19 September 2018

***accesso® Technology Group* plc**

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

INTERIM RESULTS
for the six-month period ended 30 June 2018

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 2018. During the first half the Group has performed strongly, generating significant new business momentum and optimising its operational platform for future growth.

Financial Highlights

	Six months ended 30 June 2018 Unaudited $m	**Six months ended 30 June 2017 Unaudited** $m	***% change***	**Year ended 31 December 2017 Audited** $m
Revenue	**54.4**	46.6	16.7%	133.4
Operating profit	**2.3**	2.1	9.5%	9.2
Adjusted operating profit*	**11.0**	6.5	69.2%	19.1
Adjusted EBITDA**	**15.1**	8.7	73.6%	24.6
Profit before tax	**1.4**	1.6	-12.5%	7.2
Net debt/ (cash)***	**11.6**	23.8		(12.5)
Earnings per share – basic (cents)	**3.85**	4.96	-22.4%	40.83
Adjusted earnings per share – basic (cents)	**30.31**	22.25	36.2%	56.73

** Operating profit before the deduction of amortisation related to acquisitions, acquisition costs, deferred and contingent payments, profit recognised on the reduction of the earn-out liability, and costs related to share-based payments (note 5)*
*** Operating profit before the deduction of amortisation, depreciation, acquisition costs, deferred and contingent payments, profit recognised on the reduction of the earn-out liability, and costs related to share-based payments (note 5)*
**** Cash and cash equivalents less borrowings*

Operational Highlights

Operational Highlights – Continuing on our growth path

- Demand for our increasingly complementary suite of products and services remains strong.
- Unified ticketing businesses now supported by one operational backbone, supporting integration and future efficiencies.
- Underlying revenue growth during the period of 47%. Reported revenue growth was 16.7% following adoption of IFRS 15. Most significant impact of this adoption relates to a revenue stream formerly recognised on a gross basis now being recognised on a net basis, but with no overall impact on profit. Comparative reported numbers have not been restated.

Established Verticals (Theme Parks, Water Parks)

- Merlin rollout approaching completion this autumn; *accesso Passport*[SM] now present in more than 30 countries.

- Strength of proposition reflected in five-year extension with Cedar Fair and maiden *TE2* / *accesso Passport* integration with Knott's Berry Farm.
- Post period-end, *accesso Prism*^{SM} to initially replace *Qbot*^{SM} at four additional Six Flags parks following a successful trial at Six Flags Over Georgia.

Adjacent Verticals (ski resorts, cultural attractions, tours and live event ticketing)

- Continued progress in Live Entertainment and Cultural Attractions with The Observation Deck at CEB Tower in Washington DC, Vibes International Music Festival in Fort Lauderdale and Hellgate Jetboat Excursions in Grants Pass joining as new clients during the period.
- Progress in Live Sports also continues with the Brampton Beast and Nanaimo Clippers Hockey teams, and with NOLA Gold Major League Rugby joining as clients post-period end.
- Also post-period end, the Perfect North Ski resort in Lawrenceburg, Indiana became the first ski location to sign a contract for an *accesso Passport / accesso Siriusware*^{SM} same-site integration*. accesso Passport* and *accesso Siriusware* are now working in tandem in eight locations across four different vertical markets with two more to be implemented by the end of the year. This is a pleasing recognition of the value our combined products can offer our clients.

Greenfield Opportunities

- Landmark agreement signed with Henry Ford Health System, marking *accesso's* entrance into the Healthcare market. A new *accesso Health* division will focus solely on driving innovation for this market using the *TE2* solution and our wearable offering based on the *Prism* form factor.
- *Ingresso's* US expansion is gaining momentum, allowing new and existing *accesso* clients to connect to an ever-expanding network of distribution channels.
- Continued advance into the hospitality space marked by agreement with Marriott International's Gaylord Hotels. The *accesso ShoWare*^{SM} solution went live in four of Marriott's locations in July 2018.
- Significant post period-end win in a new market as *TE2* has signed Alterra Mountain Company, a privately-owned company. Alterra Mountain Company will pilot and test *TE2's* Guest Experience platform.

