:			
Basic	15	**24.41**	53.39
Diluted	15	**23.45**	51.45

All activities of the Company are classified as continuing.

The accompanying notes on pages 61 to 89 form part of these consolidated financial statements.

Consolidated statement of financial position

as at 31 December 2022

Registered Number: 03959429

	Notes	31 December 2022 $000	31 December 2021 $000
Assets			
Non-current assets			
Intangible assets	16	**110,420**	120,088
Property, plant and equipment	17	**1,603**	2,236
Right of use assets	29	**980**	3,053
Contract assets	9	**314**	375
Deferred tax assets	13	**15,279**	16,260
		128,596	142,012
Current assets			
Inventories	19	**499**	286
Contract assets	9	**3,694**	3,614
Trade and other receivables	20	**28,785**	18,805
Income tax receivable		**1,864**	1,097
Cash and cash equivalents	28	**64,663**	64,050
		99,505	87,852
Liabilities			
Current liabilities			
Trade and other payables	21	**32,090**	29,219
Lease liabilities	29	**451**	1,003
Contract liabilities	9	**4,920**	8,063
Income tax payable		**574**	503
		38,035	38,788
Net current assets		**61,470**	49,064
Non-current liabilities			
Deferred tax liabilities	13	**3,294**	4,236
Contract liabilities	9	**616**	914
Lease liabilities	29	**769**	2,733
		4,679	7,883
Total liabilities		**42,714**	46,671
Net assets		**185,387**	183,193

	Notes	31 December 2022 $000	31 December 2021 $000
Shareholders' equity			
Called up share capital	23	**597**	596
Share premium	24	**153,621**	153,504
Retained earnings	24	**22,887**	9,753
Merger relief reserve	24	**19,641**	19,641
Translation reserve	24	**(5,584)**	(301)
Own shares held in trust	24	**(5,775)**	–
Total shareholders' equity		**185,387**	183,193

The financial statements were approved by the Board of Directors on 3 April 2023 and were signed on its behalf by:

Fern MacDonald

Fern MacDonald
Chief Financial Officer

The accompanying notes on pages 61 to 89 form part of these consolidated financial statements.

Company statement of financial position

as at 31 December 2022

Registered Number: 03959429

	Notes	31 December 2022 $000	31 December 2021 $000
Assets			
Non-current assets			
Intangible assets	16	**2,428**	2,862
Investments in subsidiaries	18	**167,652**	184,768
Property, plant and equipment	17	**269**	444
Right of use assets	29	**315**	474
Contract assets	9	**57**	19
		170,721	188,567
Current Assets			
Inventories	19	**15**	50
Contract assets	9	**617**	925
Trade and other receivables	20	**8,665**	6,697
Income tax receivable		**397**	70
Cash and cash equivalents	28	**15,612**	18,198
		25,306	25,940
Liabilities			
Current liabilities			
Trade and other payables	21	**13,386**	7,302
Lease liabilities	29	**140**	149
Contract liabilities	9	**203**	277
Income tax payable		**6**	8
		13,735	7,736
Net current assets		**11,571**	18,204
Non-current liabilities			
Deferred tax	13	**163**	336
Contract liabilities	9	**5**	22
Lease liabilities	29	**240**	426
		408	784
Total liabilities		**14,143**	8,520
Net assets		**181,884**	205,987

	Notes	31 December 2022 $000	31 December 2021 $000
Shareholders' equity			
Called up share capital	23	**597**	596
Share premium	24	**153,621**	153,504
Own shares held in trust	24	**(5,775)**	–
Retained earnings	24	**36,128**	32,560
Merger relief reserve	24	**19,641**	19,641
Translation reserve	24	**(22,328)**	(314)
Total shareholders' equity		**181,884**	205,987

Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own income Statement. The profit for the financial year for the Company was $1.01m (2021: $19.15m).

The financial statements were approved by the Board of Directors on 3 April 2023 and were signed on its behalf by:

Fern MacDonald

Fern MacDonald
Chief Financial Officer

The accompanying notes on pages 61 to 89 form part of these consolidated financial statements.

Consolidated statement of cash flow

for the financial year ended 31 December 2022

	Notes	2022 $000	2021 $000
Cash flows from operations			
Profit for the period		**10,056**	22,018
Adjustments for:			
Depreciation (excluding leased assets)	17	**1,227**	1,827
Depreciation on leased assets	29	**773**	1,035
Amortisation on acquired intangibles	16	**1,667**	2,373
Amortisation on development costs and other intangibles	16	**8,744**	9,319
Impairment of intangibles	16	**32**	–
Reversal of impairment of intangible assets	16	**–**	(1,707)
Loss on disposal of property, plant and equipment		**135**	2
Share-based payment	10	**2,629**	2,490
Movement on bad debt provision		**15**	–
Finance expense	12	**566**	1,450
Finance income	12	**(232)**	(39)
Foreign exchange (gain)/loss		**(31)**	312
Income tax expense/(benefit)	13	**2,361**	(9,908)
RDEC tax credits		**(141)**	(81)
		27,801	29,091
(Increase)/decrease in inventories		**(231)**	861
(Increase) in trade and other receivables		**(10,482)**	(3,592)
Increase/(decrease) in contract assets/contract liabilities		**435**	(3,316)
(Decrease)/Increase in trade and other payables		**(797)**	16,241
Cash generated from operations		**16,726**	39,285
Tax paid		**(2,259)**	(171)
Net cash inflow from operating activities		**14,467**	39,114
Cash flows from investing activities			
Deferred consideration settlement		**–**	(13)
Capitalised internal development costs	16	**(2,155)**	(720)
Purchase of intangible assets	16	**(1,140)**	–
Proceeds from sale of intangible assets		**25**	23
Purchase of property, plant and equipment		**(725)**	(960)
Interest received		**210**	28
Net cash used in investing activities		**(3,785)**	(1,642)

	Notes	2022 $000	2021 $000
Cash flows from financing activities			
Share issue		**118**	178
Purchase of shares held in trust		**(5,775)**	–
Interest paid		**(330)**	(514)
Payments on property lease liabilities	29	**(1,430)**	(1,408)
Cash paid to refinance	22	**–**	(813)
Repayments of borrowings		**–**	(27,033)
Net forward FX contract settlement used to hedge share issue proceeds		**–**	(409)
Payment made to cancel equity settled option awards		**(129)**	–
Net cash (utilised in) financing activities		**(7,546)**	(29,999)
Increase in cash and cash equivalents		**3,136**	7,473
Cash and cash equivalents at beginning of year		**64,050**	56,355
Exchange (loss)/gain on cash and cash equivalents		**(2,523)**	222
Cash and cash equivalents at end of year		**64,663**	64,050

The accompanying notes on pages 61 to 89 form part of these consolidated financial statements.

Company statement of cash flow

for the financial year ended 31 December 2022

	Notes	2022 $000	2021 $000
Cash flows from operations			
Profit for the period		**1,010**	19,147
Adjustments for:			
Depreciation excluding leased assets	17	**200**	377
Depreciation on leased assets	29	**111**	131
Amortisation	16	**1,161**	2,012
Impairment of intangibles	16	**32**	–
Movement on intercompany bad debt provision		**257**	(1,844)
Loss on disposal of property, plant and equipment		**17**	
Share-based payment		**86**	123
Movement on bad debt provision		**(117)**	–
(Reversal of)/Impairment of investment in subsidiary	18	**-**	(15,949)
Finance expense		**612**	1,019
Finance income		**(180)**	(1,432)
Foreign exchange loss		**60**	1,240
Income tax expense		**300**	313
RDEC tax credits		**–**	(81)
		3,549	5,056
Decrease in inventories		**35**	55
Decrease/(increase) in trade and other receivables		**3,504**	(7,826)
Decrease in contract assets/contract liabilities		**178**	1,478
(Decrease)/increase in trade and other payables		**(84)**	915
Cash generated from/(used in) operations		**7,182**	(322)
Tax paid		**(792)**	(338)
Net cash inflow/(outflow) from operating activities		**6,390**	(660)
Cash flows from investing activities			
Capitalised internal development costs	16	**(1,006)**	(399)
Purchase of property, plant and equipment		**(50)**	(159)
Interest received		**158**	26
Net cash used in investing activities		**(898)**	(532)

	Notes	2022 $000	2021 $000
Cash flows from financing activities			
Share issue		**118**	178
Purchase of own shares held in trust		**(5,775)**	–
Interest paid		**(330)**	(514)
Payments on property lease liabilities	29	**(159)**	(158)
Cash paid to refinance	22	**–**	(813)
Repayments of borrowings		**–**	(27,033)
Net forward FX contract settlement used to hedge share issue proceeds		**–**	(409)
Net cash (utilised in)/generated from financing activities		**(6,146)**	(28,749)
(Decrease)/increase in cash and cash equivalents		**(654)**	(29,941)
Cash and cash equivalents at beginning of year		**18,198**	47,690
Exchange gain/(loss) on cash and cash equivalents		**(1,932)**	449
Cash and cash equivalents at end of year		**15,612**	18,198

The accompanying notes on pages 61 to 89 form part of these consolidated financial statements.

Consolidated statement of changes in equity

for the financial year ended 31 December 2022

	Share capital $000	Share premium $000	Retained earnings $000	Merger relief reserve $000	Own shares held in trust $000	Translation reserve $000	Total $000
Balance at 1 January 2022	**596**	**153,504**	**9,753**	**19,641**	**–**	**(301)**	**183,193**
Comprehensive income for the year							
Profit for period	–	–	10,056	–	–	–	10,056
Other comprehensive income							
Exchange differences on translating foreign operations	–	–	–	–	–	(5,283)	(5,283)
Total comprehensive income for the year	**–**	**–**	**10,056**	**–**	**–**	**(5,283)**	**4,773**
Contributions by and distributions to owners							
Issue of share capital	1	117	–	–	–	–	118
Share-based payments	–	–	2,576	–	–	–	2,576
Share option tax charge – current	–	–	143	–	–	–	143
Share option tax charge – deferred	–	–	448	–	–	–	448
Cancellation of share options	–	–	(89)	–	–	–	(89)
Re-purchase of shares	–	–	–	–	(5,775)	–	(5,775)
Total contributions by and distributions by owners	**1**	**117**	**3,078**	**–**	**(5,775)**	**–**	**(2,579)**
Balance at 31 December 2022	**597**	**153,621**	**22,887**	**19,641**	**(5,775)**	**(5,584)**	**185,387**

	Share capital $000	Share premium $000	Retained earnings $000	Merger relief reserve $000	Own shares held in trust $000	Translation reserve $000	Total $000
Balance at 1 January 2021	**595**	**153,327**	**(15,864)**	**19,641**	**–**	**(82)**	**157,617**
Comprehensive income for the year							
Profit for period	–	–	22,018	–	–	–	22,018
Other comprehensive income							
Exchange differences on translating foreign operations	–	–	–	–	–	(219)	(219)
Income tax credit on items recorded in other comprehensive income	–	–	188	–	–	–	188
Total comprehensive income for the year	–	–	22,206	–	–	(219)	21,987
Contributions by and distributions to owners							
Issue of share capital	1	177	–	–	–	–	178
Share-based payments	–	–	2,490	–	–	–	2,490
Share option tax charge – deferred	–	–	921	–	–	–	921
Total contributions by and distributions by owners	1	177	3,411	–	–	–	3,589
Balance at 31 December 2021	**596**	**153,504**	**9,753**	**19,641**	**–**	**(301)**	**183,193**

The accompanying notes on pages 61 to 89 form part of these consolidated financial statements.

Company statement of changes in equity

for the financial year ended 31 December 2022

	Share capital $000	Share premium $000	Own shares held in trust $000	Retained earnings $000	Merger relief reserve $000	Translation reserve $000	Total $000
Balance at 1 January 2022	**596**	**153,504**		**32,560**	**19,641**	**(314)**	**205,987**
Comprehensive income for the year							
Profit for year	**–**	**–**	**–**	**1,010**	**–**	**–**	**1,010**
Other comprehensive income	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Exchange differences	**–**	**–**	**–**	**–**	**–**	**(22,014)**	**(22,014)**
Total comprehensive income for the year	**–**	**–**	**–**	**1,010**	**–**	**(22,014)**	**(22,014)**
Contributions by and distributions to owners							
Issue of share capital	**1**	**117**	**–**	**–**	**–**	**–**	**118**
Share-based payments	**–**	**–**	**–**	**2,576**	**–**	**–**	**2,576**
Share option tax charge – deferred	**–**	**–**	**–**	**(18)**	**–**	**–**	**(18)**
Repurchase of shares	**–**	**–**	**(5,775)**	**–**	**–**	**–**	**(5,775)**
Total contributions by and distributions by owners	**1**	**117**	**(5,775)**	**2,558**	**–**	**–**	**(3,099)**
Balance at 31 December 2022	**597**	**153,621**	**(5,775)**	**36,128**	**19,641**	**(22,328)**	**181,884**
Balance at 1 January 2021	**595**	**153,327**	**–**	**10,905**	**19,641**	**1,008**	**185,476**
Comprehensive income for the year							
Profit for year	–	–	–	19,147	–	–	19,147
Other comprehensive income							
Exchange differences	–	–	–	–	–	(1,322)	(1,322)
Total comprehensive income for the year	–	–	–	19,147	–	(1,322)	17,825
Contributions by and distributions to owners							
Issue of share capital	1	177	–	–	–	–	178
Share-based payments	–	–	–	2,490	–	–	2,490
Share option tax charge – deferred	–	–	–	18	–	–	18
Total contributions by and distributions by owners	1	177	–	2,508	–	–	2,686
Balance at 31 December 2021	**596**	**153,504**	**–**	**32,560**	**19,641**	**(314)**	**205,987**

The accompanying notes on pages 61 to 89 form part of these consolidated financial statements.

