18 March 2020

***accesso® Technology Group* plc**

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

PRELIMINARY RESULTS
for the year ended 31 December 2019

***accesso Technology Group plc* (AIM: ACSO)**, the premier technology solutions provider to leisure, entertainment and cultural markets, today announces preliminary results for the year ended 31 December 2019 ('2019').

Financial highlights

- Revenue of $117.2m (2018: $118.7m) was below previous guidance due to lower than anticipated new customer wins and a reduction in non-repeatable revenue recognized in the year.
  - Repeatable revenues *(1)* in constant currency (9) grew 10.8% to $95.5m which represents 81.5% of total revenue, continuing trend of overall revenue mix improvement.
  - Non-repeatable *(1)* in constant currency (9) revenue reduced by 30.0% to $18.3m (2018: $26.3m) driven by a single material licence fee recognized in 2018 and an expected reduction in professional services revenue.
- Cash EBITDA *(8)*, now the Group's principal operating metric, decreased to $7.1m (2018: $13.7m) reflecting reduced revenue and continued investment in product development and systems integration along with higher overheads.
- Net cash $0.4m *(4)* (2018: $0.5m) with current facility extended by 12 months to March 2022.
- Adjusted EBITDA *(2)* $28.2m (2018: $34.8m *(6)*)
- Adjusted basic EPS *(3)* 30.78 cents per share (2018: 66.27 cents per share), basic loss per share of (184.26) cents per share (2018: 1.38 cents per share *(7)*)
- Statutory Loss before tax $57.6m (2018: profit $4.2m *(5 & 7)*), principally reflecting non-cash asset impairment charge of $53.6m against the carrying value of goodwill, acquired intangibles and development costs related to the 2017 acquisitions of *The Experience Engine™* (TE2)and *Ingresso*.

Operational and strategic highlights

- Significant progress made on product development and integration at a cost marginally better than the predicted range at $33.5m (2018: $29.4m) of which $22.0m was capitalised (2018: $21.1m).
- Major multi-product reference installation now complete, increasing scalability of product offering and validating the potential value in the Group's multi-product strategy
- Record performance from eCommerce ticketing and queuing products with overall eCommerce ticket volume up by 14% and virtual queuing revenue showing growth of 15.3% year-on-year on a constant currency basis *(9)*
- Implemented a total of 99 new customer venues within our Ticketing & Distribution segment, including 19 cross-sell deployments
- Integration of *Ingresso* with all accesso product lines now in place. 42 supply partners and 15 distribution partners also added including Google Reserve and TripAdvisor
- TE2 Marketplace product development completed, serving as a sales engine for clients to offer third party travel experiences through *Ingresso*
- Steve Brown, Founder of accesso, and prior Group COO and CEO reappointed CEO in January 2020
- Cost efficiency measures have been implemented since the period end

Non-cash asset impairment

- $53.6m impairment recognized relating to the carrying value of goodwill, acquired intangibles and development costs related to the 2017 acquisitions

- Statutory operating loss before tax adjusted to omit $53.6m of impairment charges was $2.7m (2018: profit of $5.3m *(7)*)

Outlook and guidance

Our focus through 2020 will continue to be on building our recurring revenue base, further integration of our product suite, and supporting our customers in what is undoubtedly an uncertain and challenging environment in the context of the COVID-19 situation. We will combine all this with a keen focus on operational efficiency to ensure that we are concentrating our resources where they are most productive.

Trading for the first two months of 2020 was in line with management's expectations, taking into account typical seasonal activity during the European and North American winter months. Beginning mid-March, COVID-19 is now significantly impacting guest visitation across the majority of our customers and therefore accesso's transactional based revenue. The Group has undertaken immediate cost savings measures including mandatory salary reductions across all US staff and voluntary salary reductions for non-US based staff, elimination of discretionary expenses and suspension of the company's matching contribution to the 401K program for US based staff. The objective of these measures is to offset the anticipated revenue shortfall through May 2020. Should the impacts from COVID-19 extend into the European and North American summers, an extension of these measures along with additional actions will be required. Given the extreme fluidity of this situation, and given the Group's busiest trading period lies ahead, the Group refrains from providing a definitive trading outlook for the current financial year at this time.

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

"Without question, 2019 was a challenging year for accesso with overall results falling short of our expectations. Challenges were faced in realising the full potential of the Group's product set and overheads increased disproportionately to revenue growth.

Reassuringly, key performance metrics showed positive momentum. Transactional revenues continue to grow double-digit and now account for more than 80% of our total. While overall performance fell short, the group realized strong results in eCommerce transactional revenue and virtual queuing sales.

In rejoining accesso as CEO, I have come back to a company which is a technology leader in a market full of long-term opportunity. With customers now deploying multiple accesso solutions on an integrated basis and a lengthy company sale process in the rear-view mirror, I am generally optimistic about the future. We are now focused on delivering a clear product roadmap, improving operational efficiencies, continuing to reduce costs appropriately and renewing our emphasis on customer success to maximise the opportunity ahead.

We will continue to monitor the impact of COVID-19 and do all we can to support our business, its people and our customers at this time."

Footnotes

(1) Repeatable revenue consists of transactional revenue such as a ticket sold by a customer or as a percent of revenue generated by a venue operator and recurring maintenance, support and platform revenue. Non-repeatable revenue is revenue that occurs one-time (e.g. up-front licence fees) or is not repeatable based upon the current agreement (e.g. billable professional services hours) and is unlikely to be repeatable without additional successful sales execution by accesso.

(2) Adjusted EBITDA is calculated as operating profit before the deduction of amortisation, impairment of intangible assets, depreciation, acquisition costs, deferred and contingent payments, and costs related to share-based payments

(3) Adjusted basic earnings per share is calculated after adjusting operating profit for impairment of intangible assets, amortisation on acquired intangibles, deferred and contingent consideration linked to continued employment, acquisition and aborted sale expenses, 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

(4) Net cash is calculated as cash and cash equivalents less borrowings

(5) The 2018 profit before tax has been restated by $1.1m of additional charge in respect of deferred consideration

(6) Adjusted EBITDA for 2018 includes the operating lease cost for property of $1.5m, in 2019, Adjusted EBITDA has benefitted from an equivalent cost of $1.5m which has been recorded within depreciation and interest as required by IFRS 16 Leases

(7) Restated figures

(8) Cash EBITDA is calculated as adjusted EBITDA less capitalised development costs paid in cash as per the consolidated cash flow statement.

(9) *Revenue metrics for the year ended 31 December 2019 have been prepared on a constant currency basis with the year ended 31 December 2018 to assist with assessing the underlying performance of the revenue streams. Average monthly rates from 2018 were used to translate the monthly 2019 results into a constant currency using the range of currencies as set out below*

   a. *GBP sterling - $1.27 - $1.41*
   b. *Euro - $1.14 - $1.23*
   c. *Canadian dollars - $0.74- $0.80*
   d. *Australian dollar - $0.71-$0.79*
   e. *Mexican pesos - $0.05 - $0.06*
   f. *Brazilian real - $0.24 – $0.31*

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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The Company will be hosting a webcast presentation for analysts at 1:00pm. 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 more than 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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Chief Executive's statement

While 2019 was a challenging year on many fronts, *accesso's* underlying foundation of innovative technology, world-class clients and a dedicated team of 500+ staff positions it to move forward with a revitalised approach and a keen focus on restoring operating efficiency and long-term strength. Since returning at the end of January, I have been working hard to reacquaint myself with the business. In the recent weeks it has been refreshing to see first-hand the staff's deep commitment as well as the continued support from our customers and shareholders.

The distraction of a protracted sale process and less than acceptable financial performance in 2019 should be considered alongside many underlying accomplishments made in the year. Significant progress was made towards cross-product integration, as well as continued positive momentum in selling combined solutions in the marketplace and the broader technological investment made towards the future.

These successes have been achieved in a market that is changing. To maintain our industry leadership, we need a keener focus on our customers than ever before. Guest behaviours and preferences are developing and becoming more complex. The increasing demand for digital interaction between operator and guest, combined with the need for operators to drive higher yields from those interactions means the quality of experience they provide needs to improve. This is both a challenge and an opportunity for *accesso*. We are responding to the challenge by developing a more adaptable and scalable platform, increasing our operational efficiency and ensuring our market-leading products can enable the next generation of digital guest experiences. In terms of the opportunity, these evolutions will bring an increased number of customer touchpoints which in turn become revenue opportunities for accesso and operator alike.