Paul Noland, Chief Executive Officer, added:

"Since joining Accesso as CEO in April, it has been pleasing to see that the first half of the year has combined both the ongoing strength in our core business with our efforts to expand into high-potential areas like Healthcare, Hospitality and ticketing distribution. From theme parks to live entertainment and hospitals, we continue to impact more and more of the digital guest or visitor journey, combining our solutions to solve problems and drive revenue to create better guest experiences for our clients.

Operationally, we have taken meaningful steps to enhance the capacity of our ticketing business, which remains a central driver of our growth. In bringing the ticketing enterprise together, we have reduced organisational complexity and will be able to increase collaboration across the teams.

In the second half, we will continue to focus on global growth and cross-product integrations that will expand our portfolio of clients using multiple Accesso solutions in their venues.

Commenting on the results Tom Burnet, Executive Chairman of *accesso*, said:

In addition to strong first half results, the first half of 2018 has also marked the beginning of Paul Noland's tenure as Accesso CEO. Since taking the reins Paul has made a significant impact on the business and the Board is delighted to have the benefit of his expertise and leadership as the Group enters its next phase of growth.

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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

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

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

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

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Financial Review

The first half of 2018 has once again seen *accesso* deliver a strong set of financial results, with the Group benefitting from new business momentum, the impact of the two acquisitions undertaken in 2017 and improved operational leverage resulting from platform and operational investments that have supported the increased global scale of the business.

Reporting changes following the adoption of IFRS 15

The Group adopted IFRS 15 *Revenue from Contracts with Customers* from 1 January 2018, using the cumulative effect method, with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 January 2018). Accordingly, the information presented for 2017 has not been restated.

The most significant impact from the adoption of IFRS 15 relates to revenue recognition in respect of certain *accesso LoQueue*^{SM} agreements. Under the previous revenue recognition standard (IAS 18), management determined the Group was acting as the principal in such agreements, revenue was recognised on a gross basis and amounts due to the operator were recorded as an expense within cost of sales.

IFRS 15 introduces revised criteria for determining the principal or agent relationship, focusing on control of the goods or services provided by the Group under the terms of the agreement. Management has determined that, under IFRS 15, the Group acts as the agent in its queuing contracts, and subsequently now recognises the net revenue portion of the sale as revenue, rather than the full amount of the guest payment for the service.

Revenue for the comparative six-month period to 30 June 2017 would have been $37.0m, had the group restated the comparative period, with reported revenue growth of 47%.

There is no impact on profit of the Group due to the revised assessment of agent vs principal and therefore the Group will present improved operating margins in the current year and looking forward.

The adoption of IFRS 15 generally is not expected to materially impact full year adjusted profit metrics or cash generation in current or future periods. In the six-month period ended 30 June 2018, adjusted operating profit and adjusted EBITDA included a net $1.6m benefit in respect of IFRS 15 revenue recognition changes.

Further details relating to the adoption of IFRS 15 are included in note 3.

Key financial metrics

Group revenue for the first half of 2018 was $54.4m (1H 2017: $46.6m), with reported revenues (impacted by the adoption of IFRS 15 as detailed above) increasing by 16.7%. Underlying revenue growth in 1H 2018, excluding the impact of IFRS 15 adoption, was 47% and benefited from the inclusion of the acquisitions undertaken in 2017 including six months of *TE2* and three months of *Ingresso*. Underlying like for like growth, on a consistent IFRS 15 basis, was approximately 11%. The impact of foreign exchange movements, between periods, on revenue, or costs, was not material.

The reported gross profit margin was 73.4% in 1H 2018, compared to 57.8% in 1H 2017. This increase primarily results from the recognition of queuing revenues on a net basis reducing both revenue and cost of sales. If 2017 were to be restated a gross profit margin of 76.9% would have been reported, with the modest underlying year on year reduction attributable to changes within the revenue mix.

Operating costs during the period increased 51.6% to $37.6m (1H 2017: $24.8) This reflects the increased cost base from the acquisitions undertaken in 2017, the related increases of amortization of acquired intangibles and the increase of employment related acquisition consideration. Underlying administrative expenditure is presented below:

	Six months ended 30 June 2018 $000	Six months ended 30 June 2017 $000
Administrative expenses - reported	**37,614**	24,828
Acquisition expenses	**-**	(687)
Deferred acquisition consideration (i)	**(1,723)**	(471)
Amortisation related to acquired intangibles	**(5,928)**	(2,706)
Share based payments	**(1,047)**	(582)
Amortisation and depreciation (excluding acquired intangibles)	**(4,054)**	(2,179)
Underlying administrative expenditure	**24,862**	18,203

Adjusted operating profit

Adjusted operating profit, which the Board considers a key underlying metric, increased by 69.2% to $11.0m (1H 2017: $6.5m), while adjusted EBITDA, increased by 73.6% to $15.1m (2017: $8.7m).

