16 September 2020

accesso® Technology Group plc

(“_accesso_” or the “Group”)

INTERIM RESULTS
for the six-month period ended 30 June 2020

accesso Technology Group plc (AIM: ACSO), the premier technology solutions provider to leisure, entertainment and cultural markets, today announces interim results for the six months ended 30 June 2020 (‘1H 2020’).

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

“During the first half of 2020 we have been successful in managing accesso through the onset of the COVID-19 pandemic and preparing the business to navigate through further uncertainty. We have proven resilient and highly adaptable in the wake of major disruption to our end-markets, acting early and decisively to reduce cost and evolve our technology to the new environment. While our financial results reflect the challenges faced across our industry, we delivered revenue ahead of our own revised expectations as many customer venues reopened across the summer while also firmly managing our operating costs. Our team responded with rapid enhancements to our solutions and deployed technology to support the mandated capacity limitations and physical distancing measures necessary for our customers to reopen. While the pandemic does continue to impact our end-markets, we are now seeing a significant number of operators reopening their doors at reduced capacity. With our recently raised contingency funds and credit facility still fully at our disposal, and with our mission-critical technology supporting venues as they welcome back their guests, we are focused on building towards the future with confidence in our ability to react, adapt and succeed”.

Financial Highlights

- Group revenue of $24.6m (1H 2019: $50.7m) was ahead of our own revised expectations for the period, driven by successful customer engagement with our adaptable, mission-critical technology.
  - Transactional revenue severely impacted by COVID-19 enforced venue closures from March 2020, amounting to $12.1m or 49.1% of total in 1H 2020 (1H 2019: $36.4m, 71.7%)
  - Ticketing and Distribution $16.8m (1H 2019: $35.8m); Guest Experience $7.8m (1H 2019: $14.9m)
- Net Cash[1] at the end of the period was $30.8m (1H 2019: -$15.2m), benefiting from the $46.1m raised by the Group in May 2020 which remains unspent.
- Cash EBITDA[2] loss was -$10.4m (1H 2019: +$1.0m) reflecting the COVID-19-related impact on revenue in the period.
- Adjusted EBITDA[3] loss was -$7.4m (1H 2019: +$11.0m).

Operational Highlights

- Swift and decisive cost action reduced monthly operating cost run rate by $2.2m or 36.7% to $3.8m from Q1 2020 to Q2 2020.
- Reappointment of Steve Brown as Chief Executive, with Fern MacDonald and Andrew Jacobs appointed as Chief Financial Officer and Chief Commercial Officer respectively. Refreshed leadership team now in place with firm focus on operational efficiency and customer success.
- Supporting customers as they reopen their venues, with our technology enabling pre-booking requirements and in-venue social distancing resulting in better than expected ecommerce and queuing revenues.
- Virtual Queuing wins with Walibi Holland, Holiday World & Splashin’ Safari in Indiana and Parc Asterix in France underline new demand for post-COVID-19 Guest Experience modifications.

Outlook and guidance

- Recent trading has continued to be slightly ahead of our expectations as nearly 80% of *accesso Passport®* and more than 60% of *accesso LoQueue®* supported venues reopened with reduced capacities. A range of new wins in the ski sector further indicate support for our technologies in the coming winter period.

- Assuming market conditions do not deteriorate, we expect revenue for the full year 2020 to be not less than $48m.

Footnotes:
(1) Net cash is calculated as cash and cash equivalents less borrowings.
(2) Cash EBITDA is calculated as adjusted EBITDA less capitalised development costs paid in cash as per the consolidated cash flow statement.
(3) Adjusted EBITDA is calculated as operating profit before the deduction of amortisation, impairment of intangible assets, depreciation, acquisition costs and aborted sale expenses, deferred and contingent payments, and costs related to share-based payments.
(4) Adjusted basic earnings per share is calculated after adjusting operating profit for impairment of intangible assets, amortisation on acquired intangibles, deferred and contingent consideration linked to continued employment, acquisition and aborted sale expenses, finance charges relating to deferred and contingent liabilities and share-based payments, net of tax at the effective rate for the period on the taxable adjusted items.
(5) 30 June 2019 statutory loss before tax and basic earnings per share restated for deferred compensation charge overstatement of $384k. See 2019 annual financial statements for full details on page 101.

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

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

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About accesso Technology Group

At *accesso*, we believe technology has the power to redefine the guest experience. Our patented and award-winning solutions drive increased revenue for attraction operators while improving the guest experience. Currently serving over 1,000 clients in 30 countries around the globe, *accesso's* solutions help our clients streamline operations, generate increased revenues, improve guest satisfaction and harness the power of data to educate business and marketing decisions.

accesso invests heavily in research and development because our industries demand it, our clients benefit from it and it makes a positive impact on the guest experience.

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

Many of our team members come from backgrounds working within the attractions and cultural industry. In this way, we are experienced operators who run a technology company serving attractions operators, versus a technology company that happens to serve the market. Our staff understand the day-to-day operations of managing complex venues and the challenges this creates, and together we strive to provide our clients and their guests with technology that empowers them to do more and enjoy more. From our agile development team to our dedicated client service specialists, every team member knows that their passion, integrity, commitment, teamwork and innovation are what drive our success.

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

Chief Executive's Review

Framing the First Half

The first six months of 2020 have been challenging for everyone. No corner of the global economy has been untouched by the COVID-19 pandemic, and – for the industries we traditionally serve – the impact has been particularly hard felt. Normally busy parks and venues closed their doors completely and abruptly, and *accesso* has shared the impact of these events. In the face of this crisis, we have taken steps to stay financially resilient through the pandemic's toughest days; flexed our technology capabilities to support our customers as they adapted to new requirements; and continued to reshape our business while looking towards the future and the approach that will underpin it.

After the full shutdown across April, May and most of June, many of the visitor attractions we serve have reopened and operated with reduced capacity across much of the summer. Theaters, live events and the cruise industry remain shuttered with no definitive timeline for reopening. Where a venue has reopened, customer responses have varied by region with some geographies performing more strongly than others. In some cases, a venue may have reopened with positive customer response, only to scale back some weeks later as restrictions re-emerged. Needless to say, our business has adjusted to what is now a continuous state of flux.