Despite real progress in 2019, we have considerable work ahead to devise a clear, actionable product roadmap. Doing so will allow us to further differentiate our offering and maintain the innovative, market-leading position our customers have come to expect from *accesso*. Hand in hand with the product strategy, the path forward must deliver growth, must be operationally efficient, and must deliver quality results to the bottom line.

As we continued to invest in the opportunities presented by our Group product strategy, our near-term reported growth will be restricted. During that time, our progress will be more visible in customer adoption success, the growth in our high-quality transactional revenue stream, and our ability to drive Cash EBITDA growth. We'll focus closely on this metric, a measure showing our ability to drive efficiencies from the both the technology development and operational process improvements we are making. These metrics are all lead-indicators of the business we are building and will give a true sense of our performance over years ahead.

During the past few weeks, I have often been asked why I chose to return to the business. The answer to that question is quite simple. I believe in the technology, the talented team behind it, and their ability to deliver innovative market-leading solutions to our customers.

2019 in review

Financial Performance

During 2019 the Group's financial performance was marginally below guidance given at the half year of $118-$121m, or $120-123m at constant currency (using the average monthly rates of exchange from 2018). Revenue was $117.2m or $119.5m in constant currency, representing an approximately flat result year-over-year. Despite this underperformance at the reported profit and revenue level, the Group's transactional revenue stream (virtual queuing, ticketing and eCommerce) grew $8.0m in constant currency, or 10.1%. This helped the Group's repeatable revenue stream reach 81.7% of its total at constant currency, up from 74.2% last year. The increased proportion of higher quality revenue in the Group's overall mix gives us a robust foundation for future growth at top and bottom line.

Our 2019 adjusted EBITDA was impacted materially by our product integration plan and costs from expanded staffing alongside lower than anticipated revenues, with adjusted EBITDA of $28.2m representing a year on year decline of 18.8%. Going forward, the business will focus on Cash EBITDA which was $7.1m in 2019, a decline of 47.7% year-on-year.

As required by accounting standards we conducted our annual impairment reviews of our goodwill and intangible assets and concluded that impairment charges of $46.6m and of $7.0m were necessary against our *TE2* goodwill and intangible assets, and *Ingresso* intangible assets respectively, following revised management forecasts. These included more cautious growth assumptions reflecting a revenue performance in those businesses that was below management expectations and increased discount rates as set out in our preliminary results (see note 10). This resulted in a non-cash impairment charge of $53.6m to our reported administrative expenses which significantly impacted our operating loss of $56.3m (2018: restated operating profit of $5.3m).

Accomplishments

<u>Product integration</u>

Despite the challenging environment faced by the Group, during 2019 significant technical development progress was made to further enable cross-product integration, including base product improvements and new efforts in innovation.

The success of these efforts is evidenced by the 2019 delivery of a cornerstone implementation in Australia with Village Roadshow Theme Parks (VRTP) across their five theme parks and one show theatre. This remarkable engagement leverages 5 of accesso's 6 technologies in the most integrated manner to date, including the unique guest experience dimension provided by *TE2.*

Demonstrating the value of a full cross-platform experience, VRTP utilises the *accesso Passport®* ticketing suite for onsite and online general admission ticketing, the *accesso ShoWare* box office ticketing solution for assigned seating at their Australian Outback Spectacular, the *Ingresso* ticket distribution platform for third party sales distribution, the *accesso LoQueue* SM virtual queuing suite for queue management and *TE2* for guest identity management and mobile app delivery. Referred to internally as *EDGE* (Enhanced Delivery of Guest Experiences), this was a significant accomplishment requiring integration and coordination across the group in a highly collaborative fashion.

More broadly, we have also cross-sold existing accesso products with improved precision and velocity. Of the Group's 99 new ticketing deployments in 2019, 19 also took additional *accesso* solutions. In addition to the six VRTP parks leveraging the EDGE suite of solutions, nine further deployments utilised the *accesso Passport* ticketing suite & *accesso Siriusware* solution*,* three utilised *accesso Passport* & *accesso ShoWare* ticketing suites *and one TE2 & Sirusware.* This brings the total number of customers using the *accesso Passport* & *accesso Siriusware* solutions in tandem to 21. The continued growth in demand for combined solutions along with the evolving development of our ability to operate these technologies alongside each other continues to validate and provide confidence in the types of assets that have been acquired as well as the potential long-term prospects from the Group's integration strategy.

<u>Stand-alone success</u>

Importantly, our efforts to provide integration optionality to customers have not led to a pause in our regular new business activity for each of the unique products themselves.

In ticketing, 43 new or expanded contracts were realised during 2019, with new customers including ITV Broadcasting Limited, Mount Washington Cog Railway, The New York Botanical Garden and George Washington's Mount Vernon, among others. Renewals included agreements with several notable clients including Palace Entertainment, Washington State Fair, and Legends OWO, LLC. The contract renewals reflect the ongoing momentum and client loyalty towards the accesso product suite.

This activity, in combination with our integrated deployments, led to overall *accesso Passport* eCommerce ticket volumes increasing by 14% to more than 55 million; ticket sales via mobile devices represented 54% of the total, outpacing desktop sales for the first time.

Crucial development work within *accesso Passport* was completed to allow for the migration of dedicated hosting to Amazon Web Services setting the stage for continued globalized growth at scale. Another major development initiative was also completed for *accesso Passport*, preparing for a full transition to third-party payment processing to replace our legacy in-house solution. This advancement will bring global access to over 100 card acquirers across more than 190 countries, streamline access to alternative payment options such as Apple Pay and Google Pay while also shifting to fully tokenized payments to enhance security and reduce sensitive data storage.

After the period end accesso also signed a five-year agreement with Ardent Leisure Ltd to deploy accesso Passport at its Dreamworld theme park, the largest in Australia, for services including both onsite and online ticketing.

Substantial product enhancements were completed for the *accesso Siriusware* solution during 2019 with the release of Version 5.0. This update transitions the system's core control module to a web-based platform replacing underlying obsolete technology and incorporating a range of new features. The upgraded platform has been well received by existing customers and proven appealing to prospective buyers as well. These types of enhancements keep our storied products fresh and relevant in the rapidly changing marketplace.

The distribution capabilities offered by the *Ingresso* distribution platform continued to progress with the completion of integration efforts across the Group. The *accesso Passport*, *accesso ShoWare*, *accesso Siriusware* and *TE2* solutions are all now connected with *Ingresso* allowing customers utilizing those solutions to reach the broader market offered through the Ingresso platform. Further to the integration efforts, 42 supply partners and 15 distribution partners were brought online including the go-live of Google Reserve and Trip Advisor.

Queuing revenue showed strong gains over the prior year resulting from increased sales penetration of 11.9% from 2.9% to 3.3%, whilst maintaining similar revenues per guest. This performance marked a turning point as we adapted to changing guest visitation patterns as a result of significant increases in season pass visitation across recent years. During the year we fully retired the legacy *Qbot* device that was the foundation of the *accesso LoQueue* virtual queuing solution. We have now migrated all customers to either our *Qsmart*^{SM} mobile solution, the *accesso Prism*^{SM} wearable device or a combination of both. We also completed development of the *Prism 2.0* wearable device which includes enhanced capabilities such as a light for improved visibility in late night operations, a replaceable battery to reduce total cost across the life of the device and a colour-screen. The *accesso Prism* wearable device has proven valuable to our customers by offering the option to incorporate our innovative queuing solution alongside contactless payments and guest messaging as part of their overall guest experience.

We also continued to make strides with *TE2* during the year with a range of projects. Core development and readiness work was completed on the operator module behind the platform's targeted guest communication capabilities that are delivered through our mobile app platform which is offered on both the Apple and Android platforms. Our white label mobile app platform which is utilised by 20 venues was expanded to incorporate in-venue food and beverage ordering capabilities, allowing customers new and efficient means for their guests to purchase meals and snacks. A successful pilot was completed in H2 and deployment to five venues is anticipated in early 2020.

Another key initiative within the T*E2* product was the development of *Marketplace*. Through a connection with *Ingresso*, *Marketplace* allows *accesso* clients to offer their guests third-party travel experiences from a vast supply of activities, excursions, events, attractions and more. By leveraging guest information such as vacation dates, party size, and previous activities, *Marketplace* will have the capability to recommend complementary experiences to the end customer. This development reflects a growing demand for operators to provide additional experiences while capturing a new revenue opportunity and further demonstrates the symbiotic value across our array of products.

