13 September 2022

***accesso® Technology Group* plc**

(“*accesso*” or the “Group”)

INTERIM RESULTS
for the six-month period ended 30 June 2022

accesso Technology Group plc (AIM: ACSO), the premier technology solutions provider to leisure, entertainment, and cultural markets, today announces interim results for the six months ended 30 June 2022 (‘H1 2022’).

Commenting on the results, Steve Brown, Chief Executive Officer of *accesso*, said:

“We are pleased to see visitor demand broadly back to pre-pandemic levels. We are capturing this demand effectively because of our realigned strategy and operational structure, and we continue to deliver growth in revenue and profitability well ahead of pre-pandemic levels. I’m particularly pleased that our strong revenue performance is continuing to deliver good levels of profitability, with Cash EBITDA for the period of $10.6m compared to $1.0m in 2019.

At Accesso we are also always building for the long-term, constantly evolving our suite of high-quality technology solutions. We are particularly optimistic about our recent acquisition of strong Food & Retail technology which will increase our product penetration within the leisure sector as well as open up new opportunities across the broader hospitality sector in the mid-to-long term.

Excluding the impact of costs associated with the acquisition, we anticipate our 2022 performance to be in line with the Board’s expectations at the start of the year. Overall, our highly differentiated mobile-first product set and favourable demand dynamics continue to drive our business forward”.

		Six months ended 30 June 2022 Unaudited ($m)	**Six months ended 30 June 2021 Unaudited ($m)**	***% change***
Group Revenue		**63.732**	**50.654**	25.8%
Ticketing and distribution		44.280	31.716	39.6%
Guest Experience		19.452	18.938	2.7%
Group Revenue – constant currency	*4*	**65.418**	**50.654**	29.1%
Ticketing and distribution – constant currency	*4*	45.791	31.716	44.4%
Guest Experience – constant currency	*4*	19.627	18.938	3.6%
Gross Profit		**47.032**	**40.818**	**15.2%**
Gross Margin %		**73.8%**	**80.6%**	
Cash EBITDA	*1*	**10.644**	**9.819**	8.4%
Statutory profit before tax		**2.916**	**0.858**	239.9%
Net cash	*2*	**58.728**	**33.157**	77.1%
Adjusted basic EPS (cents)	*3*	**13.03**	**6.39**	103.9%
Basic earnings per share (cents)		**5.49**	**1.91**	187.4%

Footnotes:

(1) Cash EBITDA: operating profit before the deduction of amortisation, depreciation, acquisition costs, deferred and contingent consideration linked to continued employment, and costs related to share-based payments less capitalised development costs paid in cash as per the consolidated cash flow statement

(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, deferred and contingent consideration linked to continued employment, 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 in note 6)

(4) Revenue metrics for the period ended 30 June 2022 have been prepared on a constant currency basis with the period ended 30 June 2021 to assist with assessing the underlying performance of the revenue streams. Average monthly rates for H1 2021 were used to translate the monthly H1 2022 results into a constant currency using the range of currencies as set out below:

a. GBP sterling - $1.36 - $1.41

b. *Euro - $1.19 - $1.22*
c. *Canadian dollars - $0.79- $0.82*
d. *Australian dollar - $0.77-$0.78*
e. *Mexican pesos - $0.05 - $0.05*
f. *Brazilian real - $0.18 – $0.20*

First half highlights

- **Strong performance in H1 2022:** Revenue of $63.7m represents growth of 25.8% year-on-year (29.1% constant currency), with cash EBITDA of $10.6m representing 8.4% growth year-on-year. Performance demonstrates continued expansion of market opportunity, recovery from the pandemic related closures of H1 2021, and ongoing success in capturing significant demand alongside improved staffing levels for key software development and operations staff. Gross margin of 73.8% (H1 2021: 80.6%) reflects sales returning to pre-pandemic mix with the lower margin distribution business now 13.5% of sales mix compared to 5.2% in H1 2021.

- **Dynamic new business performance:** 10 new customers signed with particular strength in the live entertainment space. Expanded agreements with 7 **accesso Passport**® eCommerce clients increased **accesso Passport** revenue by $3.2m. New product combination agreements delivered with OWA Parks & Resort, Twycross Zoo, Typhoon Texas and Adventure City, Anaheim underscores continued product cross-sell success.

- **Post period end – substantial customer renewals and expansions future-proof growth plan:** Five-year renewal, with the option of a further two years, now completed with Village Roadshow Theme Parks, a top five revenue client for the Group and our most highly integrated solution implementation including five of our technologies. New enterprise-wide queuing agreement signed with Parques Reunidos significantly expands our longstanding relationship and further embeds the Group as provider-of-choice amongst the leisure industry's most significant operators, with our virtual queuing to be installed across at least 4 European theme parks with the potential for additional locations.

- **High quality acquisition of key technology assets within the Food & Retail transactions space:** Purchased significant intellectual property on July 1, 2022, for a total consideration of £750k, with extensive functional capabilities across food and retail sales operations. Elements of this advanced technology are utilised by top-tier enterprise venue operators including Disney, Universal, Sea World, and Six Flags. This key technology offers **accesso** the unique ability to provide venue operators with robust transactional support for both Food & Retail within the same system. In the near term, the Group anticipates some users of various applications within this technology set may desire to enter limited, non-material support agreements. Importantly, **accesso** is working to complete a new Food & Retail product that is part of these assets. This solution is anticipated to offer transactional and repeatable revenue potential beyond our historical customer target base as well as further product penetration within our existing customer base.

Outlook & Guidance

- **Rightsized operational footprint will continue to deliver solid performance and underscore strength of market position:** Clarity in Product group is supporting continued innovation and customer success. Staffing levels have normalised through reduced attrition and improved recruitment success. The Group is resilient, durable and capable of managing change and continued scaling. 2022 employee survey results show Employee Engagement scores at record levels. We continue to invest in our business, including to capitalise on the opportunities unlocked in the Food & Retail segment unlocked by our recent acquisition

- **Short term change in dynamic with large *accesso* customer:** Shift in strategy of large customer has significantly reduced their related virtual queuing revenue in the period and to a lesser degree impacted their eCommerce revenue. This pattern is expected to continue at least through 2022. The Group anticipates this dynamic to normalise long-term as customer's revised strategy takes hold.

- **Full year guidance expectation:** With robust revenue growth, gross margin broadly in line with pre-pandemic levels, and a return of the cost base to more normal levels the Group expects its full year results, excluding the impact of its Food & Retail acquisition on its profit, to be in line with the Board's expectations at the start of the year.