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

	Six months ended 30 June 2018 $000	Six months ended 30 June 2017 $000	Year ended 31 December 2017 $000
Operating profit	**2,304**	2,092	9,241
Add: Acquisition expenses	**-**	687	1,249
Add: Deferred acquisition consideration (i)	**1,723**	471	2,131
Add: Amortisation related to acquired intangibles	**5,928**	2,706	8,591
Less: Profit recognized on reduction of earn-out liability	**-**	-	(3,228)
Add: Share based payments	**1,047**	582	1,089
Adjusted operating profit	**11,002**	6,538	19,073
Add: Amortisation and depreciation (excluding acquired intangibles)	**4,054**	2,179	5,531
Adjusted EBITDA	**15,056**	8,717	24,604

(i) 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.

Profit before tax decreased to $1.4m (1H 2017: $1.6m), Adjusted earnings per share in the first half of 2018 increased by 36.2% to 30.31 cents (1H 2017: 22.25 cents).

Development Expenditure

Product development and innovation continues to be central to our strategy to extend our leadership position in our established markets, while facilitating our ability to take advantage of opportunities within adjacent verticals. Total development expenditure increased in 2018, partly driven by the full year impact of the 2017 acquisitions and total expenditure for the full year is expected to be in the region of $30m (FY2017: $20m). In 1H 2018, the group capitalised development expenditure of $11.2m (1H 2017: $4.9m) and on a full year basis the % of total development expenditure capitalised is expected to be approximately 66%. The net benefit in the period of development capitalisation less related amortisation, increased to $7.7m (1H 2017: $3.3m).

Cash and net debt

Consistent with previous years due to the traditional seasonality of the business, the first half has not been significantly cash generative and not indicative of the underlying cash generation cycle of the Group on a full year basis. Cash outflow from operations in the period was $4.1m (1H 2017: Cash inflow $1.3m). This included outflows of $6.7m relating to cash balances, inherited with the 2017 acquisitions which, while beneficially owned, are not relevant when considering the underlying cash conversion of the business. Consequently, underlying conversion for the period was 17.2%. (1H 2017:19.3%)

Net debt at 30 June 2018 was $11.6m, representing a total outflow of $24.1m from the position at 31 December 2017 (net cash: $12.5m). In addition to the outflow of $6.7m referenced above, the Group made a final earn-out payment relating to the acquisition of *Ingresso*, of $9.6m and incurred development expenditure of $11.2m. Financing costs included bank interest of $0.3m (1H 2017: $0.3m). The board believes that the Group remains in a strong financial position at the period end.

Taxation

The Board expects the 2018 effective tax rate on adjusted profit before tax to be approximately 22% (2017: 24%), while the effective tax rate on statutory profit before tax for the full year is expected to be approximately 29% (2017: 38.2%) which are the rates used within 1H 2018.

The Group continues to review and implement opportunities for maintaining or lowering its effective tax rate, while mindful of the fact that incremental taxable income is expected to be generated in markets with higher headline tax rates than the UK.

Dividend

The Board maintains its view that the payment of a dividend is unlikely in the short to medium term with cash better invested in growth focused investment opportunities.

Operational Progress

Established Verticals

accesso continues to show strength in its core Theme Park, Water Park and Attractions markets. We are now very substantially through the rollout of ticketing and eCommerce technology related to our landmark 2015 agreement with Merlin Entertainments, which has provided significant impetus for the internationalisation of our business and from which we are now starting to derive meaningful operational leverage. *accesso Passport* is present today in more than thirty countries across six continents. In 2015, we were present in just five countries. This expanding geographic footprint has helped us gain a foothold in a range of new markets, driving revenue from these core verticals and opening doors to new ones.