Notes to the consolidated financial statements

for the financial year ended 31 December 2022

1. Reporting entity

accesso Technology Group plc is a public limited company incorporated in the United Kingdom, whose shares are publicly traded on the AIM market. The Company is domiciled in the United Kingdom and its registered address is Unit 5, The Pavilions, Ruscombe Park, Twyford, Berkshire RG10 9NN. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

The Group's principal activities are the development and application of ticketing, mobile and eCommerce technologies, licensing and operation of virtual queuing solutions and providing a personalised experience to customers within the attractions and leisure industry. The eCommerce technologies are generally licensed to operators of venues, enabling the online sale of tickets, guest management, and point-of-sale ("POS") transactions. The virtual queuing solutions and personalised experience platforms are installed by the Group at a venue, and managed and operated by the Group directly or licenced to the operator for their operation.

2. Basis of accounting

The consolidated Group and parent Company financial statements have been prepared in accordance with UK-adopted international accounting standards ("UK-adopted IFRS"). They were authorised for issue by the Company's Board of Directors on 3 April 2023.

The consolidated financial statements have been prepared on the historical cost basis except for contingent consideration, acquired intangible assets arising on business combinations and derivative financial instruments, which are measured at fair value.

Details of the Group's accounting policies are included in notes 3 and 4.

3. Changes to significant accounting policies

Other new standards and improvements

Other than as described below, the accounting policies, presentation and methods of calculation adopted are consistent with those of the Annual Report and Accounts for the year ended 31 December 2021, apart from standards, amendments to or interpretations of published standards adopted during the period.

The following standards, interpretations and amendments to existing standards are now effective and have been adopted by the Group. The impacts of applying these policies are not considered material:

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16;
- Onerous contracts – Cost of Fulfilling a Contract – Amendments to IAS 37;
- Annual Improvements to IFRS Standards 2018–2020; and
- Reference to the Conceptual Framework – Amendments to IFRS 3.

The Group also elected not to adopt the following amendments early:

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12; and
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards, and interpretations are either not effective for 2022 or not relevant to the Group, and therefore have not been applied in preparing these accounts. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

4. Significant accounting policies

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

Basis of consolidation

The consolidated financial statements incorporate the results of accesso Technology Group plc and all of its subsidiary undertakings and the Employee Benefit Trust as at 31 December 2022 using the acquisition method. Subsidiaries are all entities over which the Group has the ability to affect the returns of the entity and has the rights to variable returns from its involvement with the entity. The results of subsidiary undertakings are included from the date of acquisition.

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Any costs directly attributable to the business combination are written off to the Group income statement in the period incurred. The acquiree's identifiable assets, liabilities, and contingent liabilities that meet the conditions 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, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities recognised.

Disclosure and details of the subsidiaries are provided in note 18.

Investments, including the shares in subsidiary companies held as fixed assets, are stated at cost less any provision for impairment in value. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group.

Lo-Q (Trustees) Limited, a subsidiary company that holds an employee benefit trust on behalf of accesso Technology Group plc, is under control of the Board of Directors and hence has been consolidated into the Group results.

accesso Technology Group Employee Benefit Trust is considered to be a special purpose entity in which the substance of the relationship is that of control by the group in order that the Group may benefit from its control. The assets held by the trust are consolidated into the Group and Company Financial Statements.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Notes to the consolidated financial statements continued

4. Significant accounting policies continued

Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for the going concern period, which indicate that, taking account of severe but plausible downsides, the Group will have sufficient funds to meet the liabilities of the Group as they fall due for that period. The Group's severe but plausible downside scenario models revenue of $136.3m for 2023 and marginally decreases thereafter. Underlying administrative spend reduces to $82.1m and a marginal decrease thereafter for the same corresponding periods to reflect cost cutting measures that would be implemented. The severe but plausible downside scenario indicates that the Group's cash balance reaches a low point of $61.2m and does not utilise any of its £18m loan facility. The Group's forecasts do not include the impact of any possible future potential acquisitions and, if needed, the Group would ensure additional funding had been obtained prior to committing to such acquisitions.

At 31 December 2022 the Group has cash of $64.7m and an available undrawn loan facility of £18m. Covenants on the undrawn facility were passed during 2022 and are forecast to be passed through the going concern period.

Consequently, the Directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for the assessment period being at least 12 months from the date of signing and therefore have prepared the financial statements on a going concern basis.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the rates ruling when the transactions occur.

Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign operations

The assets and liabilities of foreign operations, including goodwill, are translated into USD at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into USD at the rates ruling when the transactions occur, or appropriate averages.

Foreign currency differences on translating the opening net assets at an opening rate and the results of operations at actual rates are recognised in other comprehensive income and accumulated in the translation reserve. Retranslation differences recognised in other comprehensive income will be reclassified to profit or loss in the event of a disposal of the business, or the Group no longer has control or significant influence.

Revenue from contracts with customers

IFRS 15 provides a single, principles-based five step model to be applied to all sales contracts as outlined below. It is based on the transfer of control of goods and services to customers and replaces the separate models for goods and services.

1. Identify the contract(s) with a customer.
2. Identify the performance obligations in the contract.
3. Determine the transaction price.
4. Allocate the transaction price to the performance obligations in the contract.
5. Recognise revenue when or as the entity satisfies its performance obligations.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of product/ service/segment	Nature of the performance obligations and significant payment terms	Accounting policy
a. Point-of-sale (POS) licences and support revenue – Ticketing and distribution	Each contract provides the customer with the right to use the POS license (installed on premise) for terms between one and three years. The customer also receives support for typically a period of one year. This support is not necessary for the functionality of the licence and is therefore a distinct performance obligation from the right to use the POS licence. With agreements longer than one year, invoices are generated either quarterly or annually; usually payable within thirty days. Although payments are made over the term of the agreement, the agreement is binding for the negotiated term. The total transaction price is payable over the term of the agreement via the annual or quarterly instalments.	The transaction price is allocated in accordance with management's estimate of the standalone selling price for each performance obligation, which is based on observable input costs and a target margin. Revenue from sale of POS licences is recognised at a point in time when the customer has been provided with the software. Point in time recognition is appropriate because the licence provides the customer with the right of use of the POS software as it exists and is fully functional from the date it is provided to the customer. Support revenue is recognised on a straight-line basis over the term of the contract, which in most cases is one year and is renewable at the option of the customer thereafter. This option to renew is not considered a material right. The revenue recognition of POS licences at a point in time gives rise to a contract asset at inception. The balance reduces as the consideration is billed annually/ quarterly in accordance with the agreement.

Notes to the consolidated financial statements continued

4. Significant accounting policies continued
Revenue from contracts with customers continued

Type of product/ service/segment	Nature of the performance obligations and significant payment terms	Accounting policy
b. Software licences and the related maintenance and support revenue – Ticketing and distribution and Guest Experience	Each contract provides the customer with the right to use the software licence (installed on premise) with annual support and maintenance. The support and maintenance is not required to operate the software and is considered a distinct performance obligation from the right to use the software licence. The customer has an option to renew the licence at no additional cost by annually renewing support and maintenance at each anniversary. This is considered a material right under IFRS 15 and represents a separate performance obligation. Where the contract contains a substantial termination penalty, it is considered that there is no option to renew and as such these contracts do not include a separate performance obligation for a material right of renewal. Invoices are raised at the beginning of each contract for the software licence and annual support and maintenance. Subsequently, invoices are raised at each anniversary of the contract for annual support and maintenance (as software licence is renewed at no additional cost).	The transaction price is allocated using observable market inputs, where the annual support and maintenance revenue is carved out of the total consideration using an estimate that best reflects its stand-alone selling price. Annual support and maintenance revenue is recognised on a straight-line basis over the term of the contract, which in most cases is one year and is renewable at the option of the customer thereafter. Revenue from sale of annual software licences is recognised at a point in time when the customer has been provided with the software. The revenue is recognised at a point in time because the licence provides the customer with the right of use of the software as it exists and is fully functional from the date it is provided to the customer. Revenue from sale of multi-year software licence contracts is spread as the customer has the option to renew each year's licence at no additional cost by paying the annual support and maintenance fee. A proportion of the licence payment is deferred and recognised at a future point in time when the customer renews. The amount that is deferred is dependent on the term of the contract. For example: on the inception of a three-year contract, two thirds of the licence fee consideration would be deferred and released equally on the first and second anniversary when the customer renews their maintenance and support. Perpetual licences are recognised in the same manner, with the exception being that the contract term is estimated to be five years. If the customer chooses not to exercise the above option, any residual deferred revenue would be recognised as income in that period. Revenue from the sale of multi-year software licences containing a substantial termination penalty is not deferred and instead recognised at a point in time. It is considered that these contracts do not contain an option to renew. The deferred revenue gives rise to a contract liability at the inception of the contract. The balance reduces as revenue is recognised at each contract anniversary.

Type of product/ service/segment	Nature of the performance obligations and significant payment terms	Accounting policy
c. Virtual queuing system – Guest Experience	Virtual queuing systems are installed at a client's location, and revenue is recognised when a park guest uses the service as a sales or usage-based royalty. The Group's performance obligation is to provide a right to access, and the necessary technical support to, its virtual queuing platform, with which the park provides virtual queueing services to the park guest . The Group's contracts are with the attraction owner, not park guest.	Revenues are recognised when the park guest purchases virtual queuing services from the attraction owner, being the later of sale or usage, and the satisfaction of the performance obligation to which that sale or usage-based royalty has been allocated.
d. Ticketing and eCommerce revenue – Ticketing and distribution	The Group's performance obligation is the provision of a right to access, and necessary specified technical support to, its ticketing and eCommerce platform, over a distinct series of service periods. Invoices are issued monthly and are generally payable within thirty days.	Ticketing and eCommerce revenue is recognised at the time the ticket is sold through our platform, or the transaction takes place, within that distinct series of service periods. accesso recognises the fee it receives for processing the transaction as revenue.
e. Professional services – Ticketing and distribution and Guest Experience	Professional services revenue is typically providing customised software development and in general is agreed with the customer and billed at each month end. Certain contracts span longer time periods whereby the Group carries out customisation and delivers software releases to customers at predetermined milestones.	The output method is adopted where the Group's right to consideration corresponds directly with the completed monthly performance obligation, revenue for these customers is recognised in line with the amount of revenue the Group is entitled to invoice. Bespoke professional services work is recognised over time where the Group has enforceable rights to revenue in the event of cancellation. The Group is entitled to compensation for performance completed to date in the event that the customer terminates the contract. This compensation would be sufficient to cover costs and a reasonable proportion of the expected margin. The Group recognises revenue over time using the input method (hours/total budgeted hours) when this method best depicts the Group's performance of transferring control.
f. Hardware sales – Ticketing and distribution and Guest Experience	On certain contracts, customers request that the Group procures hardware on their behalf which the Group has determined to be a distinct performance obligation.	This revenue is recognised at the point the customer obtains control of the hardware which is considered to be the point of delivery when legal title passes. *accesso* takes control and risk of ownership on hardware procurement and recognises sales and costs on a gross basis as principal.
g. Platform fees	Cloud-based experience management platform systems are used by certain venues to provide customer relationship management, guest personalisation, payment and ordering services, push notifications, scheduling, offers, location-based services, consumer-facing screens and many other services to end users at attractions. These secure platforms are provided to venues together with support under annual contracts.	Revenue is billed monthly and recognised over time as the performance obligations of hosting and supporting the secure platforms are provided to the venues.

Notes to the consolidated financial statements continued

4. Significant accounting policies continued

Contract assets and contract liabilities

Contract assets represent licence fees which have been recognised at a point in time but where the consideration is contractually payable over time, professional service revenue whereby control has been passed to the customer and deferred contract commissions incurred in obtaining a contract which are recognised in line with the recognition of the revenue. Contract assets for point in time licence fees and unbilled professional service revenue are considered for impairment on an expected credit loss model, these assets have historically had immaterial levels of bad debt and are with credit worthy customers, and consequently the Group has not recognised any impairment provision against them.

Contract liabilities represent discounted renewal options on licence arrangements whereby a customer has the right to renew their licence at a full discount subject to the payment of annual support and or maintenance fees on each anniversary of the contract. Contract liabilities are recognised as income when a customer exercises their renewal right on each anniversary of the contract and pays their annual maintenance and support. In the situation of a customer terminating their contract all unexercised deferred renewal rights would be recognised as income, representing a lapse of the renewal right options. The licence fees related to these contract liabilities are non-refundable.

Where these assets or liabilities mature in periods beyond 12 months of the balance sheet date they are recognised within non-current assets or non-current liabilities as appropriate.

Interest expense recognition

Expense is recognised as interest accrues, using the effective interest method, to the net carrying amount of the financial liability.

Employee benefits

Share-based payment arrangements

The Group issues equity-settled share-based payments to full-time employees. Equity-settled share-based payments are measured at the fair value at the date of grant, with the expense recognised over the vesting period, with a corresponding increase in equity. The amount recognised as an expense is adjusted to reflect the Group's estimate of shares that will eventually vest, such that the amount recognised is based on the number of awards that meet the service and non-market performance conditions at the vesting date.