- **Strong liquidity position:** The Group continues to trade with no debt and ends the period with net cash of $58.7m. This drop in cash from year-end reflects both the movement in FX rates as well as a return to our normal cash cycle with operating cash generation expected in the second half. Up to $10m of the Group's cash reserves will be used to fund the Employee Benefit Trust to purchase shares in the Group starting in H2 2022. These shares will be used to settle future vests of equity compensation. The Group will also continue to consider value accretive acquisitions where opportunities arise.

- **Market backdrop:** We are mindful of changes in the external economic environment and continue to monitor key indicators. The geographic diversity and nature of our client base is a strength as regional and local activities serve as substitutes for more expensive destination travel. We are not yet observing any negative dynamic in our marketplace and our most important trading period for the year is largely complete. Nevertheless, we are monitoring the situation closely.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement, this inside information is now considered to be in the public domain

The Company will be hosting a webcast presentation for analysts at 1pm. Analysts and institutional investors are also able to request a copy of the presentation and audio webcast conference details by contacting accesso@fticonsulting.com. A copy of the presentation made to analysts will be available for download from the Group's website, shortly after the conclusion of the meeting.

For further information, please contact:

accesso Technology Group plc	+44 (0)118 934 7400
Steve Brown, Chief Executive Officer	
Fern MacDonald, Chief Financial Officer	
Numis Securities Limited (Nominated Adviser and Sole Broker)	+44 (0)20 7260 1000
Simon Willis, Hugo Rubinstein	
FTI Consulting, LLP (Financial Public Relations)	+44 (0)20 3727 1000
Matt Dixon, Adam Davidson, Jamille Smith, Tom Blundell	

About *accesso Technology Group*

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. 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.

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.

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Chief Executive's Review

Continued progress in a heightened demand environment

In the first half of 2022 we have continued to push **accesso** forward on its growth path. We have emerged from the uncertainty of the pandemic, and our innovative solutions are once again leading our industry forward in the face of significantly increased demand for the types of technology we offer. We are broadening the range of possibilities for the way the leisure, entertainment and cultural markets interact with consumers, putting mobile first and driving a substantial increase in the quality of guest experiences across the globe alongside driving increased visitor spend.

There is no doubt that the pandemic has produced a sustained demand-shift in our industry. A whole new range of parks and attractions have been introduced to the transformative potential of technology, and none of them are going back. For those adopting new solutions, there is no better option than **accesso**, which is the proven leader in making attractions more efficient, cost effective, engaging and enjoyable. As a result, our market opportunity is expanding, and this new demand is directly aligned with our solution set. With our growth plan already underpinned by relationships with our industry's leading players, we are now working to capture this new upside potential as interest in our technology grows across our market.

Having said this, the pandemic also reminded us never to rest on our laurels or become complacent in our position. We remain mindful of the potential for economic circumstance or unexpected events to challenge our business. Reassuringly, part of our response to the pandemic was to increase our financial and operational resilience, increase our cash reserves, increase focus on genuinely profitable growth, and increase the ability of our product innovation to respond quickly to changing customer needs.

An example of the impact of this adaptability came in the first half when a change in strategy at a large customer could have materially impacted our near-term revenue expectations. Our continued confidence in our ability to meet our full year ambitions, excluding the impact of our Food & Retail technology acquisition, is a direct result of the more balanced, adaptable and efficient business we have built. We will continue to demonstrate this important quality in the coming years. In a world that is more dynamic, and perhaps more unpredictable than ever, standing ready to adjust and adapt in the face of change is critical to success and we continue to exhibit our strength in doing exactly that.

Financial performance

Our strong first half financial performance puts us on target for another very profitable year. Our revenue growth of 25.8% represents a strong outturn on a better-than-expected result this time last year, and the positive dynamic in products like **accesso ShoWare**^SM^ indicates important growth markets like Mexico are now joining USA, Canada and Europe in bouncing back strongly from the pandemic. Importantly, this revenue growth has been delivered against the backdrop of a significant change in strategy at a key customer resulting in a sharp fall primarily in their virtual queuing revenue as well as an impact on ecommerce. Despite the impact from the change in strategy with this key customer, outperformance delivered within 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.

Our profit performance against a 16.3% increase in our underlying administrative costs also shows the quality of our revenue is improving. The cost growth we've seen is in line with our plan and reflects the expectation we set in our March 2022 preliminary results that staffing would increase both to capture new opportunity and to reflect the increase in existing staff salaries due to inflationary pressures and labour shortages. Importantly, our cash EBITDA grew 8.4% in the period. We recognise the need to drive consistent profit in this market and I am pleased that our profit before tax of $2.9m is both ahead of prior year and ahead of our budget. We are delivering quality growth at top and bottom line, and we intend to continue this trend into the long term.

New business performance

The resonance of our innovative product set is best evidenced by our continued new business performance. We saw 10 new venues signed of which 4 were live entertainment venues, which continues to grow in importance as a business area for the Group. We also went live in a further 49 projects during the first half, of which 26 were **accesso Passport** deployments and 11 were combined offerings, largely with **accesso Siriusware**SM. At the end of the first half the Group had 64 clients using a combination of its products, up from 54 at the end of the first half last year.

Our sales to existing clients were well diversified in the period, although we do continue to see real strength in the Ski sector. Ski customers made up 49% of our sales to existing clients during H1, with attraction venues, cultural venues, theme parks, waterparks and zoos & aquariums making up the balance.

Customer renewals

Our continued market leadership has for some time been underpinned by the long-term, sticky and constructive relationships we hold with some of the largest and most important players in our market. The agreements we hold with these operators tend to be long-term in nature and give us the confidence to move boldly in our technology innovation and solution development.

Building on our success during 2021 where we delivered extensions of enterprise-wide agreements with Merlin Attractions Operations Ltd. ("Merlin"), and Six Flags, we have now added to this renewal set a 5-year extension, with the option of a further 2 years, with Village Roadshow Theme Parks. These are some of the largest attraction operators globally and they have all put their long-term faith in **accesso**. We're grateful to them for their continued support and proud of the faith they continue to show in our business.

Bringing new technology on board

At **accesso** we are always conscious of the need to continue the evolution of our technology platform. In this, we are both responding to our customer's needs and hoping to show them new possibilities in their chosen areas of focus.