Our ticketing solutions remain a key driver of our growth in this area, and in the period, we were delighted to announce a five-year extension to our existing agreement with Cedar Fair Entertainment Company. This contract, among others, contributed to overall Group ticketing volumes in 1H 2018 growing 20.5%.

Alongside the success of our ticketing solutions, our offering to these established verticals continues to expand. The sustained investment in our platform is bearing fruit and we are seeing the benefit of the opportunity to combine our market-leading ticketing and eCommerce offering with other *accesso* products and services that now reaches further across the digital guest journey. For example, in 1H 2018 we were pleased to sign an agreement for the first same-site *accesso Passport*/ *TE2* integration with California theme park, Knotts Berry Farm. This combination will enable guests to combine pre and in-venue experiences by porting their tickets and itinerary purchased through *accesso passport* into the *TE2* app ahead of their day out.

In our queuing business, *accesso Prism*, our state-of-the-art wearable device, also continues to gain traction. While we are already seeing the product's potential for new parks, it also has an important role to play in providing an upgrade path for users of *accesso's* existing proprietary queuing hardware. It is pleasing to see key customers adopting this technology, and following a successful trial during the first half of 2018, Six Flags has now committed to initially replace *Qbot* with *accesso Prism* at four of its parks.

Adjacent Verticals

We believe that the fundamental ingredients for a positive interaction between operator and guest are the same for Cultural Attractions and Live Events as they are for Theme and Water Parks. This fact makes *accesso's* technology applicable to operators of museums, music concerts and sporting events, among others.

In particular, *accesso* has won a range of new business in the Live Entertainment and Attractions market, adding The Observation Deck at the CEB tower in Washington DC, the Vibes International Music Festival in Fort Lauderdale and Hellgate Jetboat Excursions as new clients during the period. In Live Sports, we added the Brampton Beast and Nanaimo Clippers Canadian minor league hockey teams, as well as NOLA GOLD Major League Rugby post period-end.

Also after the period-end, we achieved a notable landmark in the ski industry, an important part of the *accesso* client-base since the *accesso Siriusware* acquisition in December 2013. Perfect North Ski Resort in Grants Pass became the first in its industry to sign a contract for an *accesso Siriusware / accesso Passport* same-site integration. These products are now working in tandem in eight locations across three vertical markets and reflect the growth in recognition of a highly productive synergy between eCommerce, point-of-sale and guest management technologies.

Greenfield Opportunities

The 2017 acquisitions of *Ingresso* and *TE2* added both a range of additional capability to *accesso's* existing offering and will enable opportunities for the Group to accelerate its expansion into greenfield areas including Healthcare and ticketing distribution. The Group has made progress in these areas during the first half of 2018, establishing itself in Healthcare through its agreement with Henry Ford Health Systems ("HFHS") and progressing the technical and commercial work to allow accesso to expand its distribution capabilities into the USA. *accesso* expects both areas to be meaningful future contributors to growth.

accesso's agreement with HFHS represents a significant entrance into a greenfield market. This exciting step opens a sizable additional opportunity for the Group to capitalize on the commonalities in guest or visitor experience in a new vertical. *accesso* will leverage its *TE2* solution to improve the patient and caregiver experience. HFHS is a six-hospital system headquartered in Detroit, Michigan and a thought leader and innovator within the healthcare sector. *accesso's* technology will be used to build unique patient profiles to enable a convenient and frictionless patient experience, in real-time. The project will commence in Autumn 2018 and a full production roll-out, once tested, will coincide with the opening of the new centre for the Henry Ford Cancer Institute, expected in 2020.

A new *accesso Health* division will focus solely on driving innovation for this market using the *TE2* solution. This will require the Group to commit to additional investment in the coming periods. We look forward to further updating the market in due course.

After the period end, the Group has also continued its advance into the greenfield Hospitality industry with Marriott International's Gaylord Hotels and the Alterra Mountain Company. The first of these agreements saw *accesso ShoWare* go-live in four Marriott venues in July, and the second saw *TE2* land its first major contract in the ski market in July.

People

accesso continues to invest in its people, creating a positive working environment that attracts and retains the best talent in our industry. We are proud to have been named as one of Orlando's best places to work and the Group has maintained a 4.1 out of 5 rating on Glassdoor, with more than 80% of our staff saying they would recommend *accesso* as a place of work to family and friends. These indicators reflect the strength of our culture and the quality of our people, who remain the driving force behind our success.