Security Infrastructure

accesso is viewed as a premier technology solutions provider to the verticals it serves, and as a result, we continue to invest in ensuring our technology offering leads the market. An increasingly critical focus of our clients, and therefore the Group, is around data security and compliance against an evolving global landscape where intrusion threats become more sophisticated and regulations covering the handling of data demand that compliance is at the forefront of our business. *accesso* is acutely aware of the importance of security to the Group's clients and their guests and continues to employ state-of-the-art systems to mitigate risk across the group. With the introduction of GDPR and other global privacy initiatives, compliance continues as a top priority across the business and accesso has maintained pace with all relevant developments.

Brexit

The Group continues to review its operations in light of the UK leaving the European Union ("Brexit"). It is not expected that this will have a material impact on the operations or financial results of the Group given its significant operations in the US and its growing global presence outside of the EU. It is recognized that depending on the timing and nature of exit arrangements, there could be an impact to consumer spending within the UK or EU and this could impact attendance at certain venues or investment decisions by leisure operators. Additionally, there could be a positive or negative impact on exchange rates which could alter international visitation patterns.

COVID-19

The Board of accesso is monitoring the evolving COVID-19 outbreak extremely closely. We are particularly focused on how best to ensure the health and wellbeing of our colleagues, as well as working with our operator partners to take any actions they deem necessary to ensure the health and wellbeing of attraction visitors.

Trading for the first two months of 2020 was in line with management's expectations, taking into account typical seasonal activity during the European and North American winter months. Beginning mid-March, COVID-19 is now significantly impacting guest visitation across the majority of our customers and therefore accesso's transactional based revenue.

The Group is modelling the potential revenue and cost impacts of a reduction in transactional volumes within our business within each geographical region. The Group has undertaken immediate cost saving measures including mandatory salary reductions across all US staff and voluntary salary reductions for non-US based staff, elimination of discretionary expenses and suspension of the company's matching contribution to the 401K program for US based staff. Additionally, we have implemented an immediate headcount freeze and are reviewing opportunities where services, projects and other expenditure could be further reduced or eliminated. The objective of these measures is to offset the anticipated revenue shortfall through May 2020. Should the impacts from COVID-19 extend into the European and North American summers, an extension of these measures along with additional actions will be required. Given the extreme fluidity of this situation, and given the Group's busiest trading period lies ahead, the Group refrains from providing a definitive trading outlook for the current financial year at this time.

People

During the year *accesso*'s headcount increased by just under 2% on the number at 31 December 2018 to approximately 570 (excluding seasonal staff) at 31 December 2019. The impact of the sale process negatively impacted overall staff morale and alongside an historically low level of unemployment and highly competitive market wages, the company saw significantly higher levels of staff attrition than in previous years. A staffing decision made in February 2020 resulted in a total reduction of 23 roles as well as the closure of a number of open positions across the Group as part of a cost reduction strategy.

Board

The Group today announces that Tom Burnet has chosen not to stand for re-election as a Non-Executive Director at Group's 2020 AGM. Tom has been with the Group as CEO, Executive Chairman and a Non-Executive Director since October 2010, joining a business with revenues of c.$12m (comparable accounting standards) 35 employees and 8 customers, and establishing the Group as a global leader in its field. The Board thanks Tom for his dynamic leadership and guidance during his time at *accesso* and wishes him all the best for the future.

On 5 February 2020 the Group announced that John Alder had notified the Board of his decision to step down as Chief Financial Officer of the Company with effect from 31 March 2020 at which point he will also stand down from the Board. John joined the Group in 2008, becoming CFO in 2009. The Board is grateful to John for his years of dedicated service. As previously announced the Company has commenced a search for a replacement Chief Financial Officer and will provide further updates to shareholders as appropriate.

The road ahead

With a comprehensive programme of work to future-proof our business now in motion, we are firm in our belief that the opportunity before us is as promising as ever. There is still plenty of work to do to reach our goals, but all our efforts are being directed into producing a more scalable, efficient, customer-centric *accesso* which delivers meaningfully for all of its stakeholders.

While the work we have done in 2019 to integrate our product suite has been extremely valuable, development of a further defined long-term roadmap is a key priority in 2020. Our repeatable revenues are already on a positive trend and we will continue to seize opportunities to reduce operating costs and improve efficiency to drive Cash EBITDA growth. These operational efficiency gains will allow us to increase operating leverage while maintaining a laser-focus on targeted R&D to ensure we maintain our all-important technology leadership.

2019 Financial review

Despite reported revenue falling by 1.3%, in 2019, *accesso* has overall demonstrated a solid revenue performance across the Group's two operating divisions. The Group entered 2019, in the knowledge that certain elements of 2018 revenue would not be repeatable. These elements included a significant TE2 enterprise licence, where recognition concluded in 2018 and the fact that IFRS 15 dictated that the high level of multi-year POS SaaS deployments in 2018 were required to be recognised in the prior year period, as opposed to over the life of the deployment. These factors overshadowed the strong growth in transactional revenues but has resulted in a significant improvement in the quality of the Groups revenue as it enters 2020.

The Group remains focused on delivering its unified product strategy while implementing initiatives and delivering automated tools to support more efficient operations and rationalised spend levels across the Group, leading to an acceleration of cash generation.

Alternative performance measures

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

The historic strategy of enhancing *accesso's* technology offerings via acquisitions, as well as an all employee share option arrangement necessitate the making of adjustments to statutory metrics to remove certain items which the Board does not believe are reflective of the underlying business. These adjustments include aborted acquisition or aborted sale related expenses, amortisation related to acquired intangibles, deferred and contingent consideration linked to continued employment, share-based payments and impairments.

By consistently making these adjustments, the Group provides a better period-to-period comparison and is more readily comparable against businesses that do not have the same acquisition history and equity award policy.

APMs include adjusted EBITDA, and adjusted cash from operations. Two additional APMs, cash EBITDA and revenue on a constant currency basis, are now being disclosed reflecting an increase in focus on demonstrating cash generation within the Group and to assist with assessing the underlying performance of the segments and revenue streams on constant currency rates with the comparative period. Cash EBITDA is defined as adjusted EBITDA less paid capitalised internal development costs.

The Group considers Cash EBITDA, which disregards any benefit to the income statement of capitalized development expenditure, as the principle operating metric.

Key financial metrics

Revenue quality

Reported Group revenue for 2019 was $117.2m (2018: $118.7m), a reduction of 1.3% on the prior year period. On a constant currency basis, revenue for 2019 would have been $119.5m, an increase of 0.6% on the prior year period.

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

	Year ended 31 December 2019	**Constant currency year ended 31 December 2019 (1)**	**Year ended 31 December 2018**	**Constant currency vs 2018**
	$000	**$000**	**$000**	**%**
		24,944		
Virtual queuing	24,687		21,637	15.3%
Ticketing and eCommerce	60,909	62,795	58,080	*8.1%*
Maintenance and support	8,742	8,764	8,393	4.4%
Platform fees	1,149	1,148	-	100%
Total Repeatable	**95,487**	97,651	88,110	10.8%
Licence revenue	3,496	3,537	9,586	(63.1%)
Professional services	14,787	14,844	16,686	(11.0%)
Non-repeatable revenue	**18,283**	18,381	26,272	(30.0%)
Hardware	2,499	2,499	3,210	(22.2%)
Other	913	920	1,155	(20.4%)
Other revenue	**3,412**	3,419	4,365	(21.7%)
Total revenue	**117,182**	119,451	118,747	0.6%
Total Repeatable as % of total	*81.5%*	*81.7%*	*74.2%*	

(1) *The year ended 31 December 2019 has been prepared on a proforma basis using consistent currency rates with the year ended 31 December 2018 to assist with assessing the underlying performance of the revenue streams. Average monthly rates from 2018 were used to translate the 2019 results into a constant currency using the range of currencies as set out below*
- *GBP sterling - $1.27 - $1.41*
- *Euro - $1.14 - $1.23*
- *Canadian dollars - $0.74- $0.80*
- *Australian dollar - $0.71-$0.79*
- *Mexican pesos - $0.05 - $0.06*
- *Brazilian real - $0.24 – $0.31*

On a constant currency basis repeatable revenue increased by 10.8% year-on-year and demonstrates continued successful growth of the Group's core repeatable revenue streams. Increases were seen in both segments and are despite the impact from Amazon UK exiting the UK ticketing space in the prior period and the challenges of scaling the Distribution business.