Over recent periods we have been clear that the Food & Beverage space is a key growth area for our business. It is a key aspect of in-park experience that is ripe for disruption and improvement by technology. Guests have long understood that there is no need for them to join lengthy queues for their favourite attractions. Now, they are realising the same is true of the way they spend their time accessing other services that make their visits enjoyable. Food & Beverage is therefore becoming an increasingly mobile-first, queue-less, seamless and pain-free guest experience which enables operators to drive revenue growth. Retail operations are also ready for change, including self-service, mobile-first technologies as operators look to reduce labor and guests aim for increased convenience. We have been investing in our own technology in this area including a major capability expansion of our mobile Food & Beverage offering that is now operating in some 98 venue-based restaurants, and we have now taken a further, significant, inorganic step forward to underpin our position in this space with rapidly increased demand.

In July we purchased top-tier intellectual property assets in the Food & Retail transaction space for a total consideration of £750k. This technology has been delivering traditional point-of-sale technology to blue chip leisure industry customers for some 20 years, handling an expansive feature set across both Food & Retail, which are typically run on separate, non-integrated systems. Within our key markets, some large-scale, well-known brands (including some current **accesso** customers) are operating various versions of this technology and may request we enter into limited support agreements. We do not anticipate such support, if requested, to be material, nor was this the rationale for the asset acquisition. Competition from robust solutions offering full range Food & Retail functionality is limited and **accesso** is working to complete a new Food & Retail product that is part of these assets. With **accesso's** leading position in the leisure sector, we foresee the opportunity for this new product to be significant in the mid-to-long term with demand from both existing and new customers as well as the ability to reach into the larger and broader hospitality market. I am delighted that we have been able to bring this important and highly differentiated technology into our business, and while the transaction will have a moderate impact on our costs during the current year, our belief in the longer-term revenue opportunity it presents us is very exciting. This asset acquisition highlights our continued focus on growth alongside our commitment towards high value, efficient use of capital.

Enhancing our existing product set

During the first half we have also continued to leverage our newly realigned product development organisation to enhance our existing technology. In **accesso Passport** we have introduced an improved date-based booking system to support this increasingly important aspect of our client's business, and we have fully enabled Apple Pay and Google Pay support. We also released a new Passport Support feature within our **accesso Passport** platform which provides a refreshed end-customer service experience across our client base. We also released a new **accesso Siriusware** version with a major step forward in its payments technology. This includes a CyberSource security integration, improved capacity management features for better **accesso Passport** interconnectivity and a new reporting function which improves reconciliation activities when using **accesso Siriusware** in tandem with **accesso Passport** eCommerce.

In **accesso LoQueue**® we continue to expand our 100% virtual queueing capabilities to enable reservations for the entire population of guests in a venue. We enhanced our multi-queue feature enabling clients to offer a seamless experience to their guests when offering complimentary virtual queuing as well as being able to provide revenue driving premium services all within the same **Qsmart℠** session, making it easy for guests to navigate and leverage the offerings. We have also enabled guests to reserve time slots for future days in an evolution of features first developed for restaurant use cases, and we have greatly improved our ability to deliver marketing and alert messages from our **accesso Passport** infrastructure to **accesso LoQueue** enabled devices.

accesso ShoWare performed strongly in the period as live events continued to return to the marketplace. We added a new Stay22 integration which provides guests with a post-purchase option to add accommodations, and have included improved marketing automation, dynamic bundling and delayed delivery capability. We have also seen renewed focus and intensity in the performance of our Ingresso product with some important integrations coming online including CTS Eventim, Seatgeek, GoApe, and the launch of a fully refreshed white label ecommerce offering which will continue rolling out over the second half.

Building our growth culture

At **accesso** we are also continuing to improve the strength, diversity and cultural alignment of our team. During the first half of 2022 we onboarded 71 new hires with a focus on engineering and operations. We also launched a new wellness programme focused on supporting staff with their physical, emotional, financial, career and community needs, and launched our inaugural **accesso** Diversity, Equity and Inclusion Council which includes 12 members from across the Group whose role will be to help form and drive our DE&I strategy through the business.

The evidence indicates these initiatives are helping us produce a motivated workforce strategically aligned behind profitable growth won in the right way. Our 7th annual Employee Engagement Survey had 91% participation and a 4.2 overall average score (out of 5.0), representing our highest ever score and placing us above the 75th % for similarly sized organisations in our industry.

I am proud of the way our team is working together to deliver our success. I'd like to thank them all for their ongoing commitment and passion for serving our customers and truly making **accesso** a great place to work.

Outlook

I'm pleased with our performance since the beginning of 2022. We have a product set resonating with the market, a supportive demand environment and a business set up to deliver. We are clear on our strategy, and we have the people we need to make the most of our expanding opportunity. **accesso** is well-placed for continued success.

We are mindful of changes in the external economic environment and continue to monitor key indicators. The geographical diversity and nature of our client base is a strength as regional and local activities serve as substitutes for more expensive destination travel. To be clear, we are not yet observing any negative dynamic in our marketplace and our most important trading period for the year is largely complete. Nevertheless, we are monitoring the situation closely.

We also continue efforts to mitigate impacts from the shift in admission strategy at one of our largest customers. We expect this dynamic to normalise long-term and are working in close partnership to support this customer as they execute on their strategic plan. As they work to revamp all areas of their business to offer an enhanced, guest-centric experience there may be opportunities to deploy additional **accesso** solutions to support these efforts.

Overall, with robust revenue growth, a gross margin more in line with pre-pandemic levels and a return of the cost base to more normal levels, the Group expects its full year results, excluding the impact of its Food & Retail acquisition on its profit, to be in line with the Board's expectations at the start of the year.

Financial Review

Commenting on the results, Fern MacDonald, Chief Financial Officer of accesso, said:

"During the first half we built on our exceptional performance in 2021, delivering a solid performance in revenue, profit and cash EBITDA. We move into the second half with cautious optimism against a challenging macro-economic outlook. We maintain an exceptionally strong balance sheet and continue to capitalise on the exciting market opportunity both organically and by acquisition, acquiring some well-established point of sale intellectual property just after the period end which delivers incremental functionality above our existing suite of products".

Financial overview

In the first half of 2022 the Group delivered record financial performance in revenue, profit before tax and our key metric of cash EBITDA, which is in line with our expectations following the exceptional performance of 2021.

H1 2022's improvement was largely delivered by our UK, South American and European operations which were significantly impacted by COVID-19-related disruption during H1 2021. Each of these regions have demonstrated significant revenue increases in the period. Our underlying administrative spend has increased in line with our expectations as we increased our headcount during the period to fill our backlog of open positions and capture the additional opportunities, as well as increased existing staff salaries due to inflationary pressures and labour shortages in order for us to remain competitive.