The fair value of our share awards with time-based and employment conditions are measured by use of a Black-Scholes model, and share options issued under the Long-Term Incentive Plan (LTIP) are measured using the Monte Carlo method, due to the market-based conditions upon which vesting is dependent. 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.

The LTIP awards contain market-based vesting conditions where they have been set. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

LTIP awards granted in 2020 included continued employment conditions only due to the unprecedented market instability, before being modified on 12 February 2021 by the Remuneration Committee to include a market-based total shareholder return condition and cash EBITDA non-market-based conditions. The fair value of these LTIP share awards were initially valued by use of a Black-Scholes model due to them including only continued employment conditions. On their modification they were reassessed using a Monte Carlo method, due to the market-based conditions upon which vesting is dependent, this resulted in a fair value below that on which the awards were initially granted, as such the fair value was not reduced in line with IFRS 2 Share-based payments and they continue to be recognised at their original grant date fair value.

Pension costs

Contributions to the Group's defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the period in which they become due.

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses.

Depreciation is charged to write off the cost of assets, less residual value, over their estimated useful lives, using the straight-line method, on the following bases:

Plant, machinery, and office equipment	20 – 33.3%
Installed systems	25 – 33.3%, or life of contract
Furniture and fixtures	20%
Leasehold Improvements	Shorter of useful life of the asset or time remaining within the lease contract

Inventories

The Group's inventories consist of parts used in the manufacture and maintenance of its virtual queuing product, along with peripheral items that enable the product to function within a park.

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Inventories are calculated on a first-in, first-out basis.

Park installations are valued on the basis of the cost of inventory items and labour plus attributable overheads. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Notes to the consolidated financial statements continued

4. Significant accounting policies continued

Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the Consolidated and Company statements of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable Group company; or
- different Group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Current income tax

The tax expense or benefit for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. See note 13 for further discussion on provisions related to tax positions.

Goodwill and impairment of non-financial assets

Any excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised in the Consolidated Statement of Financial Position as goodwill and is not amortised.

After initial recognition, goodwill is stated at cost less any accumulated impairment losses, with the carrying value being reviewed for impairment at an operating segment level before aggregation, at least annually and whenever events or changes in circumstances indicate that the carrying value may be impaired.

Where the recoverable amount of the cash-generating unit is less than its carrying amount including goodwill, an impairment loss is recognised in the Consolidated Statement of Profit or Loss.

Any non-financial assets other than goodwill which have suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Assets that are subject to amortisation and depreciation are also reviewed for any possible impairment at each reporting date.

Externally acquired intangible assets

Intangible assets are capitalised at cost and amortised to nil by equal instalments over their estimated useful economic life.

Intangible assets are recognised on business combinations if they are separable from the acquired entity. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques. The significant intangibles recognised by the Group and their useful economic lives are as follows:

- Trademarks over 10 years
- Patents over 20 years
- Customer relationships and supplier contracts over 1 to 15 years
- Acquired internally developed technology over 3 to 7 years.

Internally generated intangible assets and research and development

Expenditure on internally developed products is capitalised if it can be demonstrated that it is substantially enhancing an asset and:

- It is technically feasible to develop the product for it to be sold;
- Adequate resources are available to complete the development;
- There is an intention to complete and sell the product;
- The Group is able to sell the product;
- Sale of the product will generate future economic benefits; and
- Expenditure on the project can be measured reliably.

In accordance with IAS 38 Intangible Assets, expenditure incurred on research and development is distinguished as either related to a research phase or to a development phase. Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects is recognised in the Consolidated income statement as incurred.

Development expenditure is capitalised and amortised within administrative expenses on a straight-line basis over its useful economic life between 3 to 5 years from the date the intangible asset goes into use. The amortisation expense is included within administrative expenses in the Consolidated income statement.

All advanced research phase expenditure is charged to the income statement. For development expenditure, this is capitalised as an internally generated intangible asset, only if it meets the criteria noted above. The Group has contractual commitments for development costs of $nil (2021: $nil).

Notes to the consolidated financial statements continued

4. Significant accounting policies continued

Acquired intellectual property rights and patents

Intellectual property rights comprise assets acquired, being external costs, relating to know-how, patents, and licences. These assets have been capitalised at the fair value of the assets acquired and are amortised within administrative expenses on a straight-line basis over their estimated useful economic life of 5 to 7 years.

Financial assets

The Group classifies all its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

- *Trade and loan receivables:* Trade receivables are initially recognised by the Group and carried at original invoice amount less an allowance for any uncollectible or impaired amounts. Under IFRS 9, the Group applies the simplified approach to measure the loss allowance at an amount equal to the lifetime expected credit losses for trade receivables. At the year end, the Group and Company assessed this provision to be immaterial. Trade receivables are also specifically impaired where there are indicators of significant financial difficulties for the counterparty or there is a default or delinquency in payments. Loan receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables), but also incorporate other types of contractual monetary asset.
- *Cash and cash equivalents* in the statement of financial position comprise cash at bank, cash in hand and short-term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the consolidated statement of cash flow.

Financial liabilities

The Group treats its financial liabilities in accordance with the following accounting policies:

- *Trade payables, accruals and other short-term monetary* liabilities are recognised at fair value and subsequently at amortised cost.
- *Bank borrowings and leases* are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. 'Interest expense' in this context includes initial transaction costs and premiums payable on redemption, as well as any interest payable while the liability is outstanding. For loan modifications the Group assesses if the loan can be prepaid without significant penalty and if so no gain or loss is recognised in the income statement at the date of the modification.

Employee benefit trust (EBT)

As the Company is deemed to have control of its EBT, it is treated as a subsidiary and consolidated for the purposes of the consolidated financial statements and the Company has elected to consolidate within the Company balance sheet. The EBT's assets (other than investments in the Company's shares), liabilities, income, and expenses are included on a line-by-line basis in the consolidated financial statements. The EBT's investment in the Company's shares is deducted from equity in the consolidated and Company statements of financial position as if they were treasury shares.

IFRS 16 Leases

The Group assesses whether a contract is or contains a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group leases commercial office space. The Group has elected not to recognise right of use assets and lease liabilities for some leases of low value. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group recognises a right-of-use asset and lease liability at the lease commencement date.

The right of use asset and lease liability are initially measured at the present value of the lease payments that are not paid at the commencement date, discounting using the Group's incremental borrowing rate. Subsequently the right of use asset is adjusted for impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised.

For further details on the Group's leases see note 29.

5. Functional and presentation currency

The presentation currency of the Group is US dollars (USD) in round thousands. Items included in the financial statements of each of the Group's entities are measured in the functional currency of each entity. The Group used the local currency as the functional currency, including the parent Company, where the functional currency is sterling. The Group's choice of presentation currency reflects its significant dealings in that currency.

6. Critical judgments and key sources of estimation uncertainty

In preparing these consolidated financial statements, the Group makes judgements, estimates and assumptions concerning the future that impact the application of policies and reported amounts of assets, liabilities, income and expenses.

The resulting accounting estimates calculated using these judgements and assumptions are based on historical experience and expectations of future events and may not equal the actual results. Estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to estimates are recognised prospectively.

The judgements and key sources of assumptions and estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are discussed below.

Notes to the consolidated financial statements continued

6. Critical judgments and key sources of estimation uncertainty continued

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these consolidated financial statements are below:

Capitalised development costs

The Group capitalises development costs in line with IAS 38 Intangible Assets. Management applies judgement in determining if the costs meet the criteria and are therefore eligible for capitalisation at the outset of a project, $2.16m has been capitalised on new projects during 2022 (2021: $0.72m). Significant judgements include the determination that assets have been substantially enhanced, the technical feasibility of the development, recoverability of the costs incurred, and economic viability of the product and potential market available considering its current and future customers. See internally generated intangible assets and research and development within note 4 for details on the Group's capitalisation and amortisation policies, and Intangible Assets, note 16, for the carrying value of capitalised development costs

Deferred tax asset on US losses and tax credits

The Group has recognised a deferred tax asset of $9.4m (2021: $11.4m) which comprises $6.6m of US losses (with an indefinite carry forward period) and $2.6m of US tax credits (with 20-year expiry dates ranging from 2035 to 2040). The recognition of these assets is based on the expected profitability of the US entities using the Group's 5-year Board approved forecasts and risk adjusted profitability reducing annually by 10%, which indicates that the losses would be utilised over a 3-year period and the US tax credits over 4 years. According to the enacted legislation, these losses can only be used to offset 80% of the taxable income. Tax credits can be used to offset a current income tax liability greater than $25K up to 75% of the liability. The key inputs are not sensitive to plausible changes in the assumptions, a further 10% risk adjustment as modelled across the said forecast period resulted in US losses and credits being utilised over the same periods as mentioned above. In addition to the expected profitability of the US entities. The said losses and credits were assessed under guidelines established under section 382 of the current US tax legislation, which sets out that losses are restricted if there is deemed to have been an ownership change of greater than 50% over the assessment period. This assessment concluded the ownership change was below 50% and there is no restriction on the losses and credits availability for use. This assessment will need to be conducted on an annual basis to determine if any restriction is required.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments in the following year are:

Useful economic lives of capitalised development costs

The Group amortises its capitalised development costs over 3 to 5 years as this has been deemed by management to be the best reflection of the lifecycle of their technology. If this useful economic life estimate were to be 4 or 6 years, the impact on the current year amortisation would be $1,604k higher and $858k lower respectively. Management review this estimate each year to ensure it is reflective of the technologies being developed.

In September 2022, management's review of the useful economic lives of certain capitalised development projects resulted in amendments to reduce their remaining estimated useful life. The amortisation charge recognised over these projects of $6,698k in FY22 would have been $919k lower had this review not been performed.

7. Financial risk management

Overview:

The Group's use of financial instruments exposes it to a number of risks, including:

- Liquidity risk;
- Interest rate risk;
- Credit risk; and,
- Market risk.

This note presents information about the Group's exposure to each of the above risks and the Group's policies and processes for measuring and managing these risks. The risks, for both the Group and the parent Company, are managed centrally following Board-approved policies, and by regularly monitoring the business and providing ongoing forecasts of the impact on the business. The Group operates a centralised treasury function in accordance with Board-approved policies and guidelines covering funding and management of foreign exchange exposure and interest rate risk. Transactions entered into by the treasury function are required to be in support of, or as a consequence of, underlying commercial transactions.

Other than short-term trade receivables and trade payables that arise directly from operations, as detailed in notes 20 and 21, the Group's financial instruments comprise cash, borrowings, and leases. The fair values of these instruments are not materially different to their book values. The objective of holding financial instruments is to finance the Group's operations and manage related risks.

Liquidity risk

The Group closely monitors its access to bank and other credit facilities in comparison to its outstanding commitments to ensure it has sufficient funds to meet its obligations as they fall due. The Group finance function produces regular forecasts that estimate the cash inflows and outflows for the next 12 months, so that management can ensure that sufficient financing is in place as it is required. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of banking arrangements in place.

Notes to the consolidated financial statements continued

7. Financial risk management continued

Maturity analysis

The following table analyses the Group's liabilities on a contractual gross basis based on amount outstanding at the balance sheet date up to date of maturity:

31 December 2022	Note	Less than 6 months $000	Between 6 months and 1 year $000	Between 1 and 5 years $000	Over 5 Years $000	Total $000
Group						
Financial liabilities	21	**21,693**	**–**	**–**	**–**	**21,693**
Leases	29	**258**	**259**	**821**	**–**	**1,338**
Total		**21,951**	**259**	**821**	**–**	**23,031**
Company						
Financial liabilities	21	**12,529**	**–**	**–**	**–**	**12,529**
Leases	29	**78**	**78**	**253**	**–**	**409**
Total		**12,607**	**78**	**253**	**–**	**12,938**

31 December 2021	Note	Less than 6 months $000	Between 6 months and 1 year $000	Between 1 and 5 years $000	Over 5 Years $000	Total $000
Group						
Financial liabilities (Restated)	21	19,358	–	–	–	19,358
Leases	29	603	614	2,971	–	4,188
Total		19,961	614	2,971	–	23,546
Company						
Financial liabilities (Restated)	21	6,514	–	–	–	6,514
Leases	29	88	88	457	–	633
Total		6,602	88	457	–	7,147

Prior year restatement of financial liabilities

The Group and Company reported prior year financial liabilities figure of $14.0m and $5.7m respectively have been restated to include accruals of $5.4m and $0.8m correspondingly where there is an obligation for them to be cash settled.

The Group would normally expect that sufficient cash is generated in the operating cycle to meet the contractual cash flows as disclosed above through effective cash management.

Interest rate risk

The Group's interest rate risk arises mainly from interest on its bank loan facility, which is currently undrawn, which is subject to a floating interest rate. The Group regularly reviews its funding arrangements to ensure they are competitive with the marketplace.