The past few months have been challenging on many levels for our staff as well as our customers. From the outset, our team stood tall and has approached each challenging day with determination and unprecedented commitment to our customers. For this, I would like to start off with a big thank you to our entire team. Despite the difficulty of reduced salaries, furloughs, remote working and other personal challenges they have faced this crisis with a level of commitment that is simply remarkable. Their willingness to go to significant lengths to support our customers and, importantly, each other has shown our brand in its best light. While I returned to the business shortly before this crisis emerged, the past few months have firmly reminded me of the strength that lies in the heart and soul of this business. On behalf of the Board, we are grateful for the teamwork they have displayed even though we have not been able to work truly as a team, together, in person.

Operationally Resilient in the Face of Challenge

In April of this year we updated our investors on how the initial impact of COVID-19 was being felt across our business. In that statement, we announced swift and decisive action on our cost base, as well as the steps we had taken to work with employees, customers and financial stakeholders to ensure that our business remains operationally and strategically resilient through the crisis.

Our first priority was to ensure our own internal resilience. During the peak of the crisis we had to take tough but necessary measures to ensure the Group's long-term health. We made reductions in staffing expenses which accounted for around 73% of *accesso's* operating expenses in 2019. We lowered headcount by 59 full-time positions and 30 independent contractor roles; implemented a 20% pay reduction via a 4-day work week for most of our staff; and undertook a 20% reduction in remuneration for the Group's directors until further notice. Along with reductions in discretionary spending including travel, marketing and tradeshows, these measures allowed us to reduce the Group's monthly operating run rate by $2.2m in Q2 resulting in a monthly run rate of $3.8m during the period of reduced operations.

In May, our next priority was to strengthen our balance sheet. We successfully raised $46.1m through a placing and open offer to give us the flexibility to react to new circumstances, if necessary, and we further reinforced our position by reaching an agreement with our lending bank, Lloyds Bank, to waive leverage and interest cover covenants tests up to and including December 2021 on our $30m revolving credit facility. To provide further contingency headroom, we agreed an additional $9.8m facility with Lloyds Bank under the Coronavirus Large Business Interruption Loan Scheme programme ("CLBILS"), committed until August 2021.

While this crisis is far from over, our early and aggressive approach to cost-management and clear focus on operational priorities has allowed us to maintain balance sheet strength. The contingency capital raised from the placing as well as the additional funding arranged with the CLBILS facility is untouched and remains fully available. As we look ahead to the uncertainty and timeframe for the recovery, we do so with a focus on preserving the flexibility afforded by our balance sheet and a clear focus on managing through this crisis in the most prudent manner possible, while continuing to maintain and, in fact, strengthen our product offering.

Market Update
Despite the crisis beginning to take hold in the early part of the year, we delivered strong performance through February with revenue 12.9% higher than the comparative period in 2019.

However, as announced in our Trading Update of 27 April 2020, the introduction of global lockdown measures during the course of March meant revenue began to decline sharply. Revenue in April was 80% lower than during the corresponding month in 2019. For the first half in its entirety we delivered revenue of $24.6m (1H 2019: $50.7m). Despite this revenue impact, we have supported our clients by maintaining our focus on innovation as we help them to overcome the challenges of COVID-19.

As large attractions began to plan for eventual reopening, capacity management became essential and advance booking technology quickly emerged as a necessity for large theme parks, water parks, zoos and the like. Our team mobilised and enhanced existing functionality within our *accesso Passport* eCommerce platform to provide an end-to-end reservation solution, at scale. The new reservation process alongside existing capacity control capabilities became central to the reopening and operational plans for many of our customers, including Six Flags, Cedar Fair and Merlin. From launch of the expanded reservation functionality in early June through the end of August, more than 12 million guest bookings have been made utilising the *accesso Passport* platform. We are expecting the trend toward online, advance bookings for large scale attractions to continue as more venues reopen with capacity limitations and social distancing guidelines in place.

Other sectors, including live entertainment and the ski industry, are laying out plans for their reopening and our support of those efforts is central to their plans. Across the theater sector, we have supported clients in revising seat maps and making other booking system enhancements to assist with capacity management and physical distancing in preparation for their eventual reopening. Similar to the theme park sector, the ski industry is looking towards a reservation based operational model and we are working with customers, new and prospective, to meet this need for the coming season.

Maintaining Strategic Focus
The circumstances of this crisis have forged even stronger relationships with our customers as we work closely alongside them to combat new and evolving challenges. In the face of adversity, we have maintained our focus on our customers and in many cases reinvigorated long standing relationships. As a proven and trusted partner, we have found ourselves in the unique position of being essential to their efforts to reopen and operate successfully. We have remained steadfast in this responsibility to our customers and supporting their efforts to reopen in any way possible.

Furthermore, the crisis has not deterred us from our core strategic efforts set forth at the start of the year. Whilst navigating the daily operational demands, we have successfully completed an overall staff reorganisation across the business that fully aligns teams across our various products, and provided clarity on roles and responsibilities with an aim towards enhancing innovation and responsiveness to customer expectations. With a refreshed senior leadership team including new appointments to the posts of Chief Financial Officer and Chief Commercial Officer, as well as new Senior Vice Presidents of Product and People, we remain squarely focused on our three stated strategic priorities: our product roadmap, operational efficiency, and the success of our customer relationships.

Whilst continuing to operate with a clear and aggressive focus on cost-management, preserving the talent and knowledge offered by our team has been an essential priority. We have managed staffing levels and our return to work strategies hand in hand with business results. Nearly all staff have now returned to work, with approximately half remaining on 4-day work weeks and 20% salary reductions. Across the balance of 2020, we expect to continue a phased approach to returning our team to full 5-day work weeks based upon meeting the needs of the business, retaining talent and preparing for the recovery phase. In the face of the personal financial toll to our staff, they have remained steadfast in supporting the business while working remotely. Returning each of them fully to work as soon as possible is a top priority.

Having served as a Non-Executive director of *accesso's* Board since 2010, David Gammon has informed the Group of his plans to step down before the year-end. The Board would like to thank David for his dedication and passion for our business over the past ten years, as he helped guide the Company to its position as a technology provider to the global leisure industry. We plan immediately to commence a search and will continue to ensure there is relevant and diverse leadership across our Board.

