19 September 2023

accesso® Technology Group plc

("*accesso*" or the "Group")

INTERIM RESULTS
for the six-month period ended 30 June 2023

***accesso* Technology Group plc (AIM: ACSO),** the premier technology solutions provider to leisure, entertainment, and cultural markets, today announces interim results for the six months to 30 June 2023 ('H1 2023').

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

"Today we are reporting a solid set of first half results that keep us on track for our full year expectations. As anticipated, demand has stabilised following a period of accelerated growth, and after two years of temporarily reduced overheads, improved hiring conditions mean we have been able to successfully recruit for open positions. Having navigated our business through the pandemic and capitalised on a generational shift in attitudes towards technology in our sector, we are now deepening our focus on Accesso's long-term future.

We've started this process with three outstanding acquisitions. In VGS, rebranded as Accesso Horizon[SM], we have significantly expanded our global ticketing footprint with arguably the most powerful ticketing platform in the leisure sector. With Paradocs' MtnOS, now Accesso Paradox[SM], we have further strengthened our position in the important ski market. With the addition of our long-term staff augmentation partner, Digisoft[TM], we have expanded our mobile app development and delivery capabilities.

We have also made high value improvements to our existing product set to extend our leadership and expand our opportunities. We have started pre-sales of Accesso Freedom[SM], our new restaurant and retail proposition, and we are in the final stages of a major refresh across all modules of Accesso Passport®. These initiatives further demonstrate our commitment to continuous improvement for our customers and our focus on enabling future step-function growth.

I am extremely proud of our team for continuing to deliver high quality results alongside the effort to complete three acquisitions that further pave the way for our future growth. Looking ahead, we anticipate our performance for the full year 2023 to be in line with our expectations."

		Six months ended 30 June 2023 Unaudited ($000)	Six months ended 30 June 2022 Unaudited ($000)	*% change*
Group Revenue		**65,783**	**63,732**	**3.2%**
Ticketing and distribution		43,761	44,280	(1.2%)
Guest Experience		22,022	19,452	13.2%
Group Revenue – constant currency	*4*	**66,602**	**63,732**	4.5%
Gross Profit		**48,326**	**47,032**	**2.8%**
Gross Margin %		**73.5%**	**73.8%**	
Cash EBITDA	*1*	**6,481**	**10,644**	(39.1%)
Statutory (loss) / profit before tax		**(839)**	**2,916**	(128.8%)
Net cash	*2*	**9,182**	**58,728**	(84.4%)
Adjusted basic EPS (cents)	*3*	**7.50**	**13.03**	(42.4%)

Basic (loss) / earnings per share (cents)	**(1.51)**	**5.49**	(127.5)%

Footnotes:

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

(2) *Net cash is calculated as cash and cash equivalents less borrowings.*

(3) *Adjusted basic earnings per share is calculated after adjusting operating profit for impairment of intangible assets, amortisation on acquired intangibles, deferred and contingent consideration linked to continued employment, acquisition costs and share-based payments, net of tax at the effective rate for the period on the taxable adjusted items (as detailed in note 6)*

(4) *Revenue metrics for the period ended 30 June 2023 have been prepared on a constant currency basis using rates from the period ended 30 June 2022 to assist with assessing the underlying performance of the revenue streams. Average monthly rates for H1 2022 were used to translate the monthly H1 2023 results into a constant currency using the range of currencies as set out below:*

a. *GBP sterling - $1.23 - $1.36*
b. *Euro - $1.06 - $1.13*
c. *Canadian dollars - $0.78- $0.79*
d. *Australian dollar - $0.70-$0.74*
e. *Mexican pesos - $0.05 - $0.05*
f. *Brazilian real - $0.18 – $0.21*

First half highlights

- **Solid performance in H1 2023:** As visitor demand stabilised, revenue increased 3.2% to $65.8m (H1 2022: $63.7m) compared to H1 2022. This growth was delivered with a 14.3% revenue increase in **accesso LoQueue®** as well as 15.1% growth in our assigned seating product, **accesso ShoWare℠**, across both North and South American markets. These growth areas were offset by the ongoing impact of lower than expected revenues from a key customer which continues to reposition its business as well as an increasingly competitive UK distribution market.

- **H1 2023 Cash EBITDA in line with expectations:** $6.5m reflects the expected increase in overheads as we were able to staff open positions and continued to invest in long term growth opportunities, including the completion of the core elements of the **accesso Freedom** platform.

- **Three acquisitions to kickstart strategic evolution:** The Group executed the acquisitions of VGS, Paradocs Mountain Software and Digisoft during the period. In acquiring VGS, a leading ticketing and visitor management system for major operators around the globe, the Group has substantially expanded its geographic footprint. With the acquisition of Paradocs Mountain Software, the Group has significantly deepened its presence in the strategically important ski market. Digisoft has allowed the Group to in-house an important part of its development and professional services related to mobile solutions. These acquisitions all meet the Group's stated M&A criteria of enhancing products, furthering diversification, expanding global growth opportunities, and increasing earnings in the first year of ownership.

- **Key customer wins across our product set: accesso** signed sixteen new venues across a broad range of target verticals during the period, including attractions, live entertainment, water parks, zoos and aquariums, and theme parks. The Group signed five ski resorts including the first **accesso Paradox** customer post-acquisition, along with three further wins post period end. The Group's ability to serve a broad range of ski customers' needs was further evidenced by strong cross selling with two existing ski resort clients signed to **accesso Passport** eCommerce during the period.

- **Continued innovation to extend product leadership:** Following the acquisition of the food, beverage, and retail intellectual property in July 2022, the Group has now initiated pre-launch sales of the **accesso Freedom** platform. Based on a product with more than twenty years of enterprise-level success, **accesso Freedom** delivers a modern, fully hosted offering for the restaurant and retail market, optimised for speed, flexibility and ease-of-use. The Group has also completed a major refresh of its leading **accesso Passport** suite, with significant updates across all major product components including eCommerce, point-of-sale, guest support and payments. The updated product suite has been debuted on a rolling basis with the remaining updates to be implemented in H2.

Outlook & Guidance

- **Market backdrop:** demand in the Group's end markets has stabilised following an uptick in post-pandemic demand. While this means somewhat slower growth across the board than was present in 2022, the Group's trading has remained in line with market expectations highlighting the value in the diversity of its business across solutions, sectors, and geographies. Early in H1 some key venues dealt with unusual weather conditions that impacted demand, but more broadly across the period, operators calibrated marketing messages and pricing to optimise results. Along with those efforts, visitor footfall has increased in H2.