The table below shows the Group's and Company's financial assets and liabilities that could be affected by the fluctuation in interest rates split by those bearing fixed and floating rates and those that are non-interest bearing:

31 December 2022	Note	Fixed rate $000	Floating rate $000	Non-interest bearing $000	Total assets $000	Total liabilities $000
Group						
Financial assets – trade and other receivables	20	**–**	**–**	**24,711**	**24,711**	**–**
Cash		**56**	**–**	**64,607**	**64,663**	**–**
Total		**56**	**–**	**89,318**	**89,374**	**–**
Company						
Financial assets – trade and other receivables	20	**–**	**–**	**7,268**	**7,268**	**–**
Cash		**56**	**–**	**15,556**	**15,612**	**–**
Total		**56**	**–**	**22,824**	**22,880**	**–**

Notes to the consolidated financial statements continued

7. Financial risk management continued

31 December 2021	Note	Fixed rate $000	Floating rate $000	Non-interest bearing $000	Total assets $000	Total liabilities $000
Group						
Financial assets – trade and other receivables	20	–	–	15,942	15,942	–
Cash		10,220	–	53,830	64,050	–
Total		10,220	–	69,772	79,992	–
Company						
Financial assets – trade and other receivables	20	–	–	6,069	6,069	–
Cash		9,472	–	8,726	18,198	–
Total		9,472	–	14,795	24,267	–

Credit risk exposure

Credit risk predominantly arises from trade receivables, contract assets, cash and cash equivalents, and deposits with banks. Credit risk is managed on a Group basis. External credit checks are obtained for larger customers. In addition, the credit quality of each customer is assessed internally before accepting any terms of trade. Internal procedures take into account a customer's financial position, their reputation in the industry, and past trading experience. As a result, the Group's exposure to bad debts is generally not significant due to the nature of its trade and relationships with customers.

Indeed, the Group, having considered the potential impact of its exposure to credit risk, and having due regard to both the nature of its business and customers, do not consider this to have a materially significant impact to the results. Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions that have acceptable credit ratings.

		Group		Company	
	Note	**2022 $000**	2021 $000	**2022 $000**	2021 $000
Financial assets – trade and other receivables	20	**25,289**	16,369	**7,868**	6,436
Contract assets	9	**4,008**	3,989	**674**	944
Cash	28	**64,663**	64,050	**15,612**	18,198
Estimated irrecoverable amounts	20	**(578)**	(427)	**(600)**	(367)
		93,382	83,981	**23,554**	25,211

The maximum exposure is the carrying amount as disclosed in trade and other receivables. The average credit period taken by customers is 53 days (2021: 46 days). The allowance for estimated irrecoverable amounts has been made based upon the knowledge of the financial circumstances of individual trade receivables at the balance sheet date. The Group holds no collateral against these receivables at the balance sheet date.

No expected credit losses have been recognised on contract assets as these are not considered material.

The following table provides an analysis of trade and other receivables that were past due at 31 December 2022 and 31 December 2021, but against which no provision has been made. The Group believes that the balances are ultimately recoverable based on a review of past payment history and the current financial status of the customers.

	Group		Company	
	2022 $000	2021 $000	**2022 $000**	2021 $000
Up to 3 months	**6,032**	2,920	**2,749**	499
3 to 6 months	**773**	388	**429**	126
	6,805	3,308	**3,178**	625

Capital risk management

The Group and Company considers their capital to comprise its ordinary share capital, share premium, own shares held in trust, accumulated retained earnings and borrowings as disclosed in the Consolidated and Company statement of financial position. Further details of the Group's and Company's borrowing facilities are included in note 22. The Group and Company manage their capital structure in the light of changes in economic conditions and financial markets generally and regularly evaluates its compliance with covenants applicable to their borrowing facilities.

The Group's and Company's objectives when managing capital are to safeguard their ability to continue as a going concern in order to provide returns for current and future shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to minimise the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or increase or reduce debt.

The Group and Company do not seek to maintain any specific debt to capital ratio but considers investment opportunities on their merits and funds them in what it considers to be the most effective manner.

Notes to the consolidated financial statements continued

7. Financial risk management continued

Foreign currency exposure

The Group is an international technology business and has transfer pricing arrangements in place to cover funding arrangements, management costs and the exploitation of IP between Group companies. This results in intercompany balances within the Group not denominated in the operating or 'functional' currency of the Group companies. If the currency markets were 5% stronger, this would result in settlement of these balances at a loss of $866,070 for Group and loss of $460,539 for Company. If the currency markets were 5% weaker, this would result in settlement of these balances at a gain of $824,828 for Group and gain of $438,609 for Company.

The Group manages risk by its subsidiaries matching revenue and expenditure in their local currency wherever possible. The Group tries to keep foreign intercompany balances as low as possible to avoid translation adjustments. Given the nature of the Group's operations and their management of foreign currency exposure, they limit the potential downside risk as far as practicably possible.

Fair value measurement

The Group or Company do not have any level 2 or 3 financial assets or liabilities that have unobservable inputs that require disclosure.

8. Business and geographical segments

Segmental analysis

The Group's operating segments under IFRS have been determined with reference to the financial information presented to the Board of Directors. The Board of the Group is considered the Chief Operating Decision Maker ("CODM") as defined within IFRS 8, as it sets the strategic goals for the Group and monitors its operational performance against this strategy.

The Group's Ticketing and Distribution operating segment comprises the following products:

- *accesso Passport* ticketing suite using our hosted proprietary technology offering to maximise up selling, cross selling and selling greater volumes.
- *accesso Siriusware* software solutions providing modules in ticketing & admissions, memberships, reservations, resource scheduling, retail, food service, gift cards, kiosks and eCommerce.
- The *accesso ShoWare* ticketing solution for box office, online, kiosk, mobile, call centre and social media sales.
- *Ingresso* operate a consolidated distribution platform which connects venues and distributors, opening up a larger global channel for clients to sell their event, theatre and attraction tickets.
- The recently acquired point of sale system enabling modules in food and beverage, retail, eCommerce via kiosk or mobile through a multi-tenanted hosted solution.

The Group's Guest Experience operating segment comprises the following aggregated segments:

- *accesso LoQueue* providing leading edge virtual queuing solutions to take customers out of line, improve guest experience and increase revenue for theme parks.
- *The Experience Engine ("TE2")* experience management platform which delivers personalised real time immersive customer experiences at the right time elevating the guest's experience and loyalty to the brand.

The Group's virtual queuing solution (accesso LoQueue) and experience management platform (The Experience Engine 'TE2') are headed by segment managers who discuss the operating activities, financial results, forecasts and plans of their respective segments with the CODM. These two distinct operating segments share similar economic characteristics, expected long term financial performance, customers and markets; the products are heavily bespoke, technology and software intensive in their delivery and are directly targeted at improving a guest's experience of an attraction or entertainment venue, whilst providing cross-selling opportunities and increased revenues to the venues. Management therefore conclude that they meet the aggregation criteria.

The Group's assets and liabilities are reviewed on a Group basis and therefore segmental information is not provided for the statements of financial position of the segments.

The CODM monitors the results of the operating segments prior to charges for interest, depreciation, tax, amortisation and non-recurring items but after the deduction of capitalised development costs. The Group has a significant amount of central unallocated costs which are not segment specific. These costs have therefore been excluded from segment profitability and presented as a separate line below segment profit.

The following is an analysis of the Group's revenue and results from the continuing operations by reportable segment which represents revenue generated from external customers.

	2022 $000	2021 $000
Ticketing and Distribution	**95,256**	75,930
Guest Experience	**44,474**	48,864
Total revenue	**139,730**	124,794

Notes to the consolidated financial statements continued

8. Business and geographical segments continued
Segmental analysis continued

Year ended 31 December 2022	Ticketing and Distribution $000	Guest Experience $000	Central unallocated costs $000	Group $000
Revenue*	**95,256**	**44,474**	**–**	**139,730**
Cost of sales	**(19,437)**	**(15,947)**	**(386)**	**(35,770)**
Central unallocated administrative expenses	**–**	**–**	**(78,155)**	**(78,155)**
Cash EBITDA[1]	**75,819**	**28,527**	**(78,541)**	**25,805**
Capitalised development spend				**2,155**
Depreciation and amortisation (excluding acquired intangibles)				**(10,744)**
Amortisation related to acquired intangibles				**(1,667)**
Impairment of intangible assets				**(32)**
Share-based payments				**(2,629)**
Exceptional costs relating to IP acquisition				**(137)**
Finance income				**232**
Finance expense				**(566)**
Profit before tax				**12,417**

Year ended 31 December 2021	Ticketing and Distribution $000	Guest Experience $000	Central unallocated costs $000	Group $000
Revenue*	75,930	48,864	–	124,794
Cost of sales	(13,330)	(14,532)	(539)	(28,401)
Central unallocated administrative expenses	–	–	(68,255)	(68,255)
Cash EBITDA[1]	62,600	34,332	(68,794)	28,138
Capitalised development spend				720
Depreciation and amortisation (excluding acquired intangibles)				(12,183)
Amortisation related to acquired intangibles				(2,371)
Share-based payments				(2,490)
Reversal of impairment of intangible assets				1,707
Finance income				39
Finance expense				(1,450)
Profit before tax				12,110

1 Cash EBITDA is calculated as operating profit before the deduction of amortisation, impairment of intangible assets, depreciation, acquisition costs, deferred and contingent payments, and costs related to share-based payments but after capitalised development costs.

* This disclosure has been enhanced to include the information presented to the Chief Operating Decision Maker; being revenue and gross profit at a reportable segmental level. In the prior year this disclosure reconciled cash EBITDA to profit before tax without reference to the associated revenue and cost of sales.

The segments will be assessed as the Group develops and continues to make acquisitions.

An analysis of the Group's external revenues and non-current assets (excluding deferred tax) by geographical location are detailed below:

	Revenue		Non-current assets	
	2022 $000	2021 $000	**2022 $000**	2021 $000
UK	**27,077**	17,118	**22,833**	24,826
Other Europe	**6,318**	3,251	**7**	18
Australia/South Pacific/Asia	**6,772**	4,537	**44**	109
USA*	**92,561**	96,038	**90,050**	100,306
Canada*	**3,518**	2,644	**–**	13
Mexico*	**2,865**	1,050	**30**	22
Other Central and South America*	**619**	156	**39**	83
	139,730	124,794	**113,003**	125,377

* This disclosure has been enhanced to present disaggregated revenue and non-current assets for the USA and Mexico in 2021. USA and Canada were previously disclosed as a combined total. Mexico was previously disclosed aggregated with Other Central and South America.

Revenue generated in each of the geographical locations is generally in the local currency of the venue or operator based in that location.

Major customers
The Group has entered into agreements with theme parks, theme park groups, and attractions to operate its technology in single or multiple theme parks or attractions within the theme park group.

There are two park and attraction operators with which the Group has contractual relationships with combined segmental revenues in excess of 10% of the total Group revenue. The first park operator accounted for $7.0m (2021: $10.1m) of Ticketing and Distribution revenue and for $17.1m (2021: $25.2m) of Guest Experience revenue. The second park and attractions operator accounted for $13.9m (2021: $11.0m) of Ticketing and Distribution revenue and for $5.5m (2021: $3.8m) of Guest Experience revenue.

Another customer within the Guest Experience segment accounted for $9.9m of Group revenue in 2022 (2021: $9.3m).

9. Revenue
Revenue primarily arises from the operation and licensing of virtual queuing solutions, the development and application of eCommerce ticketing, professional services, and licence sales in relation to point-of-sale and guest management software and related hardware. All revenue of the Group is from contracts with customers.

Notes to the consolidated financial statements continued

9. Revenue continued

Disaggregated revenue

The Group has disaggregated revenue into various categories in the following table which is intended to depict the nature, amount, timing and uncertainty of revenue recognition and to enable users to understand the relationship with revenue segment information provided in note 8.

	Year ended 31 December 2022			Year ended 31 December 2021		
	Ticketing and Distribution $000	Guest Experience $000	Group $000	Ticketing and Distribution $000	Guest Experience $000	Group $000
Primary geographic markets						
UK	**24,636**	**2,441**	**27,077**	14,939	2,179	17,118
Other Europe	**3,085**	**3,233**	**6,318**	1,443	1,808	3,251
Australia/South Pacific/Asia	**4,797**	**1,975**	**6,772**	3,219	1,318	4,537
USA*	**56,285**	**36,276**	**92,561**	52,915	43,123	96,038
Canada*	**3,216**	**302**	**3,518**	2,429	215	2,644
Mexico*	**2,618**	**247**	**2,865**	829	221	1,050
Other Central and South America*	**619**	**–**	**619**	156	–	156
	95,256	**44,474**	**139,730**	75,930	48,864	124,794
Product type						
Licence fees	**2,749**	**–**	**2,749**	2,162	–	2,162
Support and maintenance	**7,122**	**–**	**7,122**	7,281	–	7,281
Platform fees	**–**	**3,007**	**3,007**		2,592	2,592
Virtual queuing	**–**	**28,179**	**28,179**	–	32,888	32,888
Ticketing and eCommerce	**77,795**	**12**	**77,807**	62,587	23	62,610
Professional services	**3,070**	**12,918**	**15,988**	1,555	11,914	13,469
Hardware	**1,384**	**50**	**1,434**	1,265	1,439	2,704
Other	**3,136**	**308**	**3,444**	1,080	8	1,088
	95,256	**44,474**	**139,730**	75,930	48,864	124,794
Timing of transfer of goods and services						
Point in time licence fees	**2,749**	**–**	**2,749**	2,162	–	2,162
Point in time virtual queuing/ticketing/ hardware/other	**82,315**	**28,549**	**110,864**	64,932	34,358	99,290
Over time maintenance, support, platform fees and professional services	**10,192**	**15,925**	**26,117**	8,836	14,506	23,342
	95,256	**44,474**	**139,730**	75,930	48,864	124,794
Revenue included within point in time licence fees above related to the exercise or lapse of renewal rights	**2,144**	**–**	**2,144**	1,135	–	1,135

* This disclosure has been enhanced to present disaggregated revenue for the USA and Mexico in 2021. USA and Canada were previously disclosed as a combined total. Mexico was previously disclosed aggregated with Other Central and South America.