New Business – Signs of Recovery and Opportunity
During the first half we have been supporting many clients' social distancing efforts with our virtual queuing technology. In June, Holiday World in the United States added *accesso LoQueue* as a baseline offering for all visitors, and several other existing customers including Walibi Holland in the Netherlands and Village Roadshow Theme Parks in Australia have evolved their use of virtual queuing from a premium offering to a baseline feature of admission. As we moved beyond H1, Parc Asterix in France signed on as a new customer and introduced our virtual queuing solution as well. Visitor and client response to the availability of virtual queuing in these venues has been extremely positive, providing both an improved guest experience as well as increased operational efficiency.

Beyond our core leisure sector, we have also expanded virtual queuing outreach to other sectors and continue to focus our business development efforts on wider possibilities in the longer term. While the appetite for more widespread use of virtual queuing remains strong with many customers and the industry as a whole, crowd levels upon reopening have not warranted the need to date, particularly in the US. However, our traditional premium service model has performed ahead of our expectations where we are present in venues that have reopened.

We have also seen new areas of interest emerging alongside these virtual queuing deployments and certain sectors have accelerated their activity despite the COVID-19 environment. For example, we have seen a number of clients, including eight ski resorts and one zoo, expand their existing agreements for *accesso Siriusware*^{SM} to include *accesso Passport* eCommerce. We are deploying our contactless Food & Beverage solution to an existing ski industry customer across some 100 restaurants at the 14 resorts within their portfolio. The increased focus towards online sales, pre-booking and contactless transactions for the coming season has been a notable area of interest across the ski sector.

While the live entertainment sector is still essentially dark across the globe, as venues prepare for their eventual reopening, many are looking to improve their technology, particularly as it relates to online booking functionality. Despite the industry disruption, *accesso ShoWare*^{SM} added five new venues in 1H 2020 and a further seven contracts have been agreed post period end to date.

Overall, while sales activity across the business is not at its normal level, the continuing demand we have realised is a testament to the strength of our technology during even the most challenging of times.

Continuing With Our Plan
Our focus now is on continuing to support our global customer-base through its efforts to reopen venues and reconnect to visitors. We are already a mission-critical technology provider to many of them, and our role is even more important now. Our range of solutions will help them make the most of any upswing in demand as we step towards the rebuild and recovery phase. Given the regional nature of the operations for many of the customers we serve, we anticipate the potentially swift return of visitors when the pandemic begins to subside and/or a COVID-19 vaccine becomes widely available.

Outlook
2020 has been a year of unprecedented challenge for everyone in our industry. Despite months of uncertainty, we reached the half-year with revenue ahead our revised expectations and our trading through the recent busier summer months has followed a similar trend. With that peak trading period now behind us and on the assumption that market conditions do not significantly deteriorate, we can confirm that we expect revenue for the full year of 2020 to be not less than $48m. Given the gradual re-scaling of our operations, we will also see a gradual increase in our operating cost run-rate to an average of $4.6m per month over the remainder of 2020.

While our year-to-date performance demonstrates the resilience of our business and the importance of our technology to our clients, we are aware we cannot take any current signs of recovery for granted. The current lack of an available vaccine means market uncertainty is likely to continue into 2021. While these factors limit our visibility into the coming year, we are confident that our strong customer relationships, market-leading technology and focus on operational efficiency give us a strong foundation on which to build our recovery.

Financial Review

In the first half of 2020 the Group delivered a resilient financial performance against the backdrop of COVID-19, with revenue ahead of our revised range of expectations. The Group's two operating divisions, Guest Experience and Ticketing both entered the half with strong revenue growth, before being significantly impacted by the COVID-19 pandemic. As venues have begun to reopen, both divisions have started to scale quickly as key enablers of social distancing and advanced ticketing.

As expected, the Group's transactional revenue stream was severely impacted by COVID-19. The aggressive cost actions taken and fund-raising activity have ensured the business remains on a firm footing. As venues begin to reopen at full scale, the Group now sees opportunity to benefit from latent consumer demand showing through in the UK and Europe, alongside the deeper partnership it has built in recent months with many of the operators it serves.

Alternative Performance Measures

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

The historic strategy of enhancing its technology offerings via acquisitions, as well as an all employee share option arrangement necessitate the making of adjustments to statutory metrics to remove certain items which the Board do not believe are reflective of the underlying business. These adjustments include acquisition expenses, amortisation related to acquired intangibles, deferred and contingent payments related to acquisitions, changes to earn-out considerations, share-based payments, impairment charges and exceptional items.

By consistently making these adjustments, the Group provides a better period to period comparison and is more readily comparable against a business that does not have the same acquisition history and equity award policy. APMs include: adjusted EBITDA; Cash EBITDA; adjusted operating profit; adjusted net cash/(debt) and adjusted cash from operations.

Cash EBITDA is considered by the Group to be a principal Alternative Performance Measure. Cash EBITDA is defined as Adjusted EBITDA less capitalised internal development costs.

Key Financial Metrics

Group revenue for the first half of 2020 was $24.6m (1H 2019: $50.7m), a reduction of 51.5%. The Group started the first two months of 2020 with revenues of $14.1m, up 12.9% on 2019 with 18.2% and 11.5% gains in the Group's Guest Experience and Ticketing segments respectively.

However, the COVID-19 impact that followed from March 2020 onwards has had a major impact on the Group's transactional revenue streams. The majority of the Group's customers were either mandated to close by local governments or voluntarily closed across all the Group's markets from mid to late March through to May, with partial and limited capacity reopenings beginning in June depending on the geography. This was the primary cause for our cash EBITDA to reduce to -$10.4m for the six-month period ended 30 June 2020 (1H 2019: +$1.0m).

Venues in the United Kingdom and Other Europe were largely closed from mid-March until early July depending on the sector. Some regions and types of attraction remained closed through to August 2020 and in the case of the UK theatre sector, have yet to reopen. Australia and South Pacific began partial and limited capacity reopenings in June 2020 with some pent-up demand resulting in larger than expected revenues coming through in that month depending on the region. We have also observed the pent-up demand effect in UK and Other Europe in certain areas in July and August 2020.