The reduction in non-repeatable revenues of $7.9m (30.1%) on a constant currency basis was due to previously flagged known reductions in licence and professional services attributable to the end of the recognition of a significant enterprise licence in 2018, lower level of POS installations, where revenue is recognised at the point of deployment as we enter the final stages of the Merlin roll-out. In addition, there was a significant one-off sale of prism bands that benefited hardware revenues in the prior period.

Revenue on a segmental basis was as follows:

	Year ended 31 December 2019	**Constant currency year ended 31 December 2019 (2)**	Year ended 31 December 2018	Proforma vs 2018
	$000	$000	$000	%
Ticketing	**58,237**	59,451	56,435	5.5%
Distribution	**21,097**	21,911	22,115	(0.9%)
Ticketing and distribution	**79,334**	81,362	78,550	3.6%
Queueing	**25,208**	25,450	23,581	7.9%
Other guest experience	**12,640**	12,639	16,616	(23.9%)
Guest experience	**37,848**	38,089	40,197	(5.2%)
Total revenue	**117,182**	119,451	118,747	0.6%

(2) The year ended 31 December 2019 has been prepared on a constant currency basis using consistent currency rates with the year ended 31 December 2018 to assist with assessing the underlying performance of the segments and revenue streams. Average monthly rates from 2018 were used to translate the 2019 results into a constant currency using the range of currencies as set out below

- *GBP sterling - $1.27 - $1.41*
- *Euro - $1.14 - $1.23*
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- *Mexican pesos - $0.05 - $0.06*
- *Brazilian real - $0.24 – $0.31*

The Ticketing and Distribution segment benefited from the strong organic growth as purchasing habits of guests continue the ongoing migration from front gate to eCommerce. This progress was however negatively impacted by challenges scaling the Ingresso distribution business despite the Group successfully growing both supply and distributor partnerships. In addition, 2018 ticketing revenues benefitted from a high level of POS licence revenue, where the applicable accounting standard (IFRS 15) requires an up-front multi-year recognition of revenue instead of recognition across the life of the contractual deployment.

The Guest Experience segment delivered strong transactional growth from our queuing business, offset by the non-repeating Prism hardware sale in 2018, of $1.6m.

Other Guest Experience, which consists of revenues generated by TE2 finished the year with a $4.0m reduction from 2018, principally as a result of the final recognition of a significant perpetual licence in 2018 ($2.7m) and the expected reduction in the level of professional services revenue.

Customer concentration

The Group continues to be a trusted technology partner to leading leisure operators. The success of these partnerships does result in a level of revenue concentration. When the Group delivered its results for H1 2019 it committed to providing investors with an ongoing update regarding the level of concentration on a full year basis. For 2019 the top five customers accounted for 53.5% of revenue (2018: 51.7%). Top ten customers were 60.0% (2018: 60.1%).

Gross margin

The reported gross profit margin was 73.1% in 2019, compared to 74.2% in 2018. This reduction was primarily driven by mix changes across the revenue streams and a higher proportion of licence revenues recognized in the comparative period. Amortisation of development costs are recorded within administrative expenses.

Administrative expenses

Reported administrative expenses, including the non-cash expense related to intangible impairments, increased 71.2% to $141.9m (2018: $82.9m), while underlying administrative expenditure increased by 5.2% to $80.2m (2018: $76.3m). This increase was primarily driven by an increase in headcount, salary increases and increased bonus costs associated with staff retention efforts.

	Year ended 31 December 2019	Year ended 31 December 2018 (Restated)
	$000	$000
Administrative expenses as reported	**141,906**	82,892
Capitalised development expenditure *(2)*	**21,064**	21,100
Deferred equity settled acquisition consideration *(3)*	**(1,416)**	(4,131)
Amortisation related to acquired intangibles	**(11,286)**	(11,740)
Share based payments	**(1,845)**	(2,245)
Amortisation and depreciation *(4)*	**(16,014)**	(9,624)
IFRS 16 benefit in 2019 *(1)*	**1,451**	-
Impairment of *TE2* and *Ingresso's* intangibles	**(53,617)**	-
Underlying administrative expenditure	**80,243**	76,252

(1) Administrative expenses in 2019 does not include property related lease costs, the expense has been recorded through depreciation and interest as required by IFRS 16 Leases.
(2) See consolidated cash flow statement
(3) Restated
(4) This excludes acquired intangibles but includes depreciation on right of use assets.

The following is an analysis of the Group's adjusted EBITDA by reportable segment.

	2019	2018
	$000	$000
Ticketing and distribution	**34,056**	30,805
% of ticketing and distribution segment revenue	***42.9%***	*39.2%*
Guest Experience	**16,989**	19,256
% of guest experience segment revenue	***44.9%***	*47.9%*
Central unallocated costs	**(22,840)**	(15,306)
Adjusted EBITDA	**28,205**	34,755
% of total revenue	***24.1%***	*29.3%*

Adjusted operating profit, adjusted EBITDA and cash EBITDA

Adjusted operating profit reduced by 51.4% to $12.2m (2018: $25.1m); and adjusted EBITDA reduced by 18.8% to $28.2m (2018: $34.8m). These reductions reflect the impact of certain of the non-repeatable revenue items, together with the net increase in operating costs identified above.

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

	Year ended 31 December 2019 Unaudited $000	Year ended 31 December 2018 (restated) $000
Operating (loss)/profit	(56,278)	5,312
Add: Acquisition expenses	305	1,703
Add: Deferred equity settled acquisition consideration *(1)*	1,416	4,131
Add: Amortisation related to acquired intangibles	11,286	11,740
Add: Share based payments	1,845	2,245
Add: Impairment of intangible assets	53,617	-
Adjusted operating profit (3)	**12,191**	**25,131**
Add: Amortisation and depreciation (excluding acquired intangibles)	16,014	9,624
Adjusted EBITDA *(2)*	**28,205**	34,755
Capitalised internal development costs paid in cash	(21,064)	(21,100)
Cash EBITDA *(2)*	**7,141**	13,655

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 2018 charge has been restated.*
2) *Adjusted EBITDA and Cash EBITDA in 2018 included $1.45m of operating lease costs in respect of commercial properties, the equivalent expense in 2019 has been recorded through depreciation and interest as required by IFRS 16 Leases.*
3) *Adjusted operating profit is calculated as operating (loss)/profit before aborted sale and acquisition expenses, deferred equity acquisition consideration, amortisation of acquired intangibles, share based payments and impairment of intangible assets.*

The group reported a statutory loss before tax of $57.6m (2018: restated profit of $4.2m). Adjusted basic EPS 30.78 cents per share (2018: 66.27 cents per share), basic loss per share of (184.26) cents per share (2018: Earnings of 1.32 cents per share)

Development expenditure

Development expenditure by segment	**2019 $000**	2018 $000
Ticketing and distribution	**19,856**	**16,182**
% of ticketing and distribution segment revenue	*25.0%*	*20.6%*
Guest Experience	**13,689**	**13,221**
% of guest experience segment revenue	*36.2%*	*32.9%*
Total development expenditure	**33,545**	**29,403**
% of total revenue	*28.8%*	*24.6%*

Total development expenditure for 2019 increased 14.8% to $33.5m, (2018: $29.4m). At the Group's 2018 preliminary results the business outlined plans to invest in the digital guest journey to provide an integrated product strategy with an expectation that total development expenditure for 2019 would be $36m to $39m. The reduction against the previous expectation reflects a more thoughtful integration and efficiency roadmap.

The group capitalizes elements of development expenditure, where it is appropriate and in accordance with IAS 38 'Intangible assets. Capitalised development expenditure of $22.0m (2018: $21.1m), representing 65.7% (2018: 71.8%) of total development expenditure.

Cash and net cash

Cash generated from operations

	2019	2018
	$000	$000
Cash flow from operating activities	**24,567**	17,825
Add: Acquisition related expenses	**1,526**	392
Add: Payment of deferred consideration to employees	**-**	1,342
Add: *Ingresso* short term cash/ *TE2 option cash settlements*	**1,557**	6,395
Less: Impact of IFRS16	**(1,451)**	-
Adjusted cash from operations	**26,199**	25,954

Cash generated from operations of $24.6m (2018: $17.8m) includes a $1.6m outflow (2017: $6.4m outflow) in relation to *Ingresso* cash balances. Cash is received from ticket distributors or from direct ticket sales and payable to venues within the *Ingresso* business that does not form part of Group revenue, in addition cash is paid to TE2 share option holders relating to share options held before being acquired by accesso.