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 to be more 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 include the add back of acquisition costs, amortisation related to acquired intangibles, 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; an additional APM, revenue on a constant currency, has been included in this interim statement due to a period of high volatility in foreign exchange rates with revenue streams presented on constant currency rates with the comparative period to assist with assessing the underlying performance. APMs 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 capitalised internal development costs;
- 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;
- Net cash is defined as available cash less borrowings;
- Underlying administrative expenses which is administrative expenses adjusted to include 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. This measure is to identify and trend the underlying administrative cost before these items; and
- 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.
- The revenue streams for period ended 30 June 2022 have been prepared on a proforma basis using consistent currency rates with the period ended 30 June 2021 to assist with assessing the underlying performance. Average monthly rates from H1 2021 were used to translate the monthly H1 2022 results into a constant currency using the range of currencies as set out below
    - GBP sterling - $1.36 - $1.41
    - Euro - $1.19 - $1.22
    - Canadian dollars - $0.79- $0.82
    - Australian dollar - $0.77-$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 the principal operating metric.

Key Financial Metrics

Group revenue for the first half of 2022 was $63.7m (H1 2021: $50.7m) being 25.8% up on H1 2021.

Ticketing and Distribution revenue was 39.6% up on H1 2021 due primarily to venues in certain geographies being less impacted by COVID-19 related disruption this year. The live entertainment sector benefitted significantly, demonstrating a marked recovery in our UK and South American markets. Our distribution-related revenue which is largely focused on the UK's theatre sector increased by $7.4m period on period, our South American ticketing revenue increased by $1.4m.

Across our Ticketing and Distribution business the Group went live with 61 new customers compared to 42 in H1 2021, 46 (H1 2021: 36) of those taking one of our eCommerce products offerings, demonstrating the continued adoption of eCommerce-based solutions.

Guest Experience delivered revenue growth of 2.7% on H1 2021. **The Experience Engine™ (TE2)** business delivered this improvement due to continued confidence in bespoke professional technology offerings, with large recurring customers in the ski, theme parks and cruise ship markets using our services. **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 which has resulted in lower volumes. As a result, their attendance fell by 16.0% in H1 2022 and as a consequence our queuing customer penetration fell from 6.89% to 4.48%. Encouragingly our other **accesso LoQueue** customers were able to deliver an attendance level improvement of 25.9% and maintain penetration levels.

This revenue performance enabled the Group to deliver an absolute gross profit increase of 15.2% to $47.0m. As expected this performance was delivered at a lower gross margin of 73.8% (H1 2021: 80.6%) due to the revenue recovery being significantly driven by the lower margin distribution business which operated at a 24.8% gross margin during the half. We expect gross margin in the second half of the year to be lower as our distribution business continues to recover and cost base continues to normalise.

Revenue on a segmental basis was as follows:

	Six months ended 30 June 2022	Six months ended 30 June 2021		Six months ended 30 June 2022 - constant currency (1)	
	Unaudited	Unaudited		Unaudited	
	$000	$000	%	$000	%
Ticketing and Distribution	**44,280**	31,716	39.6%	45,791	44.4%
Guest Experience	**19,452**	18,938	2.7%	19,627	3.6%
Total revenue	**63,732**	50,654	25.8%	65,418	29.1%

(1) Revenue metrics for the period ended 30 June 2022 have been prepared on a constant currency basis with the period ended 30 June 2021 to assist with assessing the underlying performance of the revenue streams. Average monthly rates for H1 2021 were used to translate the monthly H1 2022 results into a constant currency using the range of currencies as set out below:

a. GBP sterling - $1.36 - $1.41
b. Euro - $1.19 - $1.22
c. Canadian dollars - $0.79- $0.82
d. Australian dollar - $0.77-$0.78
e. Mexican pesos - $0.05 - $0.05
f. Brazilian real - $0.18 – $0.20

Revenue on a geographical basis was as follows:

	Six months ended 30 June 2022	Six months ended 30 June 2021	
	Unaudited	Unaudited	
	$000	$000	%
USA and Canada	**43,865**	42,318	3.7%
United Kingdom	**13,167**	4,947	166.2%
Australia/South Pacific	**2,800**	2,418	15.8%
Europe	**2,237**	659	239.5%
Central and South America	**1,663**	312	433.0%
Total revenue	**63,732**	50,654	25.8%

Our USA and Canadian revenue delivered a 3.7% revenue improvement despite volume reductions with one of our largest US based **accesso Passport** and **accesso LoQueue** customers as explained above. The remainder of our USA based customers performed well and helped to mitigate this isolated customer performance, further helped by the fact that our California based customers were able to trade for the full period with no COVID 19 disruption.

In the UK both indoor and outdoor attractions were largely open for H1 2022, with some minor disruption to January 2022 in the UK theatre sector due to the Omicron variant. This compared to significant disruption in H1 2021 whereby outdoor attractions were closed through April 2021 and Live Entertainment was closed for the majority of H1 2021. These conditions enabled the UK to rebound to $13.2m, which was 9.7% higher than H1 2019 being the most recent period unimpacted by COVID-19.

Australia and South Pacific started 2022 with excellent volumes delivering $2.8m of revenue in the first half, up from $2.4m in H1 2021. The region saw excellent performance from **accesso LoQueue** and **accesso Passport** with attendance and ticket volumes significantly improved.

Unlike H1 2021, our European region benefitted from an almost complete absence of COVID -19 closures in the period, with the exception of some short-lived Omicron closures early in the first half when volumes are typically very low. The H1 2022 period also experienced very high volumes owing to latent demand and the benefit of new customers from 2021 helping to deliver $2.2m in revenues, significantly higher than $1.6m in H1 2019 representing a more typical period of trade.

Our Central and South American region has emerged from COVID-19 induced disruption, performing extremely well from March 2022 onwards as venues reopened on mass and live entertainment returned, delivering volumes in excess of our expectations and getting closer to a typical period for the region with $1.7m of revenue; in H1 2019 this region delivered $2.0m, H1 2021 for this region was severely impacted. This region has continued to perform well and we anticipate the full year to be closer to 2019 levels.

Revenue quality

Below 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 revenue has grown as a percentage of overall revenue to 82.1% (2021: 79.9%). 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 an excellent performance during H1 2022 to $47.2m benefitting from the addition of 64 new eCommerce customers in 2021 (2020: 37) and a return to more typical trading conditions, being up 32.7% on H1 2021 and 30.0% up on a normal period of trading represented by H1 2019 of $36.4m. The Group experienced some minor disruption across our geographies in January 2022 as a result of the Omicron variant, largely isolated to live entertainment in the UK and Mexico, however these markets displayed a recovery for the remainder of the half.