Some of our customers in the USA began reopening in May and June depending on the local state regulation however these typically achieved low queuing, eCommerce and transactional revenue due to the continued high COVID-19 case numbers and the knock-on impact on consumer confidence. The USA region benefits the most from having the majority of the Group's professional service, licence fees and maintenance and support revenues which have been much less impacted by our customer closures.

Revenue on a segmental and geographical basis was as follows:

	Six months ended 30 June 2020	**Six months ended 30 June 2019**
	Unaudited	**Unaudited**
	$000	**$000**
Ticketing and Distribution	**16,806**	35,835
Guest Experience	**7,766**	14,877
Total revenue	**24,572**	50,712
	$000	$000
United Kingdom	**2,330**	12,001
Other Europe	**484**	1,610
Australia/South Pacific	**990**	1,502
USA and Canada	**20,098**	33,598
Central and South America	**670**	2,001
Total revenue	**24,572**	50,712

Revenue Quality

The following is an analysis of the Group's revenue visibility. Transactional revenue is defined as revenue earned as either a fixed amount per sale of an item, such as a ticket sold to a customer or as a percent 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, such as maintenance support revenue without the need for additional sales activity. 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 selling 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.

With the backdrop of COVID-19, the Group's transactional revenue, which is typically repeatable in nature as purchasing patterns do not significantly change under normal circumstances, has been significantly impacted by the COVID-19 pandemic. This unprecedented global crisis has led to government mandated changes in consumer behavior and purchasing patterns globally that has led to repeatable revenue falling significantly in the period to 69.7% of total revenue (1H 2019: 81.8%).

	Six months ended 30 June 2020 Unaudited $000	Six months ended 30 June 2019 Unaudited $000	%	Year ended 31 December 2019 $000
Virtual queuing	**2,270**	8,912	(74.5%)	24,687
Ticketing and eCommerce	**9,802**	27,458	(64.3%)	60,909
Transactional revenue	**12,072**	36,370	(66.8%)	85,596
Maintenance and support	**3,967**	4,511	(12.1%)	8,742
Platform fees	**1,079**	578	86.8%	1,149
Total Repeatable	**17,118**	41,459	(58.7%)	95,487
Licence revenue	**1,253**	1,777	(29.5%)	3,496
Professional services	**5,155**	6,116	(15.7%)	14,787
Non-repeatable revenue	**6,408**	7,893	(18.8%)	18,283
Hardware	**524**	1,004	(47.8%)	2,499
Other	**522**	356	46.6%	913
Other revenue	**1,046**	1,360	(23.1%)	3,412
Total revenue	**24,572**	50,712	(51.5%)	117,182
Total Repeatable as % of total	**69.7%**	81.8%		81.5%

The reported gross profit margin was 81.8% in 1H 2020, compared to 74.9% in 1H 2019. This 6.9% increase primarily results from a change in sales mix compared with 1H 2019. Our lower margin distribution business is a smaller portion of our revenue for this period and conversely higher margin revenue streams such as licence fees, maintenance and support and platform fees are proportionately greater during 1H 2020, these movements combine to drive a higher gross profit margin.

Swift and decisive cost action implemented due to the COVID-19 pandemic reduced monthly operating cost run rate by $2.2m or 36.7% to $3.8m from Q1 of 2020 to Q2 of 2020, which is in line with estimates provided within our 27 April 2020 business update for 1H 2020. Through management action, underlying administrative expenditure was reduced by 17.6% to $30.5m (1H 2019: $37.0m). The above reductions were principally achieved through implementing a company-wide four-day working week from April 2020, utilisation of the available government job retention schemes in the USA, UK and Australia, a reduction in workforce of 59 full time employees and 30 contractors alongside significantly decreased discretionary spend including travel, marketing and tradeshows.

	Six months ended 30 June 2020 Unaudited $000	Six months ended 30 June 2019 Unaudited $000
Administrative expenses – reported (1)	**38,804**	42,033
Capitalised development expenditure	**3,010**	10,040
Deferred equity settled acquisition consideration (1)	**(138)**	(1,076)
Amortisation related to acquired intangibles	**(1,505)**	(5,812)
Share based payments	**(333)**	(1,080)
Amortisation and depreciation (excluding acquired intangibles)	**(7,565)**	(7,120)
Impairment of intangible assets	**(1,360)**	-
Costs related to formal sale process	**(446)**	-
Underlying administrative expenditure	**30,467**	36,985

1) *Under IFRS 3, consideration paid to employees of the acquired entity, who must remain employees post-acquisition in order to receive earn out or deferred consideration, is treated as compensation expense rather than consideration. The 30 June 2019 deferred equity settled acquisition consideration has been restated by a reduction of $384k which reduced the reported administrative expenses from $42,418k to $42,034k.*

Adjusted Operating Profit

Due to the impact of the COVID-19 pandemic on the operations of the Group's customers, adjusted operating profit fell to a loss of $14.9m (1H 2019: +$3.9m). Cash EBITDA, which the Board considers as its key underlying metric, fell to a loss of $10.4m (1H 2019: +$1.0m).

The table below sets out a reconciliation between statutory operating loss, adjusted EBITDA and cash EBITDA:

	Six months ended 30 June 2020 Unaudited $000	**Six months ended 30 June 2019 Unaudited $000**	**Year ended 31 December 2019 Audited $000**
Operating loss *(1)*	**(18,706)**	(4,043)	(56,278)
Add: Aborted sale process	**446**	-	305
Add: Deferred equity settled acquisition consideration *(1)*	**138**	1,076	1,416
Add: Amortisation related to acquired intangibles	**1,505**	5,812	11,286
Add: Share based payments	**333**	1,080	1,845
Add: Impairment of intangible assets	**1,360**	-	53,617
Adjusted operating (loss)/profit	**(14,924)**	3,925	12,191
Add: Amortisation and depreciation (excluding acquired intangibles)	**7,565**	7,120	16,014
Adjusted EBITDA	**(7,359)**	11,045	28,205
Less: Capitalised internal development costs paid in cash	**(3,010)**	(10,040)	(21,064)
Cash EBITDA	**(10,369)**	1,005	7,141

1) *Under IFRS 3, consideration paid to employees of the acquired entity, who must remain employees' post-acquisition in order to receive earn out or deferred consideration, is treated as compensation expense rather than consideration. The 30 June 2019 charge has been restated by a reduction of $384k which reduced the reported operating loss from $4,427k to $4,044k.*

The Group reported a statutory operating loss before tax of $18.7m (1H 2019: loss of $4.0m), adjusted earnings per share in the first half of 2020 reduced to a loss per share of 37.94 cents (1H 2019: earnings per share of 14.21 cents).