Adjusted cash generated from operations was $26.2m for the year ended 31 December 2019, per the table above, an increase of 1% from 2018 ($26.0m).

This represents an underlying cash conversion from adjusted EBITDA of 92.9% (2018: 74.7%). The increase from 2018 was expected and was primarily driven by cash flows from prior, multi-year licences where, under IFRS 15, revenue is recognized in the period of deployment and a higher bonus accrual at 31 December 2019.

	2019	2018
	$000	$000
Underlying cash from operations (see above)	26,199	25,954
Tax received/ (paid)	1,597	(452)
Capitalised development costs	(21,064)	(21,100)
Other capital expenditure	(1,945)	(1,959)
Underlying free cash flow	**4,787**	**2,443**

The reduction in underlying cash from operations, similar levels of capital expenditure and a net tax refund has allowed the Group to report an increase in underlying free cash flow of $4.8m in the current year (2018: $2.4m) despite the reduction in profitability.

Net cash at 31 December 2019 was $0.4m, representing a net outflow of $0.1m from the position at 31 December 2018 of $0.5m net cash. The net cash position includes $9.1m (2018: $8.6m) representing cash received from ticket distributors or direct ticket sales and payable to venues within the *Ingresso* business. These balances are beneficially owned by the Group, and there are no restrictions on their use.

The group maintains a borrowing facility with Lloyds Bank plc. This facility currently provides the Group with the ability to draw down a total of $40m and is subject to a reduction of $10m on 30 March 2020, denominated in either US dollars, GB Pound Sterling or Euros, and expires in March 2022, following the Group executing a 12 month extension to the original term on 6 March 2020. The facility also provides an additional accordion mechanism allowing for a further $10m relating to any future acquisitions.

The Board feels its existing facilities provide sufficient headroom against reasonably foreseeable downside scenarios and continues to monitor carefully in the context of the fast-evolving macroeconomic circumstances.

Impairment

In line with relevant accounting standards, the Group reviews the carrying value of all intangible assets on an annual basis. As announced on 23 January 2020, this includes a detailed review of the carrying values of goodwill and intangibles attributable to historic acquisitions, based upon future discounted cash flows that can be directly attributed to the intangible assets linked to each acquisition. The Board maintains that the strategic rationale of its acquisitions will ultimately allow an increased penetration of its addressable market and enhances its overall offering. However, in relation to the March 2017 Ingresso and July 2017 *TE2* acquisitions, the Board has taken a more cautious view of projected cash flows that can be directly attributable to *Ingresso* and *TE2's* cash generating units (CGU), this is in response to these CGUs performing below management's expectations during 2019 and not achieving budget. Per the relevant accounting standard, the result of this review is that the current carrying value of certain intangibles related to those CGUs are not justified. Accordingly, the Group has recognised a non-cash impairment charges of $46.6m and $7.0m during the year against *TE2* and *Ingresso*, which has been disclosed separately within the consolidated statement of comprehensive income.

Taxation

The effective tax rate on loss before tax of $56,278k, excluding $17,403k of non-taxable goodwill impairment, being $38,875k was 18% (2018: 73%). The effective tax rate on statutory loss before tax for the full year was 12% (2018: 73% restated). The reduction from the 2018 effective rate of tax is primarily a result of the non-tax deductible impairment charges on goodwill; other impacts included profits subject to taxes at a lower rate, shares options lapsed in the year and uncertain tax provisions from the prior and current year and deferred tax not recognised in the prior year.

Accounting developments

IFRS 16 is the new lease accounting standard which was implemented on 1 January 2019 using the modified retrospective method being applied from 1 January 2019. The impact of the new accounting standard for assets in scope is the recognition of right of use assets within non-current assets and the recognition of lease liabilities within current and non-current liabilities; operating lease charges on those assets have been removed from administrative expense and replaced with depreciation charges on the right of use asset and interest expense on the lease liabilities.

The impact of adopting IFRS 16 at 1 January 2019 was to recognise a right of use asset of $5.9m and a lease liability of $6.1m. As a result of IFRS 16, the Group has recognised depreciation and interest costs instead of operating lease expense. During 2019, the Group recognised $1.3m of depreciation charges and $0.4m of interest costs from leases recognised following the adoption of IFRS 16.

Dividend

The Board maintains its consistent view that the payment of a dividend is unlikely in the short to medium term with cash more efficiently invested in continued product development and integration efforts supporting the Group's strategy.

Prior year adjustments

Deferred consideration expense linked to continued employment

On 20 July 2017, the Group acquired 100% of the voting equity of Blazer and Flip Flops, Inc (*'TE2'*). Deferred consideration consisting of 454,547 shares were issuable to certain key employees of *TE2*, contingent upon their continued employment, over 36 months with the cost being recognised as a compensation expense. Shares were scheduled to be issued in 3 separate tranches: one-third was scheduled 12 months after the completion date, a further one-third 24 months after the completion date; and the final one-third is released rateably over 12 months from the 25th to 36th month after the completion date. Per IFRS3, the consideration related to this deferred consideration should be allocated to the periods of continued employment. For 2017 and 2018, the Group allocated the total consideration, divided by 36, based on the relevant number of months of ownership in each reporting period. Following a further review of the detailed requirements of IFRS3, the Group has determined that the allocation should reflect a reducing charge as shares vest, which has the effect of front-loading the allocation. If this accounting treatment had been applied additional expenses of $1.0m and $1.1m would have been recognized in 2017 and 2018 respectively. A prior year adjustment of $2.1m has therefore been applied in 2019. The Group has consistently carved out the expense related to this allocation when reporting its underlying earnings.

Current and deferred tax prior year restatements

It was identified that certain share options exercised during 2018 in respect of US and UK employees were not appropriately deducted in the tax provision calculations. Options relating to US based staff with a gross taxable gain of $8.2m were deducted in the UK current tax provision and omitted from the US current tax provision and tax losses available for recognition as a deferred tax asset. Further to this, 244,565 share options were exercised during 2018 that were omitted from the tax provision calculations in their entirety with a gross taxable gain available for deduction of $7.6m. The net impact on tax related balances as a result of these share option deduction misstatements resulted in a credit to the group’s 2018 corporation tax liability of $0.8m, a debit to the group’s deferred tax asset of $2.6m, a credit direct to equity of $1.6m and a credit to the group’s tax expense of $0.2m.

It was also identified that deferred tax liabilities arising on capital allowances and temporary differences were misstated in 2018 and consequently a charge of $2.1m has been restated in 2018’s deferred tax charge with a corresponding deferred tax liability of $2.1m.

Other restatements

Other prior year restatements have arisen in respect of share option accounting and the classification of non-current intercompany debtors which do not impact the group preliminary results.

Consolidated statement of comprehensive income
for the financial year ended 31 December 2019

	Notes	**2019** **$000**	2018 Restated $000
Revenue		**117,182**	118,747
Cost of sales		**(31,554)**	(30,543)
Gross profit		**85,628**	88,204
Administrative expenses (Restated)		**(141,906)**	(82,892)
Operating (loss)/ profit before impairment of intangible assets		***(2,661)***	***5,312***
Impairment of intangible assets	*10*	*(53,617)*	-
Operating (loss) / profit		**(56,278)**	5,312
Finance expense		**(1,324)**	(1,127)
Finance income		**21**	37
(Loss) / Profit before tax		**(57,581)**	4,222
Income tax benefit/ (expense)	8	**6,985**	(3,852)
(Loss) / Profit for the period		**(50,596)**	370
Other comprehensive income			
Items that will be reclassified to income statement			
Exchange differences on translating foreign operations		**611**	(2,291)
Total comprehensive (loss) / income		**(49,985)**	1,921
All profit and comprehensive income is attributable to the owners of the parent			
Earnings per share expressed in cents per share:			
Basic	9	**(184.26)**	1.38
Diluted	9	**(184.26)**	1.32