- **Operational footprint and costs:** the Group benefitted from low costs during the pandemic whilst operations were reduced and market conditions made it more difficult to hire for open positions across 2021 and into 2022. With improved hiring conditions and expanded staffing from acquisitions during the period, underlying administrative expenses increased by 13.9% year-on-year. While investing for growth, the Group remains focused on improved operating efficiency and reaching a sustained Cash EBITDA margin of no less than 20% in the medium term. This process is supported by the Group's recent acquisitions, including VGS which both opens significant new global sales opportunities and adds an important pathway in our longer-term product roadmap.

- **Full year guidance:** With stable demand, an increased cost base and significant progress made against our strategy, the Group expects another profitable and cash-generative year in line with current expectations.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").

Upon the publication of this announcement, this inside information is now considered to be in the public domain The Company will be hosting a webcast presentation for analysts at 1pm. Analysts and institutional investors are also able to request a copy of the presentation and audio webcast conference details by contacting *accesso*@dentonsglobaladvisors.com. A copy of the presentation made to analysts will be available for download from the Group's website, shortly after the conclusion of the meeting.

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About *accesso* Technology Group plc

accesso is the leading global provider of patented and award-winning technology solutions that redefine the guest experience, drive increased revenue, streamline operations, and support data-driven business decisions for leisure & entertainment operators. Currently serving over 1,000 venues worldwide, **accesso** invests heavily in research and development to provide venues with technology that empowers them to deliver unforgettable guest experiences. Staffed by a team of attractions, cultural venue and ski industry veterans, **accesso** partners with venues to increase their range of on- and off-site guest engagement to drive increased revenue through intuitive ticketing, point-of-sale, virtual queuing, distribution, and experience management technology.

accesso is a public company, listed on AIM: a market operated by the London Stock Exchange. Learn more at **accesso**.com or follow accesso on LinkedIn, Facebook and X (Twitter).

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Chief Executive's Review

Solid first half performance alongside completion of three strategic acquisitions

In the first half of 2023 we continued to position the business to meet our customers' evolving needs, delivering solid financial results in line with our expectations. Alongside high-quality operational performance, we have taken decisive action to enable our long-term growth and profitability with the completion of three strategic acquisitions that squarely deliver on our established M&A criteria.

The priority in our recent past has been to navigate the challenges of the pandemic and capitalise on a significant shift in customer attitudes towards technology adoption. We have been focused on building financial and operational resilience, aligning our whole organisation behind a more customer-focused and efficient strategy. As a team, we have developed a robust growth platform. Now, we are fully focused on helping our customers drive revenue in more innovative ways than ever before.

Our path forward was defined through a product and market review we conducted in 2022, which allowed us to start 2023 with a clear view of our future product needs, sector priorities, and market expansion potential. With these in mind, we assessed our organic R&D efforts and determined where M&A would more quickly and efficiently meet our needs.

With our priorities well defined and a significant cash balance in hand, we moved to acquire three high quality businesses – VGS, Paradocs Mountain Software and Digisoft – that are immediately additive to our strategic development. Together, they enhance our product set, increase revenue and geographic diversification, and boost our financial prospects.

The acquisitions completed in H1 are transformational. VGS expands our geographic reach into a range of new regions including Dubai, Egypt, Singapore, China and Vietnam. It also makes us a technology provider to the world's largest theme park destination located in Orlando. The **accesso Paradox** solution significantly expands our presence in ski, bringing 48 Canadian and 2 US resorts to our stable. This brings our total ski customer base to 157. In bringing our long-term partner Digisoft into the Group, we have immediately expanded our bench of highly skilled mobile developers. This will allow us to meet the growing needs for mobile solutions much more efficiently, which is an increasingly important delivery mechanism for the sale of tickets, virtual queueing, and food ordering. As we move through 2023, our position in the marketplace as the leading technology provider has never been stronger.

Financial performance

Our first half financial performance is in line with our expectations at this point in the year. Our revenue growth of 3.2% reflects the stabilising demand experienced in H1 and is a solid showing given the lower revenue contribution from a major US customer we flagged in our full year report in April.

Cash EBITDA of $6.5m (H1 2022: $10.6m) was affected by an increase of 13.9% in underlying administrative expenses primarily related to increased staffing costs including the continued investment to complete the **accesso Freedom** solution. We are broadly comfortable with the shape of our business now and we expect Cash EBITDA growth to accelerate from here as revenue increases and we see more of the efficiency gains from operational leverage as our business grows.

Total Gross Profit increased slightly to $48.3m (H1 2022: $47.0m), again reflecting the stabilising of demand levels in the market, and was a good performance against a strong comparator. The loss before tax of -$0.84m for H1 2023 (H1 2022: profit of $2.92m) includes the impact of $2.5m acquisition and integration costs incurred in the period. Following the progress made against our strategy during the period, we are well positioned within the market, with new opportunities to execute against.

New business success

The quality of our products and the value they bring to our customers continued to be recognised during the period. We won 16 new venues during the period, of which 5 were in the increasingly important ski industry. Among these new ski customers was the first **accesso Paradox** customer since the acquisition – with a further three signed post period end. Within **accesso Paradox,** the resonance of cloud-based solutions was clear with more customers choosing cloud deployments rather than on-premises deployments over the first half. We also continue to drive strong cross-selling activity within the ski space, with 2 further ski clients signing to **accesso Passport** eCommerce during the period.

The combined value of our technology was further demonstrated in the growing number of combination clients which take more than one **accesso** product across our business more broadly. In total we saw 7 combination implementations during the period, including 3 new customers to **accesso** such as Lagoonfest Texas and Wildwater Cullman, bringing the total number of combination clients to 104.

Live events also continued to form an important part of our new business success in the first half, with record ticket and package sales within **accesso ShoWare.** We also saw new **accesso ShoWare** clients going live across the US, Canada, Mexico, Peru, Venezuela, and Costa Rica. The channel shift from in-person point-of-sale (PoS) to eCommerce continues to play a key role in the success of **accesso ShoWare**, with a growing trend in total eCommerce tickets compared to 2022. Similarly, the importance of mobile solutions remains an important success factor for **accesso Passport**, as the percentage of eCommerce tickets sold in North America through mobile increased to 62% (H1 2022: 58%).

Acquisitions to further *accesso*'s strategic development

Acquisition criteria

We are excited about the additions we have made to our business and product set during the period. When we embarked on executing our strategy to evolve our business for the future, we set out clear acquisition criteria to guide us. These criteria form the central part of our target selection process; no target will be taken forward without meeting all of them. They are:

- Enhance our product.
- Increase geographic and end market diversification.
- Broaden growth opportunities.
- Boost our earnings within the first year.