Development Expenditure

At the onset of the COVID-19 pandemic, the Group implemented an immediate cost management programme to strengthen the Group's resilience. This prudent action included significantly decreasing gross development expenditure, totaling $12.8m in the half (1H 2019: $16.2m). Despite this decrease to development expenditure, 2020 has been a period of innovation within *accesso*, with frontline and technical teams working at great pace to deliver solutions to enable business continuity for blue-chip customers throughout the COVID-19 pandemic. As venues across the globe begin to reopen, the Group expects development expenditure to scale in Q4 of 2020 to continue investment into the Group's unified product strategy. Total development expenditure in 2020 is now expected to be in the region of $26m (2019: $33.5m) for the full year. In 1H 2020, the Group capitalised development expenditure of $3.0m (1H 2019: $10.0m) reflecting a decreased total gross development expenditure, an increasingly cautious approach to capitalising such investment and a maturing suite of commercialised products. Consequently, on a full year basis the proportion of total development expenditure capitalised is expected to reduce to approximately 19%.

Cash and Net Cash/(Debt)

Net cash at the end of the period was $30.8m (1H 2019: Net debt of $15.2m), consisting of cash balances of $55.7m and borrowings of $24.9m. This strong net cash position benefited from the $46.1m net proceeds from the equity placing and open offer completed by the Group in June 2020. In the absence of the equity raise our net debt would have been $15.2m and in line with 1H 2019. The maintenance of comparable net debt despite the COVID-19 impact on revenue is due to diligent working capital management, immediate action on preserving cash in terms of utilisation of job keeper schemes, deferring payroll taxes where permitted and reducing the underlying administrative expenses as noted above.

As a consequence of the COVID-19 pandemic impacting revenues, the first half has seen a net cash outflow from operations in the period of $11.9m (1H 2019: $2.7m).

As noted above, the Group's capitalised development expenditure has reduced significantly to $3.0m (1H 2019: $10.0m). The reduction in gross research and development, combined with a heavily curtailed capital expenditure investment into property plant and equipment of $0.3m (H1 2019: $1.4m) has helped to further preserve the Group's cash balances.

The Group maintains a borrowing facility with Lloyds Bank plc which was renegotiated in June 2020 together with the successful completion of the equity placing. The Group gained access to an additional facility of £8m ($9.8m) under the Coronavirus Large Business Interruption Loan Scheme (the "CLBILS Facility"). The CLBILS Facility is available to the Group for 15 months until August 2021 and remains undrawn as at 30 June 2020 and 16 September 2020. The Group's existing borrowing facility of $30m is committed until March 2022. Prior to the completion of the equity fundraise the Group drew down $10.1m on its available facility (H1 2019: $4.8m), resulting in total drawn debt of $24.9m, and total unused facilities of $14.9m.

As a result of the immediate measures taken by management on cost and cash flow management and the successful equity fundraise, the board believes that the Group is in a strong financial position and ends the period with $55.8m cash in the bank ($56.1m on 11 September 2020).

Taxation

The tax rate used by the Board on the half year to 30 June 2020 represents the actual effective tax rate for the period, this is a result of the unprecedented challenges presented by COVID-19 in reliably estimating annual effective rates. The actual effective tax rate on the statutory loss before tax for the half year is 16.1.% (FY 2019: 12.1%). The FY19 rate was reduced to 12.1% from the statutory rates primarily due to a $17.4m non-deductible goodwill impairment. The actual effective rate for the period ended 30 June 2020 is reduced from statutory rates due to the restriction in recognition of the Group's deferred tax asset on available losses, after taking into account the availability of loss carry back provisions pertaining to principle jurisdictions, due to the uncertainty of short-term profitability.

– ENDS –

Consolidated statement of comprehensive income
for the six-month period ended 30 June 2020

	Notes	**30 June 2020 Unaudited $000**	30 June 2019 Unaudited *Restated- note 10* $000	31 December 2019 Audited $000
Revenue		**24,572**	50,712	117,182
Cost of sales		**(4,474)**	(12,721)	(31,554)
Gross profit		**20,098**	37,991	85,628
Administrative expenses		**(38,804)**	(42,034)	(141,906)
Operating loss before impairment of intangible assets		***(17,346)***	*(4,043)*	*(2,661)*
Impairment of intangible assets	*8*	*(1,360)*	-	*(53,617)*
Operating loss		**(18,706)**	(4,043)	(56,278)
Finance expense		**(438)**	(607)	(1,324)
Finance income		**666**	11	21
Loss before tax		**(18,478)**	(4,639)	(57,581)
Income tax benefit	5	**2,980**	1,346	6,985
Loss for the period		**(15,498)**	(3,293)	(50,596)
Other comprehensive (loss)/income				
Items that will be reclassified to income statement				
Exchange differences on translating foreign operations		**(1,034)**	30	611
Total comprehensive loss		**(16,532)**	(3,263)	(49,985)
All loss and comprehensive loss is attributable to the owners of the parent				
Earnings per share expressed in cents per share:				
Basic	7	**(53.17)**	(12.04)	(184.26)
Diluted	7	**(53.17)**	(12.04)	(184.26)

All activities of the company are classified as continuing.