All activities of the company are classified as continuing

Consolidated statement of financial position
as at 31 December 2019

Registered Number: 03959429	Notes	**31 December 2019** **$000**	31 December 2018 Restated $000
Assets			
Non-current assets			
Intangible assets	10	**142,456**	197,332
Property, plant and equipment		**3,766**	3,723
Right of use assets		**5,715**	-
Contract assets		**3,654**	5,141
Deferred tax assets	8	**8,647**	7,999
		164,238	214,195
Current assets			
Inventories		**1,004**	1,083
Contract assets		**5,926**	3,337
Trade and other receivables		**23,676**	18,833
Income tax receivable		**50**	1,961
Cash and cash equivalents		**16,205**	20,704
		46,861	45,918
Liabilities			
Current liabilities			
Trade and other payables		**31,811**	28,856
Finance lease liabilities		**1,307**	-
Contract liabilities		**7,299**	7,093
Income tax payable		**4,005**	2,275
		44,422	38,224
Net current assets		**2,439**	7,694
Non-current liabilities			
Deferred tax liabilities	8	**10,778**	17,596
Contract liabilities		**1,823**	2,412
Other non-current liabilities		**30**	543
Finance lease liabilities		**4,976**	-
Borrowings		**15,851**	20,224
		33,458	40,775
Total liabilities		**77,880**	78,999
Net assets		**133,219**	181,114
Shareholders' equity			
Called up share capital		**427**	421
Share premium		**107,403**	107,103
Own shares held in trust		**(665)**	(665)
Retained earnings		**11,331**	60,143
Merger relief reserve		**19,641**	19,641
Translation reserve		**(4,918)**	(5,529)
Total shareholders’ equity		**133,219**	181,114

Consolidated statement of cash flow
for the financial year ended 31 December 2019

	Notes	**2019** **$000**	2018 (Restated) $000
Cash flows from operations			
(Loss) / Profit for the period		**(50,596)**	370
Adjustments for:			
Depreciation (excluding finance lease assets)		**1,694**	1,519
Depreciation on finance leased assets		**1,320**	-
Amortisation on acquired intangibles		**11,286**	11,740
Amortisation on development costs and other intangibles	10	**13,000**	8,105
Impairment of intangibles	10	**53,617**	-
Loss on disposal of property, plant and equipment		**114**	-
Share-based payment		**1,845**	2,245
Deferred consideration charge		**1,416**	(387)
Finance expense		**1,324**	1,127
Finance income		**(21)**	(37)
Foreign exchange gain		**(90)**	(304)
Income tax (benefit)/expense	8	**(6,985)**	3,852
		27,924	28,230
Decrease / (Increase) in inventories		**86**	(577)
(Increase) / Decrease in trade and other receivables		**(5,865)**	928
(Decrease) / Increase in contract assets/ contract liabilities		**(1,140)**	666
Increase / (Decrease) in trade and other payables		**3,562**	(11,422)
Cash generated from operations		**24,567**	17,825
Tax received / (paid)		**1,597**	(452)
Net cash inflow from operating activities		**26,164**	17,373
Cash flows from investing activities			
Deferred consideration settlement		**(1,017)**	(6,962)
Capitalised internal development costs		**(21,064)**	(21,100)
Purchase of property, plant and equipment	17	**(1,945)**	(1,959)
Acquisition of other intangible assets		**(4)**	(2)
Interest received		**21**	37
Net cash used in investing activities		**(24,009)**	(29,986)
Cash flows from financing activities			
Share issue		**306**	1,906
Interest paid		**(830)**	(1,833)
Payments on property lease liabilities	29	**(1,451)**	(9)
Proceeds from borrowings		**4,802**	15,530
Repayments of borrowings		**(9,728)**	(10,089)
Net cash (utilised)/ generated from financing activities		**(6,901)**	5,505
Decrease in cash and cash equivalents		**(4,746)**	(7,108)
Cash and cash equivalents at beginning of year		**20,704**	28,668
Exchange gain / (loss) on cash and cash equivalents		**247**	(856)
Cash and cash equivalents at end of year		**16,205**	20,704

Consolidated statement of changes in equity
for the financial year ended 31 December 2019

	Share capital	Share premium	Retained earnings - Restated	Merger relief reserve	Own shares held in trust	Translation reserve	Total
	$000	$000	$000	$000	$000	$000	$000
Balance at 1 January 2019	**421**	**107,103**	**60,143**	**19,641**	**(665)**	**(5,529)**	181,114
Comprehensive income for the year							
(Loss) for period	-	-	(50,596)	-	-	-	(50,596)
Other comprehensive income							
Exchange differences on translating foreign operations	-	-	-	-	-	611	611
Total comprehensive income for the year	-	-	(50,596)	-	-	611	(49,985)
Contributions by and distributions to owners							
Issue of share capital	6	300	-	-	-	-	306
Share-based payments	-	-	1,845	-	-	-	1,845
Equity-settled deferred consideration	-	-	1,416	-	-	-	1,416
Share option tax charge - deferred	-	-	(1,584)	-	-	-	(1,584)
Share option tax charge - current	-	-	107	-	-	-	397
Total contributions by and distributions by owners	6	300	1,784	-	-	-	2,090
Balance at 31 December 2019	**427**	**107,403**	**11,331**	**19,641**	**(665)**	**(4,918)**	**133,219**
Balance at 31 December 2017	411	105,207	54,671	19,641	(1,163)	(3,238)	175,529
Comprehensive income for the year							
Profit for period as previously reported	-	-	*3,290*	-	-	-	*3,290*
Restated	-	-	*(2,920)*	-	-	-	*(2,920)*
Restated profit	-	-	370	-	-	-	370
Other comprehensive income							
Exchange differences on translating foreign operations	-	-	-	-	-	(2,291)	(2,291)
Total comprehensive income for the year	-	-	370	-	-	(2,291)	(1,921)
Contributions by and distributions to owners							
Equity-settled deferred consideration as previously reported	-	-	*2,824*	-	-	-	*2,824*
Restatement	-	-	*955*	-	-	-	*955*
Restated Equity-settled deferred consideration	-	-	3,779	-	-	-	3,779
Issue of share capital	10	1,896	-	-	-	-	1,906
Share-based payments	-	-	2,245	-	-	-	2,245
Reduction of shares held in trust	-	-	(107)	-	498	-	391
Share option tax charge – deferred - Restated	-	-	(2,242)	-	-	-	(2,242)
Share option tax charge – current - Restated	-	-	1,427	-	-	-	1,427
Total contributions by and distributions by owners	10	1,896	5,102	-	498	-	7,506
Balance at 31 December 2018	**421**	**107,103**	**60,143**	**19,641**	**(665)**	**(5,529)**	181,114

Notes to the consolidated preliminary results
for the financial year ended 31 December 2019

1. Reporting entity

accesso Technology Group plc is a public limited company incorporated in the United Kingdom, whose shares are publicly traded on the AIM market. The company is domiciled in the United Kingdom and its registered address is Unit 5, The Pavilions, Ruscombe Park, Twyford, Berkshire RG10 9NN. These consolidated preliminary results comprise the company and its subsidiaries (together referred to as the "Group").

The Group's principal activities are the development and application of ticketing, mobile and eCommerce technologies, licensing and operation of virtual queuing solutions and providing a personalised experience to customers within the attractions and leisure industry. The eCommerce technologies are generally licensed to operators of venues, enabling the online sale of tickets, guest management, and point-of-sale ("POS") transactions. The virtual queuing solutions and personalised experience platforms are installed by the Group at a venue, and managed and operated by the Group directly or licensed to the operator for their operation.

2. Basis of accounting

The preliminary results for the year ended 31 December 2019 and the results for the year ended 31 December 2018 are prepared under International Financial Reporting Standards as adopted for use in the EU ("IFRS"). The accounting policies adopted in this preliminary announcement are consistent with the Annual Report for the year ended 31 December 2019.

The financial information set out in this preliminary announcement does not constitute the Group's statutory accounts for the years ended 31 December 2019 or 31 December 2018. The financial information for the year ended 31 December 2018 is derived from the Annual Report delivered to the Registrar of Companies. The Annual Report for 2019 will be delivered to the Registrar of Companies in due course. The auditors' report on those accounts was unqualified and neither drew attention to any matters by way of emphasis nor contained a statement under either section 498(2) of Companies Act 2006 (accounting records or returns inadequate or accounts not agreeing with records and returns), or section 498(3) of Companies Act 2006 (failure to obtain necessary information and explanations).

While the financial information included in this announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS), this announcement does not itself contain sufficient information to comply with IFRS.

The Group's consolidated financial statements have been prepared in accordance with IFRS. They were authorised for issue by the Company's board of directors on 18 March 2020.

Details of the Group's accounting policies are included in Notes 3 and 4.

3. Changes to significant accounting policies

IFRS 16 Leases

The Group has transitioned to IFRS 16 under the modified retrospective method from 1 January 2019, comparative information throughout these preliminary results have not been restated to reflect the requirements of the new standard and there is no impact on the opening retained earnings of the group. Additionally, the disclosure requirements in IFRS 16 have not been applied to comparative information.