Contract balances

The following tables provide information about contract assets arising from contracts with customers.

	Group			Company		
	Non current $000	Current $000	Total $000	Non current $000	Current $000	Total $000
At 31 December 2021	375	3,614	3,989	19	925	944
At 31 December 2022	**314**	**3,694**	**4,008**	**57**	**617**	**674**

Breakdown of contract assets at 31 December 2022

	Group $000	Company $000
Accrued income	**3,463**	**594**
Contract commissions	**545**	**80**
	4,008	**674**

Breakdown of contract assets at 31 December 2021

	Group $000	Company $000
Accrued income	3,469	909
Contract commissions	481	35
Capitalised contract costs	39	–
	3,989	944

The contract assets primarily relate to the Group's rights to consideration for licence fees or professional services recognised but not billed. The contract assets are transferred to receivables when the rights become unconditional. This occurs when the Group issues an invoice to the customer in line with the contractually agreed terms and does not relate purely to the passage of time. The Group also capitalises commissions paid in connection with obtaining a contract and recognises the expense over the term of the agreement, testing for impairment annually.

Notes to the consolidated financial statements continued

9. Revenue continued

Contract balances continued

The following tables provide information about contract liabilities arising from contracts with customers.

	Group			Company		
	Non current $000	Current $000	Total $000	Non current $000	Current $000	Total $000
At 31 December 2021	914	8,063	8,977	22	277	299
At 31 December 2022	**616**	**4,920**	**5,536**	**5**	**203**	**208**

Transfers of contract liabilities to revenue during the period were $9.0m Group, Company $271k (2021 – $8.6m Group, Company $386k).

The contract liabilities primarily relate to support and maintenance services to be provided for ticketing software licences and guest management software, where the revenue is recognised over the terms of the agreements. The remaining balance of contract liabilities consists of material rights customers of the Group's ticketing software receives at the time the contract is signed for right to use software licences, which allows them to renew at a discount in subsequent years. Refer to item (b) the Group's revenue recognition policy table in note 4 covering software licences and the related maintenance and support revenue. The revenue is recognised when the customer renews over the term of the contract or 5 years for contracts that do not have a term.

No revenue was recognised in the period ended 31 December 2022 or 2021 from performance obligations satisfied (or partially satisfied) in previous periods.

Remaining performance obligations

No information is provided about remaining performance obligations at 31 December 2022 or 2021 that have an original expected duration of one year or less, as allowed by IFRS 15.

The amount of revenue that will be recognised in future periods on contracts with material rights over future discounted licence fees is analysed as follows:

	31 December 2022		31 December 2021	
	Less than 1 year $000	Between 1 and 5 years $000	Less than 1 year $000	Between 1 and 5 years $000
Material rights over discounted licence fee renewal	**482**	**591**	865	871

10. Employees and Directors

	2022 $000	2021 $000
Wages and salaries	**51,203**	43,295
Social security costs	**4,102**	3,494
Defined contribution pension costs	**1,662**	1,607
Share-based payment transactions	**2,629**	2,490
	59,596	50,886

Headcount

The average monthly number of employees during the year was made up as follows:

	2022	2021
Operations	**185**	172
Research & development	**297**	259
Sales & marketing	**41**	38
Finance & administration	**45**	44
Seasonal staff	**397**	311
	965	824

Key management compensation

The key management of the Company in 2022 and 2021 are considered to be the Executive Directors, Non-Executive Directors and the Chief Executive's direct reports, being the Senior Vice Presidents of Engineering, Product and HR, the Vice President of POS Solutions, the President of Operations and the Chief Commercial Officer. Their remuneration is as follows:

	2022 $000	2021 (Restated)* $000
Salary	**2,206**	1,974
Fees*	**374**	376
Bonus	**1,944**	1,385
Short term non-monetary benefits	**115**	102
Contribution to retirement scheme	**69**	55
Employer's social security costs	**74**	63
Share-based payments	**1,855**	1,733
	6,637	5,688

* Restated to include the fees paid to the Non-Executive Directors of $0.37m (2021: $0.38m). These were previously disclosed within the Director's remuneration report on page 39, but not included within key management compensation.

Directors' emoluments, details of share options exercised and outstanding, and pension contribution are disclosed on page 39 in the Directors' remuneration report and form part of these audited financial statements. In respect of Directors' remuneration, the disclosures required by Schedule 5 to Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 are included in the detailed disclosures in the Directors' remuneration report.

Notes to the consolidated financial statements continued

11. Expenses by nature

	2022 $000	2021 $000
Park operating costs	**9,341**	8,214
Server costs (cost of goods sold)	**1,933**	2,136
Server costs (admin expenses)	**961**	459
Hardware equipment (cost of goods sold)	**1,718**	1,051
Commissions costs paid to distributors	**11,109**	5,674
Direct to consumer marketing spend (costs of goods sold)	**1,700**	1,448
Professional services wages and salaries (not included in note 10)	**5,594**	4,080
Contract labour	**3,556**	2,538
Other employee related costs	**4,463**	3,521
Depreciation – owned assets	**1,227**	1,827
Depreciation – right of use assets	**773**	1,035
Amortisation of intangible assets	**10,411**	11,692
Impairment/(Reversal of impairment) of intangible assets	**32**	(1,707)
Foreign exchange (gain)/loss	**(272)**	401

Park operating costs are incurred to deliver the Group's virtual queuing system where there is a requirement for the Group to provide onsite labour as well as other assistance in ensuring the software licence operates as intended.

Server costs are split between cost of goods sold and administrative expenses. They represent the hosting costs incurred that are either directly attributable to revenue generating activities or a Group overhead.

Other employee related costs include health insurance costs, professional development and recruitment.

	2022 $000	2021 $000
Research and development gross spend*	**43,174**	34,666
Research and development capitalised to balance sheet (note 16)	**(2,155)**	(720)
Research and development recognised in operating profit	**41,019**	33,946

* Research and development expenditure represents all costs incurred by the Group's Engineering and Product functions. These costs include staff labour as well as software related expenditure.

Auditor's remuneration

During the period the following services were obtained from the Group's auditor at a cost detailed below:

	2022 $000	2021 $000
Fees payable to the Company's auditors of the parent Company and consolidated accounts	**699**	–
Fees payable to the Company's auditors for the audit of subsidiaries	**38**	–
Audit services (Current auditors)	**737**	–
Fees payable to the Company's auditors of the parent Company and consolidated accounts	**–**	317
Fees payable to the Company's auditors for the audit of subsidiaries	**–**	352
Audit services (Previous auditors)	**–**	669
	737	669

12. Finance income and expense

The table below details the finance income and expense for the current and prior periods:

	2022 $000	2021 $000
Finance income:		
Bank interest received	**232**	35
Interest received from customers	**–**	1
Gain on forward FX contracts	**–**	3
Total finance income	**232**	39
Finance costs:		
Bank interest	**(308)**	(485)
Amortisation of capitalised refinance costs	**(253)**	(316)
Lease (note 29)	**(190)**	(280)
Loss on forward foreign exchange contracts	**–**	(194)
Interest on accrued balances	**–**	(175)
Interest on sales tax accrual	**185**	–
Total finance costs	**(566)**	(1,450)
Net finance expense	**(334)**	(1,411)

Notes to the consolidated financial statements continued

13. Tax

The table below provides an analysis of the tax charge for the periods ended 31 December 2022 and 31 December 2021:

	2022 $000	2021 $000
UK corporation tax		
Current tax on income for the period	**750**	975
Adjustment in respect of prior periods	**(40)**	(49)
	710	926
Overseas tax		
Current tax on income for the period	**690**	165
Adjustment in respect of prior periods	**453**	(9)
	1,143	156
Total current taxation	**1,853**	1,082
Deferred taxation		
Original and reversal of temporary difference – for the current period	**1,641**	(10,889)
Impact on deferred tax rate changes	**(967)**	84
Original and reversal of temporary difference – for the prior period	**(166)**	(185)
	508	(10,990)
Total taxation charge/(benefit)	**2,361**	(9,908)

The differences between the actual tax charge for the period and the theoretical amount that would arise using the applicable weighted average tax rate are as follows:

	2022 $000	2021 $000
Profit/(loss) on ordinary activities before tax	**12,417**	12,110
Tax at United States tax rate of 26.87% (2021: 24%)	**3,336**	2,906
Effects of:		
Expenses not deductible for tax purposes	**30**	142
Refunds received	**–**	(11)
Profit subject to foreign taxes at a lower marginal rate	**(195)**	(179)
Adjustment in respect of prior period – income statement	**247**	(243)
Share options	**195**	–
Impact of rate changes	**(967)**	36
Deferred tax on US losses (recognised)	**–**	(12,619)
Recognition of uncertain tax positions	**–**	363
Research and Development credits utilised	**(141)**	–
Other	**(144)**	(303)
Total taxation charge/(benefit)	**2,361**	(9,908)

Notes to the consolidated financial statements continued

13. Tax continued

Deferred taxation

	Asset $000	Liability $000
Group		
At 31 December 2020	**7,701**	**(7,580)**
Credited to income	7,651	3,339
Credited directly to equity	921	–
Foreign currency translation	(13)	5
At 31 December 2021	**16,260**	**(4,236)**
(Charged)/credited to income	**(1,404)**	**896**
Credited directly to equity	**448**	**–**
Foreign currency translation	**(25)**	**46**
At 31 December 2022	**15,279**	**(3,294)**
Company		
At 31 December 2020	**–**	**(605)**
Charged to income	9	238
Credited directly to equity	18	–
Foreign currency translation	–	4
Netted against the asset	(27)	27
At 31 December 2021	**–**	**(336)**
Charged to income	**22**	**134**
Credited directly to equity	**(18)**	**–**
Foreign currency translation	**(9)**	**44**
Netted against the asset	**5**	**(5)**
At 31 December 2022	**–**	**(163)**

The following table summarises the recognised deferred tax asset and liability:

	2022 $000	2021 $000
Group		
Recognised asset		
Tax relief on unexercised employee share options	**3,034**	2,042
Short-term timing differences	**2,682**	2,767
Net operating losses & tax credits	**9,563**	11,445
S163(j) US interest disallowance	**–**	6
Deferred tax asset	**15,279**	16,260
Recognised liability		
Capital allowances in excess of depreciation	**(204)**	(1,399)
Short-term timing differences	**(1,025)**	(935)
Business combinations	**(2,065)**	(1,902)
Deferred tax liability	**(3,294)**	(4,236)
Company		
Recognised asset		
Tax relief on unexercised employee share options	**57**	68
Short-term timing differences	**28**	22
Offset against Company deferred tax asset	**(85)**	(90)
Deferred tax asset	**–**	–
Recognised liability		
Capital allowances in excess of depreciation	**(248)**	(426)
Short-term timing differences	**–**	–
Offset against Company deferred tax asset	**85**	90
Deferred tax liability	**(163)**	(336)
Group		
Unrecognised asset		
Net operating losses and available tax credits – US	**–**	–
Unrecognised deferred tax asset	**–**	–

The tax rate in the US rate remained at 21%, before state taxes. Deferred tax assets and liabilities were measured at a rate 21% (2021: 21%) plus state taxes in the US.

Notes to the consolidated financial statements continued

13. Tax continued

Deferred taxation continued

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly. The deferred tax assets and liabilities at 31 December 2022 have been calculated based on these rates, reflecting the expected timing of reversal of the related temporary and timing differences (2021: 25%).

There are no material unrecognised deferred tax assets.

The critical assumptions used in the assessment for the recognition of the deferred tax asset on US losses and available tax credits are discussed in note 6.

Taxation and transfer pricing

The Group is an international technology business and, as such, transfer pricing arrangements are in place to cover funding arrangements, management costs and the exploitation of IP between Group companies. Transfer prices and the policies applied directly affect the allocation of Group-wide taxable income across a number of tax jurisdictions. While transfer pricing entries between legal entities are on an arm's length basis, there is increasing scrutiny from tax authorities on transfer pricing arrangements. This could result in the creation of uncertain tax positions.

The Group provides for anticipated risks, based on reasonable estimates, for tax risks in the respective countries in which it operates. The amount of such provisions can be based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible authority. Uncertainties exist with respect to the evolution of the Group following international acquisitions holding significant IP assets, interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income.

Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded.

Uncertainties in relation to tax liabilities are provided for within income tax payable to the extent that it is considered probable that the Group may be required to settle a tax liability in the future. Settlement of tax provisions could potentially result in future cash tax payments; however, these are not expected to result in an increased tax charge as they have been fully provided for in accordance with management's best estimates of the most likely outcomes.

Ongoing tax assessments and related tax risks

The Group has undertaken a review of potential tax risks and current tax assessments, and whilst it is not possible to predict the outcome of any current or future tax enquiries, adequate provisions are considered to have been included in the Group accounts to cover any expected estimated future settlements.

In common with many international groups operating across multiple jurisdictions, certain tax positions taken by the Group are based on industry practice and external tax advice or are based on assumptions and involve a degree of judgement. It is considered possible that tax enquiries on such tax positions could give rise to material changes in the Group's tax provisions.