The three acquisitions we made during the period have fallen squarely within these strategic priorities.

VGS

We announced our transformative acquisition of VGS in June 2023. VGS is a leading ticketing and visitor management system provider for 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. It brings an exciting client base of over 100 venues, including the world's largest theme park resort destination in Orlando, Florida, as well as leading theme park brands in Dubai, Singapore, Japan and China, and other visitor attractions around the world.

Beyond its top-tier client base, VGS's expansive feature set, globalised functionality and robust scaling capabilities provide a modernised and truly international architecture. It can be hosted either on-premises or in the cloud and offers customers an open API to enable direct integration with other systems. It is also truly exciting from a cross-selling perspective, giving us access to a substantial new client base of major operators across the globe.

Initial customer conversations and feedback have been extremely positive, and while we are in the early phases of rebranding VGS as **accesso Horizon**, we are excited at the opportunity it presents us and our customers.

Paradocs Mountain Software

Our acquisition of Paradocs Mountain Software (Paradocs) was announced in April 2023. Paradocs is 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 understanding – that the ski industry needs a holistic and integrated approach to its operations to truly optimise both the operations themselves and, more importantly, the guest experience. The flexible, integrated solution empowers ski resorts to take full control of their operations across ticketing and passes, snow school, retail and equipment rental, food & beverage, administration, and online sales.

With a strong and established position in the ski sector with **accesso Siriusware**^{SM}, bringing the hosted, all-in-one mountain management solution, Paradocs' MtnOS, under the **accesso** umbrella as **accesso Paradox** was a powerful step forward in addressing the evolving needs of the dynamic ski market. As part of the larger **accesso** product set that serves this market, we are excited about the opportunities ahead, and with our first post-acquisition **accesso Paradox** customer on board, and more signed post period end, we are already seeing those opportunities come through. This has been echoed in the highly positive customer feedback we have received.

Digisoft

In May 2023 we acquired Digisoft, a Cork, Ireland-based technology business for $2m. We have been working closely with Digisoft since before the acquisition of TE2, primarily around augmenting our mobile development initiatives. In the financial year 2022 we accounted for roughly 70% of Digisoft's revenue, and, as its primary client, both parties benefit substantially from the combination. Digisoft's 20 people gain the clarity and opportunity afforded by integrating fully into the **accesso** team, and our Group gains immediate bench strength, efficiency, flexibility, and reduced cost by bringing this outstanding team in-house.

Product innovation to extend technology leadership

Alongside acquisitions, organic product development remains a vital component of our commitment to customers. During the period we made significant steps in extending our product leadership position by continuing to invest in our technology.

We are in the final stages of development for the **accesso Freedom** platform, building on the intellectual property acquired in July 2022 in the point-of-sale (PoS) platform, and optimising it for speed, flexibility, and ease of use. Fast, frictionless, highly flexible and instantly scalable, **accesso Freedom** introduces a new standard of excellence in cloud-native restaurant and retail solutions for theme parks and attractions, ski areas, cultural venues, resorts, and casinos.

We have also implemented significant upgrades within our leading **accesso Passport** offering. As a core 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 – it is critical that **accesso Passport** remains a modern and innovative solution as the needs of customers and their visitors evolve. The program includes updates across all major product components with many of those already live and others continuing to become available across H2.

People and culture

Our **accesso** staff continue to commit to innovative-thinking and customer-focused service. Our people are proud to unite behind the changes we've made together and are motivated to keep building a strong culture.

We onboarded 50 new hires during the period and turnover as of 30 June 2023 was at 4.8% - trending significantly lower than the previous year. In our 8th annual employee survey, 92% of our employees took the time to provide valuable feedback that we can take action on to make improvements. Our average business score was of 4.2 out of 5. To put this in context, this puts us in the top quarter of similarly sized companies in our industry.

We continued our focus on inclusivity, diversity, and wellbeing, and the strength of our DEI Council grew, with 9 new members taking on responsibilities across the business. For current employees, we implemented a subscription for all employees to the Calm app, giving each of them – and up to five of their dependents – unlimited access to content for improved sleep, wellbeing, and meditation. For prospective employees, we introduced a recruiting platform that allows us to provide better support to candidates with disabilities.

We are proud of the way our teams are working together, delivering results, and welcoming new members to the **accesso** family – whether that's through new hires or those joining us through acquisitions. We thank them all for their unwavering commitment to our customers and our people, and for making **accesso** a rewarding place to work.

Outlook

We are pleased with our performance in the first half of 2023. Demand across our end markets stabilised following the uptick in the post-pandemic era. While this has meant somewhat lower year-on-year growth for some products than we saw in 2022, our customers have been successful in innovating to support demand levels.

As mentioned, with open positions being filled, the continued development of **accesso Freedom** and acquisitions incurred during the period, underlying administrative expenses increased 13.5% year-on-year, but step-function changes across the business during the period are expected to significantly improve long-term earnings potential.

With stable demand, a more normalised cost base and significant progress made against our strategy, the Group expects another profitable and cash generative year in line with current expectations.

Financial Review

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

"During the first half we delivered solid performance in revenue and completed three high-quality acquisitions which significantly broaden our product range and geographical reach. Profit and cash EBITDA metrics have been challenging to maintain at H1 2022 levels given accelerated investment in our products as we filled open software development positions over the past 12 months, as well as a high inflation environment in global markets and acquisition costs. We move into the second half with optimism about our existing and newly acquired businesses. We will continue to integrate and drive synergies and value from the excellent technologies, people, and expanding markets we have within our enlarged group. We maintain an exceptionally strong balance sheet with low levels of gearing and have no doubt we will continue to capitalise on the exciting market opportunity ahead of us."

Financial overview

In the first half of 2023, the Group delivered solid performance in revenue with our segments combining to achieve a 3.2% increase on H1 2022. Our profitability metrics were impacted by the increase in staffing levels, high level of wage inflation in our key markets, acquisition and integration costs, and investment in acquired teams ahead of leveraging the new technologies which we expect to drive value in H2 2023 and beyond.

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 award arrangement, necessitate adjustments to statutory metrics to remove certain items which the Board does not believe are reflective of the underlying business. These adjustments may include acquisition and integration related expenses, amortisation related to acquired intangibles, deferred and contingent consideration linked to continued employment, share-based payments, and impairments.