Demand for ticketing eCommerce continues to be high enabling us to welcome 46 new eCommerce customers during H1 2022 and the shift in consumer behaviour to purchasing online has continued however, customer labor shortages and inflationary pressures mean the effect is less pronounced than 2021. As expected, the number of customers requiring guests to make advanced reservations has decreased as COVID-19 restrictions have been lifted, this is reflected in our reservation fee income reducing to $12k from $2.6m in H1 2021.

Virtual queuing revenue has increased by 14.5%, however this is behind our expectations due to the reduced attendance of one of our major queuing customers as explained above.

Professional services revenue performed ahead of our budget, H1 2021 and a normal period of trade in H1 2019, as they continue to deliver excellent bespoke solutions to recurring customers in the ski, cruise and attractions markets. Our platform revenues continue to build with our professional service customers adding further repeatable platform fees for hosting food and beverage mobile apps.

The H1 2021 period included hardware sales of $1.4m for **accesso Prism**SM 2 wristbands relating to our **accesso LoQueue** transactional revenue which did not recur. Hardware sales in H1 2022 included equipment related to the addition of 15 new implementations for attractions utilising our **accesso Siriusware** point of sale systems.

	Six months ended 30 June 2022 Unaudited $000	Six months ended 30 June 2021 Unaudited $000	%
Virtual queuing	**11,623**	10,152	14.5%
Ticketing and eCommerce	**35,594**	22,815	56.0%
Reservation fees	**12**	2,614	(99.5%)
Transactional revenue	**47,229**	35,581	32.7%
Maintenance and support	**3,623**	3,640	(0.5%)
Platform fees	**1,492**	1,256	18.8%
Total Repeatable	**52,344**	40,477	29.3%
Licence revenue	**1,127**	913	23.4%
Professional services	**8,249**	6,752	22.2%
Non-repeatable revenue	**9,376**	7,665	22.3%
Hardware	**724**	2,088	(65.3%)
Other	**1,288**	424	203.8%
Other revenue	**2,012**	2,512	(19.9%)
Total revenue	**63,732**	50,654	25.8%
Total Repeatable as % of total	**82.1%**	79.9%	

The Group's reported gross profit margin of 73.8% has reduced, as expected, relative to 80.6% achieved in H1 2021 and is much more in line with H1 2019's 74.9%, a period unimpacted by COVID-19. This is a result of our lower margin distribution businesses being significantly impacted by COVID 19 closures during H1 2021 and demonstrating a $7.4m period on period increase, contributing 4.6% of gross profit compared to 2.1% in the comparative period. This impact of this is offset slightly by the rebound of assigned seating live entertainment ticketing in North America which operates at 88.0% margin and increased to 10.2% contribution of gross profit from 5.7% in H1 2021

Administrative expenses

Reported administrative expenses increased 11.7% to $43.8m in H1 2022 (H1 2021: $39.2m), now 4.1% above H1 2019 reflecting the Group's recruitment efforts as 38 full time positions were filled during the half, headcount during the first half of 2021 was significantly lower following the reductions made during 2020. Share-based payment costs have increased on H1 2021 to $1.2m due to key management incentive arrangements being granted in May 2022 and a full period impact of those granted in May 2021.

Underlying administrative expenditure increased by 16.3% to $37.0m on H1 2021 due to the headcount growth noted above, the related recruitment costs to capture the available revenue opportunities presented and the requirement to increase existing staff salaries in line with market conditions following labour shortages and inflationary pressures.

During 2021 the Group also took action to rationalise its property leases and did not renew property leases when they expired in San Diego, London, Sydney, Belfast, Sao Paulo and Annapolis, resulting in a $198k reduction in property lease payments in H1 2022 relative to 2021

	Six months ended 30 June 2022 Unaudited $000	Six months ended 30 June 2021 Unaudited $000
Administrative expenses as reported	**43,756**	39,163
Capitalised development expenditure *(1)*	**796**	669
Amortisation related to acquired intangibles	**(1,114)**	(1,253)
Share-based payments	**(1,227)**	(1,076)
Amortisation and depreciation *(2)*	**(5,527)**	(6,504)
Property lease payments not in administrative expense	**587**	785
Exceptional expenditure on acquisition of intellectual property	**(296)**	-
Underlying administrative expenditure	**36,975**	31,784

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

Cash EBITDA

The Group delivered record Cash EBITDA for the period of $10.6m, an $0.8m increase from H1 2021. This 8.4% increase is primarily the result of higher sales due to the recovery explained above delivering an extra $6.2m in gross profit, of which $4.6m was consumed in additional administrative expense as our cost base and headcount scaled to fill our backlog of open positions and capture the additional opportunities, together with the increase in existing staff salaries due to market conditions.

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

	Six months ended 30 June 2022 Unaudited $000	Six months ended 30 June 2021 Unaudited $000
Operating profit	**3,276**	1,655
Add: Exceptional expenditure on acquisition of intellectual property	**296**	-
Add: Amortisation related to acquired intangibles	**1,114**	1,253
Add: Share-based payments	**1,227**	1,076
Add: Amortisation and depreciation (excluding acquired intangibles)	**5,527**	6,504
Less: Capitalised internal development costs paid in cash	**(796)**	(669)
Cash EBITDA	**10,644**	9,819

The Group recorded an operating profit of $3.3m in H1 2022 (H1 2021: $1.6m); and adjusted earnings per share in the first half of 2022 increased to 13.03 cents (H1 2021: 6.39 cents).

Development expenditure

	Six months ended 30 June 2022 Unaudited	Six months ended 30 June 2021 Unaudited

Total development expenditure	**13,277**	11,108
% of total revenue	**20.8%**	21.9%

2022 has been a period of significant investment in our products as we look to accelerate the integration and evolution of our point of sale and eCommerce products, expand the breadth of our mobile offering, and be able to provide our customers with yield management and dynamic pricing solutions. Total development expenditure for H1 2022 increased to $13.2m, 19.5% higher than H1 2021 with the majority of our headcount and salary increases being within the engineering and product teams.

The Group capitalises elements of development expenditure where it is appropriate and in accordance with IAS 38 Intangible Assets. Capitalised development expenditure of $0.8m (H1 2021: $0.7m) represents 6.0% (H1 2021: 6.0%) of total development expenditure. Development continues to expand the product set and add features that will be important for our customers' operations in the future, based on the recent level of capitalisable projects we have commenced we anticipate our full year capitalised development to be at a higher run rate than that presented in H1 2022.

Cash and net cash

Net cash at the end of the period has reduced to $58.7m from $64.1m at 31 December 2021.