Outlook

The first half of 2018 has been positive for *accesso* and the business continues to see sustained opportunities for its technology within current verticals and is now pushing forward into new areas, where we see the potential for both organic and inorganic growth. While work remains to be done in the remainder of 2018, the Board is happy to reiterate its confidence in its expectations for the full year.

– ENDS –

Consolidated statement of comprehensive income
for the six-month period ended 30 June 2018

	Six months ended 30 June 2018 Unaudited $000	Six months ended 30 June 2017 Unaudited $000	Year ended 31 December 2017 Audited $000
Revenue	**54,374**	46,590	133,429
Cost of sales	**(14,456)**	(19,670)	(59,984)
Gross profit	**39,918**	26,920	73,445
Administrative expenses	**(37,614)**	(24,828)	(64,204)
Operating profit	**2,304**	2,092	9,241
Finance expense	**(897)**	(495)	(2,099)
Finance income	**41**	16	24
Profit before tax	**1,448**	1,613	7,166
Income tax charge	**(426)**	(503)	2,735
Profit for the period	**1,022**	1,110	9,901
Other comprehensive income			
Items that will be reclassified to the income statement			
Exchanges differences on translating foreign operations	**(832)**	353	166
Other comprehensive (loss) / income for the period, net of tax	**(832)**	353	166
Total comprehensive income for the period	**190**	1,463	10,067

All profit and comprehensive income are attributable to the owners of the parent

Earnings per share expressed in cents per share:			
Basic	**3.85**	4.96	40.83
Diluted	**3.71**	4.68	38.70

All activities of the company are classified as continuing.

Consolidated statement of financial position
as at 30 June 2018

	30 June 2018	30 June 2017	31 December 2017
	Unaudited	Unaudited	Audited
	$000	$000	$000
Assets			
Non-current assets			
Intangible assets	**198,829**	116,231	198,298
Property, plant and equipment	**3,707**	3,458	3,400
Deferred tax	**9,186**	6,945	8,937
	211,722	126,634	210,635
Current assets			
Inventories	**830**	653	506
Trade and other receivables	**20,702**	18,189	19,761
Tax receivable	**1,060**	-	-
Cash and cash equivalents	**14,690**	12,836	28,668
	37,282	31,678	48,935
Liabilities			
Current liabilities			
Trade and other payables	**24,951**	27,628	49,874
Finance lease liabilities	**-**	37	9
Corporation tax payable	**1,940**	680	613
	26,891	28,345	50,496
Net current assets	**10,391**	3,333	(1,561)
Non-current liabilities			
Deferred tax	**14,551**	12,079	14,629
Other non-current liabilities	**930**	-	3,024
Borrowings	**26,239**	36,662	16,140
	41,720	48,741	33,793
Total liabilities	**68,611**	77,086	84,289
Net assets	**180,393**	81,226	175,281
Shareholders' equity			
Called up share capital	**421**	359	411
Share premium	**106,840**	29,538	105,207
Own shares held in trust	**(675)**	(1,163)	(1,163)
Other reserves	**17,076**	9,824	14,453
Retained earnings	**41,214**	31,029	39,820
Merger reserve	**19,641**	14,540	19,641
Translation reserve	**(4,124)**	(2,901)	(3,088)
Total shareholders' equity	**180,393**	81,226	175,281