Consolidated statement of financial position as at 30 June 2020

	30 June 2020 Unaudited	30 June 2019 Unaudited *Restated (1)*	31 December 2019 Audited
	$000	$000	$000
Assets			
Non-current assets			
Intangible assets	**135,073**	195,826	142,456
Property, plant and equipment	**3,160**	4,210	3,766
Right of use assets	**4,666**	6,391	5,715
Contract assets	**1,843**	4,392	3,654
Deferred tax	**10,794**	8,849	8,647
	155,536	219,668	164,238
Current assets			
Inventories	**1,052**	889	1,004
Contract assets	**4,661**	3,009	5,926
Trade and other receivables	**8,616**	24,992	23,676
Derivative financial asset	**645**	-	-
Income tax receivable	**105**	777	50
Cash and cash equivalents	**55,786**	9,537	16,205
	70,865	39,204	46,861
Liabilities			
Current liabilities			
Trade and other payables	**12,813**	17,794	31,811
Lease liabilities	**1,270**	1,251	1,307
Contract liabilities	**6,875**	6,795	7,299
Corporation tax payable	**1,318**	3,908	4,005
	22,276	29,748	44,422
Net current assets	**48,589**	9,456	2,439
Non-current liabilities			
Deferred tax	**9,880**	16,104	10,778
Contract liabilities	**1,672**	1,722	1,823
Lease liabilities	**254**	5,559	30
Other non-current liabilities	**4,203**	860	4,976
Borrowings	**24,937**	24,752	15,851
	40,946	48,997	33,458
Total liabilities	**63,222**	78,745	77,880
Net assets	**163,179**	180,127	133,219
Shareholders' equity			
Called up share capital	**595**	424	427
Share premium	**153,327**	107,220	107,403
Own shares held in trust	**(665)**	(665)	(665)
Retained earnings	**(3,767)**	59,006	11,331
Merger reserve	**19,641**	19,641	19,641
Translation reserve	**(5,952)**	(5,499)	(4,918)
Total shareholders' equity	**163,179**	180,127	133,219

(1) *The 31 December 2018 balance sheet was restated which resulted in a $343k reduction in retained earnings, see page 103 of our 2019 audited financial statements for a full reconciliation and note 10 of these interim statements.*

Consolidated statement of cash flows
for the six-month period ended 30 June 2020

	30 June 2020 Unaudited	30 June 2019 Unaudited *Restated – note 10*	31 December 2019 Audited
	$000	$000	$000
Cash flows from operations			
Loss for the period	**(15,498)**	(3,293)	(50,596)
Adjustments for:			
Depreciation (excluding finance leased assets)	**781**	811	1,694
Depreciation on finance leased assets	**982**	631	1,320
Amortisation on acquired intangibles	**1,505**	5,812	11,286
Amortisation on development costs and other intangibles	**5,802**	5,677	13,000
Impairment of intangibles	**1,360**	-	53,617
Loss on disposal of fixed assets	**6**	82	114
Share based payments	**333**	1,080	1,845
Deferred consideration charge (note 10)	**138**	1,076	1,416
Finance expense	**438**	607	1,324
Finance income	**(666)**	(11)	(21)
Foreign exchange loss/(gain)	**131**	-	(90)
Income tax credit	**(2,980)**	(1,346)	(6,985)
	(7,668)	11,126	27,924
(Increase)/decrease in inventories	**(109)**	193	86
Decrease/(increase) in trade and other receivables	**14,836**	(4,233)	(5,865)
(Decrease)/increase in trade and other payables	**(18,470)**	(9,930)	3,562
Increase/(decrease) in contract assets/contract labilities	**2,244**	(1,652)	(1,140)
Cash (used in)/ generated from operations	**(9,167)**	(4,496)	24,567
Tax (paid)/received	**(2,728)**	1,761	1,597
Net cash (outflow)/inflow from operating activities	**(11,895)**	(2,735)	26,164
Cash flows from investing activities			
Deferred consideration settlement	**(269)**	(647)	(1,017)
Capitalised internal development costs	**(3,010)**	(10,040)	(21,064)
Purchase of property, plant and equipment	**(285)**	(1,371)	(1,945)
Purchase of other intangible assets	**-**	-	(4)
Interest received	**5**	15	21
Net cash used in investing activities	**(3,559)**	(12,043)	(24,009)
Cash flows from financing activities			
Share issue	**48,215**	120	306
Share issue costs	**(2,123)**	-	-
Interest paid	**(170)**	(373)	(830)
Payments to finance lease creditors	**(820)**	(686)	(1,451)
Proceeds from borrowings	**10,115**	4,802	4,802
Repayment of borrowings	**-**	(275)	(9,728)
Net cash generated from financing activities	**55,217**	3,588	(6,901)
Increase/(decrease) in cash and cash equivalents in the period	**39,763**	(11,190)	(4,746)
Cash and cash equivalents at beginning of year	**16,205**	20,704	20,704
Exchange (loss)/gain on cash and cash equivalents	**(182)**	23	247
Cash and cash equivalents at end of period	**55,786**	9,537	16,205

Consolidated statement of changes in equity for the six-month period ended 30 June 2020

	Share capital	Share premium	Retained earnings	Merger reserve	Own shares held in trust	Translation reserve	Total
	$000	$000	$000	$000	$000	$000	$000
Balance at 31 December 2019	**427**	**107,403**	**11,331**	**19,641**	**(665)**	**(4,918)**	**133,219**
Comprehensive loss for the period							
Loss for period	-	-	(15,498)	-	-	-	(15,498)
Other comprehensive loss	-	-	-	-	-	(1,034)	(1,034)
Total comprehensive loss for the year	-	-	(15,498)	-	-	(1,034)	(16,532)
Contributions by and distributions by owners							
Issue of share capital	168	48,047	-	-	-	-	48,215
Transaction fees	-	(2,123)	-	-	-	-	(2,123)
Share based payments	-	-	333	-	-	-	333
Equity-settled deferred consideration	-	-	138	-	-	-	138
Share option tax charge - deferred	-	-	(71)	-	-	-	(71)
Total contributions by and distributions by owners	168	45,924	400	-	-	-	46,492
Balance at 30 June 2020	**595**	**153,327**	**(3,767)**	**19,641**	**(665)**	**(5,952)**	**163,179**
Balance at 31 December 2018 – *(1)*	**421**	**107,103**	**60,143**	**19,641**	**(665)**	**(5,529)**	**181,114**
Comprehensive Income for the year							
Loss for period	-	-	(3,293)	-	-	-	(3,293)
Other comprehensive income	-	-	-	-	-	30	30
Total comprehensive loss for the year	-	-	(3,293)	-	-	30	(3,263)
Contributions by and distributions by owners							
Issue of share capital	3	117	-	-	-	-	120
Share based payments	-	-	1,080	-	-	-	1,080
Equity-settled deferred consideration	-	-	1,076	-	-	-	1,076
Total contributions by and distributions by owners	3	117	2,156	-	-	-	2,276
Balance at 30 June 2019	**424**	**107,220**	**59,006**	**19,641**	**(665)**	**(5,499)**	**180,127**

(1) The 31 December 2018 balance sheet was restated which resulted in a $343k reduction in retained earnings, see page 103 of our 2019 audited financial statements for a full reconciliation and note 10 of these interim statements.