	30 June 2022 $000	**31 December 2021 $000**
Cash in hand & at bank	**58,728**	64,050
Net cash	**58,728**	**64,050**

The Group delivered another period of strong operating cashflow before movements in working capital of $11.5m (H1 2021: $10.8m), however, in excess of $12.4m has been consumed in working capital movements as the business resumes its more typical working capital cycle in H1 2022. This included $1m placed in escrow for the purchase of intellectual property rights on 1 July 2022, see post balance sheet events details below.

H1 2021 benefitted from an unusually low $3.2m outflow in working capital, this was a result of the UK theatre sector and live entertainment being severely impacted in December 2020 by COVID-19, ordinarily a very busy month for that sector. The Group was therefore holding a low level of trade payables in December 2020 for cash collected from consumers, with the face value of the ticket less our commission due back to venues. Trade and other payables in December 2020 were $15.9m as compared to $29.2m in December 2021.

The cash balance of the Group has also been adversely impacted by movements in foreign exchange rates with an outflow of $2.2m. The main component of this being in respect of movements in GBP to USD, the Group held £19.7m at 30 June 2022 which has lost value by the rate moving from 1.35 to 1.22 in the six month period to 30 June 2022.

The Group has a 3-year, £18m Coronavirus Large 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 are 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. No drawings have been made on this facility.

Dividend

The Board maintains its consistent view that the payment of a dividend is unlikely in the short to medium term.

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. During the period to 30 June 2022, there have been changes in the economic environment and an increase in market interest rates which impact the discount rate used in the value-in-use calculations and hence are likely to materially impact the recoverable amount for each CGU. Both are indicators of impairment and therefore a full impairment review has been performed at 30 June 2022.

Having completed the June 2022 impairment review, no impairment has been recognised in relation to the CGUs

Taxation

The tax rate used by the Board on the half year to 30 June 2022 represents the actual effective tax rate for the period, this is a result of the unprecedented challenges presented in reliably estimating annual effective rates. The actual effective tax rate on the statutory profit before tax for the half year is 22.3% (Year ended 31 December 2021: 81.8%).

The December 2021 rate is not comparable due to $12.6m of previously unrecognised deferred tax asset on US losses and US tax credits being available for recognition in 2021 due to the ability to forecast profitability to utilise these losses and tax credits.

Post balance sheet events

Intellectual property acquisition

On 1 July 2022 the Group purchased some of the intellectual property rights for a long-standing technology platform for a total consideration of £750k (plus related acquisition costs in the period to 30 June 2022 of $296k), that specializes in food and retail point of sale solutions with features that will extend our existing product suite. We are now working on a project that was in-flight at the time of acquisition to complete it fully for today's market, after which it will be launched by the Group to provide a highly relevant, integrated, hosted food and retail technology solution capable of servicing the full range of venues sizes and a broad array of hospitality operations. This solution is anticipated to offer transactional and repeatable revenue potential beyond our historical customer target base as well as further product penetration within our existing customer base.

Employee Benefit Trust share purchase

Up to $10m of the Group's cash reserves will be used to fund the Employee Benefit Trust to purchase shares in the Group starting in H2 2022. These shares will be used to settle future vests of equity compensation

– ENDS –

Consolidated statement of comprehensive income
for the six-month period ended 30 June 2022

	Notes	**30 June 2022 Unaudited $000**	30 June 2021 Unaudited $000	31 December 2021 Audited $000
Revenue		**63,732**	50,654	124,794
Cost of sales		**(16,700)**	(9,836)	(28,401)
Gross profit		**47,032**	40,818	96,393
Administrative expenses		**(43,756)**	(39,163)	(82,872)
Operating profit before impairment reversal of intangible assets		***3,276***	*1,655*	*18,814*
Impairment reversal of intangible assets		-	-	*1,707*
Operating profit		**3,276**	1,655	13,521
Finance expense		**(416)**	(809)	(1,450)
Finance income		**56**	12	39
Profit before tax		**2,916**	858	12,110
Income tax (charge)/benefit	4	**(649)**	(72)	9,908
Profit for the period		**2,267**	786	22,018
Other comprehensive income/(loss)				
Items that will be reclassified to income statement				
Exchange differences on translating foreign operations		**(4,917)**	1,151	(219)
Income tax credit on items recorded in other comprehensive income		**-**	193	118
		(4,917)	1,344	(31)
Total comprehensive (loss)/ income		**(2,650)**	2,130	21,987
All loss and comprehensive loss is attributable to the owners of the parent				
Earnings per share expressed in cents per share:				
Basic	6	**5.49**	1.91	53.39
Diluted	6	**5.27**	1.85	51.45

All activities of the company are classified as continuing.

Consolidated statement of financial position as at 30 June 2022

	30 June 2022 Unaudited	30 June 2021 Unaudited	31 December 2021 Audited
	$000	$000	$000
Assets			
Non-current assets			
Intangible assets	**113,054**	124,560	120,088
Property, plant and equipment	**1,916**	1,958	2,236
Right of use assets	**2,520**	3,611	3,053
Contract assets	**292**	266	375
Deferred tax	**15,415**	7,674	16,260
	133,197	138,069	142,012
Current assets			
Inventories	**424**	533	286
Contract assets	**5,692**	7,182	3,614
Trade and other receivables	**22,541**	19,889	18,805
Income tax receivable	**1,237**	2,299	1,097
Cash and cash equivalents	**58,728**	33,157	64,050
	88,622	63,060	87,852
Liabilities			
Current liabilities			
Trade and other payables	**26,659**	23,429	29,219
Lease liabilities	**1,011**	937	1,003
Contract liabilities	**5,040**	4,321	8,063
Corporation tax payable	**947**	94	503
	33,657	28,781	38,788
Net current assets	**54,965**	34,279	49,064
Non-current liabilities			
Deferred tax	**3,662**	6,871	4,236
Contract liabilities	**1,001**	1,084	914
Lease liabilities	**2,115**	3,373	2,733
	6,778	11,328	7,883
Total liabilities	**40,435**	40,109	46,671
Net assets	**181,384**	161,020	183,193
Shareholders' equity			
Called up share capital	**597**	595	596
Share premium	**153,547**	153,337	153,504
Retained earnings	**12,817**	(13,622)	9,753
Merger reserve	**19,641**	19,641	19,641
Translation reserve	**(5,218)**	1,069	(301)
Total shareholders' equity	**181,384**	161,020	183,193

