global transformation

accesso Technology Group plc

Annual Report & Accounts 2023

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.

Read more on page 4

Our global team (average headcount during 2023)	2023
UK & EU	161
APAC	22
South America	29
North America	458

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 X, LinkedIn and Facebook.

Commenting on the results:

"In 2023 we exceeded our profitability target and completed three strategic acquisitions that set the stage for accelerated future growth. We won new work, innovated across our product set, and delivered new solutions for our customers. As a result, our technology now optimises revenue for more than 1,200 leisure venues across 34 countries and a wide range of verticals – from the Pyramids in Egypt to the world's most popular theme park destination in Orlando.

At the heart of our success is our ability to break new ground while continuing to increase impact in our traditional ticketing and virtual queuing categories. With *accesso Freedom*SM, our new Restaurant and Retail offering, we have seen encouraging early demand and a growing pipeline which will expand our reach into the hospitality market. With *Qview*, our machine-learning-driven queue time measurement system, we were recognised as a Best New Product by the International Association of Amusement Parks and Attractions (IAAPA). And in *accesso Passport*®, our market leading ticketing and eCommerce platform, we rolled out major upgrades that will enhance our core offering. Each of these efforts demonstrates our focus on organic innovation and the important role it plays in our future growth aspirations.

Alongside this organic progress, our acquisitions help us boost earnings, advance our product roadmap, and accelerate our growth in new geographies. Paradocs Mountain Software, now *accesso Paradox*SM, deepens our leadership in the growing ski market. With more than 150 venues as existing customers, *accesso* is – by far – the leading technology provider in the North America ski sector. VGS, now *accesso Horizon*SM, is the ticketing solution of choice for the world's largest theme park destination. It expands our blue-chip customer base and provides a significant opportunity for accelerated growth, especially alongside our eCommerce services. DigiSoft, while smaller in scale, enhances our commitment to mobile-first solutions, including apps, which are an essential route for end users to access ticket purchases, ticket entitlements, virtual queuing and food orders all in one organised venue-centric solution.

I'm confident no competitor can match the quality and diversity of our solutions while delivering revenue and profit expansion at our scale. Our dedicated teams around the world delivered a year to be proud of. I am even more excited about the work we have done to position *accesso* for a new phase of growth."

Steve Brown, Chief Executive Officer of *accesso*

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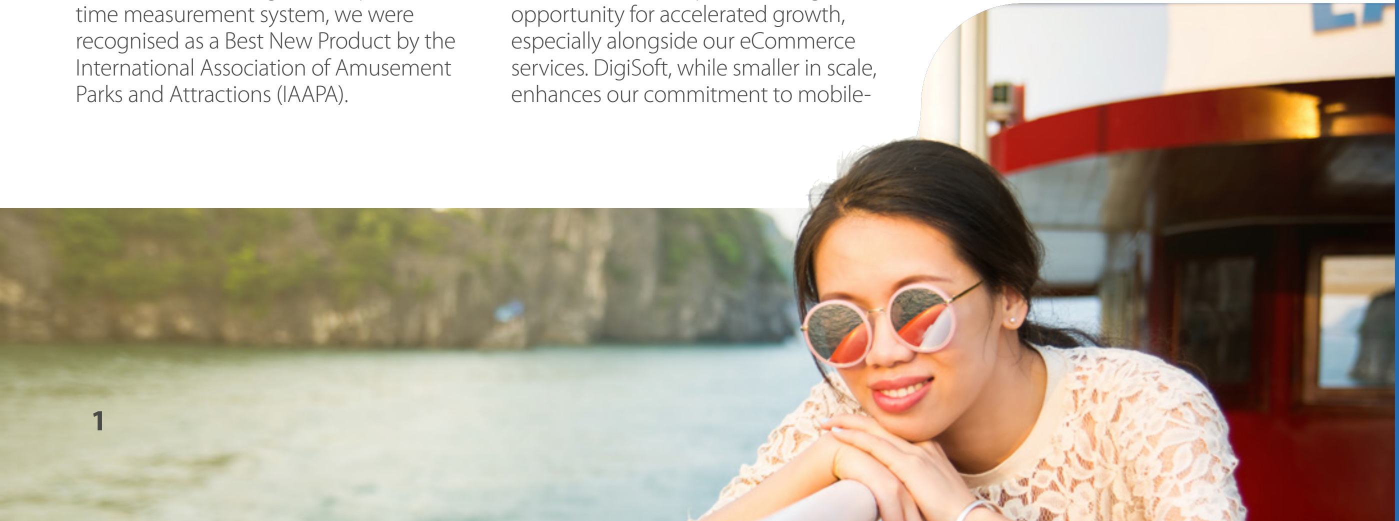


Contents

2023 Financial highlights

Revenue

$149.515m

2023	$149.515m	+7.0%
2022	$139.730m	

Revenue – constant currency[4]

$148.523m

2023	$148.523m	+6.3%
2022	$139.730m	

Cash EBITDA[1]

$23.626m

2023	$23.626m	(8.4)%
2022	$25.805m	

Statutory profit before tax

$8.808m

2023	$8.808m	(29.1)%
2022	$12.417m	

Net cash[2]

$31.465m

2023	$31.465m	(51.3)%
2022	$64.663m	

Adjusted basic EPS (cents)[3]

37.48

2023	37.48	+4.3%
2022	35.93	

Basic earnings per share (cents)

19.19

2023	19.19	(21.4)%
2022	24.41	

1 Cash EBITDA: operating profit before the deduction of amortisation, depreciation, acquisition and integration costs, and costs related to share-based payments less capitalised development costs (as detailed on page 20).

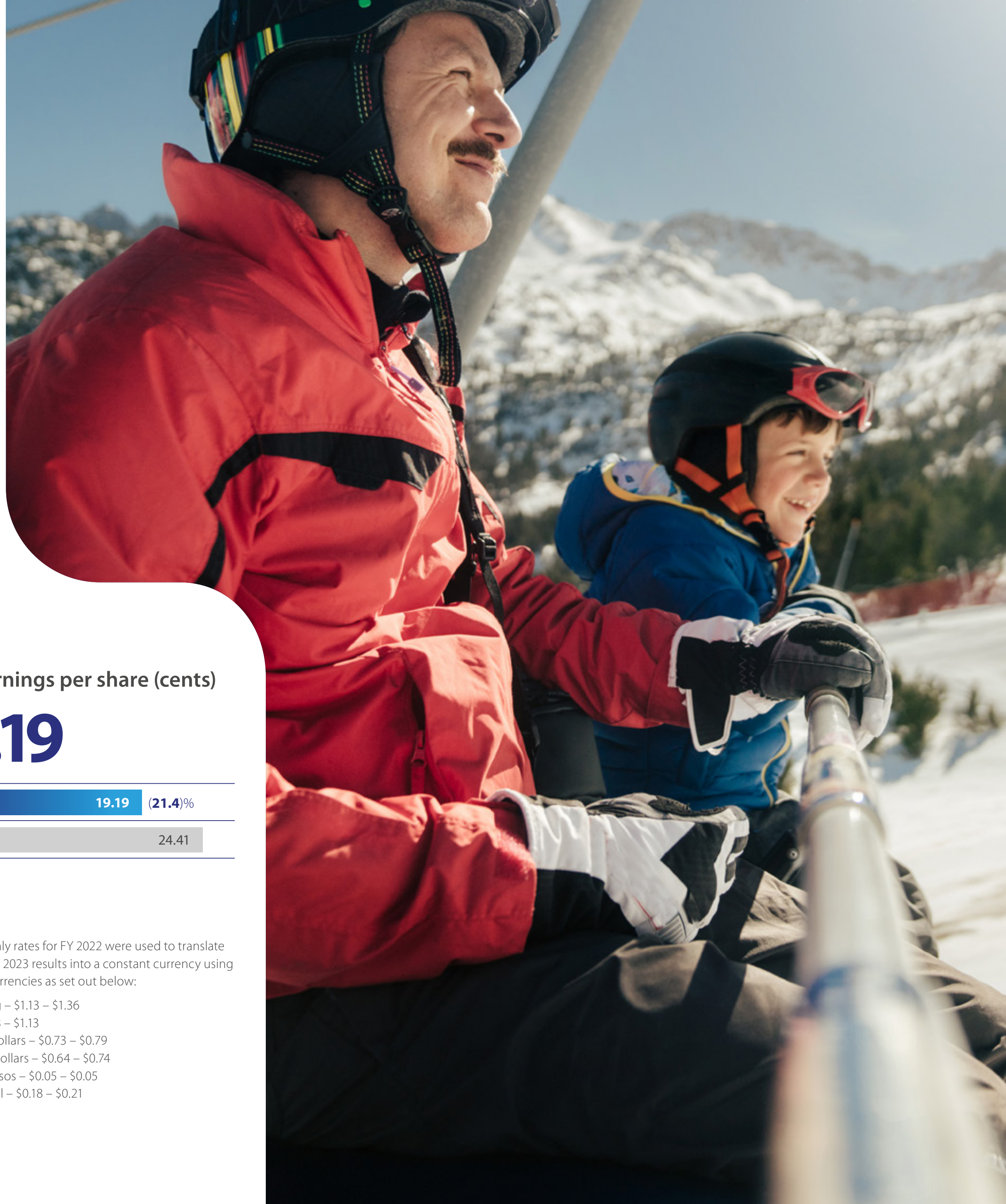
2 Net cash is calculated as cash and cash equivalents less borrowings.

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 90).

4 Revenue metrics for the period ended 31 December 2023 have been prepared on a constant currency basis with the period ended 31 December 2022 to assist with assessing the underlying performance of the revenue streams.

Average monthly rates for FY 2022 were used to translate the monthly FY 2023 results into a constant currency using the range of currencies as set out below:

a. GBP sterling – $1.13 – $1.36
b. Euro – $0.98 – $1.13
c. Canadian dollars – $0.73 – $0.79
d. Australian dollars – $0.64 – $0.74
e. Mexican pesos – $0.05 – $0.05
f. Brazilian real – $0.18 – $0.21



2023 Financial highlights continued

Performance highlights

- **Exceeded expectations with strong profitability and cash performance while investing for growth**
Delivered FY 2023 Cash EBITDA of $23.6m (FY 2022: $25.8m), ahead of expectations. This came alongside investment in both existing and acquired products to help drive *accesso*'s next phase of growth and customer success. The Group is also in a strong cash position, ending the year net cash positive despite an outflow of $50.0m related to the three acquisitions and maintaining a net cash position of $21.7m as at 31 March 2024.
- **Robust top line progress alongside mix-shift towards high quality repeatable revenue streams**
Delivered revenue growth of 7.0% to $149.5m (FY 2022: $139.7m). This was achieved while taking proactive steps to reduce lower margin or breakeven revenue streams while focusing on higher quality, more sustainable growth. Excluding the impact of our mid-year shift away from providing virtual queuing operational staff for a key customer, total Group revenue increased 9%. Transactional revenue for virtual queuing increased by 13% while our overall ticketing revenue increased by 12%. Overall Gross Margin increased from 74.4% to 76.4%.
- **Three strategic acquisitions enabling a new wave of geographic, technology and end-market diversification**
VGS, now *accesso Horizon*, is a leading ticketing platform with a blue-chip customer base, and has already delivered a significant Middle East win with Saudi Entertainment Ventures (SEVEN). Paradocs Mountain Software, now *accesso Paradox*, makes us the largest guest experience technology provider to the ski industry in North America. DigiSoft structurally transforms how we approach venue-centric mobile solutions.
- **Continued innovation to extend market leadership and enhance guest experiences**
accesso Freedom, our new Restaurant and Retail platform, allows venues to transform from legacy, operator-driven sales terminals to a modern solution that supports mobile food ordering, self-service ordering kiosks, and mobile point-of-sale. The solution is a ubiquitous offering across our diverse customer base that will provide significant cross-sell opportunity and the potential to expand our reach into the broader hospitality market. *Qview*, our machine-learning-enabled queue management technology, won a Best New Product Brass Ring award at IAAPA. Finally, we completed a significant upgrade on *accesso Passport* including expanded functionality for payments, new dynamic pricing capabilities and a full upgrade of the eCommerce user interface.
- **Operational success demonstrates strength and durability at our core**
Continued customer base growth in key markets with high calibre logos, and a total of 28 new venues were signed during the period across attractions, entertainment venues, ski resorts, theme parks, waterparks, zoos and aquariums in North America, EMEA and APAC (FY 2022: 24). The Group's solutions continue to attract customers with complex needs, and a total of 10 new clients were added that are leveraging more than one *accesso* solution. Through our three acquisitions, we added a further 90 customers across 273 venues to our customer base.

Outlook & guidance

- **Market backdrop:**
With visitor demand stabilised, attractions and venues are increasingly focused on improving the guest experience, achieving a higher percentage of returning visitors, and increasing capita per guest. Our products are perfectly positioned to help customers achieve these objectives. As customers implement technology to drive future spend, our investments made in product and scalability continue to position us at the forefront of the market.
- **Operational footprint and costs:**
After two years of double digit rises in underlying administrative expenditure, following our return to a full headcount to service additional demand and deliver on our growth objectives, we expect stability in the short term with increases in the range of 8-10%. We are continuing to be mindful of the impact of inflation and have challenged our leaders to operate efficiently with the resources available.
- **Focus on global growth with extended in-market presence:**
Following the completion of the acquisitions this year, we have now added offices in Canada, Dubai, Italy and Singapore, providing the Group with an important footprint in markets where on-the-ground presence is crucial to accessing opportunities. This is in line with our continued focus on global growth.
- **Full year expectations for 2024:**
With significant progress made against our strategy, the Group expects another profitable and cash-generative year in line with current expectations, with revenue of not less than $160.0m, gross margin of approximately 80% and Cash EBITDA margins of not less than 17%.

At a glance

Leading the way in technology solutions for the future of leisure, entertainment and cultural markets.

Our cutting-edge solutions drive increased transaction-based revenue through ticketing, restaurant and retail commerce, virtual queuing, distribution, digital professional services, and guest experience management software.

accesso is positioned for global growth, currently operating in **34 countries** and continuing to expand, particularly in the Middle East and Europe.

Our industry is rapidly changing and to stay ahead, we continually invest in research and development to benefit our clients while advancing the guest experience.

Approximately 700 employees & contractors

Proven solutions

1,200+ venues around the globe

Amusements, ski, live entertainment, zoos & aquariums and cultural

Our products

Ticketing & Distribution

accesso Passport, accesso Horizon (Powered by VGS), accesso Paradox, ingresso, accesso ShoWare, accesso Siriusware

Guest Experience

accesso LoQueue, TE2 (The Experience Engine™), accesso Freedom

Payments, security, support & professional services

Our business model

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, unified commerce, virtual queuing, distribution, and experience management software.

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

Our solutions

Ticketing and distribution
Queuing
Visitor management
Experience enhancement
Restaurant/Retail commerce

Visit **www.accesso.com** to learn more about our unique solution offerings.

Augmented by...

Digital professional services

Delivering custom digital experiences, offering venues the power to transform guest interactions through personalised UX design, mobile development, and eCommerce websites that seamlessly integrate with *accesso*'s suite of innovative products.

24/7 customer support teams

We offer 24/7 customer support teams and guest-facing call centre staff to support our hosted and local offerings.

Developed through...

Organic growth through R&D

The development of technologies tailored for deployment by entertainment operators and venues.

Growing ecosystem of strategic partners & acquisitions

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

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...

Investment in our clients' success. We align our revenue 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 mutual value year after year, while relentless focus on technology innovation drives margin improvement.

Our driving strengths

Leading integrated technology

Integrated technology solutions for eCommerce ticketing, restaurant and retail, virtual queuing, guest experience and ticket distribution.

A trusted brand

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

Globally distributed operation

We support over 1,200 venues in 34 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.

Our business model continued

How we generate value for stakeholders

See stakeholder engagement on pages 25–26

Customers

Our solutions enable customers to increase spending per capita; 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 repeatable 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 visitation 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 customers, as we share in revenue upside; our teams' goals are aligned with the business through incentive plans; and our customers' goals are aligned with their consumers through personalisation at scale alongside identity services.

Investment case

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

Ambitious earnings targets alongside strong cash generation

We have demonstrated continued profitability in recent years and sustainably growing margins is at the forefront of our ambitions.

Robust balance sheet with sensible and effective capital allocation

Growth to date has not come at the cost of a weak financial position. We remain in a net cash position and will continue to deploy capital in the most efficient manner to generate long-term shareholder returns.

Highly capable and experienced management team

At *accesso*, our passion for innovation drives everything we do, and our experienced global management team exemplifies our commitment to providing premier technology to our clients worldwide. With almost 190 years of combined experience in the leisure and attractions industry, our Executive Team deeply understands our clients' needs, ensuring we deliver the best guest experience possible.

Strong client base

We have established relationships with some of the leading leisure and entertainment brands globally. These long-term partnerships not only provide us with steady, repeatable revenue streams but also serve as a testament to the quality and reliability of our products and services. Our highly complementary product set presents strong cross-selling opportunities across this impressive base.

Competitive advantage

With a market-leading product set, the breadth and scale of our solutions are the envy of our competitors. We are unmatched in the industry and will look to capitalise on this position as we provide our customers with innovative products that drive sustainable revenue growth. The high barriers to entry and strong customer relationships further strengthen our position in the market.

International expansion opportunities

While we have a strong presence in key markets such as North America and Europe, there are significant opportunities for expansion into emerging markets, such as the Middle East, where the leisure and entertainment industry is growing rapidly. With its proven track record and scalable technology platform, we are well-positioned to capitalise on these opportunities.

accesso's growth strategy

Our strategy is to solidify our position as market leaders while driving sustainable growth for our stakeholders through our focus on six core growth areas.

Core strategic areas:

- **Continue building presence in Tier 1:**
  Leverage the strategic acquisitions made in FY 2023 to establish dominance in Tier 1 clients, ensuring market leadership and stability.
- **Align success models with clients:**
  When our clients thrive, so do we. We create mutually beneficial relationships with clients by aligning success metrics. Moreover, our trusted partnership approach fosters a cycle of success where gains for our clients translate into our growth – empowering us to reinvest in continual product improvement.
- **Expand geographical markets:**
  Following the recent acquisition of VGS, now *accesso Horizon*, *accesso* is strategically positioned to expand into previously untapped geographical markets such as the Middle East. The addition of the *accesso Horizon* ticketing & visitor management system enhances our capabilities to serve diverse venues worldwide.
- **Invest in modular development:**
  By intentionally focusing on core solutions that address the complex requirements of our industry space, and developing our solutions in a modular way that allows seamless integration – we empower clients to add functionality as needed. This approach enables us to provide Tier 1 level solutions to mid-market segments while facilitating cross-selling and upselling opportunities across all segments. Our common technology investment amplifies the reach of Tier 1 innovations, fostering innovation adoption and revenue growth while ensuring accessibility and scalability across all client tiers.
- **Accelerate growth in ski:**
  Leverage specialised expertise to bolster our presence in the ski industry, with targeted investments in snow school functionality and mobile capabilities to differentiate our offerings and capture market share.
- **Enhance managed services offering:**
  Introduce expanded managed services, including hosting solutions, to streamline client interactions, reduce friction in purchasing, and enhance overall customer experience.

eCommerce
A record
accesso Passport

106.5m

A record 106.5m tickets processed, as customers embrace the power of online solutions, and we capitalise on demand.

Our markets

***accesso* operates in a dynamic market space characterised by evolving guest preferences and technological advancements. We serve a wide range of niche markets, and guests across all these markets are demanding more personalised and engaging experiences. In turn, venue operators need a more diverse set of technologies to meet guest needs.**

Amusements and attractions

Operating with a global reach, we prioritise best-of-breed visitor management, ticketing, and multi-channel commerce and are strategically extending our presence from Tier 1 markets into lower tiers with packaged offerings supported by professional services. Core market regions are North America, Europe, and Australia, with a strategic foothold in the rapidly growing Middle East market. From 2020-2025, the Middle East and Africa have a projected compound annual growth in attendance of 27.1%[1].

Ski industry

Our next-generation solutions, developed in collaboration with industry insiders, are tailored for snow sports enthusiasts and position us as a dominant supplier. In the United States, there are currently 480 ski areas boasting some 65.4 million skier visits – more than any other country in the world[2].

Reserved seating arenas

While this market is well-established, we are preparing for our entry into the UK market in 2024. Our decision to enter the UK market strategically positions us to seize on rising demand for innovative solutions. The UK's cultural heritage around theatre, live music and spectator sports is underpinned by robust market dynamics and healthy projected growth.

Zoos and aquariums

According to the World Association of Zoos and Aquariums (WAZA), zoos and aquariums worldwide welcome approximately 700 million visitors annually[3]. The zoo and aquarium markets offer room for growth, as we enhance the guest experience across all tiers and make sophisticated features available to a wider audience driving client value and differentiation.

Sources:
1 IAAPA Global Theme Park and Amusements Outlook 2021-2025.
2 NSAA Economic Impact Infographic 2023.
3 WAZA – World Association of Zoos and Aquariums. WAZA, Accessed 18 Mar. 2024, www.waza.org.

Navigating the future

We monitor trends and continuously iterate our solutions to meet the evolving needs of our clients.

Emerging trends & pressures	How this shapes our future
Efficiency Venue operators prioritise efficiency, aiming to reduce labour costs and barriers to access.	**Guest self-service** Democratising the guest touchpoint and enabling guest self-service to allow operators to do more with less.
Personalisation Guests expect a personalised and relevant journey.	**Promoting guest understanding** Continuously investing in our guest experience platform to understand and predict individual guest behaviour to enhance the connected experience at scale.
Service expectations Guests have more entertainment options than ever competing for their wallet share.	**Disciplined product architecture** Building segmented, componentised solutions on robust foundations for security, scalability, and modularity allows us to share the capabilities of market-leading attractions and make those capabilities available at the appropriate scale for smaller specialised operators.
Differentiated solutions Recognising the needs of our clients to leverage a unique market or differentiate the guest experience they provide.	**Extensibility and flexibility** Providing APIs and Software Development Kits (SDKs) for rapid business process evolution and integration of third-party or home-grown solutions. Professional services are also offered to support smooth implementation.
Confidence Delivering solutions and services that inspire trust and loyalty.	**Security and compliance** Delivering solutions on world-leading security architectures to ensure compliance with the strictest standards.

Chief Executive's review

"I am excited about the work we have done to position *accesso* for a new phase of growth."

Steve Brown
Chief Executive Officer

Long-term thinking underpinned by innovation and impact in the here-and-now

2023 was another strong year for *accesso*. We delivered innovation and impact for our customers, executed well across all our products and markets, and in bringing three outstanding acquisitions to our business, made important strides against our longer-term diversification strategy.

Our confidence to pursue these plans with such vigour is a result of the quality and strength of *accesso* today. In 2023, we delivered top line growth, exceeded profit expectations and, once again, generated strong cash flow. We have a customer base, operational platform, product and scale unmatched in our sector. We are leveraging the strength of our foundation as we continue to extend our position in the market.

On the organic front, we have continued to innovate, introducing new capability and use-case advances to enhance our platform and broaden its applicability. We are deepening our expertise in growth areas like Restaurant and Retail, and in new and exciting markets like Saudi Arabia and the UAE. As we approach these opportunities, our technology integrates, scales and adapts more seamlessly than ever – generating better guest experiences and outcomes for our customers.