By consistently making these adjustments, the Group provides a better period-to-period comparison and is more readily comparable with 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 & integration costs, and costs related to share-based payments and paid 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 expenses and share-based payments, net of tax at the effective rate for the period on the taxable adjusted items;
- Net cash is defined as available cash less borrowings. Lease liabilities are excluded from borrowings on the basis they do not represent a cash drawing;
- Underlying administrative expenses are 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. This measure is to identify and trend the underlying administrative cost before these items;
- Repeatable revenue consists of transactional revenue from Virtual Queuing, Ticketing and eCommerce and is defined as revenue earned as either a fixed amount per sale of an item, such as a ticket sold by a customer or as a percentage of revenue generated by a venue operator. Normally this revenue is repeatable where a multi-year agreement exists and purchasing patterns by venue guests do not significantly change. Other repeatable revenue

is defined as revenue, excluding transactional revenue, that is expected to be earned through each year of a customer's agreement, without the need for additional sales activity, such as maintenance and support revenue. Non-repeatable revenue is revenue that occurs one-time (e.g., up-front licence fees) or is not repeatable based upon the current agreement (e.g., billable professional services hours) and is unlikely to be repeatable without additional successful sales execution by **accesso**. Other revenue consists of hardware sales and other revenue that may or may not be repeatable with limited sales activity if customer behaviour remains consistent.

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.

Key Financial Metrics

Group revenue for the first half of 2023 was $65.8m (H1 2022: $63.7m) being 3.2% up on H1 2022.

Ticketing and Distribution revenue was 1.2% down on H1 2022 with UK based Distribution reducing by 16.6%. The UK's retail ticket market has become extremely competitive and certain venues have opted to sell more direct to the consumer, reducing commissionable ticket inventory through distributors. While UK based distribution revenue is down in H1 2023, we have recently acquired new customers which should enable this reduction in revenue to be partially mitigated in H2 2023. Offsetting this reduction was 15.1% growth in our Northern, Central and South American live entertainment markets with 14 new **accesso ShoWare** venues onboarded during the period and a full period uninterrupted by COVID-19 related closures.

Guest Experience delivered revenue growth of 13.2% on H1 2022. **accesso LoQueue**'s transactional-based queuing products delivered excellent performance with 14.3% growth on H1 2022 as the segment continues to diversify its customer base and become less reliant on specific customer performance. The segment also benefitted from $0.6m of hardware revenue of **accesso Prism**^{SM} Bands which are being used in the delivery of its transactional revenues to a large blue-chip customer. **The Experience Engine**^{TM} **(TE2)** business performed ahead of budget in the delivery of bespoke professional service offerings to large customers in the ski, theme park, and cruise ship markets, however it was 6.0% behind the period reported in H1 2022. The Group agreed a longer-term professional service contract with a large cruise operator in exchange for reduced pricing to provide greater certainty over revenue.

This revenue performance enabled the Group to record a gross profit increase of 2.8% to $48.3m delivered at a 73.5% gross margin, comparable to H1 2022's 73.8%.

Revenue on a segmental basis was as follows:

	Six months ended 30 June 2023	**Six months ended 30 June 2022**	
	Unaudited	**Unaudited**	
	$000	**$000**	%
Ticketing and Distribution	**43,761**	44,280	(1.2%)
Guest Experience	**22,022**	19,452	13.2%
Total revenue	**65,783**	63,732	3.2%

Revenue on a geographical basis was as follows:

	Six months ended 30 June 2023 Unaudited	Six months ended 30 June 2022 Unaudited	
	$000	**$000**	%
USA and Canada	**46,032**	43,865	4.9%
United Kingdom	**11,550**	13,167	(12.3%)
Australia/South Pacific	**3,374**	2,800	20.5%
Europe	**2,796**	2,237	25.0%
Central and South America	**2,031**	1,663	22.1%
Total revenue	**65,783**	63,732	3.2%

Our USA and Canadian business delivered a 4.9% revenue improvement with growth across our **accesso ShoWare** and **accesso LoQueue** products in these regions; our North American **accesso ShoWare** product delivered 11.5% increased ticket volumes period on period.

As noted above, the primary reason for the 12.3% decline in UK revenues was the performance of the Distribution business with venues and distributors shifting more of the available inventory in-house.

Australia and South Pacific started 2023 with excellent volumes delivering 20.5% growth in revenue in the first half. The region saw excellent performance from **accesso LoQueue** and **accesso Passport** with attendance and ticket volumes significantly improved.

Similarly, our European revenues benefitted from new customers onboarded toward the end of 2022 helping the region deliver $2.8m in revenues, a 25% improvement on H1 2022.

Our Central and South American region felt the residual effects of COVID-19-induced disruption during H1 2022 however H1 2023 was a period of largely uninterrupted trade, performing extremely well in live entertainment and delivering volumes in excess of our expectations.

Revenue quality

Below is an analysis of the Group's revenue by type. Transactional revenue consisting of Virtual Queuing, Ticketing and eCommerce is defined as revenue earned as either a fixed amount per sale of an item, such as a ticket sold by a customer, or as a percentage of revenue generated by a venue operator. Normally this revenue is repeatable where a multi-year agreement exists and purchasing patterns by venue guests do not significantly change, as they did in 2020 as a result of the pandemic. This revenue has historically also included the reimbursement of costs incurred by the Group for the operation of virtual queuing solutions across venues for a key customer. These costs are largely comprised of seasonal staff salaries and related expenses as well as minor maintenance, repair, and marketing costs. The contractual arrangement with this customer was revised at the end of June, such that **accesso** will be transitioning from being responsible for providing seasonal staff and consequently will no longer incur the related expenditure nor receive the reimbursement.

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 84.0% is 1.9% ahead of the 82.1% achieved in H1 2022 but remains in line with historic performance (2022: 83.1%, 2021: 84.4%).

Non-repeatable revenue is revenue that occurs one-time (e.g., up-front licence fees) or is not repeatable based upon the current agreement (e.g., billable professional services hours) and is unlikely to be repeatable without additional successful sales execution by **accesso**.

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

The Group's transactional revenue streams delivered solid performance during H1 2023 of $50.2m, up 6.2% on H1 2022. The Group's Virtual Queuing's products performed particularly well as venue attendance grew by 14.3% compared to H1 2022 despite the continued challenges associated with a major customer's change in admission strategy. Ticketing and eCommerce delivered steady growth of 3.9% despite the difficulty experienced in the UK market with distribution revenues.

Maintenance and support revenue reduced 4.7% to $3.5m as the planned shift towards hosted products and transactional based agreements continues. This product line continues to demonstrate resilience with some customers preferring the comfort and security provided by fixed term agreements for support services on earlier generations.