Consolidated statement of cash flows
for the six-month period ended 30 June 2018

	Six months ended 30 June 2018 Unaudited $000	Six months ended 30 June 2017 Unaudited $000	Year ended 31 December 2017 Audited $000
Cash flows from operations			
Profit for the period	**1,022**	1,110	9,901
Adjustments for:			
Amortisation on acquired intangibles	**5,928**	2,706	8,591
Amortisation on development costs	**3,504**	1,500	4,166
Depreciation and amortization on other fixed assets	**550**	679	1,365
Share based payments and contingent deferred consideration	**2,539**	582	1,089
Finance expense	**897**	495	2,099
Finance income	**(41)**	(16)	(24)
Loss on disposal of fixed assets	**-**	-	12
Foreign exchange (gain) / loss	**(69)**	110	(241)
Income tax expense	**426**	503	(2,735)
	14,756	7,669	24,223
Increase in inventories	**(340)**	(162)	(15)
Increase in trade and other receivables	**(1,652)**	(3,914)	(2,792)
Decrease in trade and other payables	**(16,830)**	(2,783)	11,681
Cash generated from operations	**(4,066)**	810	33,097
Tax (paid) / received	**(411)**	188	(224)
Net cash inflow from operating activities	**(4,477)**	998	32,873
Cash flows from investing activities			
Investment in subsidiary, net of cash acquired	**-**	(16,034)	(78,074)
Payment of contingent consideration - Ingresso	**(9,596)**	-	-
Purchase of intangible fixed assets	**(11,181)**	(4,845)	(12,395)
Purchase of property, plant and equipment	**(997)**	(478)	(936)
Interest received	**41**	16	24
Net cash used in investing activities	**(21,733)**	(21,341)	(91,381)
Cash flows from financing activities			
Share Issue	**1,643**	1,390	77,112
Sale of shares held in trust	**403**	-	-
Interest paid	**(300)**	(279)	(741)
Capitalised finance costs	**-**	(350)	(410)
Payments to finance lease creditors	**(9)**	(27)	(54)
Proceeds from borrowings	**15,737**	31,375	31,376
Repayment of borrowings	**(4,720)**	(4,835)	(26,037)
Net cash generated from financing activities	**12,754**	27,274	81,246
(Decrease) / increase in cash and cash equivalents in the period	**(13,456)**	6,931	22,738
Cash and cash equivalents at beginning of year	**28,668**	5,866	5,866
Exchange (loss) / gain on cash and cash equivalents	**(522)**	39	64
Cash and cash equivalents at end of period	**14,690**	12,836	28,668

Consolidated statement of changes in equity for the six-month period ended 30 June 2018

	Share capital	Share premium	Retained earnings	Merger reserve	Other Reserves	Own shares held in trust	Translation reserve	Total
	$000	$000	$000	$000	$000	$000	$000	$000
Balance at 31 December 2017	**411**	**105,207**	**39,820**	**19,641**	**14,453**	**(1,163)**	**(3,088)**	**175,281**
Impact of IFRS 15	-	-	457	-	-	-	(204)	253
Restated balance at 31 December 2017	**411**	**105,207**	**40,277**	**19,641**	**14,453**	**(1,163)**	**(3,292)**	**175,534**
Comprehensive Income for the year								
Profit for period	-	-	1,022	-	-	-	-	**1,022**
Other comprehensive income	-	-	-	-	-	-	(832)	**(832)**
Total comprehensive income for the year	-	-	1,022	-	-	-	(832)	**190**
Contributions by and distributions by owners								
Issue of share capital	10	1,633	-	-	-	-	-	**1,643**
Reduction of shares held in trust	-	-	(85)	-	-	488	-	**403**
Equity settled deferred consideration	-	-	-	-	1,576	-	-	**1,576**
Share based payments	-	-	-	-	1,047	-	-	**1,047**
Total contributions by and distributions by owners	10	1,633	(85)	-	2,623	488	-	**4,669**
Balance at 30 June 2018	**421**	**106,840**	**41,214**	**19,641**	**17,076**	**(675)**	**(4,124)**	**180,393**
Balance at 31 December 2016	357	28,150	29,919	14,540	9,242	(1,163)	(3,254)	77,791
Comprehensive Income for the year								
Profit for period	-	-	1,110	-	-	-	-	1,110
Other comprehensive income	-	-	-	-	-	-	353	353
Total comprehensive income for the year	-	-	1,110	-	-	-	353	1,463
Contributions by and distributions by owners								
Issue of share capital	2	1,388	-	-	-	-	-	1,390
Share based payments	-	-	-	-	582	-	-	582
Total contributions by and distributions by owners	2	1,388	-	-	582	-	-	1,972
Balance at 30 June 2017	359	29,538	31,029	14,540	9,824	(1,163)	(2,901)	81,226

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.

This is the first set of the Group's financial statements where IFRS 15 and IFRS 9 have been applied. 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 2017 has been extracted from the audited financial statements for that period.

Having considered the principal risks and uncertainties as presented in the 31 December 2017 audited financial statements, and those additional risks and uncertainties disclosed below, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis in preparing the half-yearly financial information.