Coupled with the crisp execution in our organic business, our three acquisitions will help us build on our position and stand to accelerate our growth over the mid-term. They increase the internationalisation of our footprint, elevate our leadership in the important ski market, and advance the quality of the technology platform on which we will drive future innovation. Bringing VGS, Paradocs Mountain Software and DigiSoft into the *accesso* ecosystem also opens up material cross-selling opportunities across our product set and emphasises our commitment to globalised functionality and mobile-first solutions.

Combining the strength of our existing business with the firepower of these acquisitions reinforces our unique market position. Our scale and reach means that we are able to access opportunities within multiple markets and a vast range of end sectors in a way that is unique to *accesso*. Significantly, we have been able to do all of this while investing in the evolution of our organic business and maintaining a level of financial performance of which I am extremely proud.

Financial performance

During 2023, we invested for future growth while exceeding our profitability target for the full year. Revenue improvement of 7% demonstrates solid growth against stabilised market demand and, importantly, adjusting for our planned shift away from lower margin revenue streams, we saw top line growth of 9%. This approach saw us complete the transition away from a material portion of revenue associated with our involvement in *accesso LoQueue* operations for a key customer during the year. This proactive step impacted revenue in 2023 and will have a further impact in 2024, but helps us accelerate towards a more focused, visible, sustainable and high quality revenue profile going forwards. Our focus on margin and cash generation forms a fundamental part of our value proposition, and our continued ability to execute within those parameters is a positive endorsement of the direction of our business and the quality of our execution.

Chief Executive's review continued

For 2023, Cash EBITDA stood at $23.6m (FY 2022: $25.8m), ahead of our expectations. This was achieved while we continued to invest in our new restaurant and retail platform, upgraded our existing core products, and began to integrate three transformative acquisitions. At the same time, we have rapidly paid down debt from the acquisitions, having already paid off $13.75m of the $35.0m drawn, and ending the period net cash positive at $31.5m. Post-period end, we have paid down a further $1.5m of our debt and repurchased a further $2.8m in shares. We ended March 2024 with a net cash position at 31 March 2024 of $21.7m, in line with our expectations, as we head toward our peak summer trading period.

Organic product innovation to extend leadership position across multiple verticals

During the year, we made significant updates to our product set to meet the evolving needs of our customers and improve touchpoints for our customers across the entire guest experience.

Restaurant and Retail

During 2023, the Group invested substantially in deepening its strategic focus on the Restaurant and Retail segment and capitalise on its 2022 acquisition of high-quality technology assets in this growing space. With the acquisition, the Group saw a significant opportunity to develop a product that would address a unique and unmet need in the sector: the demand for a solution that accounted for the contextual and specific functional requirements of restaurant and retail operations that extend well beyond the parameters of standalone outlets.

In today's market, guests expect to redeem entitlements and offers seamlessly, especially if they are packaged with admission, membership benefits and season passes. Our new proposition enables this functionality and also allows operators to deliver a mobile user experience focused on self-service at vast scale. This product came to life during the period with the launch of *accesso Freedom*.

This all-new product's value becomes even more meaningful when used as part of a wider solution – for example, alongside *accesso Paradox*, our newly acquired Ski market technology. Having launched in November 2023, we have already seen one customer go live, and delivered 5 post-period wins.

eCommerce

The period also saw upgrades to our leading *accesso Passport* product which delivered a record 106.5 million tickets in the year. As a flagship part of our business and an important tool for our customers that spans multiple areas of the guest experience – including eCommerce, PoS, guest support and payments – we are committed to modernising and innovating along with evolving consumer behaviour and customer demands.

With this in mind, we are well under way with the development of a new extension to *accesso Passport* eCommerce which will be adaptable in phases to *accesso Paradox* in the near term and *accesso Horizon* in the mid-term. This will provide a significant upgrade to *accesso Paradox* eCommerce and expand the *accesso Horizon* business model to include eCommerce capabilities with the power of our proven, industry-leading technology. Our unmatched eCommerce capabilities paired with industry-leading platforms like *accesso Paradox* and *accesso Horizon* perfectly illustrate the complementary value propositions across our solutions and the significant transactional revenue growth opportunity made available to us through our recent acquisitions.

Virtual Queuing

With the majority of our virtual queuing solution now in the hands of visitors via their mobile phone, we continue to gain operational efficiency by reducing reliance on proprietary hardware and related overheads. With fewer staff needed to handle hardware provision and our key operational functions now focused on redemption of virtual queuing entitlements, mid-year we shifted away from the operational staffing for a key customer and the corresponding pass-through revenue. Net of the impact of the pass-through revenue to cover the park staffing costs, *accesso LoQueue* revenue increased by 13% and highlights the continued potential for growth from our innovative and proprietary virtual queuing technology.

During the year, we also launched *Qview*, an advanced, patent-pending line-counting system prepared to modernise wait time estimation for theme parks and attractions. Combining real-time images and Machine Learning, *Qview* provides continuous and accurate wait times. This allows customers to better manage their time within attractions, streamline operations and elevates the overall guest satisfaction. When visitors are better able to manage their time, they are more likely to spend within other areas of the attraction and have a better experience, leading to increased likelihood of a return visit.

As a testament to its outstanding innovation, *Qview* was recognised as a "Best New Product" for the attractions industry by IAAPA – the largest international trade association for amusement facilities globally – as part of its 2023 Brass Ring Awards programme at IAAPA Expo 2023 in Orlando, Florida. This demonstrates the technological innovation that we are continuing to champion and deliver for our customers.

Chief Executive's review continued

Three strategic acquisitions already delivering results

The three acquisitions we made during the year all unlock key components of our strategy. We detailed the strengths of each business at the time of the interim results, and it is important to reflect on the opportunities they have already provided to our business, and how they will contribute to our proposition over the longer term.

1 Paradocs Mountain Software

Strategic fit and capability

Paradocs, acquired in April 2023 and now *accesso Paradox*, significantly improves our position within the ski market. Paradocs was a leading Canadian-based provider of cutting-edge software solutions specifically for the ski industry and was established in 2001.

Our businesses shared an important ethos – that the ski industry needs a holistic and integrated approach to its operations to truly optimise operations and the guest experience. The flexible, integrated solution empowers ski resorts to take full control of their unique business needs across ticketing and passes, snow school, equipment rental, and online sales. Adding this contemporary and powerful solution to our offering supports *accesso*'s long-standing commitment to serving as the industry's premier ski solutions provider.

Progress to date

We are already seeing the quality of *accesso Paradox* flow through to results – 10 new resorts will be running *accesso Paradox* for the 2023/24 ski season. We saw the first transition from *accesso Siriusware* to *accesso Paradox*, as our customers recognise the value of the hosted all-in-one mountain management solution.

Following the acquisition, combined with the strong position we already had through products such as *accesso Siriusware* and *accesso Passport*, we have furthered our position as the largest ski software provider in North America – by far – as we now serve more than 150 venues across the region. The contracts already won, and the progress we are continuing to see post-period end, give us good momentum heading into 2024.

Over the medium and long term, we are incredibly well positioned to resolve the complexity of the projects that these dynamic resorts require in a way that our competitors cannot match.

2 VGS

Strategic fit and capability

VGS, a leading ticketing and entitlement management platform, was acquired in June 2023 and rebranded to *accesso Horizon*. This acquisition significantly strengthened our global position, further extended our market leadership and provides a truly innovative platform from which we can continue to scale.

The VGS technology is utilised by high profile leisure, entertainment and cultural businesses around the globe, and has supported renowned visitor attractions in all aspects of selling, distributing, and redeeming tickets since 2011. Its client roster of more than 200 venues includes the world's largest theme park resort destination in Orlando, Florida, as well as leading theme park brands in Dubai, Singapore, Japan and China. Beyond theme parks, the ticketing and visitor management platform supports zoos, observation towers and other diverse attractions in a total of 11 countries around the globe, including one of the Seven Wonders of the Ancient World – the Pyramid of Giza in Egypt.

With its top-tier client base, VGS's expansive feature set and robust scaling capabilities provide a foundational platform for growth. With the addition of eCommerce functionality in the mid-term, *accesso Horizon* will continue to stand at the forefront of the market and the future of venue ticketing and entitlement management.

Progress to date

The breadth of VGS's international business and its offices in Milan, Dubai and Singapore have already given us access to new markets where a physical presence is important to winning opportunities. This is particularly relevant in our efforts to expand our footprint in the Middle East and in Asia Pacific. A significant post-period win of a major Middle East customer will see *accesso Horizon* provisioned across 22 new venues in 14 cities for Saudi Entertainment Ventures (SEVEN). In the Asia Pacific region, our office in Singapore and expanded commercial presence is presenting a range of new to *accesso* opportunities.

Looking ahead, in addition to the continued global growth for *accesso Horizon*, we are now presented with new cross-selling targets across its initial client base. Importantly, there is significant potential in the mid-term and beyond as we realise the transactional revenue opportunity provided by extending the solution to include eCommerce functionality. The VGS platform fits squarely into our technology roadmap, adds a powerful industry-leading solution to our business and unlocks a range of global opportunity.

3 DigiSoft

Strategic fit and capability

DigiSoft, headquartered in Cork, Ireland, was acquired in May 2023, having previously been a key partner for augmenting our mobile development initiatives. Mobile apps, although not transactional themselves, are a key delivery mechanism for a range of our transactional revenue solutions including tickets, season passes, virtual queueing and mobile food ordering. Bringing this outstanding team in-house gave us increased flexibility and efficiency, allowing us to execute at-pace on client requests and solidifies another key differentiation point for our business as we offer the full range of solutions needed by venue operators.

Chief Executive's review continued

People and culture
Our team has delivered in what has been a transformative year. Their focus and dedication have been a testament to the culture that they all embody, and I have been proud of the way they have performed.

We added a number of colleagues during 2023 through acquisitions, and have been impressed by the way they have immediately become part of the *accesso* team and culture. At the end of 2023, our employee base now stands at 672 across 12 geographies, giving our business a reach and scale that clearly differentiates us in the marketplace.

In what is typically an industry of high attrition, in contrast we had 7% organic turnover (2022: 15%), which is a significant improvement on the prior year. We are proud of the investments we have made in our team and the strong culture that sets us apart as a business.

Outlook
We delivered robust results for 2023 with profitability that exceeded expectations. We achieved this while continuing to drive innovation across our products and integrating three strategic acquisitions.

As we look forward, we will leverage this enhanced and increasingly profitable solution set to serve operators more focused than ever on leveraging technology to drive customer spend and increase revenue per visitor. No competitor can match the breadth and quality of our offering, which is uniquely placed to sit at the heart of the most complex operations for the world's most demanding clients.

As we enter our next phase of growth in 2024, we'll continue to act with a clear-eyed focus on higher value revenue streams. Overall, the Group expects another profitable and cash-generative year in line with current expectations, with revenue of not less than $160.0m, gross margin of 80% and Cash EBITDA margins of not less than 17%.

Steve Brown
Chief Executive Officer
15 April 2024

Q&A with Chief Commercial Officer, Andrew Jacobs

Q: What have the recent acquisitions provided?

A: Each acquisition has been highly targeted, delivering tailored solutions, specialised expertise, regional expansion, and robust management. For instance, the VGS acquisition, now *accesso Horizon*, has broadened our exposure to Tier 1 markets, serving as a bridgehead to new Middle Eastern markets. Additionally, it has bolstered our expertise in attractions commerce, further underpinning our position as technology solutions leader in the industry. Paradocs (now *accesso Paradox*), on the other hand, has focused on the unique requirements of snow sports, providing us with a strong customer base in Canada, thereby securing a leading market position in North America. The DigiSoft acquisition has deepened our digital expertise enhancing our mobile offerings, reducing buying friction, and enabling greater wallet-share through our digital professional managed services offering.

Q: What are you missing?

A: I wouldn't say we are missing anything, but we work to stay nimble. Our culture is to move quickly and seize growth opportunities. We are always looking to maximise our potential and avoid missing out on valuable opportunities. To achieve this, we must maintain disciplined focus on our core markets and strategically allocate our resources to ensure efficient execution of our growth plans.

Q: Where do you see growth and where are you focusing your efforts?

A: Europe presents significant potential for us, and we're actively organising to exploit new opportunities in this region. Additionally, the Middle East, where VGS (now *accesso Horizon*) enjoys strong respect, offers promising opportunities, especially with the recent post-acquisition agreement with SEVEN in Saudi Arabia. Moreover, we recognise the opportunity in the Asia-Pacific (APAC) region as we continue building partnerships to establish an even stronger presence. We're also revamping core technologies to enable managed API access to system components, facilitating embedded integrations and headless commerce, broadening our reach to a wider range of clients in our target markets. The headless approach offers our clients greater flexibility and agility in delivering personalised guest experiences.

Q: Where are the headwinds?

A: Change is a constant and the pace of change in our industry is relentless. This is why our solutions must meet the challenges of today and be adaptable to changes in the near future. It's also why our shared success models facilitate continuous investment. We must also remain open to acquisitions to fast-track solutions and market development.

Financial review

"We continued to go from strength to strength in 2023.

Delivering record revenue and beating our profitability target in what was a pivotal year for our business. Integrating three strategically important acquisitions while delivering against our financial objectives is a testament to our strong platform, robust balance sheet and impressive market position. Our products and solutions across entertainment, attractions, venues – and new end verticals such as food & beverage – continue to advance and adapt in-step with evolving consumer expectations. Looking ahead to 2024 and beyond, we're excited about the difference we can make for our customers, as we continue to set the standard within the industry."

Fern MacDonald
Chief Financial Officer

Revenue 2023

$149.515m

2023	$149.515m
2022	$139.730m

Group revenue is 7% up on 2022 with both Ticketing & Distribution and Guest Experience ahead of 2022. Ticketing benefited from the addition of *accesso Horizon* and *accesso Paradox*. In Ticketing & Distribution both *accesso Passport* & *accesso ShoWare* were up on 2022 while *accesso Siriusware* and *Ingresso* were behind. In our queuing business, the change in our labour model with a significant customer has resulted in a planned decrease in our revenue. The revenue quality table below highlights $3.3m revenue from this operation in 2023 (2022: $5.5m) with a further decrease planned in 2024.

Cash EBITDA[1]

$23.626m

2023	$23.626m
2022	$25.805m

The Group delivered cash EBITDA for the period of $23.6m, including a full year of *accesso Freedom* development investment totalling $3.3m, 8.4% down on 2022 but ahead of our expectations for the year. Cash EBITDA, as a % of revenue, was 15.8% reflecting our first year of full headcount post pandemic. Looking ahead, as revenue grows against our full headcount, we look forward to our cash EBITDA margin % increasing.

Statutory profit before tax

$8.808m

2023	$8.808m
2022	$12.417m

Statutory profit before tax is down $3.6m or 29.1% on 2022, however, that is after charging exceptional costs of $2.7m related to deal and integration costs on the acquisitions, as well as a $1.5m increase in our interest expense following the drawdown of our line of credit to fund the Horizon acquisition.

Net cash[2]

$31.465m

2023	$31.465m
2022	$64.663m

During 2023, the Group made three acquisitions for a net cash consideration totalling $50.0m funded through the Group's own cash and through a $35.0m drawing on our line of credit. This drawing was reduced to $21.25m by the year end with a further $1.5m repaid post year end, taking drawings to $19.75m at 31 March 2024.

The Group made $3.7m in share purchases for the Employee Benefit Trust; and $2.2m for the repurchase and cancellation of *accesso*'s own shares under the buyback scheme.

Adjusted basic EPS (cents)[3]

37.48

2023	37.48
2022	35.93

Adjusted basic earnings per share of 37.48 and basic earnings per share of 19.19 increased by 4.3% and reduced 21.4% respectively.

Basic earnings per share (cents)

19.19

2023	19.19
2022	24.41

Basic earnings per share includes the impact of $2.7m spend on exceptional acquisition expenditure. This impact is removed in the adjusted metric where we saw a 4.3% increase due to the revenue growth offset by returning to a full headcount and filling open positions for the first year since the pandemic. We look forward to both adjusted and basic earnings per share increasing as our operational cost base is stabilised alongside the growth in new revenue opportunities.

1 Cash EBITDA: operating profit before the deduction of amortisation, depreciation, acquisition and integration costs, and costs related to share-based payments less capitalised development costs.
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 integration expenses and share-based payments, net of tax at the effective rate for the period on the taxable adjusted items (as detailed on page 90).

Financial review continued

Financial overview

During 2023, the Group delivered record financial performance in revenue and a Cash EBITDA number that exceeded our expectations. We successfully completed three acquisitions in the period and all have contributed to our 2023 results.

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.

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 and integration costs, and costs related to share-based payments less 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 (see page 90);
- Net cash is defined as available cash less borrowings (see page 101). 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 20). 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 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 2023 have been prepared on a pro forma basis using consistent currency rates with the year ended 31 December 2022 to assist with assessing the underlying performance. Average monthly rates from 2022 were used to translate the monthly 2023 results into a constant currency using the range of currencies as set out below:
  - GBP sterling – \$1.13-\$1.36
  - Euro – \$0.98-\$1.13
  - Canadian dollars – \$0.73-\$0.79
  - Australian dollars – \$0.64-\$0.74
  - Mexican pesos – \$0.05-\$0.05
  - Brazilian real – \$0.18-\$0.21

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 $149.5m (2022: $139.7m) represents a record for the Group and built on the excellent performance in 2022. Through 2023, customers continued to use our technology to tackle more conventional 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:

	2023 $000	2022 $000	Vs 2022 %
Ticketing	**86,455**	77,175	12.0%
Distribution	**17,569**	18,081	(2.8%)
Ticketing and distribution	**104,024**	**95,256**	**9.2%**
Virtual queuing – transactional revenue	**25,754**	22,727	13.3%
Virtual queuing – staffing cost reimbursement	**3,344**	5,452	(38.7%)
Other guest experience	**16,393**	16,295	(0.6%)
Guest experience	**45,491**	**44,474**	**2.3%**
Total revenue	**149,515**	**139,730**	**7.0%**

Ticketing and Distribution revenue was 9.2% up on 2022, this includes the benefit of a partial year of *accesso Horizon* and *accesso Paradox* revenue, which together contributed $6.4m of the $8.8m increase. The distribution business was significantly impacted by the UK theatre sector where third-party sellers had a difficult year due to more limited inventory than normal as theatres opted to sell more direct and restrict distribution deals. The distribution business continues to diversify beyond 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.

In the first quarter of 2024, a decision was made to exit the B2C division of our distribution business which has operated with minimal profit contribution. This will result in a reduction in revenue on a full year basis of approximately $2.5m but, due to low margin and the potential for savings in overhead, there will be minimal impact on our bottom line. This move is another step in our focus on profitable, quality revenue as we work to improve our margins.

Our distribution business, focused on B2B, will continue to be a key part of our service offering however, due to the accounting standards covering revenue recognition, our margins in this business will always be significantly lower than the rest of our revenue streams. These revenue recognition standards require us to recognise the full amount of commission included within the gross value of a ticket sold as our revenue, with the larger portion of this commission paid to the distributor as our cost of goods sold. To illustrate the impact this has on our results, the table below presents what our revenue and gross profit and cash EBITDA margins would be if we were permitted to recognise net commission as our revenue.

Proforma income statement with distribution revenue recognised net:

	2023 $000	2022 $000
Revenue	**136,917**	128,533
Cost of goods sold	**(22,670)**	(24,573)
Gross Profit	**114,247**	**103,960**
Gross Profit margin	**83.4%**	**80.9%**
Expenses (as reported)	**(90,621)**	(78,155)
Cash EBITDA	**23,626**	25,805
Cash EBITDA margin	**17.3%**	**20.1%**

During 2023, the Group went live with 33 new eCommerce ticketing clients, down slightly on 40 during 2022. This demonstrates a continued shift in consumer behaviour and attraction preference 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 grew despite a change in strategy which resulted in the management and provision of seasonal labour being returned to a major customer from July 2023 onward. Whilst this causes a reduction in revenue, it is an important step in *accesso*'s focus on high quality revenue and focus on EBITDA margin. The numbers below show queuing revenue with seasonal labour reimbursement removed, which shows underlying growth in transactional revenue of 13.3% over 2022.

Virtual queuing revenue:

	2023 $000	2022 $000	Vs 2022 %
Virtual queuing – transactional revenue	**25,754**	22,727	13.3%
Virtual queuing – staffing cost reimbursement	**3,344**	5,452	(38.7%)
Queuing	**29,098**	**28,179**	**3.3%**

The remaining revenue within the Guest Experience segment comes primarily from professional services which was down 2.8% on 2022.

Financial review continued

Revenue on a geographic and segmental basis was as follows:

	2023			2022		
Primary geographic markets	Ticketing and Distribution $000	Guest Experience $000	Group $000	Ticketing and Distribution $000	Guest Experience $000	Group $000
UK	**22,358**	**3,286**	**25,644**	24,636	2,441	27,077
Other Europe	**2,673**	**5,776**	**8,449**	3,085	3,233	6,318
Australia/South Pacific/Asia/Africa	**8,644**	**1,854**	**10,498**	4,797	1,975	6,772
USA	**61,626**	**34,098**	**95,724**	56,285	36,276	92,561
Canada	**4,270**	**266**	**4,536**	3,216	302	3,518
Mexico	**3,550**	**211**	**3,761**	2,618	247	2,865
Other Central and South America	**903**	**–**	**903**	619	–	619
	104,024	**45,491**	**149,515**	**95,256**	**44,474**	**139,730**

Outside of the UK, we experienced growth in all of our geographies in 2023. As discussed above, the UK was impacted by a number of UK theatre distribution partners opting to restrict sales through third-party channels. The acquisition of *accesso Paradox* increased our footprint in Canada, while the acquisition of *accesso Horizon* increased our footprint outside our core regions of UK and USA. In the USA, the reduction in the USA Guest Experience revenue reflects our move away from the provision of labour for our largest queuing customer.

Revenue quality

	2023 $000	2022 $000	%
Virtual queuing – transactional revenue	**25,754**	*22,727*	*13.3%*
Virtual queuing – staffing cost reimbursement	**3,344**	5,452	*(38.7%)*
Ticketing and eCommerce	**82,776**	77,788	*6.4%*
Reservation revenue	**–**	18	*(100.0%)*
Transactional revenue	**111,874**	*105,985*	*5.6%*
Maintenance and support	**9,338**	7,122	*31.1%*
Platform fees	**3,352**	3,007	*11.5%*
Recurring licence revenue	**1,505**	604	149.2%
Total repeatable	**126,069**	**116,718**	***8.0%***
One-time licence revenue	**2,881**	2,145	*34.3%*
Professional services	**15,536**	15,988	*(2.8%)*
Non-repeatable revenue	**18,417**	**18,133**	***1.6%***
Hardware	**1,533**	1,434	*6.9%*
Other	**3,496**	3,445	*1.5%*
Other revenue	**5,029**	**4,879**	***3.1%***
Total revenue	**149,515**	**139,730**	***7.0%***
Total repeatable as % of total	**84.3%**	**83.5%**	**–**

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 revenue of 84.3% is consistent with the 83.5% achieved in 2022 and 84.4% in 2021. 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 have continued to grow, up 5.6% on 2022. As detailed above, underlying virtual queuing growth was 13.3% with the impact of the elimination of labour recharge removed. Professional services revenue fell 2.8% against the prior year but continues to drive our platform revenues which grew to $3.4m, an increase of 11.5%.