Professional services revenue performed significantly ahead of our expectations in H1 2022 owing to several large bespoke solutions for the ski, cruise, and attractions markets, this did not recur at the same levels in H1 2023. Furthermore, the Group agreed a two-year professional services contract with a cruise operator in exchange for reduced pricing to provide better visibility into future revenues. Our platform revenues continue to benefit from this bespoke development work whereby professional service customers have taken up repeatable platform fees for hosting food and beverage mobile apps. Platform revenues grew 10.9% to $1.7m.

	Six months ended 30 June 2023 Unaudited $000	**Six months ended 30 June 2022 Unaudited $000**	**%**
Virtual queuing	**10,386**	9,090	14.3%
Virtual queuing seasonal staffing cost reimbursement	**2,811**	2,533	11.0%
Ticketing and eCommerce	**36,968**	35,594	3.9%
Reservation fees	**-**	12	(100.0%)
Transactional revenue	**50,165**	47,229	6.2%
Maintenance and support	**3,454**	3,623	(4.7%)
Platform fees	**1,655**	1,492	10.9%
Total Repeatable	**55,274**	52,344	5.6%
Licence revenue	**1,182**	1,127	4.9%
Professional services	**7,044**	8,249	(14.6%)
Non-repeatable revenue	**8,226**	9,376	(12.3%)

Hardware	**1,245**	724	72.0%
Other	**1,039**	1,288	(19.3%)
Other revenue	**2,284**	2,012	13.5%
Total revenue	**65,784**	63,732	3.2%
Total Repeatable as % of total	**84.0%**	82.1%	

Administrative expenses

Reported administrative expenses increased 12.3% to $49.1m in the period (H1 2022: $43.8m) and underlying administrative expenditure increased by 13.9% to $42.0m. Both metrics were impacted by inflationary pressures in the Group's key operating markets driving up salary costs and headcount growth. The Group's headcount has increased from 576 in June 2022 to 711 in June 2023 (excluding seasonal staff) as the Group continued to invest heavily in its product offering. Two key elements driving this being the product development of **accesso Freedom**, which the Group hopes to monetise over the coming year, and the three acquisitions which resulted in a headcount increase of 90 during Q2 2023.

During 2022 the Group continued to take action to rationalise its property leases following the move to a hybrid and remote work environment. Two-thirds of the space leased in Lake Mary, Orlando was exited in August 2022 enabling a saving of $0.3m in property lease payments in H1 2023 compared to H1 2022. The remainder of the space was exited post period end.

$5.3k of government assistance has been received in Canada during H1 2023.

	Six months ended 30 June 2023 Unaudited $000	**Six months ended 30 June 2022 Unaudited $000**
Administrative expenses as reported	**49,127**	43,756
Capitalised development expenditure *(1)*	**1,616**	796
Amortisation related to acquired intangibles	**(668)**	(1,114)
Share-based payments	**(1,059)**	(1,227)
Amortisation and depreciation *(2)*	**(4,706)**	(5,527)
Property lease payments not in administrative expense	**262**	587
Exceptional expenditure on acquisition & integration of subsidiaries and intellectual property	**(2,466)**	(296)
Underlying administrative expenditure	**42,106**	36,975

(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 period of $6.5m. While this is a 39.1% reduction on the record H1 2022 result, it is in line with our expectations for 2023. The Group delivered revenue growth of 3.2% offset by an increase in payroll costs which is the principal reason for the reduction in cash EBITDA. As a group we continue to invest heavily in our products as demonstrated by our total development expenditure which is 23.0% higher than H1 2022. Our **accesso Freedom** product is a good example of this investment where, after acquiring the intellectual property assets in Q3 of 2022, we hired 27 development and product staff to continue the advancement of the food and beverage platform. In addition, we added 90 staff from the three acquisitions at staggered points through H1 2023; both group-wide and acquired salary levels have increased with high wage inflation in our principal markets.

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

	Six months ended 30 June 2023 Unaudited $000	**Six months ended 30 June 2022 Unaudited $000**
Operating (loss) / profit	**(801)**	3,276
Add: Exceptional expenditure on acquisition & integration related costs	**2,466**	296
Add: Amortisation related to acquired intangibles	**668**	1,114
Add: Share-based payments	**1,059**	1,227
Add: Amortisation and depreciation (excluding acquired intangibles)	**4,705**	5,527
Less: Capitalised internal development costs paid in cash	**(1,616)**	(796)
Cash EBITDA	**6,481**	10,644

The Group recorded an operating loss of $0.8m in H1 2023 (H1 2022: $3.3m); and adjusted earnings per share in the first half of 2023 of 7.50 cents (H1 2022: 13.03 cents).

Development expenditure

	Six months ended 30 June 2023 Unaudited	**Six months ended 30 June 2022* Unaudited**
Total development expenditure	**21,738**	**17,675**
% of total revenue	**33.0%**	**27.7%**

*The comparative figure for the six months to 30 June 2022 has been restated following a review of the cost classifications included in that period. The figures previously presented for the six months to June 2022 were $13,277k, being 20.8% of revenue.

H1 2023 has been another excellent period of innovation for **accesso***,* with frontline and technical teams working at pace to deliver solutions to enable our customers to manage capacities, capture the uptick in demand for technology-based solutions to ticketing, eCommerce, distribution, queuing, and food and beverage purchasing. Our total development expenditure for H1 2023 increased to $21.7m, 23.0% higher than H1 2022, driven by the investment in **accesso Freedom** not present in the comparative period as well as overall increase in staff costs as previously discussed.

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 supported and 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 $1.6m (H1 2022: $0.8m) represents 7.4% (H1 2022: 4.5%) 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 to continue to meet and exceed the expectations of our existing customers' requirements and the current solutions they utilise. Development continues to expand the product set and add features that will be important for our customers' operations in the future.

Cash and net cash

Net cash at the end of the period has reduced to $9.2m from $64.6m at 31 December 2022. This is due to a number of factors but, by far, the greatest is due to the net cash outflow on the Group's acquisitions of Digisoft, Paradocs Mountain Software and VGS of $50.0m as we advanced with our medium-term strategy of accelerated growth through acquisition.

	30 June 2023 $000	**31 December 2022 $000**
Cash in hand & at bank	**43,175**	64,663
Borrowings	**(33,993)**	-
Net cash	**9,182**	**64,663**

The Group delivered operating cashflow before movements in working capital of $6.3m (H1 2022: $11.5m). This includes $2.5m of acquisition and integration costs incurred in connection with the three acquisitions and a higher level of underlying administrative expense due to the headcount and inflationary increases identified above.