The Group is consequently, from time to time, subject to tax enquiries by local tax authorities and certain tax positions related to intercompany transactions may be subject to challenge by the relevant tax authority.

The Group has recognised provisions where it is not probable that tax positions taken will be accepted, totalling $0.9m (2021: $0.9m) in relation to availability of international R&D claims.

The US losses recognised in the year were assessed under the section 382 US tax legislation to validate they can be utilised. This assessment will need to be conducted on an annual basis to determine if any restriction is required.

14. Result of parent Company

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent Company is not presented as part of these financial statements. The parent Company's profit for the financial year ended 31 December 2022 was $1.01m (2021: profit of $19.1m).

Notes to the consolidated financial statements continued

15. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Own shares held by the Employee Benefit Trust are eliminated from the weighted average number of shares.

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary shareholders, after adjustments for instruments that dilute basic earnings per share, by the weighted average of ordinary shares outstanding during the period (adjusted for the effects of dilutive instruments).

Earnings for adjusted earnings per share, a non-GAAP measure, are defined as profit before tax before the deduction of amortisation related to acquisitions, impairment of intangible assets, acquisition costs, deferred and contingent consideration linked to continued employment, and costs related to share-based payments, less tax at the effective rate on tax impacted items.

The table below reflects the income and share data used in the total basic, diluted, and adjusted earnings per share computations.

	2022 $000	2021 $000
Profit attributable to ordinary shareholders ($000)	**10,056**	22,018
Basic EPS		
Denominator		
Weighted average number of shares used in basic EPS (000s)	**41,196**	41,240
Basic earnings per share (cents)	**24.41**	53.39
Diluted EPS		
Denominator		
Weighted average number of shares used in basic EPS (000s)	**41,196**	41,240
Effect of dilutive securities		
Options (000s)	**1,692**	1,552
Weighted average number of shares used in diluted EPS (000s)	**42,888**	42,792
Diluted earnings per share (cents)	**23.45**	51.45

	2022 $000	2021 $000
Adjusted EPS		
Profit attributable to ordinary shareholders ($000)	**10,056**	22,018
Adjustments for the period related to:		
Amortisation relating to acquired intangibles from acquisitions	**1,667**	2,371
Impairment of intangible assets	**32**	–
Reversal of impairment of intangible assets	**–**	(1,707)
Share-based compensation and social security costs on unapproved options	**2,629**	2,490
	14,384	25,172
Net tax related to the above adjustments (2022: 9.7%, 2021: 0.8%):	**418**	26
Adjusted profit attributable to ordinary shareholders ($000)	**14,802**	25,198
Adjusted basic EPS		
Denominator		
Weighted average number of shares used in basic EPS (000s)	**41,196**	41,240
Adjusted basic earnings per share (cents)	**35.93**	61.10
Adjusted diluted EPS		
Denominator		
Weighted average number of shares used in diluted EPS (000s)	**42,888**	42,792
Adjusted diluted earnings per share (cents)	**34.51**	58.88

No LTIP awards were excluded in the calculation of diluted EPS as at 31 December 2022. As at 31 December 2021, 37,583 LTIP awards were excluded because their exercise was contingent on the satisfaction of certain criteria that had not been met.

Notes to the consolidated financial statements continued

16. Intangible assets

The cost and amortisation of the Group's intangible fixed assets are detailed in the following table:

	Goodwill $000	Customer relationships & supplier contracts $000	Trademarks $000	Acquired internally developed intellectual property $000	Patent & IPR costs $000	Development costs $000	Totals $000
Cost							
At 31 December 2020	117,511	18,314	1,841	53,037	783	74,563	266,049
Foreign currency translation	(135)	–	–	9	(4)	(53)	(183)
Additions	–	–	–	–	–	720	720
Disposals	–	(4,737)	(1,372)	(28,620)	–	(17,932)	(52,661)
At 31 December 2021	117,376	13,577	469	24,426	779	57,298	213,925
Foreign currency translation	**(2,236)**	**–**	**–**	**–**	**(96)**	**(1,065)**	**(3,397)**
Additions	**–**	**–**	**–**	**–**	**1,140**	**2,155**	**3,295**
Disposals	**–**	**–**	**–**	**–**	**(717)**	**(71)**	**(788)**
At 31 December 2022	**115,140**	**13,577**	**469**	**24,426**	**1,106**	**58,317**	**213,035**
Amortisation/Impairment							
At 31 December 2020	17,403	14,158	1,837	51,547	671	50,930	136,546
Foreign currency translation	–	–	–	9	(4)	(41)	(36)
Charged	–	882	1	1,490	28	9,291	11,692
Reversal of impairment	–	(301)	–	(484)	–	(922)	(1,707)
Disposal		(4,737)	(1,372)	(28,620)	–	(17,929)	(52,658)
At 31 December 2021	17,403	10,002	466	23,942	695	41,329	93,837
Foreign currency translation	**–**	**–**	**–**	**–**	**(74)**	**(850)**	**(924)**
Charged	**–**	**1,183**	**1**	**484**	**198**	**8,545**	**10,411**
Impairment	**–**	**–**	**–**	**–**	**–**	**32**	**32**
Disposal	**–**	**–**	**–**	**–**	**(683)**	**(58)**	**(741)**
At 31 December 2022	**17,403**	**11,185**	**467**	**24,426**	**136**	**48,998**	**102,615**
Net book value							
At 31 December 2022	**97,737**	**2,392**	**2**	**–**	**970**	**9,319**	**110,420**
At 31 December 2021	99,973	3,575	3	484	84	15,969	120,088

The cost and amortisation of the Company's intangible fixed assets are detailed in the following table:

	Patent costs $000	Development costs $000	Totals $000
Cost			
At 31 December 2020	597	9,887	10,484
Foreign currency translation	(4)	(76)	(80)
Additions	–	399	399
Disposals	–	(3)	(3)
At 31 December 2021	**593**	**10,207**	**10,800**
Foreign currency translation	**(88)**	**(1,070)**	**(1,158)**
Additions	**–**	**1,006**	**1,006**
Disposals	**(415)**	**(59)**	**(474)**
At 31 December 2022	**90**	**10,084**	**10,174**
Amortisation			
At 31 December 2020	507	5,496	6,003
Foreign currency translation	(4)	(73)	(77)
Charged	28	1,984	2,012
At 31 December 2021	**531**	**7,407**	**7,938**
Foreign currency translation	**(80)**	**(843)**	**(923)**
Charged	**14**	**1,147**	**1,161**
Impairment	**–**	**32**	**32**
Disposals	**(403)**	**(59)**	**(462)**
At 31 December 2022	**62**	**7,684**	**7,746**
Net book value			
At 31 December 2022	**28**	**2,400**	**2,428**
At 31 December 2021	62	2,800	2,862

Capitalised development costs are not treated as a realised loss for the purpose of determining the Company's distributable profits as the costs meet the conditions requiring them to be treated as an asset in accordance with IAS 38.

Notes to the consolidated financial statements continued

16. Intangible assets continued

Impairment testing of goodwill

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment or where indicators of impairment exist. The recoverable amount is determined based on value-in-use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows. The goodwill balances of the Group are monitored and tested at an operating segment level, further details on their composition are set out below.

The carrying amount of goodwill is allocated as follows:

	2022 $000	2021 $000
Ticketing and Distribution (CGU1, 2, 3 and 6)*	**69,235**	71,473
accesso LoQueue (CGU5) **	**28,500**	28,500
	97,735	99,973

* Comprises *accesso, LLC*; Siriusware Inc; *accesso Passport* trading within Accesso Australia PTY Limited being CGU1; VisionOne Worldwide Limited & its subsidiaries and *accesso ShoWare* trading within Accesso Australia PTY Limited being CGU2; Ingresso Group Limited & subsidiaries as CGU 3 and Lo-Q Limited as CGU 6.

** Comprises the *accesso LoQueue* trading within *accesso Technology Group plc*, Lo-Q, Inc., Lo-Q Service Canada Inc and Accesso Australia PTY Limited as CGU 5.

The below table sets out the intangible asset impairments recorded within *accesso LoQueue*, *The Experience Engine* and the Ticketing and Distribution segment:

	2022 accesso LoQueue $000	2022 The Experience Engine $000	2022 Ticketing and Distribution $000	2022 Total $000	2021 accesso LoQueue (Restated)* $000	2021 The Experience Engine (Restated)* $000	2021 Ticketing and Distribution $000	2021 Total $000
Intangible assets	**–**	**–**	**–**	**–**	–	–	–	–
Impairment of specific development projects*	**32**	**–**	**–**	**32**	–	–	–	–
Impairment charge recorded within administrative expense	**32**	**–**	**–**	**32**	–	–	–	–

* Restated to present *accesso LoQueue* (CGU 5) and *The Experience Engine* (CGU 4) separately. These were previously disclosed in 2021 aggregated as the Guest Experience segment.

A review of all project development costs capitalised was performed at year end with $0.03m impairment charges recorded.

The below table sets out the intangible asset impairments recorded within *accesso LoQueue*, *The Experience Engine* and the Ticketing and Distribution segment:

	2022 accesso LoQueue $000	2022 The Experience Engine $000	2022 Ticketing and Distribution $000	2022 Total $000	2021 accesso LoQueue (Restated)* $000	2021 The Experience Engine (Restated)* $000	2021 Ticketing and Distribution $000	2021 Total $000
Intangible assets	**–**	**–**	**–**	**–**	–	(785)	–	(785)
Impairment of specific development projects	**–**	**–**	**–**	**–**	–	(922)	–	(922)
Impairment (credit) recorded within administrative expense	**–**	**–**	**–**	**–**	–	(1,707)	–	(1,707)

* Restated to present *accesso LoQueue* (CGU 5) and *The Experience Engine* (CGU 4) separately. These were previously disclosed in 2021 aggregated as the Guest Experience segment.

The key assumptions used in the value in use calculations are as follows, note that CGU 4 and 6's inputs are used for the assessment of intangible assets other than goodwill:

	2022	2021*
Pre-tax discount rate (%)		
Ticketing and Distribution (CGU 1, 2, 3 & 6)**	**16.6%**	13.2%
The Experience Engine (CGU 4)	**16.6%**	13.3%
*accesso LoQueue**** (CGU 5)	**16.8%**	13.3%
Average annual EBITDA growth rate during forecast period (average %)		
Ticketing and Distribution (CGU 1, 2, 3 & 6)**	**19.7%**	2.0%
The Experience Engine (CGU 4)	**10.2%**	10.2%
*accesso LoQueue**** (CGU 5)	**15.1%**	7.2%
Terminal growth rate (%)		
Ticketing and Distribution (CGU 1, 2, 3 & 6)**	**2.0%**	2.0%
The Experience Engine (CGU 4)	**2.0%**	2.0%
*accesso LoQueue**** (CGU 5)	**2.0%**	2.0%
Period on which detailed forecasts based (years)		
Ticketing and Distribution (CGU 1, 2, 3 & 6)**	**5**	5
The Experience Engine (CGU 4)	**5**	5
*accesso LoQueue**** (CGU 5)	**5**	5

* Key assumptions were previously disclosed separately for each individual CGU. This has been amended to present as an average for the Ticketing and Distribution segment (CGUs 1, 2, 3 & 6), which is the level at which the goodwill impairment assessment has been performed.

** Comprises accesso, LLC; Siriusware, Inc.; VisionOne Worldwide Limited & its subsidiaries; Ingresso Group Limited & subsidiaries; accesso Passport/ accesso ShoWare trading within Accesso Australia PTY Limited and Lo-Q Limited (CGUs 1, 2, 3 and 6).

*** Comprises accesso LoQueue trading within accesso Technology Group plc; Lo-Q, Inc.; Lo-Q Service Canada Inc and Accesso Australia PTY Limited.

Notes to the consolidated financial statements continued

16. Intangible assets continued

Impairment testing of goodwill

Operating margins have been based on experience, where possible, and future expectations in the light of anticipated economic and market conditions. Growth rates beyond the formally budgeted period are based on economic data pertaining to the industry and region concerned.

The discount rates applied to all CGUs was a pre-tax measure estimated based on comparable listed company gearing and capital structures, an equity risk premium and risk-free rate applicable to the country, small stock premium relative to the market and size of business and an appropriate cost of debt relative to market conditions.

Reversal of impairment of The Experience Engine ('TE2') intangible assets – Cash Generating Unit ('CGU') 4 as at 31 December 2021

As at 31 December 2021 the recoverable value of the *TE2* CGU was significantly improved following a period of strong trading, improved cost control and efficiency of the CGU. A review was conducted of the $29.2m of intangible assets impaired in 2019, updated to 31 December 2021 based on their original useful economic lives (periods of 2–5 years), to assess each category of asset to determine if they remain in existence and are generating economic returns. As a result of this reassessment of the conditions as at 31 December 2021, $0.9m of development costs, $0.3m of acquired customer relationships and $0.5m of acquired intellectual property was reversed with a credit of $1.7m to administrative expense. The recoverable value of the CGU was determined on a value in use basis using the assumptions and inputs noted above, the $1.707m reversal is not sensitive to changes in these assumptions due to a significant amount of headroom in excess of the revised book value of the *TE2* CGU. The recoverable value of the CGU was determined to be $25.0m as at 31 December 2021.