Other revenues were broadly comparable with 2022, being 3.1% higher. This is commissions received from the Group's guest ticket insurance partners as well as third-party hardware partners. Other revenue also includes referral commissions received from the Group's guest payment gateway partners.

Gross margin

The Group's reported gross profit margin increased again to 76.4% (2022: 74.4%) as the Group continues to focus on the quality of revenue and the improvement of our gross profit and Cash EBITDA margins in the medium to long term.

Administrative expenses

Reported administrative expenses increased 14.4% to $104.3m in the year, while underlying administrative expenditure increased by 14.7% to $91.3m. This increase includes the impact of 82 new headcount joining the business from the three acquisitions completed in 2023 from both a staff cost perspective as well as other expenses such as rent and travel.

Financial review continued

Administrative expenses continued

Share-based payment costs increased by 21.2% to $3.2m, reflective of key management incentive arrangements being granted in 2023, which included the CEO, and an all-other staff share-based payment award granted in summer 2023.

	2023 $000	2022 $000
Administrative expenses as reported	**104,308**	91,209
Capitalised development expenditure[1]	**2,839**	2,155
Amortisation related to acquired intangibles	**(2,811)**	(1,667)
Share-based payments	**(3,187)**	(2,629)
Amortisation and depreciation[2]	**(7,832)**	(10,744)
Property lease payments not in administrative expense[1]	**668**	1,430
Impairment of intangible assets	**(6)**	(32)
Acquisition expenses	**(2,690)**	(137)
Underlying administrative expenditure	**91,289**	**79,585**

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 $23.6m, an 8.4% reduction on 2022 but ahead of our expectations for the year. Cash EBITDA margin was 16% in 2023 as this was our first year of full headcount post pandemic. Looking forward, as revenue grows, we see our Cash EBITDA margin increasing.

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

	2023 $000	2022 $000
Operating profit	**9,939**	12,751
Add: acquisition expenses	**2,690**	137
Add: Amortisation related to acquired intangibles	**2,811**	1,667
Add: Share-based payments	**3,187**	2,629
Add: Impairment of intangibles	**6**	32
Add: Amortisation and depreciation (excluding acquired intangibles)	**7,832**	10,744
Deduct: Capitalised internal development costs	**(2,839)**	(2,155)
Cash EBITDA	**23,626**	**25,805**

The Group recorded an operating profit of $9.9m in 2023 (2022: $12.8m); and Adjusted basic earnings per share increased to 37.48 cents (2022: 35.93 cents).

Development expenditure

	2023 $000	2022 $000
Total development expenditure	**48,518**	43,174
% of total revenue	***32.5%***	*30.9%*

Our total development expenditure for 2023 increased to $48.5m, 12.4% higher than 2022. The spend includes the additional headcount from the Horizon and Paradox acquisitions as well as $3.3m of cost incurred in relation to the development of the *accesso Freedom* product launched in November 2023.

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.

The Group capitalises elements of development expenditure where it is appropriate and in accordance with IAS 38 Intangible Assets. Capitalised development expenditure of $2.8m (2022: $2.2m) represents 5.9% (2022: 5.2%) 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 year has decreased to $31.5m from $64.7m at 31 December 2022.

	2023 $000	2022 $000
Cash in hand & at bank	**51,814**	64,663
Less: Borrowings (including capitalised finance costs)	**(20,349)**	–
Net cash	**31,465**	**64,663**

The Group has maintained a strong net cash position with net cash inflow from operating activities of $25.7m. (2022 Net inflow of $14.5m) offset by $52.6m used in investing activities. This included $50.0m spent on the three acquisitions net of cash acquired.

The Group generated $12.5m from financing activities. This included outflows of $3.7m of shares purchased by the Group's Employee Benefit Trust and $2.2m on the purchase and cancellation of *accesso*'s own shares through the buyback programme.

Financial review continued

Cash and net cash continued

On 26 May 2023, the Group secured a $40.0m revolving credit facility with a four-year term, to May 2027, accompanied by a $20.0m accordion option. As at 31 December 2023, the Group had drawn $21.2m ($20.4m net of finance costs) which was used to partially fund the three acquisitions made by the Group. This facility replaces the Group's undrawn £18.0m arrangement with Investec from 19 March 2021, which was due to expire in March 2024. The Investec facility has been cancelled.

Dividend and share repurchases

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 share repurchases, strategic product development or, where the opportunities arise, value accretive acquisitions.

During the year, the Board approved a share repurchase programme of up to £4.0m. As at the year end, the Company had repurchased and cancelled a total of 299,272 shares for a total of $2.2m (GBP £1.8m). The programme was concluded on February 29, 2024 with a total repurchase and cancellation of 706,984 shares for a total consideration of $5.0m (GBP £4.0m).

Employee Benefit Trust

The Group funded the trustees of the Employee Benefit Trust in January 2023 to enable the trustees to purchase 374,971 shares at a total cost of $3.7m. 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 $0.01m 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 $1.1m represents an effective tax rate on the $8.8m of statutory profit before tax of 12.7% (2022:19.0%).

The key reconciling items to actual tax rates are: $1.0m in relation to additional deferred tax assets recognised for losses at a US State level and US state level current tax adjustments; a combined $1.0m relating to the adjustment of R&D estimates from the prior period and the utilisation of R&D credits during the year; offset by subsidiary profits generated in non-US territories being charged at lower taxable rate when compared to our blended US tax rate of 27.67%.

The Strategic Report on pages 5 to 36 has been approved by the Board and signed on its behalf by:

Fern MacDonald

Fern MacDonald
Chief Financial Officer
15 April 2024

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 demonstrated great resilience to the pandemic, rebounding quickly to take advantage of changing market demands. 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, took longer to recover. The Group has continued to diversify with acquisitions during 2023 through access to new geographic markets and customers. Should 2024 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 other world currencies.	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	The physical climate impact on our client's ability to deliver reliable services to end customers remains a key concern. This risk is broad and covers the impact of changing customer and supplier behaviour, as well as the transition risk arising from changing regulation.	Further information on our response and strategy to mitigate environmental risks are set out in our Taskforce on Climate-Related Financial Disclosures (TCFD) on pages 27 to 36.

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 the 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 cash flow 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 have direct, hands-on experience working in the venues we serve. In this way, we are experienced operators who run a technology company serving attraction 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. Further details on how shareholder engagement is maintained is outlined in the Corporate Governance Report on page 39.

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. Building upon the launch of our Climate Policy in 2022, we established an ESG Committee in 2023 with responsibility for the policy's continued implementation. 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 2023 and what we are aiming to accomplish in 2024 and beyond.

Environment

accesso recognises the importance of climate change and is committed to minimising any negative impact on the environment by transitioning to a Net Zero business by 2050. We have continued to invest in our environment strategy this year, building on the foundations we established in 2022.

The Group's focus in 2023 has been on integrating the acquired businesses into our carbon footprint calculations and continuing to take steps to reduce our emissions. We have also expanded our Scope 3 value chain carbon footprint calculations to include our key suppliers, homeworking, and hotel stays, in addition to business travel (excluding hotel stays), which we disclosed last year.

We have conducted the Group's first climate-related assessment in line with the Taskforce for Climate-Related Disclosures (TCFD) recommendations, which has highlighted the resilience of our business and deepened our understanding of the risk climate change may present, allowing us to prepare for and minimise its impact.

We look forward to progressing the Group's climate strategy further in 2024, concentrating on changes that will maximise footprint reduction.

Climate policy

We developed the Group's Climate Policy in 2022 in recognition of the increasing 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. We remain committed to achieving Net Zero in Scope 1 (fuel in operations) and Scope 2 (purchased electricity in operations) emissions by 2035, and being Net Zero across the Group's value chain, i.e. Scope 1, 2, and 3 (value chain), by 2050.

The Group's Climate Policy applies to all current and future operations and subsidiaries. Due to the level of acquisitive activity during 2023, we have focused our efforts on standardising and aligning the acquired business areas into the Group's operating model. This includes the aspects that underpin our Climate Policy objectives, from transitioning the acquired businesses to cloud infrastructure, to aligning the Group's Business Travel Policy.

In a year of high activity for *accesso*, with the acquisition of three new businesses located across five regions, the Group's emissions have increased. This has largely been driven by the travel activity required to execute the Group's acquisitions. However, we are pleased to see that our Scope 1 (fuel in operations) and Scope 2 (purchased electricity) emissions for a like-for-like basis has decreased by 15 tCO_2e compared to 2022. The like-for-like basis refers to a direct comparison of emissions when comparing the same operational footprint in 2023 as 2022, i.e. without the acquisitions, and without new scope of emissions, e.g. homeworking.

The expansion of our Scope 3 footprint calculation, to include emissions from the Group's key suppliers, remote working and hotel stays, has inevitably increased the Group's total emissions, but provides us with an opportunity to identify the areas of strategic reduction that will have the most impact.

We have made demonstrable progress on several intentions set out in 2022, including expanding the scope of our footprint calculations and carbon reduction activities. However, we have not yet established a detailed decarbonisation roadmap with intermediate targets, which will enable us to track and demonstrate our progress against the Group's Net Zero commitments.

The Board is pleased with the progress made during what has been a very busy year for the business, aligning the acquired businesses to the Group's policies, expanding the understanding of our interaction with climate change and a Net Zero transitioning world through the TCFD analysis, and continuing to invest in initiatives to reduce the Group's carbon footprint. The Board remains committed to continuing our Net Zero journey in 2024.

Environmental, social and governance report (ESG report) continued

Climate policy

Following its creation in 2023, the ESG Committee has assumed responsibility for our Climate Policy implementation and oversight. The Group's Climate Policy is reviewed annually by the Board, who remain accountable for its adherence. An updated version, in line with our progress, is available on The Group's website https://www.accesso.com/about/environmental-social-and-governance.

Climate-related financial disclosures

As an AIM-quoted company in the UK with almost 700 employees globally, *accesso* is required to report in line with climate-related regulation, which are based on the Taskforce on Climate-Related Financial Disclosures (TCFD) recommendations. This is *accesso*'s first report aligned with the principles of TCFD and we engaged an ESG consultancy to support us with this disclosure.

The regulation has two main objectives. The first is to support *accesso*'s identification and management of any climate-related risks and opportunities that present a material risk to the long-term success of the business; and secondly, to appropriately disclose the key findings to interested stakeholders.

The regulation requires an assessment of both the risks and opportunities that result from physical climate change, e.g. increases in the frequency of extreme weather events as a result of global temperature rises, and those that result from the transition to a Net Zero world, where greenhouse gas emissions are largely eliminated.

Assessing and documenting the Group's climate-related risks and opportunities has been a natural extension of our climate strategy and we are pleased with the outcomes. As we have been tracking in the Group's principal risks and uncertainties, we do have climate-related risks within the business and the mapping of these risks to a more granular level has highlighted the resilience of the Group's business through the mitigation plans under way. It has also identified some areas for further analysis and focus, although there were no new risks flagged that are of concern to the Board at this stage. The physical climate impact on our client's ability to deliver reliable services to end customers remains our key concern. This risk is broad and covers the impact on follow on impact of changing customer and supplier behaviour as well as the transition risk arising from changing regulation. We are excited about the role we can play in our industry and across the communities we impact, to transition to a Net Zero future.

Governance

Significant climate-related risks and opportunities are ultimately the responsibility of the Board, who remain committed to ensuring the risk management framework and internal controls are appropriate for the Group, and oversee the Group risk register.

In 2023, we established an ESG Committee, with senior representation from across the organisation. The ESG Committee has responsibility for identifying and managing all ESG-related risks and opportunities, including climate-related items. If the Committee identify any risks or opportunities that require executive level input, decisions, or awareness, this will be escalated to Fern MacDonald, as CFO, and then up to the Board as required. Any decisions or guidance from the Board will be passed back to the ESG Committee to execute. The most appropriate Committee member will be assigned as the action owner, and they will be responsible for overseeing the execution and reporting progress back to the Committee.

Jody Madden, Non-Executive Director, in her capacity to drive forward ESG initiatives and facilitate ESG-related risk assessment, would flag any concerns with the Group's climate-related risk management to the Board and independently, if required, to the Audit Committee, on which she also sits.

Strategy

accesso's strategy, to partner with and provide technology solutions which improve the guest experiences of leisure attraction operators globally, is impacted by climate change, given that many of the Group's products and services are used for outdoor activities.

As part of the Group's climate-related reporting, the ESG Committee were responsible for testing the resilience of our business model and strategy against two climate-related scenarios. These scenarios stress test the two extremes of likely future states – extreme physical climate change in the "Climate Chaos" scenario, and an extreme transition to Net Zero in the "Proactive Transition" scenario:

Environmental, social and governance report (ESG report) continued

Strategy continued

Scenario	Summary of assumptions within the assessed timeframe, to 2050
"Climate Chaos", business-as-usual scenario, aligned to Representative Concentration Pathway (RCP) 8.5, which will see a temperature rise of 4°C by 2100.	• Significant rise in global temperatures and sea level, resulting in a significant increase in acute weather events. • Continued use of coal, oil, and gas. • No regulatory burden to decarbonise.
"Proactive Transition", achieving Net Zero in 2050 with a 1.5°C warming in 2100, following the Representative Concentration Pathway (RCP) 2.6.	• Increases in policy and regulation globally to mandate decarbonisation. • Transition to renewable energy. • Rise in global temperatures and sea levels with resulting increase in acute weather events, at a lesser extent.

As this is *accesso*'s first climate-related scenario analysis, and in line with the regulation, we conducted the analysis in a qualitative manner. We focused the analysis on the Group's core product and revenue lines, and our core operational footprint.

We identified six risks and two opportunities which are set out in the below table, detailing the possible impact and our initial response.

The impacts of the risks and opportunities were assessed and mapped against three time horizons aligned to the Group's Net Zero strategy.

- Short term: 2023 – 2025
- Medium term: 2025 – 2035: in line with the Group's interim Net Zero target
- Long term: 2035 – 2050: in line with the Group's Net Zero 2050 target

The analysis highlighted the climate resilience of our business and potential opportunities that both a Net Zero transition and physical climate changes may bring. We believe the mitigation and realisation plans we have in place today, described below, are currently sufficient to manage the risks. We will continue to regularly monitor the risks and opportunities and repeat the scenario analysis within three years, or sooner if there is a significant change in the Group's business model.

Some additional risks and opportunities were identified that were not deemed material to report. The ESG Committee will assess these at least annually to monitor any change.

Environmental, social and governance report (ESG report) continued

Physical climate risks

Theme	Description & impact	Response & strategy	Time horizon
Chronic (longer term shifts in weather patterns) & Acute (increased frequency and severity of extreme weather events)	Rising temperatures and an increase in extreme weather events may reduce customers' service availability and reliability to consumers. Any impact to our customers' ability to provide their services will directly impact our transactional revenue. Significant examples identified: a) extreme weather events for outdoor venues (notably temperature rises and rainfall) b) low-altitude ski resort reduced seasons as a result of reduced snow-assuredness	We are focused on growing an increasingly diverse customer base, including new global locations, indoor venues, and higher altitude ski resorts. We are committed to work with our customers to support the adaptation of their businesses in response to the impact of climate change, including sharing lessons learned across the industry and insights from our data. We are also committed to supporting the industries and communities in which we work and will identify opportunities to engage in initiatives that support climate adaptation and resilience innovation, for example the external Protect Our Winters initiative in North America, which includes diversifying the use of ski infrastructure.	Medium term, Long term
Chronic	Supplier's response to climate change, including implementation of adaptation strategies and building resilience into their business, may result in increased costs to their customers, including *accesso*, notably from third-party data centres.	*accesso* works with enterprise grade cloud-based data centre providers based in global locations. Our main suppliers have robust Net Zero strategies which will reduce the likelihood of rapid and unplanned adaptation which would result in higher costs to be passed on. We will continue to work with our data centre suppliers and monitor climate change mitigation and adaptation strategies, for example improvements in energy efficiency and server cooling efficiency, to better understand and mitigate this risk and account for any significant cost increases in our future cash flow accounting.	Medium term
Chronic & Acute	Physical climate events may result in disruption to *accesso*'s operational efficiency as a result of communication infrastructure down-time for our predominantly remote-based team, impacting employee efficiency.	We have a robust Disaster Recovery plan in place across *accesso*'s operations and we consider Disaster Recovery in our procurement process to mitigate disruptions as a result of acute climate impacts. We will continue to monitor this risk and identify opportunities to build additional resilience within the organisation, including leveraging the global nature of our team.	Long term
Chronic	Rising temperatures may increase inflation globally, which may reduce consumer discretionary spend, especially within the leisure and tourism industry, impacting *accesso*'s revenue. There may also be a likely smaller impact, due to increases *accesso*'s cost base – considering both staff and suppliers.	We monitor inflation risk across our business, and if required in the future, we will build in provisions into our accounting methodology. We do not believe it is currently required. Where possible, our contracts for long-term agreements include a clause to increase our fees in line with inflation.	Medium term, Long term

Environmental, social and governance report (ESG report) continued

Transition risks

Theme	Description & impact	Response & strategy	Time horizon
Policy & Legal, Market	Transition to Net Zero may result in travel restrictions and increased costs of travel. This may impact *accesso*'s sales and marketing strategy (e.g. attendance at tradeshows and customer sites), as well as limiting in-person team events.	We measure the Group's business travel and resulting emissions in our carbon footprint reporting annually. We are updating the Group's Business Travel Policy and engaging our staff in an awareness campaign to help reduce our business travel. We will continue to identify and implement business travel decarbonisation initiatives, including consideration to the Group's Sales and Marketing strategy.	Medium term, Long term
Policy & Legal	Transition to Net Zero will highly likely result in increased regulation and carbon taxation, both of which will introduce costs to *accesso*, as well as a risk of fines and reputational damage as a result of not responding adequately.	We will continue to monitor for new climate-related regulations to enable a response in a timely manner to help mitigate risk of fines and engage external support if required. As levels of carbon taxation are better understood, we can consider accounting for these in our future cost models. We have established a Net Zero strategy and committed to be Net Zero by 2050 with a significant reduction by 2035, which will help minimise the impact of this risk.	Short term, Medium term, Long term

Climate-related opportunities

Theme	Description & impact	Response & strategy	Time horizon
Markets	Rising temperatures may increase customers' service availability and reliability to consumers, resulting in increased revenue for *accesso*. Significant examples identified: a) Seasonal theme park and other warm weather customers will be able to open for longer periods in the year. b) Increased demand for virtual queuing use at outside venues to avoid queuing in the potentially dangerous heat.	We will consider physical climate changes within the Group's sales and marketing strategy to help realise these opportunities, targeting customers who will be most greatly impacted by climate change.	Medium term, Long term
Resilience	A transition to Net Zero will result in an increased demand for greener products and service providers, increasing customer's demand for *accesso*'s low-carbon solutions as they seek to meet their own Net Zero targets. *accesso*'s solutions allow clients to reduce resource use (paper and energy) and operate within the cloud.	We continue to invest in our Net Zero strategy and to achieve Net Zero by 2050 and make significant reductions by 2035. We are working on establishing our detailed roadmap to achieve our 2035 target and we will continue to report publicly on this to all stakeholders including customers.	Medium term, Long term

Environmental, social and governance report (ESG report) continued

Risk Management
In 2022, we engaged a consultancy to support the Group's Environment and Climate strategy, which included setting our approach for the scenario analysis. In 2023, we engaged an ESG consultancy specialising its services for AIM-quoted companies, to support the scenario analysis, identification of, and plan for, the ongoing management of climate-related risks and opportunities and to support our disclosures. The approach taken to identify, assess and manage the risks is outlined below:

Identify: A workshop was held with senior representative from across the business including board representation by Fern MacDonald, CFO. The workshop attendees were given a thorough briefing to facilitate in-depth preparation ahead of the workshop. Attendees were asked to consider the potential impact of the two climate scenarios outlined above, with respect to identifying and assessing potential risks and opportunities. Ten risks and five opportunities were identified in total.

Assess: The likelihood and potential impact of identified risks and opportunities was discussed in depth. This included the impact to the Group's own business and our value chain operations, as well as the potential impacts to revenue and reputation. Six risks and two opportunities were considered as having a material impact to the Group strategy and business model if left unmanaged. The reported risks and opportunities were mapped to time-horizons in-line with the scenario assumptions.

Manage: For all risks and opportunities identified, management plans were established. Plans include actions already underway, and the additional activities which could and should be done to build out *accesso*'s response. Required monitoring was identified and where available, metrics were identified to facilitate ongoing management.

The principal risks and opportunities and resulting mitigation and realisation plans were presented to Fern MacDonald and Jody Madden for awareness and to establish any that required the Board's attention and ultimately consolidation into the Group level risk register. No new risks were identified as significant for the Board's attention and the identified risks were used to refine the existing Environmental risk on the risk register.

Following the initial scenario analysis and risk and opportunity identification process, the ESG Committee will assume responsibility for identifying, assessing, and managing climate-related risks and opportunities and for escalating any material risks and opportunities to the CFO and then ultimately the Board.

The ESG Committee meets twice annually and reviews all ESG related risks and opportunities, including climate-related risks on at least an annual basis. The climate-related risk and opportunity register will also be reviewed at least annually at the Board level.

Metrics & targets
In 2022, we committed to be Net Zero across the business and the Group's value chain by 2050. We also committed to achieving Net Zero in Scope 1 (fuel in offices) and Scope 2 (purchased electricity) emissions, whilst making significant reductions in our Scope 3 (value chain emissions) by 2035. We will use our greenhouse gas (GHG) emissions to monitor the Group's identified Net Zero transition risks and opportunities. This year, our emission calculations include our global Scope 1 (fuel) and Scope 2 (electricity), as well as our most material Scope 3 (value chain) emissions: key suppliers (Category 1), employee business travel (air, train, car, taxi and hotel stays – Category 6), and employee remote working emissions (Category 7). We have focused the expansion of the Group's carbon footprint calculation on those areas we believe are most material to our business. Key next steps are (i), develop a baseline carbon footprint of all our material emission categories, and (ii), establish a detailed decarbonisation plan with interim targets, so we can track our progress towards the Group's Net Zero targets. We are committed to continue to invest in our climate strategy to achieve these objectives. We have mapped specific GHG emission targets to each Net Zero transition risk and opportunity for ongoing monitoring.

We recognise that for the physical climate risks and opportunities, the Group's GHG emissions and transition to Net Zero targets and progress will not be suitable for monitoring purposes. As a company at the start of its climate-related risk and opportunity management journey, we will continue to evolve our assessment, integration, and monitoring processes, which will include building out metrics and targets for the Group's physical climate-related risks and opportunities.

Understanding our footprint
This is the third year calculating the Group's carbon footprint, and this year we have made steps to extend our understanding of our global footprint and scope of reporting:

- We engaged the Group's cloud service providers (AWS, Rackspace, Microsoft, and Google, covering 90% of our server expenses) as the suppliers creating the most material emissions to report on our upstream footprint for the first time (Scope 3: Category 1, purchased goods & services).
- We extended the Group's business travel calculation to include hotel stays in addition to our air, train, and car travel disclosed in previous years (Scope 3: Category 6, business travel).
- We have included an estimate for remote working emissions, to more closely reflect on the Group's true impact that may be lost in Scope 1 (fuel in operations) & Scope 2 (purchased electricity) emissions due to our predominant remote working operating model. This sits within Scope 3: Category 7, employee commuting. We have not included any further employee commuting calculations.
- We extended our calculations to include our acquired businesses, extending the Group's footprint to employees in five new locations (all reported Scopes).
- We also conducted a detailed analysis into the Group's waste and water in our operations and determined our usage is currently immaterial, due to our relatively small office footprint globally. We will continue to monitor this on an annual basis.