In January 2023, the Group funded the purchase of 374,971 shares for a consideration of $3.7m on behalf of the ***accesso*** **Technology Group** Employee Benefit Trust. 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.

On 26 May 2023, the Group secured a $40 million revolving credit facility with a four-year term, to May 2027, accompanied by a $20 million accordion option. As at 30 June 2023 the group had drawn $35.0m ($34.0m net of finance costs) which was used to partially fund the three acquisitions made by the Group.

The HSBC facility replaces the Group's undrawn £18 million arrangement with Investec from 19 March 2021, which was due to expire in March 2024. This Investec facility has now been cancelled.

Dividend

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

Impairment

In line with relevant accounting standards, the Group reviews the carrying value of all intangible assets on an annual basis or at the interim where indicators of impairment exist. Management is not aware of any conditions arising in the period to 30 June 2023 which would materially impact the recoverable amount for each CGU.

Acquisitions

During the period, the Group completed three strategic acquisitions, VGS, Paradocs Mountain Software, and Digisoft. In acquiring VGS for $53.6m, a leading ticketing and visitor management system for major operators around the globe, the Group has substantially expanded its geographic footprint. In acquiring Paradocs Mountain Software for $10m, the Group has significantly enhanced its presence in the important North American Ski market. In acquiring Digisoft for $2.0m, the Group has in-housed an important part of its operation, increasing efficiency and flexibility.

The net cash outflow after taking account of acquired cash balances of $14.4m was $50.0m

Due to the proximity of the acquisitions to the period end, the fair value of the acquired intangibles and underlying balance sheets is incomplete with provisional figures included in the Consolidated Statement of Financial Position at 30 June 2023. This allocation exercise will be updated in the year-end financial statements.

Taxation

The effective tax rate (being the tax rate on adjusted profit before income tax) for the period was 27.6% (2022 H1: 24.6%). The increase in effective tax rate for the Group is attributable to an increase in non-deductible expenses primarily comprising acquisition-related costs. The effective tax rate for the full year is likely to be similar to the half year.

– ENDS –

Consolidated statement of comprehensive income
for the six-month period ended 30 June 2023

	Notes	**30 June 2023 Unaudited $000**	30 June 2022 Unaudited $000	31 December 2022 Audited $000
Revenue		**65,783**	63,732	139,730
Cost of sales		**(17,457)**	(16,700)	(35,770)
Gross profit		**48,326**	47,032	103,960
Administrative expenses		**(49,127)**	(43,756)	(91,209)
Operating profit before exceptional items		***1,665***	*3,276*	*12,783*
Impairment of intangible assets		-	-	*(32)*
Acquisition and integration related costs		*(2,466)*	-	-
Operating (loss) / profit		**(801)**	3,276	12,751
Finance expense		**(509)**	(416)	(566)
Finance income		**447**	56	232
(Loss) / profit before tax		**(863)**	2,916	12,417
Income tax benefit / (charge)	4	**238**	(649)	(2,361)
(Loss) / profit for the period		**(625)**	2,267	10,056
Other comprehensive income / (loss)				
Items that will be reclassified to income statement				
Exchange differences on translating foreign operations		**2,597**	(4,917)	(5,283)
		2,597	(4,917)	(5,283)
Total comprehensive income / (loss)		**1,972**	(2,650)	4,773
All loss and comprehensive loss is attributable to the owners of the parent				
(Loss) / earnings per share expressed in cents per share:				
Basic	6	**(1.51)**	5.49	24.41
Diluted	6	**(1.51)**	5.27	23.45

All activities of the company are classified as continuing.

Consolidated statement of financial position as at 30 June 2023

	30 June 2023	30 June 2022	31 December 2022

	Unaudited $000	Unaudited $000	Audited $000
Assets			
Non-current assets			
Intangible assets	**164,523**	113,054	110,420
Property, plant and equipment	**1,430**	1,916	1,603
Right of use assets	**2,024**	2,520	980
Contract assets	**251**	292	314
Deferred tax	**15,479**	15,415	15,279
	183,707	133,197	128,596
Current assets			
Inventories	**576**	424	499
Contract assets	**4,944**	5,692	3,694
Trade and other receivables	**26,138**	22,541	28,785
Income tax receivable	**3,830**	1,237	1,864
Cash and cash equivalents	**43,175**	58,728	64,663
	78,663	88,622	99,505
Liabilities			
Current liabilities			
Trade and other payables	**24,401**	26,659	32,090
Lease liabilities	**689**	1,011	451
Contract liabilities	**5,670**	5,040	4,920
Corporation tax payable	**386**	947	574
	31,146	33,657	38,035
Net current assets	**47,517**	54,965	61,470
Non-current liabilities			
Deferred tax	**9,712**	3,662	3,294
Contract liabilities	**138**	1,001	616
Lease liabilities	**1,518**	2,115	769
Borrowings	**33,993**	-	-
	45,361	6,778	4,679
Total liabilities	**76,507**	40,435	42,714
Net assets	**185,863**	181,384	185,387
Shareholders' equity			
Called up share capital	**598**	597	597
Share premium	**153,741**	153,547	153,621
Retained earnings	**23,321**	12,817	22,887
Merger reserve	**19,641**	19,641	19,641
Translation reserve	**(2,987)**	(5,218)	(5,584)
Own shares held in trust	**(9,451)**	-	(5,775)
Contingently issuable shares	**1,000**	-	-
Total shareholders' equity	**185,863**	181,384	185,387