Previously, the Group classified property leases as operating leases under IAS 17. The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. On transition, for these leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. The Group has elected to measure right-of-use assets at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

On transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions were leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as lease under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

As a lessee

The Group leases commercial office space. The Group has elected not to recognise right of use assets and lease liabilities for some leases of low value. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group recognises a right of use asset and lease liability at the lease commencement date. The right of use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounting using the Group's incremental borrowing rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised.

In adopting IFRS 16 the Group has taken advantage of the practical expedients that are applicable. These include:

- Applying a single discount rate to portfolio of leases with similar characteristics.
- The Group has also relied on its previous assessment of whether leases are onerous or not immediately before initial application.
- Leases with a term ending within 12 months of 1 January 2019 have been classified as short-term leases and expensed through the administrative expenses.
- Initial direct costs have been excluded from the measurement of the right of use asset at the date of application

The impact of adopting IFRS 16 at 1 January 2019 was to recognise a right of use asset of £5.9m and a lease liability of £6.1m. As a result of IFRS 16, the Group has recognised depreciation and interest costs instead of operating lease expense. During the year ended 31 December 2019, the Group recognised £1.3m of depreciation charges and £0.4m of interest costs from leases recognised following the adoption of IFRS 16.

Other new standards and improvements

A number of other new standards are also effective from 1 January 2019 but they do not have a material effect on the Group's preliminary results.

IFRIC 23

IFRIC 23, "Uncertainty over Income Tax Treatments" clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. In such a circumstance, an entity shall recognise and measure its current or deferred tax asset or liability applying the requirements in IAS 12 based on taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined applying this interpretation. This interpretation was effective for annual periods beginning on or after 1 January 2019.

Annual improvements 2017

Annual Improvements 2017 includes amendments to IFRS 3, *"Business combinations"*, IFRS 11*, "Joint arrangements"* and IAS 12*, "Income taxes*" applies for periods beginning on or after 1 January 2019.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards, and interpretations are either not effective for 2019 or not relevant to the group, and therefore have not been applied in preparing these accounts. The effective dates shown are for periods commencing on the date quoted.

Amendments to References to the Conceptual Framework in IFRS Standards

Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to the revised Conceptual Framework, effective 1 January 2020, subject to EU endorsement.

The impact of IFRS 16 is discussed above. The impact of the other standards, amendments and interpretations listed above are not expected to have a material impact on the consolidated preliminary results.

4. Significant accounting policies

The principal accounting policies adopted in the preparation of the preliminary results are set out below. The policies have been consistently applied to all the periods presented, unless otherwise stated (see Note 3).

Basis of consolidation
The consolidated preliminary results incorporate the results of *accesso Technology Group plc* and all of its subsidiary undertakings as at 31 December 2019 using the acquisition method. Subsidiaries are all entities over which the Group has the ability to affect the returns of the entity and has the rights to variable returns from its involvement with the entity. The results of subsidiary undertakings are included from the date of acquisition.

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Any costs directly attributable to the business combination are written off to the Group income statement in the period incurred. The acquiree's identifiable assets, liabilities, and contingent liabilities that meet the conditions under IFRS 3 are recognised at their fair value at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities recognised.

Investments, including the shares in subsidiary companies held as fixed assets, are stated at cost less any provision for impairment in value. Where necessary, adjustments are made to the preliminary results of subsidiaries to bring the accounting policies used in line with those used by the Group.

Lo-Q (Trustees) Limited, a subsidiary company that holds an employee benefit trust on behalf of *accesso Technology Group plc*, is under control of the Board of directors and hence has been consolidated into the Group results.

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

Foreign currency
Foreign currency transactions
Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the rates ruling when the transactions occur.

Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign operations
The assets and liabilities of foreign operations, including goodwill, are translated into USD at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into USD at the rates ruling when the transactions occur, or appropriate averages.

Foreign currency differences on translating the opening net assets at an opening rate and the results of operations at actual rates are recognised in other comprehensive income and accumulated in the translation reserve. Retranslation differences recognised in other comprehensive income will be reclassified to profit or loss in the event of a disposal of the business, or the Group no longer has control or significant influence.

Revenue from contracts with customers

IFRS 15 provides a single, principles based five step model to be applied to all sales contracts as outlined below. It is based on the transfer of control of goods and services to customers and replaces the separate models for goods and services.

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be measured reliably. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of product/service / Segment	**Nature of the performance obligations and significant payment terms**	**Accounting policy**
a. Point-of-sale (POS) licenses and support revenue - Ticketing and distribution	Customers obtain control of the POS license once it is installed on their hardware for terms between one and three years. They have access to ongoing support which is typically for a twelve-month period, this support is not necessary for the functionality of the licence, support revenue is therefore a distinct performance obligation from the licence performance obligation. With agreements longer than one year, invoices are generated either quarterly or annually, usually payable within thirty days. Although payments are made over the term of the agreement, the agreement is binding for the negotiated term. The total transaction price is payable over the term of the agreement via the annual or quarterly instalments.	IFRS 15 considers these licenses to be recognised at a point in time which is determined to be when the customer has been provided the software. These licences provide the customer with the right of use of the POS software as it exists, it is at the customers discretion to accept any updates to the software, it is fully functional from the date it is provided to the customer and considered a distinct performance obligation. Support revenue is carved out of the total consideration using an estimate that best reflects its stand-alone selling price and is continued to be recognised rateably out of contract liabilities as the customer receives the benefit of the support.
b. Software licenses and the related maintenance and support revenue - Ticketing and distribution and Guest Experience	Certain software licenses are installed on a customer's hardware in a fully functional state together with support and maintenance for a twelve-month term. The software licence does not require the maintenance and support to operate, providing the customer with control of the licence for a twelve-month term and representing a separate performance obligation. Contract terms are typically either three years or perpetual whereby on each anniversary of the contract the customer is required to pay the annual support and maintenance to be granted the annual software licence at a 100% discount from the selling price. This option to renew is considered a material right under IFRS 15 and represents a separate performance obligation.	IFRS 15 considers right of use licenses to be recognised at a point in time which is determined to be when the customer has been provided with a functional software licence. The maintenance and support revenue is determined using an estimate that best reflects its stand-alone selling price and is continued to be recognised rateably as the customer receives the benefit of the maintenance and support. The option to renew each year's licence at a full discount by paying the annual maintenance and support is deferred and recognised at a future point in time when the customer renews. The amount that is deferred is dependent on the term of the contract. For example: on the inception of a three-year contract, two thirds of the licence fee consideration would be deferred and released equally on the first and second anniversary when the customer renews their maintenance and support. Perpetual licences are recognised in the same manner, with the exception being that the contract term is estimated to be five years. As such, the renewal discounts are deferred and spread over the remaining four years at each point the customer renews their maintenance and support.

Virtual queuing system - Guest Experience	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.	IFRS 15 focuses on control of the goods or services. Management have determined that the Group is acting as the agent in all queuing contracts as it is the attractions who bring the guest to the parks, control hours of operation and have influence over many aspects of the service we supply. accesso therefore only recognises its portion of the sale as revenue, rather than the full amount of the guest payment.
c. Ticketing and eCommerce revenue – Ticketing and distribution	Revenue is recognised at the time the ticket is sold or the transaction takes place. Invoices are issued monthly and generally payable within thirty days.	Ticketing and eCommerce revenue is recognised at the time the ticket is sold or the transaction takes place.
d. Professional services - Ticketing and distribution and Guest Experience	Professional services revenue is typically providing customised software development and in general is agreed with the customer and billed at each month end. Certain contracts span longer time periods whereby the Group carry out customisation and deliver software releases to customers at predetermined milestones.	Bespoke professional services work is recognised over time where the Group has enforceable rights to revenue in the event of cancellation. The group recognise revenue over time using the input method (hours/total budgeted hours) when this method best depicts the group's performance of transferring control. For certain customers the output method is adopted where the group's right to consideration corresponds directly with the completed monthly performance obligation, revenue for these customers is recognised in line with the amount of revenue the group is entitled to invoice.
e. Hardware sales - Ticketing and distribution and Guest Experience	On certain contracts, customers request that the group procure hardware on their behalf which the group has determined to be a distinct performance obligation.	This revenue is recognised at the point the customer obtains control of the hardware which is considered to be the point of delivery when legal title passes.