The Group's environmental metrics have been produced in line with the Streamlined Energy & Carbon Reporting (SECR) framework. Our methodology is in alignment with the GHG-Protocol Corporate Accounting Standard and supplemented by guidance from the Eco Act for remote working emissions. We engaged a third-party consultant to support us with our calculations and have aligned methodology to previous years, using up to date Emissions Factors globally where available.

Environmental, social and governance report (ESG report) continued

Understanding our footprint continued

As might be expected with a growing business, in 2023 the Group's total carbon footprint has increased significantly. This is largely attributed to the acquisition of three businesses with staff located across five new regions, and the surrounding travel activity related to the execution of these acquisitions. However, when directly comparing emissions of FY 2023 Scope 1 (fuel) and Scope 2 (electricity) with FY 2022, on a like-for-like basis, emissions have reduced by 15 tCO_2e. This is largely due to carbon reduction measures taken by *accesso* and the closure of one of the US offices in Lake Mary.

The Group's business travel emissions have increased by 303 tCO_2e. This is primarily due to the activity related to the acquisition of the new businesses, that required a greater level of international travel to facilitate, and the inclusion of hotel stays in 2023. Our emissions impact here was kept low as is feasible by the Group's Business Travel Policy, designed to limit use of high emitting air travel classes.

The additional inclusion this year of the Group's key suppliers (Scope 3: Category 1, purchased goods & services) and employee homeworking (Scope 3: Category 7, employee commuting) has also, as anticipated, been a driver in raising the Group's total emissions, with homeworking making up 43% of the Group's total FY 2023 emissions. The Group's Category 1 emissions are 49 tCO_2e this year and we expect this to fall over time due to our key suppliers such as Amazon Web Services and Microsoft committing to Net Zero targets. Including the homeworking emissions in our carbon footprint calculation was important to *accesso* due to the predominant nature of the Group's remote working operating model. The emission calculation includes office hardware energy usage, which has been calculated based on our specific office setup and is estimated to be 133 tCO_2e, and home office energy heating and cooling, which has been estimated to be 399 tCO_2e and accounts for 75% of the Group's remote working emissions.

It should be noted that homeworking calculations are reliant on numerous assumptions that can be more or less conservative. We have opted to take a less conservative approach, reflecting a higher potential impact. If more accurate methods of calculating homeworking emissions become available in the future, this may improve the accuracy of these results. Due to most of the calculation being estimated, and until a time there is further guidance produced by the GHG protocol, we will not be able to reflect any significant progress we are taking to reduce the Group's office setup energy usage and encourage our employees to reduce their home emissions. We will continue to monitor these emissions but note that significant reductions will depend on government intervention and regulation to increase renewable energy supply and reduce country-by-country emission factors.

Decarbonisation

We have taken several steps to reduce the Group's carbon footprint during 2023, including engaging our suppliers and employees as key stakeholders that will enable our successful transition to Net Zero by 2050.

The below summarises the Group's key initiatives we adopt to reduce emissions.

Our product and technology

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 the Group's third-party data centre servers, which results in increased electricity use.

We employ global leading cloud service providers, Amazon Web Services, Rackspace, and Google, who all have robust Net Zero policies and customer emission reporting tools. A key activity in 2023 has been to transition the acquired businesses onto our cloud infrastructure, which both reduces the Group's carbon footprint in the immediate term, as well as supports our commitment to transition to Net Zero as we progress on the Group's Net Zero journey alongside our technology providers.

In house, the Group's engineering team is always looking to increase efficiency across our technology stack, delivering benefits to our clients and customers, reducing the Group's emissions, as well as increasing the scalability and long-term sustainability of our products. Many of these initiatives are being embedded into the Group's standard ways of working and will persist into 2024 and beyond. Initiatives undertaken in 2023 include:

- We completed a cloud efficiency assessment, utilising native cloud-specific tools like AWS CloudWatch and Google Operations Suite, to gain visibility into resource usage and emissions.
- We continually identify and implement resource optimisation initiatives, for example, minimising idle computing resources, and are in the process of transitioning to serverless architecture.
- We transition non-critical workloads to run during lower-carbon intensity periods.
- The Group's regional data centre location strategy helps to reduce our cloud energy consumption.
- We identify opportunities to reduce the computational resources required to run our software and invest in our code to reduce technical debt and write out inefficiencies.
- We continually evolve our technology to employ the latest in innovative solutions that help reduce energy usage.

Environmental, social and governance report (ESG report) continued

Our offices

Being a software company and with the transition to a remote working model for a significant proportion of our staff, the Group's Scope 1 (fuel) and 2 (electricity) emissions remain comparatively light. Following the acquisitions during 2023, we currently have an increased number of people working in offices, with approximately 10% of FTE working from offices on a regular basis. We also closed one of our US offices based in Lake Mary, which reduced the Group's Scope 1 (fuel) and 2 (electricity) emissions compared to 2022.

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.

This year, we conducted a detailed assessment of the Group's waste and water usage across all our office space which is largely limited to office-based consumption from bathroom and kitchen facilities. Whilst the quality of data was low for certain locations, even taking a worst-case scenario resulted in very minimal emissions. We employ recycling schemes in each of our offices where available and reuse material where possible. IT equipment waste comprises of outdated end-user hardware (for example laptops, mobile devices, peripherals) which is only replaced as needed, and we minimise e-waste where possible by recycling all hardware at the end-of-life, for example using 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 the Group's 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.

Our staff

Our employees are critical stakeholders in the Group's decarbonisation journey. We require them to think about and take steps to reduce their carbon emissions as they pertain to their work, from taking decisions to reduce business travel where possible, to reducing their energy usage when working in an office or at home.

To reflect the Group's dependency on our employees, in 2023 we mobilised our employee Sustainable Awareness Programme, educating our staff on *accesso*'s climate strategy and their role in delivering on our Net Zero ambition. We created a Climate Channel, as a safe space for employees to share green initiatives and provided educational resources, identifying steps that can be taken by individuals to reduce their impact on the environment.

We have aligned the acquired businesses to the Group's Business Travel Policy and reduced our Travel Expense Budgets for 2024 on reflection of our ongoing commitment to reduce business travel where possible.

Whilst we understand that most homeworking emissions are created by home office heating and cooling, we have taken several steps this year to help reduce the emissions of homeworking setup and equipment, where *accesso* has greater control. We regularly monitor energy consumption and carbon emissions of remote work setups and established and implemented a new policy to improve power saving on company laptops. We also updated the Group's standard home office hardware with lower energy consumption models for all new and replacement requirements. We ensure the delivery of office equipment is direct from producer to employee, minimising the transmission and distribution emissions of new equipment.

We have had great engagement from our staff during 2023 and looking ahead, we will continue to invest in the Group's Sustainable Awareness Programme, adding in new resources to build understanding of our staff's role and building a feeling of accountability in achieving *accesso*'s 2050 Net Zero ambition.

Our environmental metrics

Scope definitions

Scope 1: Direct emissions from owned or controlled sources.

Scope 2: Indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by *accesso*.

Scope 3: All other indirect emissions that occur in a company's value chain. *accesso* has chosen to report on Category 1, 6 and 7 emissions. For category 7, we have included the Group's homeworking emissions for home office equipment, heating, and cooling. We have not included any further elements of category 7.

Energy use (MWh)

	2023	2022
Non-renewable fuel consumed: Natural Gas	**41**	22
Electricity consumption	**170**	148
Total energy consumption	**211**	**170**

GHG emissions by scope (tCO_2e)

	2023	2022
Scope 1: Natural Gas	**8**	4
Scope 2: Electricity *(location-based)*	**33**	37
Subtotal (Scope 1 + 2)	**41**	**41**
Scope 3	**1,194**	323
Total emissions (Scope 1 + 2 + 3)	**1,235**	**364**

Environmental, social and governance report (ESG report) continued

Scope 3 emissions by category (tCO_2e)

	2023	2022
Category 1: Purchased goods & services	35	n/a
Category 6: Business travel *(hotel travel only)*	37	n/a
Category 6: Business travel *(excl. hotel travel)*	589	323
Category 7: Employee commuting *(homeworking only)*	533	n/a
Total	**1,194**	**323**

GHG emissions by region (tCO_2e)

	Location	2023	2022
Scope 1: Natural Gas	Italy	5	–
	US	2	4
	Subtotal	**7**	**4**
Scope 2: Electricity: *(location-based)*	Singapore	2	–
	Canada	0.1	–
	Italy	6.2	–
	Mexico	2.3	2
	UAE	1	–
	UK	15	16
	US	7	19
	Subtotal	**33.6**	**37**

Intensity metrics

GHG emission intensity (tCO_2e /revenue M$)

	2023	2022
Revenue (M$)	**149.5**	**139.7**
Scope 1	0.05	0.03
Scope 2 *(location-based)*	0.22	0.26
Subtotal (Scope 1 + 2) *(location-based)*	**0.27**	**0.29**
Scope 3: Category 6	7.99	2.31
Total emissions per revenue (M$)	**8.26**	**2.60**

GHG emission intensity (tCO_2e /operating profit M$)

	2023	2022
Operating profit	9.9	12.7
All scope operating profit intensity	**124.7**	**29**

GHG emission intensity (tCO_2e/FTE)

	2023	2022
Full time employees *(year average)* *	670	584
Scope 1 & 2 employee intensity	0.06	0.07
All scope employee intensity	**1.84**	**0.62**

* FTE only are included in this calculation. Seasonal workers have been excluded. We have recalculated the Group's 2022 intensity metrics to align with this methodology.

SECR metrics

UK emissions & energy usage

	2023		2022	
	kWh	tCO_2	kWh	tCO_2
Scope 1: Natural Gas	0	0	0	0
Scope 2 Electricity *(location-based)*	70,351	15	83,699	16
Subtotal (Scope 1 + 2)	**70,351**	**15**	**83,699**	**16**
Scope 3: Car mileage	n/a	5	n/a	3
Total	**70,351**	**20**	**83,699**	**19**

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 eighth annual Employee Engagement Survey with 92% participation and a 4.2 overall average score (out of 5.0), consistent with the results in 2022, which represented the highest average score in the history of the survey. This is above the 75th percentile for similarly sized organisations in our industry.

We implemented a subscription for all employees to the Calm app, which focuses on mental health and wellbeing. Through the subscription, employees have unlimited access to the content which includes mindfulness, improved sleep and meditation to name a few. Each employee also has the ability to invite up to five of their dependents to use the app as part of their subscription.

We launched *accesso*'s inaugural Leadership Development programme, called GOLD (Global Organisational Leadership Development) through a partnership with Udemy. The programme is virtual but allows leaders in each cohort to collaborate with each other and with the instructors, as well as attend a live session at the end of each unit to discuss what was learned.

In 2023, we onboarded 92 new hires and a further 82 employees from acquired companies. We ended 2023 with 7.0% voluntary turnover (2022: 15.4%), a notable drop on the prior 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 2023, our minority headcount was 29% and female headcount was 35%.

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 successful launch of our DEI Strategic Council in 2022, a further nine new members were welcomed during 2023. Notable Council achievements during 2023 include:

- Supporting the implementation of Inclusively, which is a recruiting platform that provides employers with a suite of resources to help us to better hire, support and provide accommodations for individuals with disabilities. Inclusivity training was also provided to managers, as well as all employees before the launch of the platform.
- Assisting with the transition to Greenhouse Applicant Tracking System which has more DEI focused features as well as updating all job descriptions to include more inclusive language.

As well as the above, *accesso* sponsored 13 female *accesso* employees to attend the Grace Hopper Celebration, which is the largest tech conference in the world for women.

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.

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. In 2023, our employees volunteered at Habitat for Humanity, the Second Harvest Food Bank, the Ronald McDonald House and Give Kids the World to name a few.

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. One example from 2023 is the donation of office, cleaning and kitchen supplies from the closure of our Lake Mary office to a local charity that benefits victims of domestic violence.

ESG governance

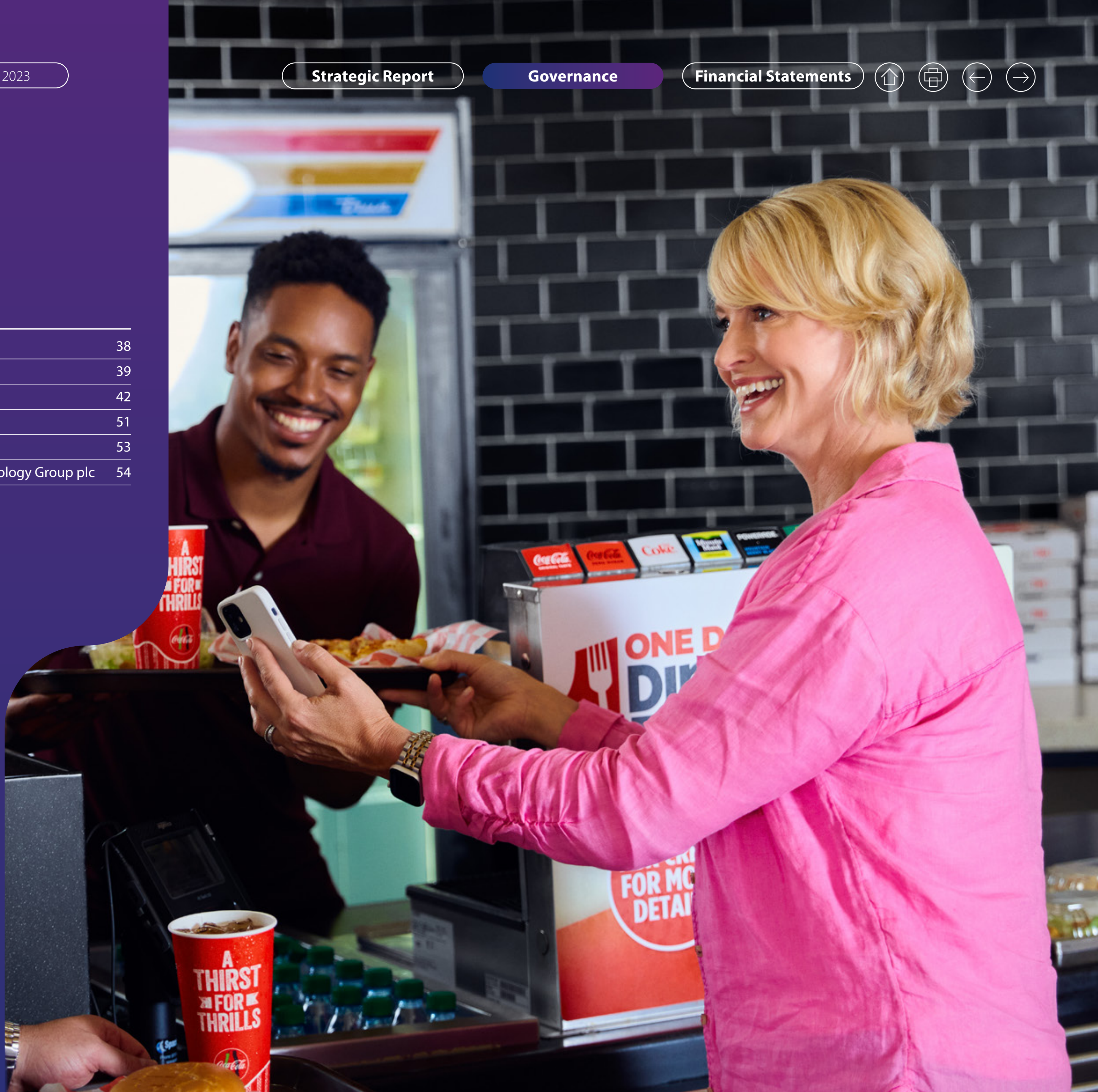
The governance of ESG currently falls under the responsibility of the whole Board and is a recurring Board agenda point. This governance structure and approach is constantly under review. *accesso* recognises the importance of meeting globally recognised corporate responsibility standards and has given Jody Madden, Non-Executive Director, responsibility to drive forward ESG initiatives and facilitate ESG-related risk assessment.

Looking ahead to 2024, the ESG Committee 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 contents

Governance



Board of Directors

Bill Russell

Non-Executive Chairman

Date appointed to the Board: 1 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

Date appointed to the Board: 26 June 2018

Experience

Andy Malpass has over almost 40 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

Date 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 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

Date appointed to the Board: 27 January 2020

Experience

Steve led the Company's namesake *accesso* business from 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

Date 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.

Corporate governance report
for the financial year ended 31 December 2023

Introduction
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 has continued and has engaged with professional advisors to assist with the formalisation of ESG matters and actions. Following on from the launch of the Climate Change policy in 2022, this led to the establishment of an ESG Committee during 2023.

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 ESG section of the Strategic Report on page 27 and on our website.

Board composition
The Board of Directors comprised two Executive Directors, the Non-Executive Chairman and two independent Non-Executive Directors for the financial year 2023 following the resignation of Karen Slatford on 17 January 2023. Full details of the Directors are on page 38.

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. We have partnered with the National Diversity Council to assess our current diversity landscape and assist with the building of our future efforts. 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. Currently the Board is over one-third female, more than half are Non-Executive Directors, and the average Non-Executive tenure is under 5 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, which is reviewed on an annual basis.

The Executive Directors have day-to-day responsibility for the operational management of the Group's 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 2023

Board and Committee meetings 2023

The Company holds Board meetings regularly throughout the year. Due to the acquisition activity during the year, four short meetings were held by just the Executive Directors the purpose of which was to execute previously Board-approved transactions. The Audit Committee held two meetings and the Remuneration Committee held four meetings. Attendance by Board members is shown below.

	Board	Audit Committee	Remuneration Committee
Number of meetings held	**14**	**2**	**4**
Executive Board members			
Steve Brown	**14**	**–**	**–**
Fern MacDonald	**14**	**–**	**–**
Non-Executive Board members			
Bill Russell	**10**	**–**	**–**
Andy Malpass	**10**	**2**	**4**
Jody Madden	**9**	**2**	**4**

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
- Governance matters
- 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 completed by Jody Madden. Karen Slatford was a member until her resignation 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 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, taking into account the views of management. 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 Audit Committee's recommendation is that Grant Thornton UK LLP be reappointed as the Company's auditor and an appropriate resolution be put to the shareholders at this year's annual general meeting.

Corporate governance report continued

for the financial year ended 31 December 2023

Remuneration Committee

The full Remuneration Committee report is on pages 42 to 50 which includes full details of the composition and terms of reference of the Committee.

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 such as 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, where both private and institutional investors are given the opportunity to question the Board. The Company's annual general meeting was held in May 2023.

Notice of the date of the 2024 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 2023. A targeted evaluation of the specific issues raised in the previous review took place in early 2024 to assess progress made in these areas and to determine whether any further action is required.

Bill Russell

Bill Russell
Non-Executive Chairman
15 April 2024

Directors' remuneration report
for the financial year ended 31 December 2023

Introduction
As the 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 comprehensive report is good practice and provides shareholders with more clarity around how we set and manage 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 2023, as well as how the Remuneration Policy will be implemented in the 2024 financial year. As in prior years, salary increases for our Executive Directors were in line with the rest of the organisation and benefits such as retirement contributions are on the same basis as the rest of the employees.

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. The Company Secretary 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 2023

The principal activities undertaken by the Committee during 2023 were as follows:

- Reviewed and approved Company-wide salary increases with effect from January 2024;
- Reviewed and approved the Long-Term Incentive Plan (LTIP) and Company-wide share award plan grants for 2023;
- Reviewed and approved the Company-wide bonus pool;
- Reviewed and approved the terms of reference of the Committee;
- Reviewed and approved Directors' expenses for 2022 and the policy for authorisation.

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 2023 performance year;
- Reviewed the annual bonus targets for the Executive Directors for the financial year 2023 and measured performance against them;
- Reviewed and approved Directors' expenses for 2023 and the policy for authorisation.

Directors' remuneration report continued

for the financial year ended 31 December 2023

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 all businesses in the sector.

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.

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 2024

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

- approval of bonus performance measures and targets for 2024;
- approval of performance conditions and awards under the Company's LTIP for 2024;
- approval of any awards under the Company-wide share award plan; and
- assessment of the ongoing appropriateness of the remuneration arrangements in light of remuneration trends and market practice.

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 64% of the Group'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 2023

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 2023

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 (LTIPs)	Variable remuneration designed to incentivise and reward the achievement of long-term targets aligned with shareholder interests. The LTIP also provide 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 2023 performance year of 469,424 performance shares. No awards will be made to the CEO in fiscal years 2024 or 2025.	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 2023

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 contract 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 2023

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, 2022 and 2023 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 2023

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 2023 and 2022, respectively.

	2023						2022	2023	2022
	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]	–	4	–	–	–	4	65	–	–
Andy Malpass [1]	–	65	–	–	–	65	58	–	–
Jody Madden	–	78	–	–	–	78	61	–	–
Executive Directors									
Steve Brown	460	–	675	513	16	1,664	2,106	–	–
Fern MacDonald	325	–	450	355	15	1,145	1,268	13	12
Total	**785**	**337**	**1,125**	**868**	**31**	**3,146**	**3,748**	**13**	**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.

2023 annual bonus

The 2023 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 2023, the Remuneration Committee reviewed the corporate performance of the Group and decided that the Executive Directors should receive 75% of their bonus.

Statement of Directors' shareholding and scheme interests

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

	31 December 2022	Exercised in the period	Lapsed in the period	Granted in the period	31 December 2023	Exercise price	Date from which exercisable
Steve Brown							
27 January 2020	582,567	(582,567)	–	469,424	–	£0.01	25 April 2023
20 June 2023	–			–	469,424	£0.00	19 June 2026
Fern MacDonald							
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
20 June 2023	–	–	–	69,544	69,544	£0.00	19 June 2026

Directors' remuneration report continued
for the financial year ended 31 December 2023

LTIP awards
There are three 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
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 2022 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 2022 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.
20 June 2023	36	6	50% of the performance condition for the 2023 award is related to Total Shareholder Return (TSR) over the period to 19 June 2026. 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 2023 award is related to Cash EBITDA for the fiscal year 31 December 2025. 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 2023

Fees for the Non-Executive Directors

A summary of current fees for the year ended 31 December 2024 is shown below. A review of Non-Executive fees took place in 2023. 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]	64,975	Chair of the Audit Committee
Jody Madden [2]	78,000	Chair of the Remuneration Committee

1 Payable in GBP and converted on 1 January 2024 rate of 1.273.
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 2023.

Implementation of policy for 2024

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 2024 in comparison to base salary at 1 January 2023;

	1 January 2023 $	1 January 2024 $	% change
Steve Brown	450,000	468,000	4.0%
Fern MacDonald	400,000	416,000	4.0%

The increases awarded to the Executive Directors are 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 2024 targets in the Company's long-term plan.
- 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 2024.

Jody Madden

Jody Madden
Chair of the Remuneration Committee
15 April 2024

Report of the Directors
for the financial year ended 31 December 2023

The Directors present their report with the financial statements of the Company and the Group for the financial year ended 31 December 2023.

Dividends
No dividends will be proposed for the financial year ended 31 December 2023 (31 December 2022: none).