Sensitivity analysis

If any of the following changes were made to the following key assumptions the carrying value and recoverable amount would be equal as at 31 December 2022. A considerable amount of judgement is applied in setting discount rates, forecasts and terminal values, all of which will be impacted by the current uncertainty in the market and the speed at which our customers and the wider macro markets recover from the impacts of COVID-19.

	Ticketing and Distribution*		*accesso LoQueue***	
	2022	2021	**2022**	2021
Pre-tax discount rate	**Increase by 11.7%**	Increase by 4.6%	**Increase by 14.7%**	Increase by 14.3%
EBITDA Growth rate during detailed forecast period (average)	**Reduce by 45.0%**	Reduce by 33.5%	**Reduce by 48.4%**	Reduce by 62.2%
Terminal growth rate	**Reduce by 27.6% to a terminal rate of -25.6%**	Reduce by 7.5% to a terminal rate of -5.5%	**Reduce by 52.0% to terminal rate of -50.0%**	Reduce by 37.0% to terminal rate of -35%
Excess over carrying value ($000)	**$79,790**	$42,843	**$44,791**	$79,147

* Comprises *accesso, LLC*; Siriusware, Inc.; VisionOne Worldwide Limited & its subsidiaries, Ingresso Group Limited & subsidiaries; *accesso Passport/accesso ShoWare* trading within Accesso Australia PTY Limited and Lo-Q Limited (CGUs 1, 2, 3 and 6).
** Comprises the *accesso LoQueue* trading within *accesso Technology Group plc*; Lo-Q, Inc.; Lo-Q Service Canada Inc and Accesso Australia PTY Limited (CGU 5).

We do not consider there are any plausible changes in assumptions that would give rise to an impairment in Ticketing and Distribution or *accesso LoQueue* over the next financial year.

Environmental risk in cash flows

It is expected that air travel will be reduced in response to both COVID-19 in the near-term and then longer term in response to climate change agendas, we have considered this risk in our cash flow forecasting for impairment testing. The majority of the venues we serve have typically localised customer bases rather than being reliant on destination travel, consequently we consider the risk as minimal on our forecasts.

Development costs not yet available for use

Development cost assets not yet available for use reside in the CGUs as follows and are considered annually for impairment in line with the goodwill attached to those CGUs. These capitalised costs relate to development projects which have not been put into use as at the year-end:

Entity name (and CGU)	**2022 $000**	2021 $000
accesso, LLC & Siriusware, Inc. (CGU 1)	**518**	–
ShoWare (CGU 2)	**70**	–
accesso Technology Group plc (CGUs 5 and 6)	**1,289**	386

Notes to the consolidated financial statements continued

17. Property, plant and equipment

The cost and depreciation of the Group's tangible fixed assets are detailed in the following table:

	Installed systems $000	Plant, machinery and office equipment $000	Furniture & fixtures $000	Leasehold improvements $000	Totals $000
Cost					
At 31 December 2020	**1,809**	**3,302**	**2,108**	**505**	**7,724**
Foreign currency translation	(4)	(12)	(3)	–	(19)
Additions	802	928	10	–	1,740
Disposals	(972)	(532)	(92)	(18)	(1,614)
At 31 December 2021	**1,635**	**3,686**	**2,023**	**487**	**7,831**
Foreign currency translation	**(19)**	**(106)**	**(71)**	**–**	**(196)**
Additions	**197**	**516**	**20**	**34**	**767**
Disposals	**(10)**	**(1,088)**	**(836)**	**(244)**	**(2,178)**
At 31 December 2022	**1,803**	**3,008**	**1,136**	**277**	**6,224**
Depreciation					
At 31 December 2020	1,034	2,542	1,394	315	5,285
Foreign currency translation	(4)	(12)	(3)	–	(19)
Charged	915	586	266	60	1,827
Disposals	(867)	(521)	(92)	(18)	(1,498)
At 31 December 2021	**1,078**	**2,595**	**1,565**	**357**	**5,595**
Foreign currency translation	**(12)**	**(81)**	**(60)**	**–**	**(153)**
Charged	**414**	**572**	**189**	**52**	**1,227**
Disposals	**(7)**	**(1,043)**	**(757)**	**(241)**	**(2,048)**
At 31 December 2022	**1,473**	**2,043**	**937**	**168**	**4,621**
Net book value					
At 31 December 2022	**330**	**965**	**199**	**109**	**1,603**
At 31 December 2021	557	1,091	458	130	2,236

The cost and depreciation of the Company's tangible fixed assets are detailed in the following table:

	Installed systems $000	Plant, machinery and office equipment $000	Furniture & fixtures $000	Totals $000
Cost				
At 31 December 2020	181	900	696	1,777
Foreign currency translation	(3)	(6)	(6)	(15)
Additions	22	137	–	159
Disposals	(42)	(25)	–	(67)
At 31 December 2021	**158**	**1,006**	**690**	**1,854**
Foreign currency translation	**(16)**	**(107)**	**(71)**	**(194)**
Additions	**27**	**50**	**–**	**77**
Disposals	**–**	**(27)**	**–**	**(27)**
At 31 December 2022	**169**	**922**	**619**	**1,710**
Depreciation				
At 31 December 2020	55	588	473	1,116
Foreign currency translation	(4)	(7)	(5)	(16)
Charged	84	216	77	377
Disposals	(42)	(25)	–	(67)
At 31 December 2021	**93**	**772**	**545**	**1,410**
Foreign currency translation	**(10)**	**(83)**	**(57)**	**(150)**
Charged	**53**	**111**	**36**	**200**
Disposals	**–**	**(19)**	**–**	**(19)**
At 31 December 2022	**136**	**781**	**524**	**1,441**
Net book value				
At 31 December 2022	**33**	**141**	**95**	**269**
At 31 December 2021	65	234	145	444

Notes to the consolidated financial statements continued

18. Investments

Investment in subsidiaries

The investment balance on the Company's books at 31 December 2022 is as detailed below:

	$000 Net Book Value
Cost	
At 31 December 2021	**184,768**
Capital contribution to subsidiaries [1]	**2,490**
Foreign currency translation	**(19,606)**
At 31 December 2022	**167,652**
Cost	
At 31 December 2020	**61,570**
Capital contribution to subsidiaries [1]	2,366
Capitalisation of intercompany loan balance with US subsidiary	107,265
Reversal of impairment of investment in US subsidiary [2]	15,949
Foreign currency translation	(2,382)
At 31 December 2021	**184,768**

1 Capital contribution to subsidiaries represents share-based payment charges for awards made to employees of the subsidiary companies.
2 Reversal of investment impairment.

The US subsidiary impairments recognised in 2020 in respect of Lo-Q, Inc. of $15.9m was reversed in 2021 following a period of high cash generation by the collective CGUs and forecasts which now demonstrate a recoverable value in excess of the prior year's impairment charges. Lo-Q Inc is the intermediate US parent and therefore the value was calculated based on a value in use model using the inputs of CGU 1, 2, 4 and 5 per note 16. The value in use is not sensitive to plausible movements in either the pre-tax discount rate or the EBITDA growth rate during the forecast period. The recoverable value of the investment was determined to be $205.1m as at 31 December 2021.

Name		Country of incorporation	% Ownership interest	% Voting Rights
Lo-Q, Inc. (1)	(10)	United States of America	100	100
Lo-Q Service Canada Inc (1)	(10)	Canada	100	100
Lo-Q (Trustees) Limited (2)	(10)	United Kingdom	100	100
accesso, LLC. (1)	(11)	United States of America	100	100
Siriusware, Inc. (1)	(11)	United States of America	100	100
Lo-Q Limited (2)	(10)	United Kingdom	100	100
VisionOne Worldwide Limited (3)	(10)	British Virgin Islands	100	100
VisionOne, Inc. (1)	(11)	United States of America	100	100
VisionOne S.A. de C.V. (4)	(11)	Mexico	100	100
ShoWare Brazil Ltda (5)	(11)	Brazil	100	100
Accesso Australia PTY Limited (6)	(10)	Australia	100	100
Blazer and Flip Flops Inc (1)	(11)	United States of America	100	100
Ingresso Group Limited (2)	(10)	United Kingdom	100	100
accesso Netherlands BV (7)	(11)	Netherlands	100	100
Accesso (Shanghai) Co., Ltd (8)	(10)	China	100	100
Ingresso US, Inc. (9)	(11)	United States of America	100	100
Ingresso USA, Inc. (1)	(11)	United States of America	100	100
Accesso Solutions, LLC (1)	(11)	United States of America	100	100

All shares owned are ordinary shares.

As required by the Companies Act, the registered addresses of each business are:

(1) Registered address of 100 Technology Park, Suite 165, Lake Mary, FL USA
(2) Registered address of Unit 5, The Pavilions, Ruscombe Park, Twyford, Berkshire RG10 9NN, UK
(3) Registered address of Geneva Place, PO Box 3469, Waterfront Drive, Road Town, British Virgin Islands
(4) Registered address of Montecito #38, Piso 42 Oficinas 12 Colonia Napoles, 03810, Mexico City, Mexico, D.F.
(5) Registered address of Rua Realengo, 140 – Vila Madalena , Sao Paulo, Sao Paulo, Brazil, Zip Code 05451-030
(6) Registered address of PO Box 432, Chatswood, NSW 2057, Australia
(7) Registered address of Butterwick 1, London, W6 8DL, UK
(8) Registered address of No.778, Chuangxin West Road, FTA, Shanghai, China
(9) Registered address of 19C Trolley Square, Wilmington, Delaware, DE 19806, USA
(10) Wholly owned subsidiary directly by *accesso Technology Group plc*
(11) Owned through wholly owned subsidiary of *accesso Technology Group plc*

accesso, LLC; Siriusware, Inc.; VisionOne, Inc. and Blazer and Flip Flops Inc are 100% owned by Lo-Q, Inc. VisionOne do Brazil Ltda and VisionOne do Mexico Ltda are 100% owned by VisionOne Worldwide Ltd. ShoWare Do Brazil Ltda is 100% owned by VisionOne do Brazil Ltda.

Notes to the consolidated financial statements continued

18. Investments continued

Investment in subsidiaries continued

The trade for both Lo-Q, Inc. and Lo-Q Service Canada Inc is that of the application of virtual queue technologies, Accesso Australia PTY Limited includes both ticketing and virtual queuing customers pertaining to that region. The trade of *accesso, LLC*, Siriusware, Inc., the VisionOne subsidiaries, Ingresso Group Limited and Blazer and Flip Flops Inc is primarily that of ticketing, point-of-sale and experience management technology solutions. Lo-Q (Trustees) Limited formerly operated an employee benefit trust on behalf of *accesso Technology Group plc* to provide benefits in accordance with the terms of a joint share ownership plan which no longer exists, this entity was dormant during 2022 and 2021.

19. Inventories

	Group		Company	
	2022 $000	2021 $000	**2022 $000**	2021 $000
Stock	**499**	286	**15**	50
	499	286	**15**	50

The amount of inventories recognised as an expense and charged to cost of sales for the year ended 31 December 2022 was $0.5m (2021: $1.9m).

20. Trade and other receivables

	Group		Company	
	2022 $000	2021 $000	**2022 $000**	2021 $000
Trade debtors	**23,462**	15,032	**4,421**	2,101
Other debtors	**1,249**	910	**359**	602
Amounts owed by Group undertakings	**–**	–	**2,488**	3,366
Financial assets	**24,711**	15,942	**7,268**	6,069
Prepayments	**4,074**	2,863	**1,397**	628
	28,785	18,805	**8,665**	6,697

The Group's financial assets are short term in nature. In the opinion of the Directors, the book values approximate to their fair value. No expected credit losses have been recognised on accrued income, contract assets or other debtors as these are not considered material. An expected credit loss provision has been recognised in the Company financial statements of $0.6m (2021: $0.4m) in respect of intercompany receivables due from subsidiary undertakings.

Included within trade debtors are amounts owed to the Group from ticket sales, equating to the total value of the ticket and the commission earned by the Group. The value of the ticket, less the commission, is payable to the supplier of the ticket, and is not revenue to the Group.

21. Trade and other payables

	Group		Company	
	2022 $000	2021 $000	**2022 $000**	2021 $000
Current				
Trade creditors	**17,624**	13,222	**360**	476
Current other creditors	**1,347**	763	**70**	47
Amounts owed to Group undertakings	**–**	–	**11,313**	5,142
Accruals	**11,654**	13,501	**1,372**	1,419
Social security and other taxes	**1,465**	1,733	**271**	218
	32,090	29,219	**13,386**	7,302

Included within trade and other payables are financial instruments of $21.7m and $12.5m for Group and Company respectively. Financial instruments comprise of trade creditors, current other creditors, amounts owed to Group undertakings and a portion of accruals where there is an obligation for them to be cash settled. Of the $11.7m of accruals for Group, $2.7m (2021: $5.4m) constitute financial liabilities and of the $1.3m for Company, $0.8m (2021: $0.8m) are financial liabilities.

The Group's financial liabilities are generally short-term in nature. In the opinion of the Directors the book values approximate to their fair value. Included within trade creditors are amounts payable to ticket suppliers. In certain agreements, the Group receives the total cash from the sale of the ticket.

Notes to the consolidated financial statements continued

22. Borrowings

	Group		Company	
	2022 $000	2021 $000	**2022 $000**	2021 $000
Bank loans	**–**	–	**–**	–
Arrangement fees, less amortised cost*	**(356)**	(590)	**(356)**	(590)
	(356)	(590)	**(356)**	(590)

* While the Group remains undrawn on the loan facility, capitalised arrangement fees are included within Other Debtors.