Consolidated statement of cash flows
for the six-month period ended 30 June 2022

	30 June 2022 Unaudited $000	30 June 2021 Unaudited $000	31 December 2021 Audited $000
Cash flows from operations			
Profit for the period	**2,267**	786	22,018
Adjustments for:			
Depreciation (excluding finance leased assets)	**664**	1,067	1,827
Depreciation on leased assets	**450**	558	1,035
Amortisation on acquired intangibles	**1,114**	1,253	2,373
Amortisation on development costs and other intangibles	**4,413**	4,879	9,319
Reversal of impairment of intangible assets	**-**	-	(1,707)
(Gain) / Loss on disposal of fixed assets	**(31)**	-	2
Share-based payments	**1,227**	1,076	2,490
Finance expense	**416**	809	1,450
Finance income	**(56)**	(12)	(39)
Foreign exchange loss/(gain)	**385**	317	312
Income tax charge / (credit)	**649**	72	(9,908)
RDEC tax credits	**-**	-	(81)
Operating cashflow before movement in working capital	**11,498**	10,805	29,091
(Increase)/ decrease in inventories	**(143)**	918	861
(Increase)/decrease in trade and other receivables	**(4,809)**	(4,257)	(3,592)
(Decrease)/increase in trade and other payables	**(2,312)**	6,481	(3,316)
(Increase)/decrease in contract assets/contract labilities	**(5,016)**	(6,315)	16,241
Cash (used in)/generated from operations	**(782)**	7,632	39,285
Tax paid	**(394)**	(1,375)	(171)
Net cash (outflow)/inflow from operating activities	**(1,176)**	6,257	39,114
Cash flows from investing activities			
Deferred consideration settlement	**-**	(13)	(13)
Capitalised internal development costs	**(796)**	(669)	(720)
Purchase of property, plant and equipment	**(391)**	(227)	(960)
Proceeds from sale of intangible assets	**-**	-	23
Interest received	**52**	11	28
Net cash used in investing activities	**(1,135)**	(898)	(1,642)
Cash flows from financing activities			
Share issue	**44**	11	178
Interest paid	**(170)**	(332)	(514)
Payments to finance lease creditors	**(587)**	(785)	(1,408)
Net payments made to settle Forward FX contracts	**-**	(409)	(409)
Cancellation payments made to share option holders	**(124)**	-	-
Cash paid to refinance	**-**	(685)	(813)
Repayment of borrowings	**-**	(27,033)	(27,033)
Net cash generated from financing activities	**(837)**	(29,233)	(29,999)
(Decrease)/increase in cash and cash equivalents in the period	**(3,148)**	(23,874)	7,473
Cash and cash equivalents at beginning of year	**64,050**	56,355	56,355
Exchange gain/(loss) on cash and cash equivalents	**(2,174)**	676	222
Cash and cash equivalents at end of period	**58,728**	33,157	64,050

Consolidated statement of changes in equity
for the six-month period ended 30 June 2022

	Share capital	Share premium	Retained earnings	Merger reserve	Translation reserve	Total
	$000	$000	$000	$000	$000	$000
Balance at 31 December 2021	**596**	**153,504**	**9,753**	**19,641**	**(301)**	**183,193**
Comprehensive income for the period						
Profit for period	-	-	2,267	-	-	2,267
Other comprehensive loss	-	-	-	-	(4,917)	(4,917)
Total comprehensive income/(loss) for the period	**-**	**-**	**2,267**	**-**	**(4,917)**	**(2,650)**
Contributions by and distributions by owners						
Issue of share capital	1	43	-	-	-	44
Share-based payments	-	-	1,227	-	-	1,227
Cancellation of equity awards for cash			(61)	-	-	(61)
Share option tax charge - current	-	-	77	-	-	77
Share option tax charge - deferred	-	-	(446)	-	-	(446)
Total contributions by and distributions by owners	**1**	**43**	**797**	**-**	**-**	**841**
Balance at 30 June 2022	**597**	**153,547**	**12,817**	**19,641**	**(5,218)**	**181,384**
Balance at 31 December 2020	**595**	**153,327**	**(15,864)**	**19,641**	**(82)**	**157,617**
Comprehensive Income for the year						
Profit for period	-	-	786	-	-	786
Other comprehensive income	-	-	-	-	1,151	1,151
Income tax credit on items recorded in other comprehensive income	-	-	193	-	-	193
Total comprehensive income for the year	-	-	979	-	1,151	2,130
Contributions by and distributions by owners						
Issue of share capital	-	10	-	-	-	10
Share-based payments	-	-	1,076	-	-	1,076
Share option tax charge - deferred	-	-	187	-	-	187
Total contributions by and distributions by owners	-	10	1,263	-	-	1,273
Balance at 30 June 2021	**595**	**153,337**	**(13,622)**	**19,641**	**1,069**	**161,020**

Notes to the Interim Financial Information

1. Basis of preparation

accesso Technology Group plc (the "Group") is a company domiciled in England. The basis of preparation of this financial information is consistent with the basis that will be adopted for the full year accounts. The interim financial information has been prepared in accordance with the recognition and measurement requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 that are used for the annual financial statements.

While the financial figures included in this half-yearly report have been computed in accordance with IFRS applicable to interim periods, this half-yearly report does not contain sufficient information to constitute an interim financial report as that term is defined in IAS 34.

There are no changes to significant accounting policies.

This interim financial information has neither been audited nor reviewed pursuant to guidance issued by the FRC and the financial information contained in this report does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The comparative figures for the financial year ended 31 December 2021 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

1.1 Going concern

The directors, having reassessed the principal risks and uncertainties, consider it appropriate to adopt the going concern basis of accounting in the preparation of the Interim Financial Information.

In reaching this conclusion, the directors noted the Group's unutilised £18.0m/$21.0m revolving credit facility and net cash position of $63.4m as at 31 August 2022, providing total available liquidity to the Group of $84.4m as at 31 August 2022. The directors have three forecast scenarios, being a conservative base case, a severe but plausible downside case and a plausible upside case through to 31 December 2023. In all scenarios modelled the Group maintains sufficient funding headroom and is in compliance with its debt covenants throughout the period of assessment.

Consequently, the directors are satisfied that the Group's forecasts take into account reasonably possible changes in trading performance, including no anticipated breach of covenants and the ability to satisfy its liabilities as they fall due for a period of at least 12 months from the date of release of these interim statements. Therefore, there are no material uncertainties over going concern and the going concern basis of preparation continues to be appropriate.

2. Accounting policies

The condensed consolidated interim financial information has been prepared using accounting policies consistent with those set out on pages 65 to 101 in the audited financial statements for the year ended 31 December 2021. These accounting policies have been applied consistently to all periods presented in this financial information.

The policy for recognising and measuring income taxes in the interim period is described in Note 4.