Share repurchases
During the year, the Board approved a share repurchase programme of up to £4.0m. As at the year end, the Company had repurchased and cancelled a total of 299,272 shares for a total of $2.2m (GBP £1.8m). The programme was concluded on 29 February 2024 with a total repurchase and cancellation of 706,984 shares for a total consideration of $5.0m (GBP £4.0m).

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 2023, the Group capitalised $2.8m of research and development spend (year ended 31 December 2022: $2.2m) and impaired $6k of development costs within the guest experience segment (2022: $32k).

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 2023 in the issued share capital of the Company were as follows:

Ordinary share capital £0.01 shares	As at 31 December 2023	As at 1 January 2023
Bill Russell, Non-Executive	60,007	53,507
Steve Brown, Executive	1,296,341	700,774
Fern MacDonald, Executive	22,570	22,570
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 12 April 2024, 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	6,298,320	15.12%
Canaccord Genuity Group Inc.	4,587,702	11.01%
BlackRock, Inc.	2,770,338	6.65%
Amati AIM VCP plc and T B Amati Investment Funds Limited	2,035,191	4.88%
Chelverton Asset Management Limited	2,000,000	4.80%
Pershing Securities Limited (via Pershing Nominees Limited)	1,428,430	3.43%

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, 21 May 2024. 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 page 34 and Directors' duties on pages 25 to 26.

Business relationships
Information on how the Company has engaged with suppliers, customers and business relationships is detailed in the Directors' duties on page 26.

Report of the Directors continued

for the financial year ended 31 December 2023

Community, environment, 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 pages 27 to 36.

Political donations

The Group did not make any political donations or incur any political expenditure during the year (2022: 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. For the purposes of the going concern assessment, the Directors have prepared monthly cash flow projections for a period of 12 months post the date of approval of the financial statements (base scenario). The cash flow projections show that the Group has significant headroom against its committed facilities and can meet its financial covenant obligations.

The Directors have reviewed sensitised net cash flow forecasts for the same 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 over the next 12 months reflecting the full financial impact of a sustained material event, which reduces forecast revenues by 10% in comparison to the base scenario referenced above, and results in revenue of $144.7m for 2024 and marginally decreases thereafter. Under this same scenario, underlying administrative spend increases to $99.9m in 2024, from $91.5m in 2023, with marginal decreases 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 net cash balance reaches a low point of $17.1m.

At 31 December 2023, the Group has cash of $51.8m and drawings on the loan facility of $21.3m with a further $18.7m of the total $40.0m remaining available. Financial covenants on the facility were passed during 2023 and are forecast to be passed through the going concern assessment period both under a base case and a severe but plausible scenario. The Group is in the process of acceding two additional entities to act as guarantors to continue to meet the general undertakings of the facility, refer to note 23 for further details.

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 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 themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

A resolution approving the reappointment 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 10 to 12.

Post balance sheet events

No further 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
15 April 2024

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 financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with UK-adopted international accounting standards. 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 and profit of the Company and Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

To the best of our knowledge:

- the Group and Company financial statements, prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report and the Report of the Directors include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

On behalf of the Board

Fern MacDonald

Fern MacDonald
Chief Financial Officer
15 April 2024

Independent auditor's report

to the members of *accesso* Technology Group plc

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 2023, which comprise the Consolidated statement of comprehensive income, Consolidated statement of financial position, Company statement of financial position, Consolidated statement of cash flow, Company statement of cash flow, Consolidated statement of changes in equity, Company statement of changes in equity and Notes to the consolidated 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 2023 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 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

to the members of *accesso* Technology Group plc

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.

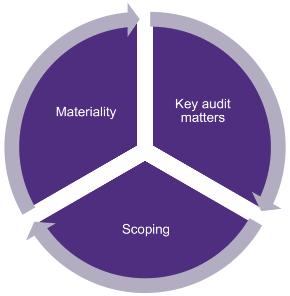
Our approach to the audit

Overview of our audit approach

Overall materiality:

Group: $1,050,000, which represents 0.7% of the Group's revenue.

Parent Company: $580,000 which represents 0.24% of the parent Company's total assets, capped at an amount less than group materiality for group audit purposes ($419,200).



Key audit matters were identified as:

- Valuation of goodwill (ticketing and distribution segment) (Valuation of Goodwill in the prior year);
- Acquisition accounting and valuation of intangible assets acquired in relation to the VGS acquisition (new in the current year)

Our auditor's report for the year ended 31 December 2022 included two key audit matters that have not been reported as key audit matters in our current year's report with a further one being refined. These are 'Risk of fraud in revenue recognition', and Accuracy of calculation of tax losses to be utilised in the US under s382'.

The key audit matter relating to risk of fraud in revenue recognition was due to a change in accounting policy in the prior year which is not relevant for the current year.

The key audit matter relating to the Accuracy of calculation of tax losses to be utilised in the US s382 was a KAM in the prior year but is no longer reported as it is not a calculation with significant level of judgement or estimation uncertainty.

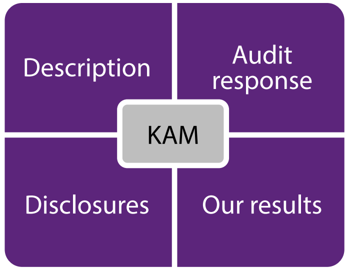
The prior year key audit matter relating to 'Valuation of Goodwill' has been pinpointed specifically to the goodwill associated with the Ticketing and Distribution segment in the current year

We performed full scope audits on two components. We performed specific audit procedures relating to three further components. We performed analytical procedures at Group level for the remaining 16 components in the Group during the year.

In total, our procedures covered 87% of the Group's revenue and 94% of the Group's total assets.

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.

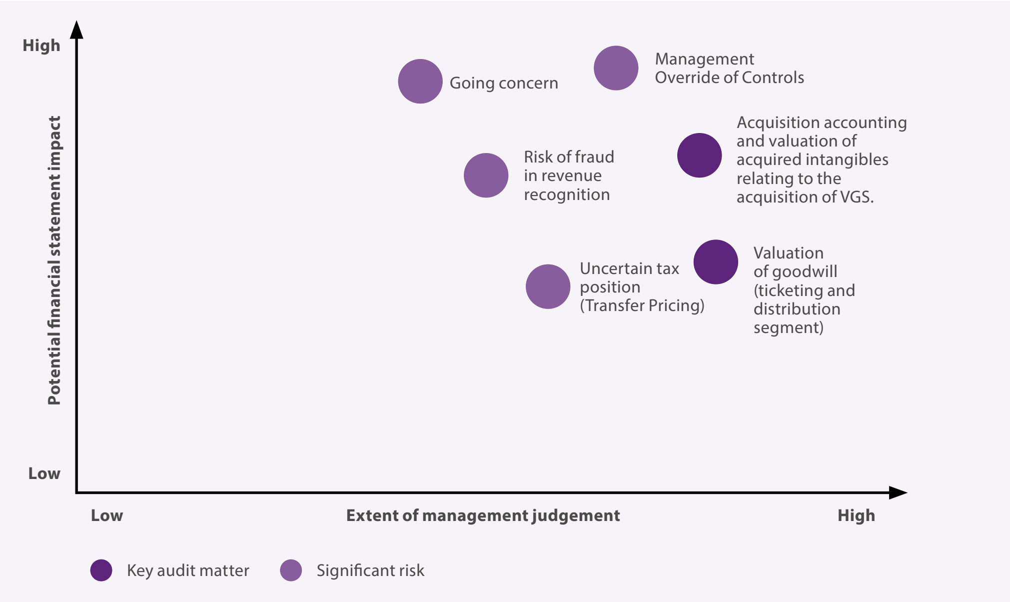


Independent auditor's report continued

to the members of *accesso* Technology Group plc

Grant Thornton

In the graph below, we have presented the key audit matters, significant risks and other risks relevant to the audit. This is not a complete list of all risks identified by our audit.



Key Audit Matter – Group	How our scope addressed the matter – Group
Valuation of goodwill (ticketing and distribution segment) We identified the valuation of goodwill for the ticketing and distribution segment as one of the most significant assessed risks of material misstatement due to error. The two largest acquisitions in the year being allocated to the ticketing and distribution operating segment. This created a risk that the performance of the reporting segment could mask any potential impairment for the newly acquired entities and therefore was deemed to be a key audit matter. The segment has goodwill, with a carrying value of $109.1m (2022: $69.2), with the movement in the year being driven by two acquisitions being Paradox and Horizon. 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 of each cash generating unit ("CGU") and then assess goodwill for impairment at the operating segment level. Their assessment of potential impairment incorporates significant judgements in assumptions, such as the determination of CGUs, the judgement in combining the CGUs along with the appropriate allocation of goodwill to them, and significant estimates, such as the timing and extent of future cash flows related to those CGUs. There is also a risk of management bias in the discount rate applied. 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 a paper from the management and, based on our knowledge of their business, challenged their identification of CGUs with the requirements of IAS 36; • Obtained a paper from the management and, based on our knowledge of their business, challenged their assessment that Paradox and Horizon, which are the new acquisitions in the year, should be included within ticketing and distribution segment for the assessment of impairment of goodwill; • Obtained an understanding of the related business processes and assessed the design and implementation of the associated controls; • Tested the arithmetical accuracy of the models and underlying data used by management in their impairment assessment and agreed the underlying forecasts to the board approved budgets; • Considered the historical forecasting ability of management by comparing historical budgets to actual performance; • 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 and ran sensitivities on; • 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 information, and discount rates, using an auditor's range. Evaluated the headroom under each of these scenarios and assessed whether goodwill was impaired; • Challenged management's assumptions concerning forecasted cash flows, based on historical trends and market expectations. This also involved considering any contradictory evidence noted in other areas of the audit; and • Evaluated the disclosures made in the financial statements to ensure requirements of IFRS have been complied with.
Relevant disclosures in the Annual Report and Accounts 2023 • Financial statements: Note 4 for the accounting policy; Note 17 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.

Independent auditor's report continued

to the members of *accesso* Technology Group plc

Grant Thornton

Key Audit Matter – Group	How our scope addressed the matter – Group
Acquisition accounting and valuation of acquired Intangibles relating to the acquisition of VGS The Group completed the acquisition of VGS and its subsidiaries in June 2023. We identified the accounting associated with these acquisitions, including the valuation of the intangible assets acquired, as one of the most significant assessed risks of material misstatements due to error. Under IFRS 3 'Business Combinations', management is required to recognise, separately from goodwill, the assets acquired and liabilities assumed, and then recognise goodwill on purchase. Assets, liabilities and intangible assets should be recognised at fair value. Management make judgments to identify specific intangible assets that are acquired and make estimates to value these assets. The process for assessing the valuation of intangible assets is complex and therefore this has been included as a key audit matter.	In responding to the key audit matter, we performed the following audit procedures: • Assessed the share purchase agreement, and understood the key details around the acquisition including details of consideration paid; • Assessed whether the requirements of control as defined by IFRS 10 'Consolidated Financial Statements' had been achieved; • Assessed whether the Group's accounting policy for the valuation of intangible assets acquired is in accordance with IFRS 3 'Business Combinations' and checking that the fair value measurements are accounted for in accordance with the stated accounting policy; • Obtained the acquisition balance sheet for each acquired subsidiary and performed procedures to test the recognition of the material assets and liabilities acquired; • Obtained management's purchase price allocation calculation used to value specific acquired intangibles and assessed the appropriateness and reasonableness of key assumptions made in the calculations, such as growth rates, customer attrition rates and discount rates, considering whether assets and liabilities transferred were recognised at fair value, per the requirements of IFRS 3 'Business Combinations'; • Assessed and challenged managements expert report for the valuation of the identified intangible assets • Engaged our internal valuations experts to inform our challenge of management, that the methodology used in the valuation calculations and assumptions used were reasonable; and • Assessed whether the Group's disclosures with respect to the intangible asset recognised and fair value of assets and liabilities acquired are adequate.

Key Audit Matter – Group	How our scope addressed the matter – Group
Relevant disclosures in the Annual Report and Accounts 2023 • Financial statements: Note 4 for the accounting policy; note 6 for critical judgements and key sources of estimation uncertainty; Note 16 for business combinations;	**Our results** Our audit testing did not identify any material misstatements in relation to the valuation of the acquired intangibles.

We did not identify any key audit matters relating to the audit of the financial statements of the parent Company only.

Independent auditor's report continued

to the members of *accesso* Technology Group plc

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.

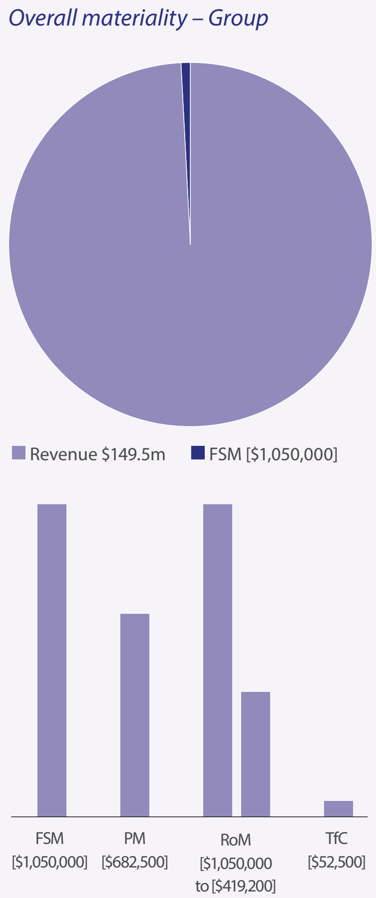
Materiality was determined as follows:

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	$1.05m, which is 0.7% of the Group's revenues.	$580,000 which is 0.24% of total assets, it has been capped at an amount less than group materiality for group audit purposes $419,200.
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 0.7% is, in our view, appropriate to result in a materiality which is sufficient to identify any material misstatements. Materiality for the current year is **higher** than the level that we determined for the year ended 31 December 2022 to reflect a growth in the business.	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 0.24% is, in our view, appropriate to result in a materiality which is sufficient to identify any material misstatements Materiality for the current year is **higher** than the level that we determined for the year ended 31 December 2022 to reflect a growth in the business.

Materiality measure	Group	Parent company
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	$682,500, which is 65% of financial statement materiality	$377,000, which is 65% of financial statement materiality however it has been capped at an amount less than group performance materiality for group audit purposes $272,400.
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 Group'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	$52,500 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	$20,960 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

Independent auditor's report continued
to the members of *accesso* Technology Group plc

The graph below illustrates how performance materiality interacts with our overall materiality and the threshold for communication to the Audit Committee.



FSM: Financial statement materiality, PM: Performance materiality, RoM: Range of materiality at 2 components, TfC: Threshold for communication to the Audit Committee.

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.
- 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

- 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 5 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 consistent.
- 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 three components were selected based on an assessment of the risk of material misstatement to the Group.

Type of work to be performed on financial information of parent and other components (including how it addressed the key audit matters)

- Of the Group's 21 components, we identified 2 which, in our view, required an audit of their financial information using component materiality (full scope audit), either due to their size or their risk characteristics. As a result of this, we performed an audit of the financial statements of the parent Company and of the financial information of the aggregated US component.
- We performed specific audit procedures in respect of three components, Ingresso Group Limited, *accesso* Technology Group Employee Benefit Trust and VGS.
- We performed analytical procedures at Group level over the remaining sixteen components. These procedures, together with the additional procedures outlined above, were designed to give us the audit evidence needed for our opinion on the Group financial statements as a whole.

Independent auditor's report continued

to the members of *accesso* Technology Group plc

Grant Thornton

Performance of our audit

- The engagement team visited the Group's head office frequently during the course of the audit.
- The work performed was supported through the use of software collaboration platforms for the secure and timely delivery of requested audit evidence. The engagement 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	% coverage PBT
Full-scope audit	2	84%	76%	82%
Specified audit procedures	3	3%	0%	0%
Analytical procedures	16	13%	24%	18%
Total	**21**	**100%**	**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, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 on page 53 of the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Independent auditor's report continued
to the members of *accesso* Technology Group plc

- 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 Company), 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 that posted journals in the year 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;
  - 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.

  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;

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
15 April 2024

Financial Statements

Financial Statements

Consolidated statement of comprehensive income

for the financial year ended 31 December 2023

	Notes	2023 $000	2022 $000
Revenue	9	**149,515**	139,730
Cost of sales		**(35,268)**	(35,770)
Gross profit		**114,247**	103,960
Administrative expenses		**(104,308)**	(91,209)
Operating profit before exceptional items		**12,635**	12,920
Acquisition and integration related expenditure	11	**(2,690)**	(137)
Impairment of intangible assets	17	**(6)**	(32)
Operating profit		**9,939**	12,751
Finance expense	12	**(2,084)**	(566)
Finance income	12	**953**	232
Profit before tax		**8,808**	12,417
Income tax expense	13	**(1,116)**	(2,361)
Profit for the period		**7,692**	10,056
Other comprehensive income/(loss)			
Items that will be reclassified to income statement			
Exchange differences on translating foreign operations		**3,138**	(5,283)
		3,138	(5,283)
Total comprehensive income		**10,830**	4,773
All profit and comprehensive income is attributable to the owners of the parent			
Earnings per share expressed in cents per share:			
Basic	15	**19.19**	24.41
Diluted	15	**18.67**	23.45

All activities of the Company are classified as continuing.

The accompanying notes on pages 70 to 104 form part of these consolidated financial statements.

Consolidated statement of financial position
as at 31 December 2023

Registered Number: 03959429

	Notes	31 December 2023 $000	31 December 2022 $000
Assets			
Non-current assets			
Intangible assets	17	**165,188**	110,420
Property, plant and equipment	18	**1,346**	1,603
Right of use assets	30	**1,609**	980
Contract assets	9	**784**	314
Deferred tax assets	13	**16,703**	15,279
		185,630	128,596
Current assets			
Inventories	20	**1,115**	499
Finance lease receivables	30	**165**	–
Contract assets	9	**3,345**	3,694
Trade and other receivables	21	**29,700**	28,785
Income tax receivable		**2,199**	1,864
Cash and cash equivalents	29	**51,814**	64,663
		88,338	99,505
Liabilities			
Current liabilities			
Trade and other payables	22	**34,939**	32,090
Lease liabilities	30	**792**	451
Contract liabilities	9	**7,353**	4,920
Income tax payable		**6,115**	574
		49,199	38,035
Net current assets		**39,139**	61,470
Non-current liabilities			
Deferred tax liabilities	13	**8,821**	3,294
Contract liabilities	9	**927**	616
Lease liabilities	30	**1,177**	769
Borrowings	23	**20,349**	–
		31,274	4,679
Total liabilities		**80,473**	42,714
Net assets		**193,495**	185,387

	Notes	31 December 2023 $000	31 December 2022 $000
Shareholders' equity			
Called up share capital	24	**603**	597
Share premium	25	**153,948**	153,621
Retained earnings	25	**31,196**	22,887
Merger relief reserve	25	**19,641**	19,641
Translation reserve	25	**(2,446)**	(5,584)
Own shares held in trust	25	**(9,451)**	(5,775)
Capital Redemption Reserve	25	**4**	–
Total shareholders' equity		**193,495**	185,387

The financial statements were approved by the Board of Directors on 15 April 2024 and were signed on its behalf by:

Fern MacDonald

Fern MacDonald
Chief Financial Officer

The accompanying notes on pages 70 to 104 form part of these consolidated financial statements.

Company statement of financial position

as at 31 December 2023

Registered Number: 03959429

	Notes	31 December 2023 $000	31 December 2022 $000
Assets			
Non-current assets			
Intangible assets	17	**3,823**	2,428
Investments in subsidiaries	19	**221,746**	167,652
Property, plant and equipment	18	**233**	269
Right of use assets	30	**219**	315
Contract assets	9	**28**	57
		226,049	170,721
Current assets			
Inventories	20	**44**	15
Contract assets	9	**524**	617
Trade and other receivables	21	**9,300**	8,665
Income tax receivable		**73**	397
Cash and cash equivalents	29	**9,678**	15,612
		19,619	25,306
Liabilities			
Current liabilities			
Trade and other payables	22	**28,310**	13,386
Lease liabilities	30	**156**	140
Contract liabilities	9	**171**	203
Income tax payable		**9**	6
		28,646	13,735
Net current (liabilities)/assets		**(9,027)**	11,571
Non-current liabilities			
Deferred tax	13	**200**	163
Contract liabilities	9	**2**	5
Lease liabilities	30	**98**	240
Borrowings	23	**20,349**	–
		20,649	408
Total liabilities		**49,295**	14,143
Net assets		**196,373**	181,884

	Notes	31 December 2023 $000	31 December 2022 $000
Shareholders' equity			
Called up share capital	24	**603**	597
Share premium	25	**153,948**	153,621
Own shares held in trust	25	**(9,451)**	(5,775)
Retained earnings	25	**43,623**	36,128
Merger relief reserve	25	**19,641**	19,641
Translation reserve	25	**(11,995)**	(22,328)
Capital Redemption Reserve	25	**4**	–
Total shareholders' equity		**196,373**	181,884

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 $6.52m (2022: $1.01m).

The financial statements were approved by the Board of Directors on 15 April 2024 and were signed on its behalf by:

Fern MacDonald

Fern MacDonald
Chief Financial Officer

The accompanying notes on pages 70 to 104 form part of these consolidated financial statements.

Consolidated statement of cash flow

for the financial year ended 31 December 2023

	Notes	2023 $000	2022 $000
Cash flows from operations			
Profit for the period		**7,692**	10,056
Adjustments for:			
Depreciation (excluding leased assets)	18	**975**	1,227
Depreciation on leased assets	30	**467**	773
Amortisation on acquired intangibles	17	**2,811**	1,667
Amortisation on development costs and other intangibles	17	**6,390**	8,744
Impairment of intangibles	17	**6**	32
Loss on disposal of property, plant and equipment		**207**	135
Share-based payment	10	**3,187**	2,629
Movement on bad debt provision		**41**	15
Finance expense	12	**2,084**	566
Finance income	12	**(953)**	(232)
Foreign exchange gain		**(187)**	(31)
Income tax expense	13	**1,116**	2,361
RDEC tax credits		**–**	(141)
		23,836	27,801
Increase in inventories		**(614)**	(231)
Decrease/(increase) in trade and other receivables		**2,082**	(10,482)
Increase in contract assets/contract liabilities		**1,960**	435
Increase/(decrease) in trade and other payables		**432**	(797)
Cash generated from operations		**27,696**	16,726
Tax paid		**(2,003)**	(2,259)
Net cash inflow from operating activities		**25,693**	14,467
Cash flows from investing activities			
Acquisition of VGS Companies (net of cash acquired)	16	**(39,323)**	–
Acquisition of Paradocs Solutions, Inc. (net of cash acquired)	16	**(8,845)**	–
Acquisition of Boxer Consulting Limited (net of cash acquired)	16	**(1,792)**	–
Capitalised internal development costs	17	**(2,839)**	(2,155)
Purchase of intangible assets	17	**(14)**	(1,140)
Proceeds from sale of intangible assets		**–**	25
Purchase of property, plant and equipment		**(638)**	(725)
Proceeds from sale of property, plant and equipment		**8**	–
Interest received		**805**	210
Net cash (used in) investing activities		**(52,638)**	(3,785)

	Notes	2023 $000	2022 $000
Cash flows from financing activities			
Share issue		**129**	118
Purchase of shares held in trust		**(3,676)**	(5,775)
Purchase of own shares for cancellation		**(2,186)**	–
Interest paid		**(1,387)**	(330)
Payments on property lease liabilities	30	**(668)**	(1,430)
Proceeds from property lease receivables		**33**	–
Cash paid to refinance	29	**(1,040)**	–
Proceeds from borrowings	23	**35,000**	–
Repayments of borrowings	23	**(13,750)**	–
Payment made to cancel equity settled option awards		**–**	(129)
Net cash generated from/(utilised in) financing activities		**12,455**	(7,546)
(Decrease)/ increase in cash and cash equivalents		**(14,490)**	3,136
Cash and cash equivalents at beginning of year		**64,663**	64,050
Exchange gain/(loss) on cash and cash equivalents		**1,641**	(2,523)
Cash and cash equivalents at end of year		**51,814**	64,663

The accompanying notes on pages 70 to 104 form part of these consolidated financial statements.