On 19 March 2021 the Group refinanced with Investec Bank PLC and discharged its two drawn borrowings with Lloyds Bank plc of £13.2m and $8.9m. The Group has a 3-year £18m Coronavirus Large Interruption Scheme Loan revolving credit facility at a 3.75% margin, expiring in March 2024. The facility is subject to quarterly covenant tests on minimum revenue and minimum liquidity for 2 years to December 2022; from March 2023 additional covenants are added for leverage and interest cover. Total arrangement fees incurred on the Investec facility were $0.8m. The facility remains undrawn at the balance sheet date and the Group did not breach any covenants during 2022.

23. Called up share capital

	2022		2021	
Ordinary shares of 1p each	**Number**	**$000**	Number	$000
Opening balance	**41,267,376**	**596**	41,215,291	595
Issued in relation to exercised share options	**127,271**	**1**	52,085	1
Closing balance	**41,394,647**	**597**	41,267,376	596

During 2022, 127,271 shares (2021: 52,085 shares), with a nominal value $1,549 (2021: $726), were allotted following the exercise of share options.

The number of shares held by the *accesso Technology Group plc* Employee Benefit Trust as at 31 December 2022 was 761,971 shares (2021: Nil). 761,971 shares (2021: Nil) were purchased by the Employee Benefit Trust during the year.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Following the adoption of new Articles of Association on 12 April 2011 the Company no longer has an authorised share capital limit.

All issued share capital is fully paid as at 31 December 2022.

24. Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium:	Amount subscribed for share capital in excess of nominal value
Own shares held in trust:	Weighted average cost of own shares held by the *accesso* Technology Employee Benefit Trust
Merger relief reserve:	The merger relief reserve represents the difference between the fair value and nominal value of shares issued on the acquisition of subsidiary companies, where the Company has taken advantage of merger relief
Retained earnings:	All other net gains and losses and transactions not recognised elsewhere
Translation reserve:	Gains/losses arising on retranslating the net assets of overseas operations into US dollars

25. Pension commitments

The Group operates defined contribution pension schemes in the UK and US. The assets of each scheme are held separately from those of the Group in independently administered funds. The pension charge represents contributions payable by the Group to the funds. The amounts related to the charge in the period and payable at period end are:

	2022 $000	2021 $000
Pension charge in the period	**1,662**	1,607
Payable to the funds (included within other creditors)	**102**	253

26. Related party disclosures

Ultimate controlling party

There is no ultimate controlling party.

Subsidiaries

All intercompany revenues, expenses, and balances between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and have not been included in this note. These transactions are carried out on an arms-length basis.

Notes to the consolidated financial statements continued

27. Share-based payment schemes and transactions

Share option schemes

At 31 December 2022 the following share-based incentives were outstanding in respect of the ordinary shares:

Scheme	Number of shares	Period of Option	Price per share
EMI Scheme	5,000	25 April 2015 to 25 April 2023	600 p
	2,500	23 January 2017 to 22 January 2024	697.5 p
UK CSOP Scheme	20,805	22 March 2020 to 21 March 2028	775 p
	32,120	13 May 2022 to 13 May 2029	775 p
UK unapproved Scheme	6,600	15 April 2018 to 15 April 2025	557.5 p
	9,050	29 April 2019 to 28 April 2026	1105 p
	1,895	22 March 2020 to 21 March 2028	775 p
	20,000	30 March 2021 to 21 March 2028	775 p
US Scheme	14,000	25 April 2015 to 25 April 2023	600 p
	28,900	23 January 2018 to 22 January 2024	679.5 p
	50,350	15 April 2018 to 15 April 2025	557.5 p
	113,650	29 April 2019 to 28 April 2026	1105 p
	7,500	12 July 2020 to 21 March 2028	775 p
	99,400	21 March 2021 to 21 March 2028	775 p
	98,820	13 May 2022 to 13 May 2029	775 p
Other schemes	2,350	29 April 2019 to 28 April 2026	1105 p
	8,000	22 March 2021 to 22 March 2028	2270 p
	11,320	13 May 2022 to 13 May 2029	775 p
Long-term incentive plan	582,567	27 January 2020 to 25 April 2023	1 p[1]
	277,544	16 September 2020 to 16 September 2023	1 p[1]
	99,500	17 March 2021 to 30 October 2024	–[1]
	296,041	25 March 2021 to 30 October 2024	–[1]
	273,164	25 April 2022 to 25 October 2025	–[1]
	6,148	11 July 2022 to 10 July 2025	–[1]
Share plan 2021	132,450	31 July 2021 to 31 July 2031	–
	10,525	27 May 2022 to 26 May 2032	–
	2,555	15 May 2022 to 26 May 2032	–
	2,212,754		

1 Vesting is conditional on achievement of certain market-based conditions.

Equity-settled share option schemes

Details of the number of share-based incentives and the weighted average exercise price (WAEP) outstanding during the period are as follows:

	2022		2021	
	Number	**WAEP (pence)**	Number	WAEP (pence)
Outstanding at beginning of year	**2,184,659**	**227.76**	1,796,948	327.77
Granted during the year	**299,434**	**0.93**	575,591	–
Exercised during the year	**(127,271)**	**76.80**	(52,085)	251.46
Leavers, lapsed & other	**(144,068)**	**354.10**	(135,795)	552.15
Outstanding at end of the year	**2,212,754**	**202.45**	2,184,659	227.76
Exercisable at the end of the year	**529,720**	**842.06**	438,026	827.36

The exercise price of options outstanding at 31 December 2022 range between 0p and 775p (2021: 0p and 775p) and their weighted average contractual life was 2.95 years (2021: 3.53 years).

The weighted average share price at the date of exercise for share options exercised during the period was 684.05p (2021: 727.76p). Share awards were granted in the period and the inputs to the model for options issued in the current period were as follows:

	2022
Weighted average exercise price of options issued during the period (pence)	**684.05**
Expected volatility (%)	**67.7%**
Expected life beyond vesting date (years)	**3**
Risk free rate (%)	**0.3%**
Dividend yield (%)	**–**

Both share awards and long-term incentives were issued in the current year. The Group did not enter into any share-based payment transactions with parties other than employees during the current or previous period.

Expected volatility was determined by calculating the historic volatility of the Group's share price over the previous 12 month period. Expected life is based on the Group's assessment of the average life of the option following the vesting period.

Notes to the consolidated financial statements continued

27. Share-based payment schemes and transactions continued

Long-term incentive plan

During the current and prior period, the Group granted conditional share awards ("Awards") over ordinary shares of 1 penny under the Long-Term Incentive Plan with their vesting periods set out in the table above. Awards are required to be held for a further six months after the vest date as well as being subject to certain performance conditions.

The fair values of the Awards at the dates of grant were calculated using the Monte Carlo statistical modelling approach to reflect the market conditions within the Award conditions. The Award dates, number of Awards granted assuming the performance conditions are fully met, and inputs to the valuation model were as follows:

Long term incentive awards issued 2022	11 July 2022	25 April 2022
Awards issued	**6,148**	**279,111**
Expected volatility (%)	**67.7%**	**67.7%**
Expected life years	**3**	**3**
Risk-free rate (%)	**2.8%**	**2.8%**
Dividend yield (%)	**–**	**–**

Long term incentive awards issued 2021	25 March 2021	17 March 2021
Awards issued	296,041	122,900
Expected volatility (%)	75%	75%
Expected life years	3	3
Risk-free rate (%)	0.3%	0.3%
Dividend yield (%)	–	–

Refer to the remuneration report on pages 33 to 41 for a breakdown of the vesting conditions related to each Award.

Change of control provisions

The change of control provisions explained on page 38 of the remuneration report have not impacted the current period share-based payment charges as no change of control is considered probable as at 31 December 2022.

28. Reconciliation of net cash flow to movements in net funds and analysis of net funds

The amounts disclosed on the cash flow statement in respect of cash and cash equivalents are in respect of these balance sheet amounts.

	2021 $000	Cash flow $000	Lease liabilities $000	Exchange movement $000	2022 $000
Group					
Cash in hand & at bank	**64,050**	**4,566**	**(1,430)**	**(2,523)**	**64,663**
Company					
Cash in hand & at bank	**18,198**	**(495)**	**(159)**	**(1,932)**	**15,612**

	2020 $000	Cash Flow $000	Lease liabilities $000	Exchange movement $000	2021 $000
Group					
Cash in hand & at bank	**56,355**	8,881	(1,408)	222	**64,050**
Company					
Cash in hand & at bank	**47,690**	(29,783)	(158)	449	**18,198**

The cash in hand & at bank includes the following amounts held on short-term deposit:

65 day notice sterling account denominated in sterling: $0.06m (2021: $9.5m).

Group net cash reconciliation

	Note	2022 $000	2021 $000
Borrowings (including capitalised finance costs)	22	**–**	–
Less: Cash in hand & at bank		**64,663**	64,050
Net cash		**64,663**	64,050

Notes to the consolidated financial statements continued

28. Reconciliation of net cash flow to movements in net funds and analysis of net funds continued

Group net cash reconciliation continued

Below we set out the breakdown of cash and non-cash movements on the Group's borrowings:

	Note	2022 $000	2021 $000
At beginning of period		–	26,699
Cash flows			
Drawings on loan		–	–
Repayments of drawings		–	(27,033)
Payment of finance costs		–	(813)
Non-cash movements			
Effects of foreign exchange		–	225
Release of capitalised finance costs		–	332
Reclassed to Other debtors*		–	590
At end of period	22	–	–

* The balance as at 31 December 2021 and 31 December 2022 comprises only the remaining unamortised capitalised arrangement fees on the new Investec facilities. It is included within Other debtors at the balance sheet date.

The Group did not draw on its facility during the year ended 31 December 2022.

29. Leases

The Group leases commercial office space and a single warehouse. The leases typically run for periods of 10 years, with a 5 year break clause. Lease liabilities are assumed to extend to the full term of the lease where there is a reasonable assumption that the break period will not be utilised. Lease payments are renegotiated every 5 years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. No restrictive covenants exist preventing the Group from subletting properties.

The Group leases office equipment with contract terms of 1 to 3 years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

During 2022, the Group exited a large proportion of its leased property in Lake Mary, Florida. A termination penalty of $0.4m, was incurred and considered to be a payment against the remaining obligation of the lease. The right of use asset and corresponding lease obligation for the remaining space held in Lake Mary were adjusted to reflect the reduced scope of the lease.

During 2021, the Group also took action to rationalise its property leases and exited properties in San Diego, London, Sydney, Belfast, Sao Paulo and Annapolis. Each of these properties reached the end of their respective lease agreements during 2021 and were not renewed. No termination penalties were incurred during the period.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

	Land and buildings	
	Group $000	Company $000
Cost		
At 1 January 2021	7,070	962
Disposals	(1,013)	–
Foreign currency translation	(15)	(5)
At 31 December 2021	6,042	957
Additions	**94**	–
Disposals	**(3,307)**	–
Foreign currency translation	**(90)**	**(103)**
At 31 December 2022	**2,739**	**854**
Depreciation		
At 1 January 2021	(2,904)	(354)
Charged	(1,035)	(131)
Disposals	1,015	–
Modification of lease terms	(71)	–
Foreign currency translation	6	2
At 31 December 2021	(2,989)	(483)
Charged	**(773)**	**(111)**
Disposals	**1,960**	**–**
Foreign currency translation	**43**	**55**
At 31 December 2022	**(1,759)**	**(539)**
Net book value		
At 31 December 2021	3,053	474
At 31 December 2022	**980**	**315**

Notes to the consolidated financial statements continued

29. Leases continued

Lease liabilities

Cost	Group $000	Company $000
At 1 January 2021	(4,953)	(722)
Interest expense	(280)	(25)
Lease payments cash flow	1,408	158
Impact of lease modification	81	10
Foreign currency translation	8	4
At 31 December 2021	(3,736)	(575)
Additions	**(66)**	**–**
Interest expense	**(190)**	**(24)**
Lease payments cash flow	**1,430**	**159**
Impact of lease modification	**1,283**	**–**
Foreign currency translation	**59**	**60**
At 31 December 2022	**(1,220)**	**(380)**

	Group			Company		
Maturity	Current $000	Non current $000	Total $000	Current $000	Non current $000	Total $000
At 31 December 2021	(1,003)	(2,733)	(3,736)	(149)	(426)	(575)
At 31 December 2022	**(451)**	**(769)**	**(1,220)**	**(140)**	**(240)**	**(380)**

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and builds this into the right of use asset and liability calculation. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Contractual minimum lease payments

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date for the Group and Company:

	Group 2022 $000	Company 2022 $000
Lease liability maturity		
Up to 3 months	**129**	**39**
Between 3 and 12 months	**388**	**118**
Between 1 and 2 years	**527**	**157**
Between 2 and 5 years	**293**	**95**

	Group 2022 $000	Company 2022 $000
Short-term and low-value leases		
Up to 3 months	**10**	**2**
Between 3 and 12 months	**3**	**3**
Between 1 and 2 years	**–**	**–**
Between 2 and 5 years	**–**	**–**
Over 5 years	**–**	**–**

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 January 2022. The weighted average rate applied is 6.38% (2021: 6.69%).

Company information

for the financial year ended 31 December 2022

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