Notes to the Interim Statements

1. Basis of preparation

accesso Technology Group plc (the "Group") is a company domiciled in England. The basis of preparation of this financial information is consistent with the basis that will be adopted for the full year accounts which will be prepared in accordance with IFRS as adopted by the European Union.

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.

Changes to significant accounting policies are described in Note 3.

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 period to 31 December 2019 has been extracted from the audited financial statements for that period.

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 Statements.

In reaching this conclusion, the directors noted the successful equity placing and open offer which generated net proceeds of $46.1m (net of $2.1m costs) in June 2020, all of which remains within the Group as at 16 September 2020. The directors have been running two forecast scenarios following the COVID-19 impact on our customer base since May 2020, being a conservative base case and a severe but plausible downside case through to 31 December 2021. Actual results to date have been trading ahead of both the conservative base case scenario and the severe but plausible downside case. In both 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 15 months. 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 57 to 105 in the audited financial statements for the year ended 31 December 2019 with exception to the additional policy identified in note 3. 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 5.

3. New accounting policy

Derivative financial instruments – forward foreign currency contracts

Forward foreign exchange currency contracts that are either in-the-money derivatives or out-of-money derivatives depending on the reporting period end exchange rate relative to the forward point exchange rate entered into by the Group on inception of the agreement. These financial instruments are carried in the statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income in the finance income or expense line. For the period ended 30 June 2020, a derivative financial asset of $644,597 is included within the Statement of Financial position and a corresponding gain included within Finance Income in the Statement of Comprehensive Income.

4. Business segments and revenue analysis

Segmental analysis

The Group's operating segments have been determined with reference to the financial information presented to the Board of directors and encompasses Ticketing and Guest Experience. 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 operating segment comprises the following solutions:

- *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.

The Group's virtual queuing solution (*accesso LoQueue*) and experience management platform (The Experience Engine^{TM} ("*TE2*")) represent two distinct operating segments. They share similar economic characteristics, customers and markets; the products are heavily bespoke, technology and software intensive in their delivery and are directly targeted at improving a guest's experience of an attraction or entertainment venue, whilst providing cross-selling opportunities and increased revenues to the venues. Management therefore conclude that they meet the aggregation criteria.

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

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

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

The CODM monitors the results of the operating segments prior to charges for interest, depreciation, tax, amortisation and exceptional items. 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 2020 Unaudited $000	Six months ended 30 June 2019 Unaudited $000	Year ended 31 December 2019 Audited $000
Ticketing	**16,806**	**35,835**	79,334
Guest Experience	**7,766**	**14,877**	37,848
Total revenue	**24,572**	**50,712**	117,182

Period ended 30 June 2020 - Unaudited	**Ticketing** **$000**	**Guest Experience** **$000**	**Central unallocated costs** **$000**	**Group** **$000**
Adjusted EBITDA *(1)*	2,936	(1,855)	(8,440)	(7,359)
Depreciation and amortisation (excluding acquired intangibles)				(7,565)
Aborted sale process costs				(446)
Deferred consideration related to employment expense				(138)
Amortisation related to acquired intangibles				(1,505)
Impairment of intangible assets (note 8)				(1,360)
Share-based payments				(333)
Finance income				666
Finance expense				(438)
Loss before tax				(18,478)

Period ended 30 June 2019 - Unaudited	**Ticketing** **$000**	**Guest Experience** **$000**	**Central unallocated costs** **$000**	**Group** **$000**
Adjusted EBITDA *(1)*	14,729	5,570	(9,254)	11,045
Depreciation and amortisation (excluding acquired intangibles)				(7,120)
Deferred consideration related to employment expense (Note 10)				(1,076)
Amortisation related to acquired intangibles				(5,812)
Share-based payments				(1,080)
Finance income				11
Finance expense				(607)
Loss before tax				(4,639)

Year ended 31 December 2019 – Audited	Ticketing $000	Guest Experience $000	Central unallocated costs $000	Group $000
Adjusted EBITDA *(1)*	34,056	16,989	(22,840)	28,205
Depreciation and amortisation (excluding acquired intangibles)				(16,014)
Aborted sale process costs				(305)
Deferred consideration related to employment expense				(1,416)
Amortisation related to acquired intangibles				(11,286)
Impairment of intangible assets				(53,617)
Share-based payments				(1,845)
Finance income				21
Finance expense				(1,324)
Loss before tax				(57,581)

(1) Adjusted EBITDA: operating profit before the deduction of amortisation, depreciation, acquisition costs, deferred and contingent payments, and costs related to share-based payments.

Revenue analysis

The following is an analysis of the Group's revenue visibility. Transactional revenue 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 percent 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, such as maintenance support revenue without the need for additional sales activity. Non-repeatable revenue is revenue that occurs one-time (e.g. up-front license 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 selling 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.

	Six months ended 30 June 2020 Unaudited $000	Six months ended 30 June 2019 Unaudited $000	Year ended 31 December 2019 Audited $000
Transactional revenue	**12,072**	**36,370**	85,596
Other repeatable revenue	**5,046**	**5,089**	9,891
Non-repeatable revenue	**6,408**	**7,893**	18,283
Other revenue	**1,046**	**1,360**	3,412
Total revenue	**24,572**	**50,712**	117,182

5. Taxation

The tax expense for the period ended 30 June 2020 has been based on the actual effective tax rate due to the unprecedented challenges caused by COVID-19 in the ability to estimate the full year effective tax rate reliably. For 1H 2019 it was calculated on the expected annual effective rate. The adjusted earnings per share (note 7) for 1H 2020 has been presented using an estimated adjusted rate for the period, which has been adjusted to remove the effect of deferred and contingent consideration linked to employment in relation to the acquisitions of TE2 and the aborted sale expenses. For tax purposes, both aborted sale expenses and deferred and contingent consideration are not deductible for tax purposes, all other adjusted items to arrive at adjusted (loss)/profit before tax have a related tax credit or expense.