Company statement of cash flow

for the financial year ended 31 December 2023

	Notes	2023 $000	2022 $000
Cash flows from operations			
(Loss)/Profit for the period		**6,515**	1,010
Adjustments for:			
Depreciation excluding leased assets	18	**147**	200
Depreciation on leased assets	30	**111**	111
Amortisation	17	**917**	1,161
Impairment of intangibles	17	**6**	32
Movement on intercompany bad debt provision		**285**	257
Loss on disposal of property, plant and equipment		**20**	17
Share-based payment		**145**	86
Movement on bad debt provision		**117**	(117)
Finance expense		**1,938**	612
Finance income		**(7,790)**	(180)
Foreign exchange (gain)/loss		**(198)**	60
Income tax expense		**230**	300
		2,443	3,549
(Increase)/Decrease in inventories		**(27)**	35
Decrease in trade and other receivables		**10,398**	3,504
Decrease in contract assets/contract liabilities		**110**	178
Increase in trade and other payables		**2,689**	(84)
Cash generated from operations		**15,613**	7,182
Tax received/(paid)		**130**	(792)
Net cash inflow from operating activities		**15,743**	6,390
Cash flows from investing activities			
Capitalised internal development costs	17	**(2,151)**	(1,006)
Purchase of property, plant and equipment		**(102)**	(50)
Acquisition of VGS Companies	16	**(43,265)**	–
Acquisition of Boxer Consulting Limited	16	**(1,792)**	–
Interest received		**145**	158
Dividends received from subsidiaries		**11,738**	–
Net cash (used in) investing activities		**(35,427)**	(898)

	Notes	2023 $000	2022 $000
Cash flows from financing activities			
Share issue		**129**	118
Purchase of own shares held in trust		**(3,676)**	(5,775)
Purchase of own shares for cancellation		**(2,188)**	–
Interest paid		**(1,377)**	(330)
Payments on property lease liabilities	30	**(162)**	(159)
Cash paid to refinance	23	**(1,040)**	–
Proceeds from borrowings	23	**35,000**	–
Repayments of borrowings	23	**(13,750)**	–
Net cash generated from/(utilised in) financing activities		**12,936**	(6,146)
Decrease in cash and cash equivalents		**(6,748)**	(654)
Cash and cash equivalents at beginning of year		**15,612**	18,198
Exchange gain/(loss) on cash and cash equivalents		**814**	(1,932)
Cash and cash equivalents at end of year		**9,678**	15,612

The accompanying notes on pages 70 to 104 form part of these consolidated financial statements.

Consolidated statement of changes in equity

for the financial year ended 31 December 2023

	Share capital $000	Share premium $000	Retained earnings $000	Merger relief reserve $000	Own shares held in trust $000	Capital Redemption reserve $000	Translation reserve $000	Total $000
Balance at 1 January 2023	**597**	**153,621**	**22,887**	**19,641**	**(5,775)**	**–**	**(5,584)**	**185,387**
Comprehensive income for the year								
Profit for period	**–**	**–**	**7,692**	**–**	**–**	**–**	**–**	**7,692**
Other comprehensive income								
Exchange differences on translating foreign operations	**–**	**–**	**–**	**–**	**–**	**–**	**3,138**	**3,138**
Total comprehensive income for the year	**–**	**–**	**7,692**	**–**	**–**	**–**	**3,138**	**10,830**
Issue of share capital	**9**	**120**	**–**	**–**	**–**	**–**	**–**	**129**
Share-based payments	**–**	**–**	**3,187**	**–**	**–**	**–**	**–**	**3,187**
Share option tax charge – current	**–**	**–**	**894**	**–**	**–**	**–**	**–**	**894**
Share option tax charge – deferred	**–**	**–**	**(1,274)**	**–**	**–**	**–**	**–**	**(1,274)**
Re-purchase of shares to be held in trust	**–**	**–**	**–**	**–**	**(3,676)**	**–**	**–**	**(3,676)**
Re-purchase of shares for cancellation	**(4)**	**–**	**(2,190)**	**–**	**–**	**4**	**–**	**(2,190)**
Contingent consideration settled in shares	**1**	**207**	**–**	**–**	**–**	**–**	**–**	**208**
Total contributions by and distributions by owners	**6**	**327**	**617**	**–**	**(3,676)**	**4**	**–**	**(2,722)**
Balance at 31 December 2023	**603**	**153,948**	**31,196**	**19,641**	**(9,451)**	**4**	**(2,446)**	**193,495**
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 to be held in trust	–	–	–	–	(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

The accompanying notes on pages 70 to 104 form part of these consolidated financial statements.

Company statement of changes in equity

for the financial year ended 31 December 2023

	Share capital $000	Share premium $000	Own shares held in trust $000	Retained earnings $000	Merger relief reserve $000	Capital Redemption reserve $000	Translation reserve $000	Total $000
Balance at 1 January 2023	**597**	**153,621**	**(5,775)**	**36,128**	**19,641**	**–**	**(22,328)**	**181,884**
Comprehensive income for the year								
Profit for period	**–**	**–**	**–**	**6,515**	**–**	**–**	**–**	**6,515**
Other comprehensive income								
Exchange differences	**–**	**–**	**–**	**–**	**–**	**–**	**10,333**	**10,333**
Total comprehensive income for the year	**–**	**–**	**–**	**6,515**	**–**	**–**	**10,333**	**16,848**
Issue of share capital	**9**	**120**	**–**	**–**	**–**	**–**	**–**	**129**
Share-based payments	**–**	**–**	**–**	**3,187**	**–**	**–**	**–**	**3,187**
Share option tax credit – deferred	**–**	**–**	**–**	**(17)**	**–**	**–**	**–**	**(17)**
Re-purchase of shares to be held in trust	**–**	**–**	**(3,676)**	**–**	**–**	**–**	**–**	**(3,676)**
Re-purchase of shares for cancellation	**(4)**	**–**	**–**	**(2,190)**	**–**	**4**	**–**	**(2,190)**
Contingent consideration settled in shares	**1**	**207**	**–**	**–**	**–**	**–**	**–**	**208**
Total contributions by and distributions by owners	**6**	**327**	**(3,676)**	**980**	**–**	**4**	**–**	**(2,359)**
Balance at 31 December 2023	**603**	**153,948**	**(9,451)**	**43,623**	**19,641**	**4**	**(11,995)**	**196,373**
Balance at 1 January 2022	596	153,504	–	32,560	19,641	–	(314)	205,987
Comprehensive income for the year								
Profit for period	–	–	–	1,010	–	–	–	1,010
Other comprehensive income								
Exchange differences	–	–	–	–	–	–	(22,014)	(22,014)
Total comprehensive income for the year	–	–	–	1,010	–	–	(22,014)	(21,004)
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

The accompanying notes on pages 70 to 104 form part of these consolidated financial statements.

Notes to the consolidated financial statements

for the financial year ended 31 December 2023

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 licenced 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.

Exemption from audit

For the year ended 31 December 2023 *accesso* Technology Group plc has provided a guarantee in respect of all liabilities due by its subsidiaries Ingresso Group Limited (company number 07477714) and Lo-Q Limited (company number 08760856). This entitles them to exemption from audit under 479A of the Companies Act 2006 relating to subsidiary companies.

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") and the applicable legal requirements of the Companies Act 2006. They were authorised for issue by the Company's Board of Directors on 15 April 2024.

The consolidated financial statements have been prepared on the historical cost basis except for contingent consideration and acquired intangible assets arising on business combinations, 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 2022, 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:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)

New standards and interpretations not yet adopted

A number of new standards, amendments to standards, and interpretations are either not effective for 2023 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.

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
- Lease Liabilities in a Sale and Leaseback (Amendments to IFRS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Non-current Liabilities with Covenants (Amendments to IAS 1)
- Lack of Exchangeability (Amendments to IAS 21)

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 2023 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. Provisional fair values are adjusted against goodwill if additional information is obtained within one year of the acquisition date about facts or circumstances existing at the acquisition date.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

Disclosure and details of the subsidiaries are provided in note 19.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

4. Significant accounting policies continued

Basis of consolidation continued

Investments, including the shares in subsidiary companies held as non-current 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 financial statements.

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

Contingent consideration

Contingent consideration is recognised at fair value at the acquisition date and is based on the actual and/or expected performance of the entity in which the contingent consideration relates. Contingent consideration is subject to the sellers fulfilling their performance obligations over the contingent period. Subsequent changes to the fair value of contingent consideration are based on the movement of the Group's share price at the reporting date. These changes which are deemed to be a liability are recognised in accordance with IFRS 9 in the statement of comprehensive income.

Going concern

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

For the purposes of the going concern assessment, the Directors have prepared monthly cash flow projections for a period of 12 months post the date of approval of the financial statements (base scenario). The cash flow projections show that the Group has significant headroom against its committed facilities and can meet its financial covenant obligations.

The Directors have reviewed sensitised cash flow forecasts for the same 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 over the next 12 months reflecting the full financial impact of a sustained material event, which reduces forecast revenues by 10% in comparison to the base scenario referenced above, and results in revenue of $144.7m for 2024 and marginally decreases thereafter. Under this same scenario, underlying administrative spend increases to $99.9m in 2024, from $91.5m in 2023, with marginal decreases 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 net cash balance reaches a low point of $17.1m.

At 31 December 2023, the Group has cash of $51.8m and drawings on the loan facility of $21.3m with a further $18.7m of the total $40.0m remaining available. Financial covenants on the facility were passed during 2023 and are forecast to be passed through the going concern assessment period both under a base case and a severe but plausible scenario. The Group is in the process of acceding two additional entities to act as guarantors to continue to meet the general undertakings of the facility, refer to note 23 for further details.

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.

Notes to the consolidated financial statements continued
for the financial year ended 31 December 2023

4. Significant accounting policies continued

Revenue from contracts with customers continued

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 licence (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.
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.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

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
c. **Software licences and bundled implementation services** – Ticketing and Distribution	Each contract provides the customer with the right to use a customised software licence (installed on premise). The software license is sold alongside interdependent implementation services that are not considered to be a separate obligation from the license. Invoices are raised at predetermined milestones set out within the contract. The milestones correspond with the value being received by the customer and reflect the value of progress toward completion of the obligation.	Revenue from the sale of customised licenses is recognised over time as the asset is created and control passes to the customer. The output method is adopted where the Group's right to consideration corresponds directly with the completed milestones performance obligations. Revenue for these customers is recognised in line with the amount of revenue the Group is entitled to invoice.
d. **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.
e. **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.
f. **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.
g. **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.
h. **Platform fees** – Guest Experience	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.

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 creditworthy 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 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.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

4. Significant accounting policies continued

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 2022 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.

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).

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

4. Significant accounting policies continued

Deferred tax continued

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 income statement.

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 (2022: $nil).

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.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

4. Significant accounting policies continued

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. 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. Where bank borrowings are denominated in foreign currency, they are translated into the functional currency at the exchange rate at the reporting date. with the corresponding net gain or loss recorded within interest expense. 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 an extension of the parent Company and is included in the consolidated financial statements. It is also included in the Company balance sheet as it is treated as an extension of the Company. 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 and those being short-term, below 12 months in duration. 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.

As a lessor

As a lessor, the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not. The Group has not currently entered into any lease that is classified as an operating lease.

At the commencement of the finance lease, the Group recognises a lease receivable that equates to the net investment in the lease, which comprises the lease payments receivable discounted using the Group's incremental borrowing rate.

For further details on the Group's leases see note 30.

Exceptional items

Items that are non-operating or non-recurring in nature are presented as exceptional items in the consolidated income statement, within the relevant account heading. The Directors are of the opinion that the separate recording of exceptional items provides helpful information about the Group's underlying business performance. Events which may give rise to the classification of items as exceptional include but are not restricted to impairment charges over the Group's internally developed and acquired intangibles and costs relating to business acquisitions along with any subsequent integration & reorganisation cost.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

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.

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; $2.84m has been capitalised on new projects during 2023 (2022: $2.16m). 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.

Within Intangible Assets at the year end is $2.8m capitalised in relation to a new product that launched to the market in November 2023. A key assumption in the future economic viability of this product is the successful signing of contracts with customers in the period subsequent to the year end. Given the early stage of the product in its life cycle, there is uncertainty in the number of contracts that will be obtained and a significant variation from expectations could result in a value in use below the carrying value.

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 17, 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 $3.8m derived from US tax credits (with 20-year expiry dates ranging from 2037 to 2042). The recognition of this asset is based on the expected profitability of the US entities using the Group's 5-year Board-approved forecasts, which indicates that such credits would be utilised by the fiscal year ending 31 December 2024. According to the enacted legislation, these tax credits can be used to offset a current income tax liability greater than $25K, for up to 75% of the said liability. The key inputs are not sensitive to plausible changes in the assumptions. In addition, to the expected profitability of the US entities, the said credits were assessed under guidelines established under section 382 of the current US tax legislation, which sets out that these would be restricted if there is deemed to have been an ownership change of greater than 50% over the assessment period. This assessment concluded any ownership change was below 50% resulting in no restriction on the credits available for use. The need for an assessment under the above-mentioned section of the US legislation will be monitored closely for its future applicability.

Identification of separable intangibles on acquisition

Identification of separable intangibles on acquisition are recognised when they are controlled through contractual or other legal rights, or are separable from the rest of the business, and their fair value can be reliably measured. Customer relationships and acquired technology have been identified by management as separate intangible assets and can be reliably measured by valuation of future cash flows.

Uncertain tax positions

The Group has undertaken a review of potential tax risks and current tax assessments, refer to note 13 (pages 86 to 89) for further details of the liabilities recognised and the assumptions and judgements taken. These liabilities recognised cover the Group's position taken on Research & Development credits available within the US as well as liabilities in relation to the application of the Group's transfer pricing policies.

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:

Valuation of separable intangibles on acquisition (not subject to annual update)

When valuing the customer relationships and technology acquired in a business combination, management estimate the expected future cash flows from the asset and select a suitable discount rate in order to calculate the present value of those cash flows. Separable intangibles valued on acquisitions made in the year were $8.9m (2022: nil) in respect of customer relationships, $11.4m (2022: nil) in respect of technology as defined further in note 17.

Impairment of non-financial assets (subject to annual update)

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill is tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are given in note 17.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

6. Critical judgments and key sources of estimation uncertainty continued

Useful economic lives of capitalised development costs (subject to annual update)

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 $1,795k higher and $789k lower respectively. Management review this estimate each year to ensure it is reflective of the technologies being developed.

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 21 and 22, 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.

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 2023	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	22	**25,727**	**–**	**–**	**–**	**25,727**
Leases	30	**390**	**403**	**920**	**258**	**1,971**
Bank Loan	23	**–**	**–**	**21,250**	**–**	**21,250**
Interest on bank loan		**843**	**1,687**	**3,205**	**–**	**5,735**
Total		**26,960**	**2,090**	**25,375**	**258**	**54,683**
Company						
Financial liabilities	22	**27,218**	**–**	**–**	**–**	**27,218**
Leases	30	**77**	**79**	**97**	**–**	**253**
Bank Loan	23	**–**	**–**	**21,250**	**–**	**21,250**
Interest on bank loan		**843**	**1,687**	**3,205**	**–**	**5,735**
Total		**28,138**	**1,766**	**24,552**	**–**	**54,456**

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	22	21,693	–	–	–	21,693
Leases	30	258	259	821	–	1,338
Total		21,951	259	821	–	23,031
Company						
Financial liabilities	22	12,529	–	–	–	12,529
Leases	30	78	78	253	–	409
Total		12,607	78	253	–	12,938

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.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

7. Financial risk management continued

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 2023	Note	Fixed rate $000	Floating rate $000	Non-interest bearing $000	Total assets $000	Total liabilities $000
Group						
Financial assets – trade and other receivables	21	–	–	25,471	25,471	–
Cash		15,030	–	36,784	51,814	–
Bank Loan		–	(21,250)	–	–	(21,250)
Total		15,030	(21,250)	62,255	77,285	(21,250)
Company						
Financial assets – trade and other receivables	21	–	–	8,114	8,114	–
Cash		212	–	9,466	9,678	–
Bank Loan		–	(21,250)	–	–	(21,250)
Total		212	(21,250)	17,580	17,792	(21,250)

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	21	–	–	24,711	24,711	–
Cash		56	–	64,607	64,663	–
Total		56	–	89,318	89,374	–
Company						
Financial assets – trade and other receivables	21	–	–	7,268	7,268	–
Cash		56	–	15,556	15,612	–
Total		56	–	22,824	22,880	–

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	2023 $000	2022 $000	2023 $000	2022 $000
Financial assets – trade and other receivables	21	25,814	25,289	9,017	7,868
Contract assets	9	4,129	4,008	552	674
Cash	29	51,814	64,663	9,678	15,612
Estimated irrecoverable amounts	21	(343)	(578)	(903)	(600)
		81,414	93,382	18,344	23,554

The maximum exposure is the carrying amount as disclosed in trade and other receivables. The average credit period taken by customers is 49 days (2022: 53 days). The allowance for estimated irrecoverable amounts has been measured according to the lifetime expected credit losses for trade receivables and with 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 2023 and 31 December 2022, 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	
	Note	2023 $000	2022 $000	2023 $000	2022 $000
Up to 3 months		4,707	6,032	856	2,749
3 to 6 months		1,208	773	15	429
		5,915	6,805	871	3,178

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

7. Financial risk management continued

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 23 and further details of the ordinary share capital, share premium and own shares held in trust are included in note 24. 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 the 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.

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 $1,360k for Group and loss of $822k for Company. If the currency markets were 5% weaker, this would result in settlement of these balances at a gain of $1,295k for Group and gain of $783k 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.
- *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.
- *accesso Paradox* cutting-edge software solution specifically tailored to the unique needs of the industry. The flexible, hosted solution empowers ski areas to take full control of their operations across ticketing and passes, snow school, retail, equipment rental, food & beverage, administration, and online sales in one, unified platform.
- *accesso Horizon* highly functional and best-in-class ticketing and visitor management solution leveraging an innovative portfolio model approach to guest management.

The Group's Guest Experience reportable 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.
- *Mobile Applications* experience management platforms which delivers personalised real-time immersive customer experiences at the right time, elevating the guest's experience and loyalty to the brand.
- *accesso Freedom:* recently launched 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 virtual queuing solution (*accesso LoQueue*), experience management platforms (*Mobile Platforms*), and food and beverage retail system (*accesso Freedom*) are headed by segment managers who discuss the operating activities, financial results, forecasts and plans of their respective segments with the CODM. These three 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.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

8. Business and geographical segments continued

Segmental analysis continued

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 reportable 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.

	2023 $000	2022 $000
Ticketing and Distribution	**104,024**	95,256
Guest Experience	**45,491**	44,474
Total revenue	**149,515**	139,730

Year ended 31 December 2023	Ticketing and Distribution $000	Guest Experience $000	Central unallocated costs $000	Group $000
Revenue	**104,024**	**45,491**	**–**	**149,515**
Cost of sales	**(20,768)**	**(14,324)**	**(176)**	**(35,268)**
Central unallocated administrative expenses	**–**	**–**	**(90,621)**	**(90,621)**
Cash EBITDA[1]	**83,256**	**31,167**	**(90,797)**	**23,626**
Capitalised development spend				**2,839**
Depreciation and amortisation (excluding acquired intangibles)				**(7,832)**
Amortisation related to acquired intangibles				**(2,816)**
Impairment of intangible assets				**(6)**
Share-based payments				**(3,187)**
Exceptional costs relating to acquisitions				**(2,690)**
Finance income				**953**
Finance expense				**(2,084)**
Profit before tax				**8,808**

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

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.

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

Notes to the consolidated financial statements continued
for the financial year ended 31 December 2023

8. Business and geographical segments continued

Segmental analysis continued
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	
	2023 $000	2022 $000	**2023 $000**	2022 $000
UK	**25,644**	27,077	**24,830**	22,833
Italy*	**713**	500	**39,675**	–
Germany*	**2,848**	2,327	**7**	7
France*	**1,359**	755	**–**	–
Spain*	**1,386**	279	**–**	–
Netherlands*	**1,012**	1,406	**–**	–
Ireland*	**382**	251	**2,131**	–
Other Europe*	**749**	796	**–**	–
Australia*	**5,788**	5,705	**9**	–
Japan*	**1,754**	277	**–**	–
Singapore*	**402**	23	**2,545**	–
Other Asia/South Pacific*	**1,252**	771	**8**	44
USA	**95,724**	92,561	**86,063**	90,050
Canada	**4,536**	3,518	**10,863**	–
Mexico	**3,761**	2,865	**47**	30
Other Central and South America	**903**	619	**12**	39
United Arab Emirates*	**1,109**	–	**1,953**	–
Africa	**193**	–	**–**	–
	149,515	139,730	**168,143**	113,003

* This disclosure has been enhanced to present disaggregated revenue and non-current assets for Italy, Germany, France, Spain, the Netherlands, Ireland, Australia, United Arab Emirates, Japan and Singapore in 2022. Italy, Germany, France, Spain, the Netherlands and Ireland were previously disclosed aggregated with Other Europe. Australia, Japan, and Singapore were previously disclosed aggregated with Australia/South Pacific/Asia.

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 $8.5m (2022: $7.0m) of Ticketing and Distribution revenue and for $14.3m (2022: $17.1m) of Guest Experience revenue. The second park and attractions operator accounted for $15.2m (2022: $13.9m) of Ticketing and Distribution revenue and for $7.4m (2022: $5.5m) of Guest Experience revenue.

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.