Consolidated statement of cash flows

for the six-month period ended 30 June 2023

	30 June 2023 Unaudited $000	30 June 2022 Unaudited $000	31 December 2022 Audited $000
Cash flows from operations			
(Loss) / profit for the period	**(625)**	2,267	10,056
Adjustments for:			
Depreciation (excluding finance leased assets)	**495**	664	1,227
Depreciation on leased assets	**187**	450	773
Amortisation on acquired intangibles	**668**	1,114	1,667
Amortisation on development costs and other intangibles	**4,024**	4,413	8,744
Impairment of intangible assets	**-**	-	32
Loss / (gain) on disposal of fixed assets	**103**	(31)	135
Share-based payments	**1,059**	1,227	2,629
Movement on bad debt provision	**(112)**	-	15
Finance expense	**509**	416	566
Finance income	**(447)**	(56)	(232)
Foreign exchange loss / (gain)	**673**	385	(31)
Income tax (credit) / charge	**(238)**	649	2,361
RDEC tax credits	**-**	-	(141)
Operating cashflow before movement in working capital	**6,296**	11,498	27,801
(Increase) in inventories	**(77)**	(143)	(231)
Decrease / (increase) in trade and other receivables	**5,762**	(4,809)	(10,482)
(Increase) / decrease in contract assets/contract labilities	**(2,247)**	(5,016)	435
(Decrease) in trade and other payables	**(9,819)**	(2,312)	(797)
Cash (used in) / generated from operations	**(85)**	(782)	16,726
Tax paid	**(1,402)**	(394)	(2,259)
Net cash (outflow) / inflow from operating activities	**(1,487)**	(1,176)	14,467
Cash flows from investing activities			
Capitalised internal development costs	**(1,616)**	(796)	(2,155)
Purchase of intangible assets	**(15)**	-	(1,140)
Purchase of property, plant and equipment	**(148)**	(391)	(725)
Proceeds from sale of intangible assets	**-**	-	25
Interest received	**467**	52	210
Purchase of subsidiary	**(49,982)**	-	-
Net cash used in investing activities	**(51,294)**	(1,135)	(3,785)
Cash flows from financing activities			
Share issue	**120**	44	118
Purchase of shares held in trust	**(3,676)**	-	(5,775)
Interest paid	**(291)**	(170)	(330)
Payments to finance lease creditors	**(261)**	(587)	(1,430)
Cancellation payments made to share option holders	**-**	(124)	(129)
Cash paid to refinance	**(630)**	-	-
Proceeds from borrowings	**35,000**	-	-
Net cash generated from financing activities	**30,262**	(837)	(7,546)
(Decrease) / increase in cash and cash equivalents in the period	**(22,519)**	(3,148)	3,136

Cash and cash equivalents at beginning of year	**64,663**	64,050	64,050
Exchange gain / (loss) on cash and cash equivalents	**1,031**	(2,174)	(2,523)
Cash and cash equivalents at end of period	**43,175**	58,728	64,663

Consolidated statement of changes in equity
for the six-month period ended 30 June 2023

	Share capital	Share premium	Retained earnings	Merger reserve	Own shares held in trust	Contingently issuable shares	Translation reserve	Total
	$000	$000	$000	$000	$000	$000	$000	$000
Balance at 31 December 2022	**597**	**153,621**	**22,887**	**19,641**	**(5,775)**	**-**	**(5,584)**	**185,387**
Comprehensive income for the period								
Loss for period	-	-	(625)	-	-	-	-	(625)
Other comprehensive loss	-	-	-	-	-	-	2,597	2,597
Total comprehensive income/(loss) for the period	**-**	**-**	**(625)**	**-**	**-**	**-**	**2,597**	**1,972**
Contributions by and distributions by owners								
Issue of share capital	1	120	-	-	-	-	-	121
Share-based payments	-	-	1,059	-	-	-	-	1,059
Re-purchase of shares	-	-	-	-	(3,676)	-	-	(3,676)
Contingent share consideration	-	-	-	-	-	1,000	-	1,000
Total contributions by and distributions by owners	**1**	**120**	**1,059**	**-**	**(3,676)**	**1,000**	**-**	**(1,496)**
Balance at 30 June 2023	**598**	**153,741**	**23,321**	**19,641**	**(9,451)**	**1,000**	**(2,987)**	**185,863**
Balance at 31 December 2021	**596**	**153,504**	**9,753**	**19,641**	**-**	**-**	**(301)**	**183,193**
Comprehensive Income for the year								
Profit for period	-	-	2,267	-	-	-	-	2,267
Other comprehensive income	-	-	-	-	-	-	(4,917)	(4,917)
Total comprehensive income/(loss) for the period	**-**	**-**	**2,267**	**-**	**-**	**-**	**(4,917)**	**(2,650)**
Contributions by and distributions by owners								
Issue of share capital	1	43	-	-	-	-	-	44
Share-based payments	-	-	1,227	-	-	-	-	1,227
Cancellation of equity awards for cash	-	-	(61)	-	-	-	-	(61)

Share option tax charge - current	-	-	77	-	-	-	-	77
Share option tax charge - deferred	-	-	(446)	-	-	-	-	(446)
Total contributions by and distributions by owners	**1**	**43**	**797**	**-**	**-**	**-**	**-**	**841**
Balance at 30 June 2022	**597**	**153,547**	**12,817**	**19,641**	**-**	**-**	**(5,218)**	**181,384**

Notes to the Interim Financial Information

1. Basis of preparation

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

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

There are no changes to significant accounting policies.

This interim financial information has neither been audited nor reviewed pursuant to guidance issued by the FRC and the financial information contained in this report does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The comparative figures for the financial year ended 31 December 2022 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

1.1 Going concern

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

In reaching this conclusion, the directors noted the Group's $35.0m drawings on its $40.0m revolving credit facility and cash position of $51.8m as at 31 August 2023. The directors have three forecast scenarios, being a conservative base case, a severe but plausible downside case and a plausible upside case through to 31 December 2024. In all scenarios modelled, the Group maintains sufficient funding headroom and is in compliance with its debt covenants throughout the period of assessment.

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

2. Accounting policies

The condensed consolidated interim financial information has been prepared using accounting policies consistent with those set out on pages 61 to 89 in the audited financial statements for the year ended 31 December 2022. These accounting policies have been applied consistently to all periods presented in this financial information.

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

3. Business segments and revenue analysis

Segmental analysis

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

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

- **accesso Passport** ticketing suite using our hosted proprietary technology offering to maximise up-selling, cross-selling and selling greater volumes.
- **accesso Siriusware** software solutions providing modules in ticketing & admissions, memberships, reservations, resource scheduling, retail, food service, gift cards, kiosks, and eCommerce.
- The **accesso ShoWare** ticketing solution for box office, online, kiosk, mobile, call centre, and social media sales.
- **Ingresso** operates 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** recently acquired software solution for snow sport resorts, encompasses snow school management, eCommerce ticketing, and mountain operations.
- **accesso Horizon** recently acquired global ticketing and visitor management solution, allows venues to manage services, benefits and entitlements that guests can utilise through a single platform.

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

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

- **Accesso LoQueue** providing leading edge virtual queuing solutions to take customers out of line, improving guest experience and increasing revenue for theme parks.
- **The Experience Engine ("TE2")** experience management platform which delivers personalised real-time immersive customer experiences at the right time elevating the guest's experience and loyalty to the brand.
- **accesso Freedom** a scalable, modular, and cloud native solution unifying retail and restaurant sales points to streamline operations and the guest experience.