3. Business segments and revenue analysis

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 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, 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 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 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.

	Six months ended 30 June 2022 Unaudited $000	**Six months ended 30 June 2021 Unaudited $000**	**Year ended 31 December 2021 Audited $000**
Ticketing	**44,280**	31,716	75,930
Guest Experience	**19,452**	18,938	48,864
Total revenue	**63,732**	50,654	124,794

Period ended 30 June 2022 - Unaudited	Ticketing $000	Guest Experience $000	Central unallocated costs $000	Capitalised development costs	Group $000
Cash EBITDA *(1)*	**35,190**	**12,077**	**(35,827)**	**(796)**	**10,644**
Capitalised development costs					**796**
Depreciation and amortisation (excluding acquired intangibles)					**(5,527)**
Amortisation related to acquired intangibles					**(1,114)**
Share-based payments					**(1,227)**
Exceptional expenditure on acquisition of intellectual property					**(296)**
Finance income					**56**
Finance expense					**(416)**
Profit before tax					**2,916**

Period ended 30 June 2021 – Unaudited	Ticketing $000	Guest Experience $000	Central unallocated costs $000	Capitalised development costs	Group $000
Cash EBITDA *(1)*	27,281	12,690	(29,483)	(669)	9,819
Capitalised development costs					669
Depreciation and amortisation (excluding acquired intangibles)					(6,504)
Amortisation related to acquired intangibles					(1,253)
Share-based payments					(1,076)
Finance income					12
Finance expense					(809)
Profit before tax					858

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

4. Taxation

The tax expense for both the periods ended 30 June 2022 and 30 June 2021 have been based on the actual effective tax rate due to the unprecedented challenges caused by COVID-19 in the ability to estimate the full year effective tax rate reliably. The adjusted earnings per share (note 6) has been presented using an estimated adjusted rate for the period, which has been adjusted to remove the effect of amortisation related to acquired intangibles, share-based payment charges, exceptional expenditure on acquisition of intellectual property and any related tax effect on those items. For tax purposes exceptional expenditure on acquisition of intellectual property is not deductible for tax purposes, all other adjusted items to arrive at adjusted profit before tax have a related tax credit or expense.

5. Reconciliation of alternative performance measure

Management present Cash EBITDA as its alternative performance measure below because it monitors performance at a consolidated level and provides a better understanding of the Group's underlying financial performance. The definition of Cash EBITDA is the same as in the last annual financial statements.

Cash EBITDA is not a defined performance measure under IFRS. The Group's definition may not be comparable with similarly titled performance measures and disclosures by other entities.

Cash EBITDA	**Six months ended 30 June 2022 Unaudited $000**	**Six months ended 30 June 2021 Unaudited $000**	**Year ended 31 December 2021 Audited $000**
Operating profit	**3,276**	1,655	13,521
Add: Exceptional expenditure on acquisition of intellectual property	**296**	-	-
Add: Amortisation related to acquired intangibles	**1,114**	1,253	2,371
Add: Share-based payments	**1,227**	1,076	2,490
Deduct: Reversal of impairment	**-**	-	(1,707)
Add: Amortisation and depreciation (excluding acquired intangibles)	**5,527**	6,504	12,183
Capitalised internal development costs	**(796)**	(669)	(720)
Cash EBITDA	**10,644**	9,819	28,138

6. Earnings per share ("EPS")

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

Diluted earnings per share is calculated by dividing the profit attributable to ordinary shareholders by the weighted average of ordinary shares outstanding during the period adjusted for the effects of dilutive instruments.

Adjusted basic earnings per share is calculated by dividing the profit attributable to ordinary shareholders adjusted for exceptional expenditure on the acquisition of intellectual property, amortisation and reversal of impairment on acquired intangibles and share-based compensation by the weighted average number of shares used in basic EPS. The denominator for adjusted diluted earnings per share is the weighted average number of shares used in diluted EPS.

	Six months ended 30 June 2022	Six months ended 30 June 2021	Year ended 31 December 2021
	Unaudited	**Unaudited**	**Audited**
	$000	**$000**	**$000**
Profit attributable to ordinary shareholders	**2,267**	**786**	22,018
Basic EPS			
Denominator			
Weighted average number of shares used in basic EPS	**41,278**	**41,222**	41,240
Basic earnings per share – cents	**5.49**	**1.91**	53.39
Diluted EPS			
Denominator			
Weighted average number of shares used in basic EPS	**41,278**	**41,222**	41,240
Deferred share consideration on business combinations			
Effect of dilutive securities			
Options	**1,768**	**1,369**	1,552
Weighted average number of shares used in diluted EPS	**43,046**	**42,591**	42,792
Diluted earnings per share – cents	**5.27**	**1.85**	51.45

Adjusted EPS			
Profit attributable to ordinary shareholders	**2,267**	**786**	22,018
Adjustments to profit for the period:			
Exceptional expenditure on acquisition of intellectual property	**296**	**-**	-
Amortisation relating to acquired intangibles	**1,114**	**1,253**	2,371
Reversal of impairment of intangible assets	**-**	**-**	(1,707)
Shared based payments	**1,227**	**1,076**	2,490
Adjusted profit	**4,904**	**3,115**	25,172
Net tax related to above adjustments: (H1 2022: 20.3%, H1 2021: 20.7%; FY 2021: 17.9%)	**474**	**(483)**	26
Adjusted profit attributable to ordinary shareholders	**5,378**	**2,632**	25,198
Adjusted basic EPS			
Denominator			
Weighted average number of shares used in basic EPS	**41,278**	**41,222**	41,240
Adjusted earnings per share – cents	**13.03**	**6.39**	61.10
Adjusted diluted EPS			
Denominator			
Weighted average number of shares used in diluted EPS	**43,046**	**42,591**	42,792
Adjusted earnings per share – cents	**12.49**	**6.18**	58.88

7. Post balance sheet events

Intellectual property acquisition

On 1 July 2022 the Group purchased some of the intellectual property rights for a long-standing technology platform for a total consideration of £750k (plus related acquisition costs in the period to 30 June 2022 of $296k), that specializes in food & beverage (‘F&B') and retail point of sale solutions with features that fill gaps within our existing product suite. The product requires a period of further enhancement to prepare it fully for market after which it will be used by the Group to provide integrated F&B and retail hosted point of sale to both new and existing customers of the Group.

Employee Benefit Trust share purchase

Up to $10m of the Group’s surplus cash will be used to fund the Employee Benefit Trust to purchase shares in the Group starting in H2 2022. These shares will be used to settle future vests of equity compensation.