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 2023			Year ended 31 December 2022		
	Ticketing and Distribution $000	**Guest Experience $000**	**Group $000**	Ticketing and Distribution $000	Guest Experience $000	Group $000
Primary geographic markets						
UK	**22,358**	**3,286**	**25,644**	24,636	2,441	27,077
Italy*	**713**	**–**	**713**	500	–	500
Germany*	**1,006**	**1,842**	**2,848**	1,113	1,214	2,327
France*	**26**	**1,333**	**1,359**	20	735	755
Spain*	**80**	**1,306**	**1,386**	96	183	279
Netherlands*	**154**	**858**	**1,012**	676	730	1,406
Ireland*	**314**	**68**	**382**	251	–	251
Other Europe	**380**	**369**	**749**	425	371	796
Australia*	**4,174**	**1,614**	**5,788**	3,788	1,917	5,705
Japan*	**1,754**	**–**	**1,754**	277	–	277
Singapore*	**402**	**–**	**402**	23	–	23
Other Asia/South Pacific*	**1,012**	**240**	**1,252**	713	58	771
USA	**61,626**	**34,098**	**95,724**	56,285	36,276	92,561
Canada	**4,270**	**266**	**4,536**	3,216	302	3,518
Mexico	**3,550**	**211**	**3,761**	2,618	247	2,865
Other Central and South America	**903**	**–**	**903**	619	–	619
United Arab Emirates	**1,109**	**–**	**1,109**	–	–	–
Africa	**193**	**–**	**193**	–	–	–

Notes to the consolidated financial statements continued
for the financial year ended 31 December 2023

9. Revenue continued
Disaggregated revenue continued

	Year ended 31 December 2023			Year ended 31 December 2022		
	Ticketing and Distribution $000	Guest Experience $000	Group $000	Ticketing and Distribution $000	Guest Experience $000	Group $000
	104,024	**45,491**	**149,515**	95,256	44,474	139,730
Product type						
Licence fees	**4,386**	**–**	**4,386**	2,749	–	2,749
Support and maintenance	**8,809**	**529**	**9,338**	7,122	–	7,122
Platform fees	**–**	**3,352**	**3,352**	–	3,007	3,007
Virtual queuing	**–**	**29,098**	**29,098**	–	28,179	28,179
Ticketing and eCommerce	**82,753**	**23**	**82,776**	77,795	12	77,807
Professional services	**4,006**	**11,530**	**15,536**	3,070	12,918	15,988
Hardware	**769**	**764**	**1,533**	1,384	50	1,434
Other	**3,301**	**195**	**3,496**	3,136	308	3,444
	104,024	**45,491**	**149,515**	95,256	44,474	139,730
Timing of transfer of goods and services						
Point in time licence fees	**3,834**	**–**	**3,834**	2,749	–	2,749
Over time licence fees	**552**	**–**	**552**	–	–	–
Point in time virtual queuing/ticketing/hardware/other	**86,823**	**33,409**	**120,232**	82,315	28,549	110,864
Over time licence fees, maintenance, support, platform fees and professional services	**12,815**	**12,082**	**24,897**	10,192	15,925	26,117
	104,024	**45,491**	**149,515**	95,256	44,474	139,730
Revenue included within point in time licence fees above related to the exercise or lapse of renewal rights	**1,811**	**–**	**1,811**	2,144	–	2,144

* This disclosure has been enhanced to present disaggregated revenue and non-current assets for Italy, Germany, France, Spain, the Netherlands, Ireland, Australia, United Arab Emirates, Japan and Singapore in 2022. Italy, Germany, France, Spain, the Netherlands and Ireland were previously disclosed aggregated with Other Europe. Australia, Japan, and Singapore were previously disclosed aggregated with Australia/South Pacific/Asia.

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 2022	314	3,694	4,008	57	617	674
At 31 December 2023	**784**	**3,345**	**4,129**	**28**	**524**	**552**

Breakdown of contract assets at 31 December 2023	Group $000	Company $000
Accrued income	**3,675**	**484**
Contract commissions	**454**	**68**
	4,129	**552**

Breakdown of contract assets at 31 December 2022	Group $000	Company $000
Accrued income	3,463	594
Contract commissions	545	80
	4,008	674

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.

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 2022	616	4,920	5,536	5	203	208
At 31 December 2023	**927**	**7,353**	**8,280**	**2**	**171**	**173**

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

9. Revenue continued

Contract balances continued

Transfers of contract liabilities to revenue during the period were equal to the prior year current liabilities.

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. A portion of contract liabilities relates to upfront milestone billings where the performance obligation has not yet been satisfied. 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 2023 or 2022 from performance obligations satisfied (or partially satisfied) in previous periods.

Remaining performance obligations

No information is provided about remaining performance obligations at 31 December 2023 or 2022 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 2023		31 December 2022	
	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	**652**	**895**	482	591

10. Employees and Directors

	2023 $000	2022 $000
Group		
Wages and salaries	**67,926**	58,952
Professional services wages and salaries included with cost of goods sold	**(5,450)**	(5,594)
Capitalised development costs	**(2,839)**	(2,155)
Wages and salaries included within administrative expenses	**59,637**	51,203
Social security costs	**4,947**	4,102
Defined contribution pension costs	**2,052**	1,662
Share-based payment transactions	**3,187**	2,629
	69,823	59,596
Company		
Wages and salaries	**9,522**	6,392
Capitalised development costs	**(2,151)**	(1,006)
Wages and salaries included within administrative expenses	**7,371**	5,386
Social security costs	**913**	728
Defined contribution pension costs	**443**	317
Share-based payment transactions	**145**	86
	8,872	6,517

Headcount

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

	2023	2022
Group		
Operations	**212**	185
Research & development	**343**	297
Sales & marketing	**68**	41
Finance & administration	**47**	45
Seasonal staff	**252**	397
	922	965
Company		
Operations	**24**	21
Research & development	**54**	40
Sales & marketing	**6**	4
Finance & administration	**8**	9
	92	74

Notes to the consolidated financial statements continued
for the financial year ended 31 December 2023

10. Employees and Directors continued

Key management compensation
The key management of the Company in 2023 and 2022 are considered to be the Executive Directors, Non-Executive Directors and the Chief Executive's direct reports, being the Senior Vice Presidents of Engineering, Strategy and HR, the Vice President of POS Solutions, the President of Operations and the Chief Commercial Officer. During 2023, three additional staff were considered to be key management following acquisition activity and role changes being; President *accesso Horizon* and the Senior Vice Presidents of Delivery and Product.
The key management remuneration is as follows:

	2023 $000	2022 $000
Salary	**3,008**	2,206
Fees	**337**	374
Bonus	**1,417**	1,944
Short term non-monetary benefits	**133**	115
Contribution to retirement scheme	**80**	69
Employer's social security costs	**107**	74
Share-based payments	**1,849**	1,855
	6,931	6,637

Directors' remuneration
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 as follows:

	2023 $000	2022 $000
Salary	**785**	803
Fees	**337**	374
Bonus	**1,125**	1,419
Other benefits	**31**	31
Total remuneration within the statement of comprehensive income*	**2,278**	2,627
Retirement contributions	**13**	12
Gains on exercise of share awards	**5,473**	41

* This figure excludes IFRS 2 share-based payment charge also recorded in the statement of comprehensive income during the year in respect of the Directors' share awards of $0.87m (2022: $1.12m).

The total emoluments received by the highest paid Director was $6.63m (2022: $1.30m), which includes $5.47m in relation to the gain following the exercise of share awards (2022: nil).

Retirement contributions were received by 1 director (2022: 1).

11. Expenses by nature

	2023 $000	2022 $000
Park operating costs	**7,048**	9,341
Server costs (cost of goods sold)	**2,511**	1,933
Server costs (admin expenses)	**1,304**	961
Hardware equipment (cost of goods sold)	**751**	1,718
Commissions costs paid to distributors	**12,620**	11,109
Direct to consumer marketing spend (costs of goods sold)	**1,095**	1,700
Contract labour	**1,947**	3,556
Other employee related costs	**6,892**	4,463
Acquisition and integration related costs	**2,690**	137
Depreciation – owned assets	**975**	1,227
Depreciation – right of use assets	**467**	773
Amortisation of intangible assets	**9,201**	10,411
Impairment of intangible assets	**6**	32
Foreign exchange (gain)/loss	**205**	(272)

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.

Acquisition and integration related costs includes all external costs relating to the acquisitions that would not have otherwise been incurred; these are largely advisory & diligence fees as well as staff travel. This also includes any professional service related integration costs arising for a period of six months post-acquisition date, again relating to costs that would not otherwise have been incurred.

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

	2023 $000	2022 $000
Research and development gross spend*	**48,518**	43,174
Research and development capitalised to balance sheet (note 16)	**(2,839)**	(2,155)
Research and development recognised in operating profit	**45,679**	41,019

* 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.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

11. Expenses by nature continued

Auditor's remuneration

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

	2023 $000	2022 $000
Fees payable to the Company's auditors of the parent Company and consolidated accounts	**993**	699
Fees payable to the Company's auditors for the audit of subsidiaries	**–**	38
Audit services	**993**	737

For the year ended 31 December 2023, *accesso* Technology Group plc has provided a guarantee in respect of all liabilities due by its subsidiaries Ingresso Group Limited and Lo-Q Limited. As a result, these entities are exempt from audit.

12. Finance income and expense

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

	2023 $000	2022 $000
Finance income:		
Bank interest received	**934**	232
Interest on tax receivable	**15**	–
Finance lease receivables	**4**	–
Total finance income	**953**	232
Finance costs:		
Bank interest	**(1,467)**	(308)
Amortisation of capitalised refinance costs	**(464)**	(253)
Lease (note 30)	**(101)**	(190)
Interest on sales tax accrual	**(52)**	185
Total finance costs	**(2,084)**	(566)
Net finance expense	**(1,131)**	(334)

13. Tax

The table below provides an analysis of the tax charge for the periods ended 31 December 2023 and 31 December 2022:

	2023 $000	2022 $000
UK corporation tax		
Current tax on income for the period	**946**	750
Adjustment in respect of prior periods	**(364)**	(40)
	582	710
Overseas tax		
Current tax on income for the period	**2,115**	690
Adjustment in respect of prior periods	**933**	453
	3,048	1,143
Total current taxation	**3,630**	1,853
Deferred taxation		
Original and reversal of temporary difference – for the current period	**(1,094)**	1,641
Impact on deferred tax rate changes	**170**	(967)
Original and reversal of temporary difference – for the prior period	**(1,590)**	(166)
	(2,514)	508
Total taxation charge/(benefit)	**1,116**	2,361

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

13. Tax continued

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:

	2023 $000	2022 $000
Profit/(loss) on ordinary activities before tax	**8,808**	12,417
Tax at United States tax rate of 27.67% (2022: 26.87%)	**2,437**	3,336
Effects of:		
Expenses not deductible for tax purposes	**(61)**	30
Profit subject to foreign taxes at a lower marginal rate	**714**	(195)
Adjustment in respect of prior period – income statement	**(1,021)**	247
Research and Development credit estimation adjustment	**(697)**	–
Research and Development credits utilised	**(351)**	(141)
Share options	**(177)**	195
Impact of rate changes	**170**	(967)
Other	**102**	(144)
Total taxation charge	**1,116**	2,361

Deferred taxation

	Asset $000	Liability $000
Group		
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)
Credited to income	**2,573**	**(59)**
Credited directly to equity	**(1,274)**	**–**
Foreign currency translation	**40**	**(22)**
Acquired through business combination	**85**	**(5,446)**
At 31 December 2023	**16,703**	**(8,821)**
Company		
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)
Charged to income	**19**	**(31)**
Credited directly to equity	**(17)**	**–**
Foreign currency translation	**5**	**(13)**
Netted against the asset	**(7)**	**7**
At 31 December 2023	**–**	**(200)**

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

13. Tax continued

Deferred taxation continued

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

	2023 $000	2022 Restated* $000
Group		
Recognised asset		
Tax relief on unexercised employee share options	**1,930**	3,034
Short-term timing differences	**2,829**	6,903*
Net operating losses & tax credits	**4,552**	5,342*
Capitalised R&D Expenditure	**7,392**	–
Deferred tax asset	**16,703**	15,279
Recognised liability		
Capital allowances in excess of depreciation	**(703)**	(204)
Short-term timing differences	**(745)**	(1,025)
Business combinations	**(7,373)**	(2,065)
Deferred tax liability	**(8,821)**	(3,294)
Company		
Recognised asset		
Tax relief on unexercised employee share options	**60**	57
Short-term timing differences	**32**	28
Offset against Company deferred tax asset	**(92)**	(85)
Deferred tax asset	**–**	–
Recognised liability		
Capital allowances in excess of depreciation	**(292)**	(248)
Offset against Company deferred tax asset	**92**	85
Deferred tax liability	**(200)**	(163)

* Restatement of prior year deferred tax asset.

The deferred tax asset balances recognised in respect of the US, for the year ended 31 December 2022, were calculated considering that the revised version of Section 174 of the US Internal Revenue Code, would be repealed. This legislation was not repealed as expected and remained in force, resulting in a restatement of the 31 December 2022 deferred tax asset balances, to reflect the reclassification of some of the amounts recognised. The total deferred tax asset of $15.3m remains the same, however short-term timing differences have been restated to $6.9m, previously $2.7m, and net operating losses & tax credits have been restated to $5.3m, previously $9.6m.

The tax rate in the US rate remained at 21%, before state taxes. Deferred tax assets and liabilities were measured at a rate 21% (2022: 21%) plus state taxes in the US.

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

Notes to the consolidated financial statements continued
for the financial year ended 31 December 2023

13. Tax continued
Taxation and transfer pricing continued
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 $1.3m (2022: $0.9m) in relation to availability of international R&D claims. A further provision of $5.1m (2022: $0.0m) has been recognised, in connection with tax liabilities inherited in the entities acquired during the year ended 31 December 2023. This provision has been calculated in accordance with the Group's transfer pricing policies.

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 continue to be performed 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 2023 was $6.52m (2022: $1.01m).

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.

	2023 $000	2022 $000
Profit attributable to ordinary shareholders ($000)	**7,692**	10,056
Basic EPS		
Denominator		
Weighted average number of shares used in basic EPS (000s)	**40,075**	41,196
Basic earnings per share (cents)	**19.19**	24.41
Diluted EPS		
Denominator		
Weighted average number of shares used in basic EPS (000s)	**40,075**	41,196
Effect of dilutive securities		
Options (000s)	**1,034**	1,692
Contingent share consideration on business combinations (000s)	**88**	–
Weighted average number of shares used in diluted EPS (000s)	**41,197**	42,888
Diluted earnings per share (cents)	**18.67**	23.45

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15. Earnings per share continued

	2023 $000	2022 $000
Adjusted EPS		
Profit attributable to ordinary shareholders ($000)	**7,692**	10,056
Adjustments for the period related to:		
Amortisation relating to acquired intangibles from acquisitions	**2,811**	1,667
Impairment of intangible assets	**6**	32
Acquisition expenses	**2,690**	–
Share-based compensation and social security costs on unapproved options	**3,187**	2,629
	16,386	14,384
Net tax related to the above adjustments (2023: 16.7%, 2022: 9.7%):	**(1,365)**	418
Adjusted profit attributable to ordinary shareholders ($000)	**15,021**	14,802
Adjusted basic EPS		
Denominator		
Weighted average number of shares used in basic EPS (000s)	**40,075**	41,196
Adjusted basic earnings per share (cents)	**37.48**	35.93
Adjusted diluted EPS		
Denominator		
Weighted average number of shares used in diluted EPS (000s)	**41,197**	42,888
Adjusted diluted earnings per share (cents)	**36.46**	34.51

1,040,511 LTIP awards were excluded in the calculation of diluted EPS as at 31 December 2023 (2022: nil) as a result of exercise conditions contingent of the satisfaction of certain criteria that had not been met.

16. Business combinations

During the year, the Group completed 3 acquisitions to create shareholder value by adding depth and breadth to the Group's software solutions and available resources.

Goodwill acquired in the business combinations represent a payment made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised. Goodwill is not deductible for tax purposes. Acquisition balance sheets are deemed provisional when the post-acquisition integration period, typically up to 12 months post-acquisition, has yet to complete.

During the year, the Group made the following acquisitions which individually represent 5% or more of the total Enterprise Value of all acquisitions made during the year.

Acquisition of VGS companies (now *accesso Horizon*)

On 20 June 2023, the Group entered into a share purchase agreement to acquire 100% of the share capital of four VGS entities (VGS S.r.l., VGS ME DMCC, VGS Asia PTE Ltd. and VGS Holding, Inc.), and an underlying subsidiary, for a total consideration of $53.6m, paid in cash.

The principal reason for this acquisition was to expand the Group's product proposition, significantly increase international presence, enhance revenue diversity, and provide extensive new opportunities for global growth. It also provides a fundamental building block for the Group's mid-to-long-term product roadmap.

Acquisition and integration-related costs of $1.77m were incurred in relation to this acquisition and are included within administrative expenses.

Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised.

Included in the consolidated statement of income is $4.9m of revenue generated by VGS and $2.5m profit before tax. If the acquisition had been completed on the first day of the financial year, VGS would have generated $7.6m revenue and $3.7m profit before tax.

	Fair value $000
Identifiable intangible assets – acquired technology	**5,111**
Identifiable intangible assets – customer relationships	**8,353**
Property, plant and equipment	**1,272**
Cash	**14,275**
Receivables and other debtors	**4,243**
Payables and other liabilities	**(8,615)**
Deferred tax liabilities	**(3,618)**
Total net assets acquired	**21,021**
Goodwill on acquisition	**32,577**
Consideration	**53,598**
Satisfied by:	
Cash to vendors	**53,598**

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

16. Business combinations continued

Acquisition of Paradocs Solutions, Inc. (now *accesso Paradox*)

On 21 April 2023, the Group acquired 100% of the share capital of Paradocs Solutions, Inc ("Paradocs") for a total consideration of $10.01m, of which $9.0m was paid in cash with a further $1.01m in contingently issuable shares.

The principal reason for this acquisition was to deepen the Group's presence in the important ski market by acquiring a cutting-edge software solution specifically tailored to the unique needs of the industry. The flexible, hosted solution empowers ski areas to take full control of their operations across ticketing and passes, snow school, retail, equipment rental, food & beverage, administration, and online sales in one, unified platform.

Acquisition and integration related costs of $0.5m were incurred in relation to this acquisition and are included within administrative expenses.

Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised.

Included in the consolidated statement of income is $1.5m of revenue generated by Paradocs and $1.0m loss before tax. If the acquisition had been completed on the first day of the financial year, Paradocs would have generated $1.9m revenue and $1.1m loss before tax.

	Fair value $000
Identifiable intangible assets – customer relationships	**550**
Identifiable intangible assets – acquired technology	**5,790**
Property, plant and equipment	**156**
Cash	**155**
Receivables and other debtors	**848**
Payables and other liabilities	**(918)**
Deferred tax liabilities	**(1,704)**
Total net assets acquired	**4,877**
Goodwill on acquisition	**5,130**
Consideration	**10,007**
Satisfied by:	
Cash to vendors	**9,000**
Contingent share consideration to vendors	**1,007**

* Contingent share consideration is payable in instalments over a two year period subject to the sellers fulfilling their performance obligations over the contingent period. The initial fair value of $1.01m reflects the share price at the time of the acquisition. Subsequent changes to fair value of contingent consideration are based on the movement of the Group's share price at the reporting date. At the year end, the fair value of the contingent consideration was $0.65m following the first instalment settlement for $0.2m and subsequent remeasurement of the remaining liability at the reporting date.

Acquisition of Boxer Consulting Limited

On 4 May 2023, the Group acquired 100% of the share capital of Boxer Consulting Limited ("DigiSoft") for a total consideration of €1.82m ($2.0m). A total of €1.62m ($1.79m) was paid in cash with a further €0.2m held as deferred consideration to be paid two years post-completion.

The principal reason for this acquisition was to enable the Group to gain efficiency, flexibility, and reduce costs by bringing an existing supplier of mobile development services in-house.

Acquisition and integration related costs of $0.33m were incurred in relation to this acquisition and are included within administrative expenses.

Deferred tax has been provided on the value of the intangible assets at the tax rate applicable at the time the asset is expected to be realised.

No disclosure has been made of the revenue and profit before tax as if the acquisition has been completed on the first day of the financial year or for the amounts generated by the acquiree following the acquisition. This is due to the information being impracticable because the acquired entity, DigiSoft, held no profit or loss activity prior to the acquisition. Digisoft, formerly a supplier to the Group, incurred costs of $1.3m with external revenues of $0.3m in the post-acquisition period.

	Fair value $000
Identifiable intangible assets – acquired technology	**462**
Property, plant and equipment	**4**
Receivables and other debtors	**25**
Payables and other liabilities	**(85)**
Deferred tax liabilities	**(124)**
Total net assets acquired	**282**
Goodwill on acquisition	**1,731**
Consideration	**2,013**
Satisfied by:	
Cash to vendors	**1,792**
Deferred cash consideration to vendors	**221**

Notes to the consolidated financial statements continued

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16. Business combinations continued

The net cash outflow in the current year in respect of acquisitions comprised:

	$000
VGS	
Cash paid	53,598
Net cash acquired	(14,275)
	39,323
Paradocs	
Cash paid	9,000
Net cash acquired	(155)
	8,845
DigiSoft	
Cash paid	1,792
Net cash acquired	–
	1,792
Total net cash outflow in respect of acquisitions in the current period	**49,960**

The cash outflow for the Company comprised VGS and DigiSoft but excluded the purchase of VGS Holding, Inc which was purchased by a subsidiary within the Group. The gross cash outflow for the Company, excluding acquired cash, was $43.3m for VGS companies and $1.8m for DigiSoft.

17. 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 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**
Foreign currency translation	**1,123**	**8**	**–**	**86**	**67**	**627**	**1,911**
Additions	**–**	**–**	**14**	**–**	**–**	**2,839**	**2,853**
Acquisition through business combination	**39,438**	**8,903**	**–**	**11,363**	**1**	**–**	**59,705**
Disposals	**–**	**–**	**–**	**–**	**–**	**(497)**	**(497)**
At 31 December 2023	**155,701**	**22,488**	**483**	**35,875**	**1,174**	**61,286**	**277,007**
Amortisation/Impairment							
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
Reversal of impairment	–	–	–	–	–	32	32
Disposal	–	–	–	–	(683)	(58)	(741)
At 31 December 2022	**17,403**	**11,185**	**467**	**24,426**	**136**	**48,998**	**102,615**
Foreign currency translation	**–**	**1**	**–**	**13**	**23**	**457**	**494**
Charged	**–**	**1,369**	**2**	**1,442**	**399**	**5,989**	**9,201**
Impairment	**–**	**–**	**–**	**–**	**–**	**6**	**6**
Disposal	**–**	**–**	**–**	**–**	**–**	**(497)**	**(497)**
At 31 December 2023	**17,403**	**12,555**	**469**	**25,881**	**558**	**54,953**	**111,819**
Net book value							
At 31 December 2023	**138,298**	**9,933**	**14**	**9,994**	**616**	**6,333**	**165,188**
At 31 December 2022	97,737	2,392	2	–	970	9,319	110,420

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

17. Intangible assets continued

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 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**
Foreign currency translation	**5**	**606**	**611**
Additions	**–**	**2,151**	**2,151**
Disposals	**–**	**(384)**	**(384)**
At 31 December 2023	**95**	**12,457**	**12,552**
Amortisation			
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**
Foreign currency translation	**4**	**440**	**444**
Charged	**10**	**907**	**917**
Impairment	**–**	**6**	**6**
Disposals	**–**	**(384)**	**(384)**
At 31 December 2023	**76**	**8,653**	**8,729**
Net book value			
At 31 December 2023	**19**	**3,804**	**3,823**
At 31 December 2022	28	2,400	2,428

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.