6. Reconciliation of alternative performance measures

Management have presented the alternative performance measures below because it monitors performance at a consolidated level and believes these measures are relevant to an understanding of the Group's underlying financial performance. The definitions of the measures are the same as in the last annual financial statements.

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

	Six months ended 30 June 2020 Unaudited	Six months ended 30 June 2019 Unaudited *Restated – note 10*	Year ended 31 December 2019 Audited
Adjusted operating profit, adjusted EBITDA and Cash EBITDA	**\$000**	\$000	\$000
Operating loss	**(18,706)**	(4,043)	(56,278)
Add: Aborted sale expenses	**446**	-	305
Add: Deferred acquisition consideration *(1)*	**138**	1,076	1,416
Add: Amortisation related to acquired intangibles	**1,505**	5,812	11,286
Add: impairment of intangibles	**1,360**	-	1,845
Add: Share based payments	**333**	1,080	53,617
Adjusted operating (loss)/profit	**(14,924)**	3,925	12,191
Add: Amortisation and depreciation (excluding acquired intangibles)	**7,565**	7,120	16,014
Adjusted EBITDA	**(7,359)**	11,045	28,205
Capitalised internal development costs	**(3,010)**	(10,040)	(21,064)
Cash EBITDA	**(10,369)**	1,005	7,141

(1) Under IFRS 3, consideration paid to employees of the acquired entity, who must remain employees post-acquisition to receive earn out or deferred consideration, is treated as compensation expense rather than consideration, see details of 30 June 2019 restatement in note 10.

7. 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 costs related to acquisition expenses, the amortisation on acquired intangibles, share based compensation, deferred and contingent payments arising from acquisitions, and amortisation of loan refinancing charges, net of tax effects, 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 2020	Six months ended 30 June 2019	Year ended 31 December 2019
	Unaudited	Unaudited *Restated – note 10*	Audited
	$000	$000	$000
Loss attributable to ordinary shareholders	**(15,498)**	**(3,293)**	(50,596)
Basic EPS			
Denominator			
Weighted average number of shares used in basic EPS	**29,150**	**27,358**	27,459
Basic loss per share – cents	**(53.17)**	**(12.04)**	(184.26)
Diluted EPS			
Denominator			
Weighted average number of shares used in basic EPS	**29,150**	**27,358**	27,459
Deferred share consideration on business combinations	**17**	**280**	17
Effect of dilutive securities			
Options	**869**	**690**	406
Weighted average number of shares used in diluted EPS	**30,036**	**28,328**	27,882
Diluted loss per share – cents	**(53.17)**	**(12.04)**	(184.26)

The Group has made a loss in the periods 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 all periods presented.

Adjusted EPS			
Loss attributable to ordinary shareholders	**(15,498)**	**(3,293)**	(50,596)
Adjustments to loss for the period:			
Aborted sale expenses	**446**	-	305
Amortisation relating to acquired intangibles	**1,505**	**5,811**	11,286
Impairment of goodwill	**-**	**-**	17,403
Impairment of intangible assets	**1,360**	**-**	36,214
Deferred and contingent consideration linked to employment	**138**	**1,076**	1,416
Shared based payments	**333**	**1,080**	1,845
Amortisation of capitalised finance costs	**-**	**214**	-
Adjusted (loss)/ profit before tax	**(11,716)**	**4,888**	17,873
Net tax related to above adjustments: (1H 2020: 20.5%; 1H 2019: 20.47%; FY 2019: 19.41%)	**656**	**(1,000)**	(9,420)
Adjusted (loss)/ profit attributable to ordinary shareholders	**(11,060)**	**3,888**	8,453
Adjusted basic EPS			
Denominator			
Weighted average number of shares used in basic EPS	**29,150**	**27,358**	27,459
Adjusted earnings per share - cents	**(37.94)**	**14.21**	30.78

Adjusted diluted EPS

Denominator

Weighted average number of shares used in diluted EPS	**30,036**	**28,358**	27,882
Adjusted earnings per share - cents	**(37.94)**	**13.71**	30.32

The Group has made an adjusted loss in the period ended 30 June 2020 and therefore the options and equity settled deferred consideration are anti-dilutive. As a result, adjusted basic and adjusted diluted earnings per share are the same for that period.

8. Impairment of Ingresso Group Limited intangible assets

At 30 June 2020 it was identified that the remaining intangible assets of Ingresso Group Limited had indicators of impairment due to the impact of COVID-19 and the slower anticipated recovery within the UK theatre sector. In addition, this cash generating unit was written down to its recoverable value at 31 December 2019 as explained in note 16 of the 2019 annual financial statements and therefore no headroom existed in the impairment test. Consequently, the recoverable amount of Ingresso Group Limited allocated intangible assets was tested for impairment using a value in use method over a period that reflected the useful life of the essential assets, being the acquired internally developed intellectual property and development costs of five years. The outcome of this test was a reduction in the carrying value of the Ingresso allocated assets by $1.4m to nil, which represented all the residual allocated intangible assets of Ingresso Group Limited.

9. Dividend

No dividend has been proposed or recommended during the period. The Board maintains the view that the payment of a dividend is unlikely in the medium term with cash better invested on growth-focused investment opportunities.

10. Restatement of deferred compensation

As set out in the Group's 2019 annual accounts on page 101, deferred compensation was being incorrectly recognised on 454,547 deferred shares that were issued to certain key employees of Blazer and Flip Flops Inc DBA, *TE2* following the acquisition in 2017, contingent upon their continued employment. The charge in respect of these awards was recognised on a straight-line basis from the date of acquisition in July 2017 and did not take account of the 3-tiered stages of vesting applied to the awards.

Consequently, the consolidated deferred compensation charge of $1,460K was overstated by $384k in the six months to June 2019 within administrative expenses. A corresponding debit was recorded to retained earnings at 30 June 2019. The overall impact on consolidated net assets is nil at 30 June 2019.