2. Accounting policies

The condensed consolidated interim financial information has been prepared using accounting policies consistent with those set out on pages 34 to 41 in the audited financial statements for the period ended 31 December 2017. These accounting policies have been applied consistently to all periods presented in this financial information.

3. Changes to significant accounting policies

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2017. The policy for recognising and measuring income taxes in the interim period is described in Note 4.

The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2018.

The Group has initially adopted IFRS 15 *Revenue from Contracts with Customers* and IFRS 9 *Financial Instruments* from 1 January 2018. The adoption of IFRS 9 did not have a material impact on the company. A number of other new standards are effective from 1 January 2018, but they do not have a material effect on the Group's financial statement.

The effect of initially applying IFRS 15 is mainly attributed to the following:

- earlier recognition of revenue from software licenses in certain contracts which are non-cancellable during the term of the agreement;
- the delayed recognition of revenue from software license contracts in certain contracts which require the annual payment of maintenance and technical support to maintain an active license; and,
- a change in the factors considered in determining whether the company is acting as a principal or agent in certain accesso LoQueue agreements.

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It has replaced existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

The Group has adopted IFRS 15 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 January 2018). Accordingly, the information presented for 2017 has not been restated – i.e. it is presented, as previously reported, under IAS 18, IAS 11 and related interpretations.

The following table summarises the impact, net of tax, of transition to IFRS 15 on retained earnings at 1 January 2018.

Retained Earnings	**Impact of adopting IFRS 15 at 1 January 2018 $000**
License fees recognized up front	4,542
License fees recognized over time	(4,160)
Deferred contract commissions	234
Related tax	(159)
Impact at 1 January 2018	457

If reporting under IAS 18 for the period, revenue would have been $9.9m higher, and operating profit $1.6m lower. There was no material impact on the Group's interim statement of cash flows for the six-month period ended 30 June 2018.

The details of the new significant accounting policies and the nature of the changes to previous accounting policies in relation to the Group's various goods and services are set out below. Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement.

Type of product/service	**Nature, timing of satisfaction of the performance obligation, significant payment terms**	**Nature of change in accounting policy**
a. Point-of-sale (POS) licenses	Customers obtain control of the POS license once it is installed on their hardware. With agreements longer than 1 year, invoices are generated either quarterly or annually, usually payable within 30 days. Although payments are made over the term of the agreement, the agreement is binding for the negotiated term.	Under IAS 18, the license revenue was recognised equally over the term of the agreement, reflecting the pattern of availability to the customer. IFRS 15 considers these licenses to be delivered at a point in time, at the beginning of the contract term, with the transaction price payable over the term of the agreement via the annual or quarterly instalments. Accordingly, the license revenue is recognised sooner under IFRS 15, with support revenue, equal to a percentage of the license fee, recognised over the term of the agreement. The impact of these changes on items other than revenue is an increase in trade and other receivables.
b. Software licenses	Certain software licenses are installed on a customer's hardware, but require a separate payment for maintenance and support, which is billed annually.	Under IAS 18, these software licenses were recognised when accepted by the client, as there was a non-refundable right to payment.

		The contracts required the customer continue to pay annual support fees to keep the license active, regardless of the term of the contract.	The requirement to pay support to maintain an active license creates an option to renew under IFRS 15. The license fee revenue is considered a material right to renew and is spread over the term, recognised on the day the customer renews. The impact of these changes on items other than revenue is an increase in deferred revenue.
c.	Virtual queuing system	Virtual queuing systems are installed at a client's location, and revenue is recognised when the park guest uses the service. The Group's performance obligation is either to provide a license to and maintain a system in the park or operate the system within the park.	Under IAS 18, certain queuing contracts were recognised on a gross basis, where management determined the company was acting the principal in the agreement. IFRS 15 has different criteria for determining who is the principal in an agreement, focusing on control of the goods or services. Management has determined the Group is acting as the agent in all queuing contracts, and therefore only recognises its portion of the sale as revenue, rather than the full amount of the guest payment. There is no impact on profit of the Group due to this change.
d.	Ticketing revenue	Revenue is recognised at the time the ticket is sold. Invoices are issued monthly and generally payable within 30 days.	IFRS 15 did not have a significant impact on the Group's accounting policies.
e.	Professional services	Revenue is recognised over time as the services are provided. Invoices are issued monthly and generally payable within 30 days.	IFRS 15 did not have a significant impact on the Group's accounting policies.