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:

	2023 $000	2022 $000
Ticketing and Distribution (CGU 1, 2, 3, 7 and 8) *	**108,067**	69,235
accesso LoQueue (CGU 5) **	**28,500**	28,500
Professional services (CGU 9) ***	**1,731**	–
	138,298	97,735

The key assumptions used in the value in use calculations are as follows:

	2023	2022
Pre-tax discount rate (%)		
Ticketing and Distribution (CGU 1, 2, 3, 7 & 8)*	**17.0%**	16.6%
*accesso LoQueue*** (CGU 5)	**17.3%**	16.8%
Professional services*** (CGU 9)	**17.2%**	–
Average annual EBITDA growth rate during forecast period (average %)		
Ticketing and Distribution (CGU 1, 2, 3, 7 & 8)*	**27.8%**	19.7%
*accesso LoQueue*** (CGU 5)	**3.5%**	15.1%
Professional services*** (CGU 9)	**1.0%**	–
Terminal growth rate (%)		
Ticketing and Distribution (CGU 1, 2, 3, 7 & 8)*	**2.0%**	2.0%
*accesso LoQueue*** (CGU 5)	**2.0%**	2.0%
Professional services*** (CGU 9)	**2.0%**	–
Period on which detailed forecasts based (years)		
Ticketing and Distribution (CGU 1, 2, 3, 7 & 8)*	**5**	5
*accesso LoQueue*** (CGU 5)	**5**	5
Professional services*** (CGU 9)	**5**	–

* Comprises the products *accesso Passport & Siriusware* (CGU1); *accesso ShoWare* (CGU2); *Ingresso* (CGU3); *accesso Paradox* (CGU7) and *accesso Horizon* (CGU8) within all trading entities as disclosed in note 19.

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

*** Comprises professional services trading within *accesso* Ireland Limited and Blazer and Flip Flops Inc. The assets consisting of Professional services are comprised of the assets derived from the acquisition of *accesso* Ireland Limited (formally Boxer Consulting Limited) and certain assets previously disclosed within The Experience Engine. The Experience Engine CGU was revised during the year ended 31 December 2023 to reflect the structural changes within the Group. There was no goodwill or indefinite intangible assets within the CGU formally known as The Experience Engine in either the current or prior year.

Notes to the consolidated financial statements continued

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17. Intangible assets continued

Impairment testing of goodwill continued

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.

Sensitivity analysis

A considerable amount of judgement is applied in setting discount rates, forecasts and terminal values. 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 2023.

	Ticketing and Distribution*		*accesso LoQueue***	
	2023	2022	**2023**	2022
Pre-tax discount rate	**Increase by 10.8%**	Increase by 11.7%	**Increase by 13.2%**	Increase by 14.7%
EBITDA growth rate during detailed forecast period (average)	**Reduce by 39.2%**	Reduce by 45.0%	**Reduce by 40.1%**	Reduce by 48.4%
Terminal growth rate	**Reduce by 28.3% to a terminal rate of -26.3%**	Reduce by 27.6% to a terminal rate of -25.6%	**Reduce by 19.9% to terminal rate of -17.9%**	Reduce by 52.0% to terminal rate of -50.0%
Excess over carrying value ($000)	**$92,259**	$79,790	**$27,684**	$44,791

* Comprises the products *accesso Passport & Siriusware* (CGU1); *accesso ShoWare* (CGU2); *Ingresso* (CGU3); *accesso Paradox* (CGU7) and *accesso Horizon* (CGU8) within all trading entities as disclosed in note 19.

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

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.

There is no reasonably possible change in the key assumptions that would reduce the recoverable amount of professional services (CGU 9) to equal the carrying value as the recoverable amount is achieved within the forecast 5-year period.

Environmental risk in cash flows

It is expected that air travel will be reduced in the longer term in response to climate change agendas and 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.

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

	2023				2022			
	***accesso LoQueue* $000**	**Professional services $000**	**Ticketing and Distribution $000**	**Total $000**	*accesso LoQueue* $000	Professional services $000	Ticketing and Distribution $000	Total $000
Intangible assets	**–**	**–**	**–**	**–**	–	–	–	–
Impairment of specific development projects*	**6**	**–**	**–**	**6**	32	–	–	32
Impairment charge recorded within administrative expense	**6**	**–**	**–**	**6**	32	–	–	32

A review of all project development costs capitalised was performed at year end with $0.06m impairment charges recorded.

No intangible asset impairment reversals were recorded within the Group during the current or prior year.

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)	**2023 $000**	2022 $000
accesso, LLC & Siriusware, Inc. (CGU 1 and 6)	**464**	518
ShoWare (CGU 2)	**–**	70
accesso Technology Group plc (CGUs 5 and 6)	**974**	1,289

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18. 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 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**
Foreign currency translation	**10**	**40**	**33**	**–**	**83**
Additions	**22**	**411**	**205**	**–**	**638**
Acquisition through business combination	**–**	**113**	**83**	**41**	**237**
Disposals	**(97)**	**(672)**	**(418)**	**(247)**	**(1,434)**
At 31 December 2023	**1,738**	**2,900**	**1,039**	**71**	**5,748**
Depreciation					
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**
Foreign currency translation	**9**	**73**	**29**	**–**	**111**
Charged	**180**	**620**	**122**	**53**	**975**
Disposals	**(87)**	**(648)**	**(383)**	**(187)**	**(1,305)**
At 31 December 2023	**1,575**	**2,088**	**705**	**34**	**4,402**
Net book value					
At 31 December 2023	**163**	**812**	**334**	**37**	**1,346**
At 31 December 2022	330	965	199	109	1,603

Refer to note 23 for details of security over the Group's property, plant and equipment by banking providers.

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 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**
Foreign currency translation	**9**	**53**	**34**	**96**
Additions	**–**	**102**	**–**	**102**
Disposals	**–**	**(27)**	**(1)**	**(28)**
At 31 December 2023	**178**	**1,050**	**652**	**1,880**
Depreciation				
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**
Foreign currency translation	**7**	**46**	**30**	**83**
Charged	**19**	**93**	**35**	**147**
Disposals	**–**	**(23)**	**(1)**	**(24)**
At 31 December 2023	**162**	**897**	**588**	**1,647**
Net book value				
At 31 December 2023	**16**	**153**	**64**	**233**
At 31 December 2022	33	141	95	269

Refer to note 23 for details of security over the Group's property, plant and equipment by banking providers.

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19. Investments

Investment in subsidiaries

The investment balance on the Company's books at 31 December 2023 is as detailed below:

	$000 Net book value
Cost	
At 31 December 2022	**167,652**
Capital contribution to subsidiaries[1]	**3,042**
Purchase of subsidiaries	**55,277**
Return of capital from subsidiaries[2]	**(13,397)**
Foreign currency translation	**9,172**
At 31 December 2023	**221,746**

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**

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

2 Dividends are recognised in the profit or loss of the Company, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount as a return of capital.

Name		Country of incorporation	Principal activity
Lo-Q, Inc[1]	15	United States of America	Software services
Lo-Q Service Canada Inc.[1]	15	Canada	Software services
Lo-Q (Trustees) Limited[2]	15	United Kingdom	Dormant company
accesso, LLC.[1]	16	United States of America	Software services
Siriusware, Inc.[1]	16	United States of America	Software services
Lo-Q Limited[2]	15	United Kingdom	IP holder
VisionOne Worldwide Ltd.[3]	15	British Virgin Islands	Holding company
VisionOne, Inc.[1]	15	United States of America	Software services
VisionOne S.A. de C.V.[4]	16	Mexico	Software services
ShoWare Brasil Ltda[5]	17	Brazil	Software services
accesso Australia PTY Limited[6]	15	Australia	Software services
Blazer and Flip Flops Inc.[1]	16	United States of America	Software services
Ingresso Group Limited[2]	15	United Kingdom	Software services
accesso Netherlands BV[7]	16	Netherlands	Software services
accesso (Shanghai) Co., Ltd.[8]	15	China	Dormant company
Ingresso US, Inc.[9]	16	United States of America	Dormant company
Ingresso USA, Inc.[1]	16	United States of America	Dormant company
accesso Solutions, LLC[1]	16	United States of America	Dormant company
accesso Paradox, Inc. (formerly Paradocs Solutions, Inc.)[10]	16	Canada	Software services
accesso Ireland Holdings Limited[11]	15	Ireland	Holding company
accesso Ireland Limited[11]	16	Ireland	Software services
VGS USA Holding, Inc.[1]	16	United States of America	Holding company
accesso Inc.[1] (formerly Vanguard Generation Solutions Inc.)	16	United States of America	Software services
accesso Singapore Ltd.[12] (formerly VGS Asia PTE Ltd)	15	Singapore	Software services
accesso Italy s.r.l (formerly VGS s.r.l)[13]	15	Italy	Software services
VGS ME DMCC[14]	15	United Arab Emirates	Software services

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 Wickhams Cay II Road Town Tortola, British Virgin Islands, Zip Code VG1110.
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. Registered address of 660 Avenue Royale, Quebec, QC, Canada, G1E 1Y7.
11. Registered address of 1st Floor, The Liffey Trust Centre, 117-126 Sheriff Street Upper, Dublin.
12. Registered address of 7500A Beach Rd, #13-301 VGS Asia Pte Ltd, Singapore 199591.
13. Registered address if Via Tonale, 26 Milano Lombardia, 20125.
14. Registered address of Unit 1203, SABA 1 – Cluster E – Jumeirah Lake Towers – Dubai – United Arab Emirates.
15. 100% wholly owned subsidiary directly by *accesso* Technology Group plc.
16. 100% owned through wholly owned subsidiary of *accesso* Technology Group plc.
17. 99.99% owned through a wholly owned subsidiary of *accesso* Technology Group plc.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

20. Inventories

	Group		Company	
	2023 $000	2022 $000	**2023 $000**	2022 $000
Stock	**1,115**	499	**44**	15
	1,115	499	**44**	15

The amount of inventories recognised as an expense and charged to cost of sales for the year ended 31 December 2023 was $1.0m (2022: $0.5m).

21. Trade and other receivables

	Group		Company	
	2023 $000	2022 $000	**2023 $000**	2022 $000
Trade debtors	**24,948**	23,462	**3,549**	4,421
Other debtors	**523**	1,249	**30**	359
Amounts owed by Group undertakings	**–**	–	**4,535**	2,488
Financial assets	**25,471**	24,711	**8,114**	7,268
Prepayments	**4,229**	4,074	**1,186**	1,397
	29,700	28,785	**9,300**	8,665

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 respect of trade debtors in the Group and Company financial statements of $0.3m and $nil respectively. An expected credit loss provision has also been recognised in the Company financial statements of $0.9m (2022: $0.6m) 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.

22. Trade and other payables

	Group		Company	
	2023 $000	2022 $000	**2023 $000**	2022 $000
Current				
Trade creditors	**20,188**	17,624	**1,498**	360
Current other creditors	**2,461**	1,347	**961**	70
Amounts owed to Group undertakings	**–**	–	**23,370**	11,313
Accruals	**10,913**	11,654	**2,119**	1,372
Social security and other taxes	**1,377**	1,465	**362**	271
	34,939	32,090	**28,310**	13,386

Included within trade and other payables are financial instruments of $25.7m and $27.2m 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 $10.9m of accruals for Group, $3.1m (2022: $2.7m) constitute financial liabilities and of the $2.1m for Company, $1.4m (2022: $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

for the financial year ended 31 December 2023

23. Borrowings

	Group		Company	
	2023 $000	2022* $000	**2023 $000**	2022* $000
Bank loans	**21,250**	–	**21,250**	–
Arrangement fees, less amortised cost	**(901)**	(356)	**(910)**	(356)
	20,349	(356)	**20,349**	(356)

* In 2022, while the Group was undrawn on the loan facility with Investec Bank PLC, capitalised arrangement fees were included within Other Debtors. In 2023, the capitalised arrangement fees on the loan facility with HSBC UK Bank PLC are presented net of the bank loan.

On 26 May 2023, the Group secured a $40.0m revolving credit facility with a four-year term, to May 2027, accompanied by a $20.0m accordion option HSBC UK Bank PLC. The facility is secured through fixed and floating charges over assets belonging to material Group entities: *accesso* Technology Group plc, *Lo-Q Inc, accesso, LLC, Siriusware, Inc*, VisionOne, Inc, *Blazer and Flip-flips*, Inc and *Ingresso Group Limited*. The Group also has a general undertaking to ensure that entities acting as guarantors to the HSBC facility aggregate to at least 85% of the Group's Cash EBITDA. Post year end the Group obtained a waiver from this requirement as a result of the existing guarantors falling below the 85% threshold, due to greater than anticipated growth in an acquired entity, *accesso* Italy s.r.l, and the accession of additional entities not taking place within the required timeframe. This waiver is conditional on the accession of two additional entities, Lo-Q Service Canada Limited and Lo-Q Limited, by 30 April 2024 to ensure the general undertaking continues to be met. The Group does not foresee any issues with this accession and this does not impact the Directors' going concern assessment.

As at 31 December 2023, the Group had drawn $21.3m ($20.4m net of finance costs) which was used to partially fund the three acquisitions made by the Group.

This HSBC facility replaces the Group's undrawn £18.0m arrangement with Investec from 19 March 2021, which was due to expire in March 2024. The £18.0m Investec facility has been cancelled and associated security held has been released.

24. Called up share capital

	2023		2022	
Ordinary shares of 1p each	**Number**	**$000**	Number	$000
Opening balance	**41,394,647**	**597**	41,267,376	596
Issued in relation to exercised share options	**718,976**	**9**	127,271	1
Re-purchase of shares for cancellation	**(299,272)**	**(4)**	–	–
Contingent consideration settled in shares	**29,409**	**1**	–	–
Closing balance	**41,843,760**	**603**	41,394,647	597

During 2023, 718,976 shares (2022: 121,271 shares), with a nominal value $9,145 (2022: $1,549), 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 2023 was 1,136,942 shares (2022: 761,971). 374,971 shares (2022: 761,971) were purchased by the Employee Benefit Trust during the year.

During the year, the Board approved a share repurchase programme of up to £4.0m. As at the year end, the Company had repurchased and cancelled a total of 299,272 shares for a total of $2.2m (GBP £1.8m). The programme was concluded on 29 February 2024 with a total repurchase and cancellation of 706,984 shares for a total consideration of $5.0m (GBP £4.0m).

In 2023, 29,409 shares (2022: nil) were issued in relation to the settlement of contingent consideration.

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 2023.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

25. 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
Capital redemption reserve:	Nominal value of shares repurchased by the company and subsequently cancelled.

26. Pension commitments

The Group operates defined contribution pension schemes in North America and Europe. 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:

	2023 $000	2022 $000
Pension charge in the period	**2,053**	1,662
Payable to the funds (included within other creditors)	**318**	102

27. 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 which comprise recharging of costs incurred, or reallocation of revenue received as well as annual adjustments recorded in accordance with the Group's transfer pricing policies.

28. Share-based payment schemes and transactions

Share option schemes

At 31 December 2023 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	2,500	23 January 2017 to 22 January 2024	697.5 p
UK CSOP Scheme	19,405	22 March 2021 to 21 March 2028	775 p
	29,640	13 May 2023 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 2021 to 21 March 2028	775 p
	20,000	30 March 2022 to 21 March 2028	775 p
US Scheme	22,450	23 January 2018 to 22 January 2024	679.5 p
	42,950	15 April 2018 to 15 April 2025	557.5 p
	97,150	29 April 2019 to 28 April 2026	1105 p
	7,500	12 July 2021 to 21 March 2028	775 p
	88,000	21 March 2022 to 21 March 2028	775 p
	87,420	13 May 2023 to 13 May 2029	775 p
Other schemes	1,650	29 April 2019 to 28 April 2026	1105 p
	7,000	22 March 2022 to 22 March 2028	775 p
	8,840	13 May 2023 to 13 May 2029	775 p
Long-Term Incentive Plan	196,422	16 September 2021 to 16 September 2024	1 p[1]
	74,600	17 March 2022 to 30 October 2024	–[1]
	296,041	25 March 2022 to 30 October 2024	–[1]
	248,315	25 April 2023 to 25 October 2025	–[1]
	6,148	11 July 2023 to 10 July 2025	–[1]
	769,810	20 June 2023 to 19 June 2026	–[1]
Share plan 2021	121,250	31 July 2022 to 31 July 2031	–
	8,670	27 May 2023 to 26 May 2032	–
	2,195	15 May 2023 to 26 May 2032	–
	196,110	20 June 2023 to 19 June 2033	–
	83,800	4 August 2023 to 3 August 2027	–
	3,000	1 November 2023 – 19 June 2033	–
Canada Share Plan 2023	58,208	20 June 2023 to 19 June 2033	1p
	185	4 August 2023 to 19 June 2033	1p
	2,516,804		

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

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

28. Share-based payment schemes and transactions continued

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:

	2023		2022	
	Number	**WAEP (pence)**	Number	WAEP (pence)
Outstanding at beginning of year	**2,212,754**	**202.45**	2,184,659	227.76
Granted during the year	**1,141,010**	**0.05**	299,434	0.93
Exercised during the year	**(718,976)**	**14.45**	(127,271)	76.80
Leavers, lapsed & other	**(117,984)**	**448.22**	(144,068)	354.10
Outstanding at end of the year	**2,516,804**	**153.42**	2,212,754	202.45
Exercisable at the end of the year	**648,472**	**594.96**	529,720	842.06

The exercise price of options outstanding at 31 December 2023 range between 0p and 1105p (2022: 0p and 1105p) and their weighted average contractual life was 2.48 years (2022: 2.95 years).

The weighted average share price at the date of exercise for share options exercised during the period was 710.18p (2022: 684.05p). Share awards were granted in the period and the inputs to the model for options issued in the current period were as follows:

	2023
Weighted average exercise price of options issued during the period (pence)	**710.18**
Expected volatility (%)	**45.5%**
Expected life beyond vesting date (years)	**2.83**
Risk free rate (%)	**4.3%**
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.

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 2023	**20 June 2023**
Awards issued	**790,842**
Expected volatility (%)	**45.5%**
Expected life years	**3**
Risk-free rate (%)	**4.3%**
Dividend yield (%)	**–**

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 (%)	–	–

Refer to the remuneration report on page 49 for a breakdown of the vesting conditions related to each award.

Change of control provisions

The change of control provisions explained on page 47 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 2023.

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

29. 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.

	2022 $000	Cash flow $000	Exchange movement $000	2023 $000
Group				
Cash in hand & at bank	**64,663**	**(14,490)**	**1,641**	**51,814**
Company				
Cash in hand & at bank	**15,612**	**(6,748)**	**814**	**9,678**

	2021 $000	Cash flow* $000	Exchange movement $000	2022 $000
Group				
Cash in hand & at bank	64,050	3,136	(2,523)	64,663
Company				
Cash in hand & at bank	18,198	(654)	(1,932)	15,612

* This number was previously disclosed net of payments from lease liabilities. The disclosure has been amended in the current year for clarity to present the gross cash flows.

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

65 day notice sterling account denominated in sterling: $0.07m (2022: $0.06m).

Group net cash reconciliation

	Note	2023 $000	2022 $000
Borrowings (including capitalised finance costs)	23	**(20,349)**	–
Less: Cash in hand & at bank		**51,814**	64,663
Net cash		**31,465**	64,663

Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities from financing activities can be classified as follows:

	Borrowings $000	Lease liabilities $000
At 1 January 2022	–	3,736
Cash flows		
Drawings on loan	–	–
Repayments	–	(1,430)
Payment of arrangement fee and other transaction costs	–	–
Non-cash movements		
Effects of foreign exchange	–	(59)
Lease liabilities additions/modifications in the year	–	(1,217)
Interest expense	–	190
At 31 December 2022	–	1,220
Cash flows		
Drawings on loan	**35,000**	**–**
Repayments	**(13,750)**	**(668)**
Payment of arrangement fee and other transaction costs	**(1,040)**	**–**
Non-cash movements		
Effects of foreign exchange	**(17)**	**13**
Lease liabilities additions	**–**	**125**
Lease liabilities acquired through business combination	**–**	**1,178**
Release of capitalised finance costs	**156**	**–**
Interest expense	**–**	**101**
At 31 December 2023	**20,349**	**1,969**

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

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

30. 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 2023, the Group sublet the remainder of its leased property in Lake Mary, Florida. As a result, a net investment in the sublease has been recognised for the year ended 31 December 2023.

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.

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 2022	6,042	957
Additions	94	–
Disposals	(3,307)	–
Foreign currency translation	(90)	(103)
At 31 December 2022	2,739	854
Additions	**131**	**–**
Acquired through business combination	**1,192**	**–**
Disposals	**(1,416)**	**–**
Foreign currency translation	**64**	**47**
At 31 December 2023	**2,710**	**901**
Depreciation		
At 1 January 2022	(2,989)	(483)
Charged	(773)	(111)
Disposals	1,960	–
Foreign currency translation	43	55
At 31 December 2022	(1,759)	(539)
Charged	**(467)**	**(111)**
Disposals	**1,159**	**–**
Foreign currency translation	**(34)**	**(32)**
At 31 December 2023	**(1,101)**	**(682)**
Net book value		
At 31 December 2022	980	315
At 31 December 2023	**1,609**	**219**

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

30. Leases continued

Lease liabilities

	Group $000	Company $000
Cost		
At 1 January 2022	(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)
Additions	**(125)**	**–**
Acquired through business combination	**(1,178)**	**–**
Interest expense	**(101)**	**(17)**
Lease payments cash flow	**668**	**162**
Foreign currency translation	**(13)**	**(19)**
At 31 December 2023	**(1,969)**	**(254)**

	Group			Company		
Maturity	Current $000	Non current $000	Total $000	Current $000	Non current $000	Total $000
At 31 December 2022	(451)	(769)	(1,220)	(140)	(240)	(380)
At 31 December 2023	**(792)**	**(1,177)**	**(1,969)**	**(156)**	**(98)**	**(254)**

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 2023 $000	Company 2023 $000
Lease liability maturity		
Up to 3 months	**193**	**38**
Between 3 and 12 months	**600**	**117**
Between 1 and 2 years	**416**	**98**
Between 2 and 5 years	**504**	**–**
Over 5 years	**258**	**–**

	Group 2023 $000	Company 2023 $000
Short-term and low-value leases		
Up to 3 months	**21**	**–**
Between 3 and 12 months	**11**	**–**
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 2023. The weighted average rate applied is 5.94% (2022: 6.38%).

Notes to the consolidated financial statements continued

for the financial year ended 31 December 2023

30. Leases continued

Lease receivables

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

	Group			Company		
Maturity	Current $000	Non current $000	Total $000	Current $000	Non current $000	Total $000
At 31 December 2022	–	–	–	–	–	–
At 31 December 2023	**165**	**–**	**165**	**–**	**–**	**–**

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

	Group 2023 $000	Company 2023 $000
Lease receivables maturity		
Up to 3 months	**40**	–
Between 3 and 12 months	**121**	–
Between 1 and 2 years	**–**	–
Between 2 and 5 years	**–**	–
Over 5 years	**–**	–
Total undiscounted lease payments receivable	**161**	–
Unearned finance income	**(6)**	–
Other direct costs	**10**	–
Net investment in lease	**165**	–

Company information

for the financial year ended 31 December 2023

Directors:	Bill Russell, Non-Executive Chairman Steve Brown, Chief Executive Officer Fern MacDonald, Chief Financial Officer Andy Malpass, Non-Executive Director Jody Madden, Non-Executive Director
Secretary:	Anne-Marie Palmer Unit 5, The Pavilions Ruscombe Park Twyford Berkshire RG10 9NN
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Bankers:	Lloyds Bank PLC The Atrium Davidson House Forbury Square Reading Berkshire RG1 3EU HSBC UK Bank PLC Level 7, Thames Tower Station Road Reading RG1 1LX

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