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

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

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

	Six months ended 30 June 2023 Unaudited $000	**Six months ended 30 June 2022 Unaudited $000**	**Year ended 31 December 2022 Audited $000**
Ticketing	**43,761**	44,280	95,256
Guest Experience	**22,022**	19,452	44,474

Total revenue	**65,783**	63,732	139,730

Period ended 30 June 2023 - Unaudited	**Ticketing $000**	**Guest Experience $000**	**Central unallocated costs $000**	**Capitalised development costs**	**Group $000**
Cash EBITDA *(1)*	**35,112**	**13,303**	**(40,317)**	**(1,616)**	**6,481**
Capitalised development costs					**1,616**
Depreciation and amortisation (excluding acquired intangibles)					**(4,705)**
Amortisation related to acquired intangibles					**(668)**
Share-based payments					**(1,059)**
Acquisition and integration related costs					**(2,466)**
Finance income					**447**
Finance expense					**(509)**
Profit before tax					**(863)**

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

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

4. Taxation

The tax charge for the interim financial statements is determined by applying the weighted average statutory tax rate based on full year forecast profits to the actual profits for the first half of the year, and then adjusting for non-taxable or deductible items that affect the profits of the first half of the year. In the comparative period to 30 June 2022, the tax expense was based on the actual effective tax rate due to the unprecedented challenges caused by COVID-19 in the ability to estimate the full year effective tax rate reliably.

The adjusted earnings per share (note 6) has been presented using an estimated adjusted rate for the period, which has been adjusted to remove the effect of amortisation related to acquired intangibles, share-based payment charges, exceptional expenditure and any related tax effect on those items.

5. Reconciliation of alternative performance measure

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

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

Cash EBITDA	Six months ended 30 June 2023 Unaudited $000	Six months ended 30 June 2022 Unaudited $000	Year ended 31 December 2022 Audited $000
Operating profit	**(801)**	3,276	12,751
Add: Exceptional expenditure on acquisition & integration	**2,466**	-	-
Add: Exceptional expenditure on acquisition of intellectual property	**-**	296	137
Add: Amortisation related to acquired intangibles	**668**	1,114	1,667
Add: Share-based payments	**1,059**	1,227	2,629
Add: Impairment of intangibles	**-**	-	32
Add: Amortisation and depreciation (excluding acquired intangibles)	**4,705**	5,527	10,744
Capitalised internal development costs	**(1,616)**	(796)	(2,155)
Cash EBITDA	**6,481**	10,644	25,805

6. Earnings per share ("EPS")

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

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

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

	Six months ended 30 June 2023 Unaudited $000	Six months ended 30 June 2022 Unaudited $000	Year ended 31 December 2022 Audited $000
(Loss) / Profit attributable to ordinary shareholders	**(625)**	2,267	10,056
Basic EPS			
Denominator			
Weighted average number of shares used in basic EPS	**41,400**	41,278	41,196
Basic earnings per share – cents	**(1.51)**	5.49	24.41
Diluted EPS			
Denominator			
Weighted average number of shares used in basic EPS	**41,400**	41,278	41,196
Deferred share consideration on business combinations			
Effect of dilutive securities			
Options	**2,832**	1,768	1,692
Weighted average number of shares used in diluted EPS	**44,232**	43,046	42,888
Diluted earnings per share – cents	**(1.51)**	5.27	23.45

The Group has made a loss in the current period presented and therefore the options and equity settled deferred consideration are anti-dilutive. As a result, basic and diluted earnings per share are presented on the same basis for the period ended 30 June 2023.

Adjusted EPS			
(Loss) / profit attributable to ordinary shareholders	**(625)**	2,267	10,056
Adjustments to profit for the period:			
Exceptional expenditure on acquisition of intellectual property	**-**	296	-
Exceptional expenditure on acquisitions and integrations	**2,466**	-	-
Amortisation relating to acquired intangibles	**668**	1,114	1,667
Impairment of intangible assets	**-**	-	32
Shared based payments	**1,059**	1,227	2,629
Adjusted profit	**3,568**	4,904	14,348
Net tax related to above adjustments: (H1 2023: 26.87%, H1 2022: 20.3%; FY 22 9.7%)	**(464)**	474	418
Adjusted profit attributable to ordinary shareholders	**3,104**	5,378	14,802
Adjusted basic EPS			
Denominator			
Weighted average number of shares used in basic EPS	**41,400**	41,278	41,196

Adjusted earnings per share – cents	**7.50**	13.03	35.93
Adjusted diluted EPS			
Denominator			
Weighted average number of shares used in diluted EPS	**44,232**	**43,046**	42,888
Adjusted earnings per share – cents	**7.02**	**12.49**	34.51

7. Acquisitions

Acquisitions involving the purchase of the acquiree's share capital have been accounted for under the acquisition method of accounting. A key part of the Group's strategy is to grow through acquisition. The Group has developed a process to assist with the identification of the fair values of the assets acquired and liabilities assumed, including the separate identification of intangible assets in accordance with IFRS 3 'Business Combinations' as revised. This formal process is applied to each acquisition and involves an assessment of the assets acquired and liabilities assumed with assistance provided by external valuation specialists where appropriate. Until this assessment is complete, the allocation period remains open up to a maximum of 12 months from the relevant acquisition date. At 30 June 2023 the allocation process remained in progress.

The consideration in respect of acquisitions comprises amounts paid on completion and deferred consideration. The consideration has been allocated against the identified net assets, with the balance recorded as goodwill. Transaction costs and expenses such as professional fees are charged to the income statement.

Acquisition of Paradocs Solutions Inc.

On 21 April 2023 the Group acquired 100% of the share capital of Paradocs Solutions Inc for a total consideration of $10m of which $9m was paid in cash with a further $1m 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 $0.41m were incurred in relation to this acquisition and are included within administrative expenses.

Acquisition of Boxer Consulting Limited

On 4 May 2023 the Group acquired 100% of the share capital of Boxer Consulting Limited 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 $0.35m were incurred in relation to this acquisition and are included within administrative expenses.

Acquisition of VGS

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 $1.71m were incurred in relation to this acquisition and are included within administrative expenses.

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

	Six months ended 30 June 2023 $000
Paradocs	
Cash paid	9,010
Net cash acquired	(154)
	8,856
Boxer Consulting Limited	
Cash paid	1,792
Net cash acquired	-
	1,792
VGS	
Cash paid	53,597
Net cash acquired	(14,263)
	39,334
Total net cash outflow in respect of acquisitions in the current period	**49,982**