4. Taxation

The tax expense for each period has been calculated on the expected annual effective rate. The adjusted earnings per share (note 6) for the six months ended 30 June 2018 has been presented using an estimated adjusted rate for the period, which has been adjusted to remove the effect of earn out and deferred consideration expected in relation to the acquisitions of Ingresso and TE2. 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 for book purposes. For tax purposes, these amounts are considered part of the earn out or deferred consideration, which is not deductible for tax purposes.

5. Reconciliation of alternative performance measures

Management has 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.

The Group has initially applied IFRS 15 and IFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated.

Adjusted operating profit and adjusted EBITDA	**Six months ended 30 June 2018 $000**	Six months ended 30 June 2017 $000	Year ended 31 December 2017 $000
Operating profit	**2,304**	2,092	9,241
Add: Acquisition expenses	**-**	687	1,249
Add: Deferred acquisition consideration (i)	**1,723**	471	2,131
Add: Amortisation related to acquired intangibles	**5,928**	2,706	8,591
Less: Profit recognized on reduction of earn-out liability	**-**	-	(3,228)
Add: Share based payments	**1,047**	582	1,089
Adjusted operating profit	**11,002**	6,538	19,073
Add: Amortisation and depreciation (excluding acquired intangibles)	**4,054**	2179	5,531
Adjusted EBITDA	**15,056**	8,717	24,604

(ii) 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.

Adjusted cash from operations	**Six months ended 30 June 2018 $000**	Six months ended 30 June 2017 $000	Year ended 31 December 2017 $000
Cash flow from operating activities	**(4,477)**	998	33,097
Add: Acquisition related expenses	**-**	687	1,249
Add: TE2 option cash paid in period	**1,641**	-	(5,500)
Add/deduct: Decrease/ (increase) in Ingresso near term settlement cash	**5,109**		(7,600)
Underlying cash from operations	**2,273**	1,685	21,246

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 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 2018 $000	Six months ended 30 June 2017 $000	Year ended 31 December 2017 $000
Profit attributable to ordinary shareholders	**1,022**	1,110	9,901
Basic EPS			
Denominator			
Weighted average number of shares used in basic EPS	**26,539**	22,375	24,250
Basic earnings per share – cents	**3.85**	4.96	40.83

Diluted EPS			
Denominator			
Weighted average number of shares used in basic EPS	**26,539**	22,375	24,250
Effect of dilutive securities			
Options	**1,023**	1,333	1,337
Weighted average number of shares used in diluted EPS	**27,562**	23,708	25,587
Diluted earnings per share – cents	**3.71**	4.68	38.70
Adjusted EPS			
Profit attributable to ordinary shareholders	**1,022**	1,110	9,901
Adjustments to profit for the period:			
Acquisition expenses (including debt arrangement fees)	**-**	687	1,474
Amortisation relating to acquired intangibles	**5,928**	2,706	8,591
Deferred and contingent payments	**1,723**	471	2,131
Interest expense related to deferred and contingent liabilities	**537**		1,131
Shared based compensation and social security costs on unapproved options and LTIPs	**1,047**	582	1,089
Profit recognised on reduction of earn-out liability	**-**	-	(3,228)
US tax code – tax credit from revaluation of US deferred taxes	**-**	-	(4,450)
Amortisation of capitalised finance costs	**57**	163	
Adjusted profit before tax	**10,314**	5,709	16,639
Tax at the adjusted effective rate: (2018: 22%; H1 2017: 20%; FY 2017: 24.0%)	**(2,269)**	(731)	(2,880)
Adjusted profit attributable to ordinary shareholders	**8,045**	4,978	13,759
Adjusted basic EPS			
Denominator			
Weighted average number of shares used in basic EPS	**26,539**	22,375	24,250
Adjusted earnings per share - cents	**30.31**	22.25	56.73
Adjusted diluted EPS			
Denominator			
Weighted average number of shares used in diluted EPS	**27,562**	23,708	25,587
Adjusted earnings per share - cents	**29.19**	21.00	53.77

7. 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 short to medium term with cash better invested on growth-focused investment opportunities.