Contract assets and contract liabilities

Contract assets represent licence fees which have been recognised at a point in time but where the consideration is contractually payable over time, professional service revenue whereby control has been passed to the customer and deferred contract commissions incurred in obtaining a contract which are recognised in line with the recognition of the revenue. Contract assets for point in time licence fees and unbilled professional service revenue represent financial assets and are considered for impairment on an expected credit loss model, these assets have historically had immaterial levels of bad debt and are with credit worthy customers, and consequently the group has not recognised any impairment provision against them.

Contract liabilities represent discounted renewal options on licence arrangements whereby a customer has the right to renew their licence at a full discount subject to the payment of annual support and or maintenance fees on each anniversary of the contract. Contract liabilities are recognised as income when a customer exercises their renewal right on each anniversary of the contract and pays their annual maintenance and support. In the situation of a customer terminating their contract all unexercised deferred renewal rights would be recognised as income, representing a lapse of the renewal right options. The licence fees related to these contract liabilities are non-refundable.

Where these assets or liabilities mature in periods beyond 12 months of the balance sheet date they are recognised within non-current assets or non-current liabilities as appropriate.

Interest expense recognition

Expense is recognised as interest accrues, using the effective interest method, to the net carrying amount of the financial liability.

Employee benefits

Share-based payment arrangements
The Group issues equity-settled share-based payments to full-time employees. Equity-settled share-based payments are measured at the fair value at the date of grant, with the expense recognised over the vesting period, with a corresponding increase in equity. The amount recognised as an expense is adjusted to reflect the Group's estimate of shares that will eventually vest, such that the amount recognised is based on the number of awards that meet the service and non-market performance conditions at the vesting date.

The fair value of Enterprise Management Incentive (EMI) and unapproved share options is measured by use of a Black-Scholes model, and share options issued under the Long-Term Incentive Plan (LTIP) are measured using the Monte Carlo method, due to the market-based conditions upon which vesting is dependent. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The LTIP awards contain market-based vesting conditions. Market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Pension costs
Contributions to the Group's defined contribution pension schemes are charged to the Consolidated statement of comprehensive income in the period in which they become due.

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses.

Depreciation is charged so as to write off the cost of assets, less residual value, over their estimated useful lives, using the straight-line method, on the following bases:

Plant, machinery, and office equipment	20 - 33.3%
Installed systems	25 - 33.3%, or life of contract
Furniture and fixtures	20%
Leasehold Improvements	Shorter of useful life of the asset or time remaining within the lease contract

Inventories

The Group's inventories consist of parts used in the manufacture and maintenance of its virtual queuing product, along with peripheral items that enable the product to function within a park.

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Inventories are calculated on a first in, first out basis.

Park installations are valued on the basis of the cost of inventory items and labour plus attributable overheads. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the Consolidated and Company statements of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities / (assets) are settled / (recovered).

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable Group company; or
- different Group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Current income tax

The tax expense or benefit for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. See note 8 for further discussion on provisions related to tax positions.

Goodwill

Any excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised in the Consolidated Statement of Financial Position as goodwill and is not amortised.

After initial recognition, goodwill is stated at cost less any accumulated impairment losses, with the carrying value being reviewed for impairment at an operating segment level before aggregation, at least annually and whenever events or changes in circumstances indicate that the carrying value may be impaired.

Where the recoverable amount of the cash-generating unit is less than its carrying amount including goodwill, an impairment loss is recognised in the Consolidated Statement of Profit or Loss.

Externally acquired intangible assets

Intangible assets are capitalised at cost and amortised to nil by equal instalments over their estimated useful economic life.

Intangible assets are recognised on business combinations if they are separable from the acquired entity. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques. The significant intangibles recognised by the Group and their useful economic lives are as follows:

- Trademarks over 10 years
- Patents over 20 years
- Customer relationships and supplier contracts over 1 to 15 years
- Acquired internally developed technology over 5 to 7 years

Internally generated intangible assets and research and development

Expenditure on internally developed products is capitalised if it can be demonstrated that it is substantially enhancing an asset and:

- It is technically feasible to develop the product for it to be sold;
- Adequate resources are available to complete the development;
- There is an intention to complete and sell the product;
- The Group is able to sell the product;
- Sale of the product will generate future economic benefits; and
- Expenditure on the project can be measured reliably.

In accordance with IAS 38 'Intangible Assets', expenditure incurred on research and development is distinguished as either related to a research phase or to a development phase. Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects is recognised in the Consolidated income statement as incurred.

Development expenditure is capitalised and amortised within administrative expenses on a straight-line basis over its useful economic life, which is considered to be up to a maximum of 5 years from the date the intangible asset goes into use. The amortisation expense is included within administrative expenses in the Consolidated income statement.

All advanced research phase expenditure is charged to the income statement. For development expenditure, this is capitalised as an internally generated intangible asset, only if it meets the criteria noted above.

The Group has contractual commitments for development costs of $nil (2018: $nil).

Acquired intellectual property rights and patents

Intellectual property rights comprise assets acquired, being external costs, relating to know how, patents, and licences. These assets have been capitalised at the fair value of the assets acquired and are amortised within administrative expenses on a straight-line basis over their estimated useful economic life of 5 to 7 years.

Fair value of contingent consideration

Contingent consideration payable in cash in connection with acquisitions is measured at its fair value as of the reporting date and classified as a financial liability with subsequent re-measurement through profit and loss.

Equity settled contingent consideration that results in either a fixed number of equity instruments or no issue of equity where the employment condition is not met is treated as equity settled. Equity settled contingent consideration is fair valued at the acquisition date, it is not re-measured at each reporting date and its subsequent settlement is accounted for within equity.

Where cash or equity consideration is contingent on the continued employment of the sellers the fair value of the expense is recognised as a remuneration expense in the statement of comprehensive income over the deferral period, where the employment condition does not apply and the consideration is in respect of a business combination it is included within cost of investment.

Financial assets

The Group classifies all its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

- *Trade and loan receivables:* Trade receivables are initially recognised by the Group and carried at original invoice amount less an allowance for any uncollectible or impaired amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Debts are written off when they are identified as being uncollectible. Contract assets and other receivables are recognised at fair value. Loan receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables), but also incorporate other types of contractual monetary asset. Impairment of a financial asset is recognised if there is objective evidence that the balance will not be recovered.

- *Cash and cash equivalents* in the statement of financial position comprise cash at bank, cash in hand and short-term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the consolidated statement of cash flow.

Financial liabilities

The Group treats its financial liabilities in accordance with the following accounting policies:

- *Trade payables and other short-term monetary* liabilities are recognised at fair value and subsequently at amortised cost.

- *Bank borrowings and finance leases* are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. "Interest expense" in this context includes initial transaction costs and premiums payable on redemption, as well as any interest payable while the liability is outstanding.

Employee benefit trust (EBT)

As the company is deemed to have control of its EBT, it is treated as a subsidiary and consolidated for the purposes of the consolidated preliminary results. Within the company balance sheet the EBT is accounted as an investment held at amortised cost. The EBT's assets (other than investments in the company's shares), liabilities, income, and expenses are included on a line-by-line basis in the consolidated preliminary results. The EBT's investment in the company's shares is deducted from equity in the consolidated statement of financial position as if they were treasury shares.

5. Functional and presentation currency

The presentation currency of the Group is US dollars (USD) in round thousands. Items included in the preliminary results of each of the Group's entities are measured in the functional currency of each entity. The Group used the local currency as the functional currency including the parent company, where the functional currency is sterling. The Group's choice of presentation currency reflects its significant dealings in that currency.

6. Critical judgments and key sources of estimation uncertainty

In preparing these consolidated preliminary results, the Group makes judgements, estimates and assumptions concerning the future that impact the application of policies and reported amounts of assets, liabilities, income and expenses.

The resulting accounting estimates calculated using these judgements and assumptions are based on historical experience and expectations of future events and may not equal the actual results. Estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to estimates are recognised prospectively.

The judgements and key sources of assumptions and estimation uncertainty that have a significant effect on the amounts recognised in the preliminary results are discussed below.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in these consolidated preliminary results are below:

Capitalised development costs

The Group capitalises development costs in line with IAS 38 *Intangible Assets*. Management applies judgement in determining if the costs meet the criteria and are therefore eligible for capitalisation. Significant judgements include the determination that assets have been substantially enhanced, the technical feasibility of the development, recoverability of the costs incurred, and economic viability of the product and potential market available considering its current and future customers. See internally generated intangible assets and research and development within note 4 for details on the Group's capitalisation and amortisation policies, and Intangible Assets, note 10, for the carrying value of capitalised development costs.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments in the following year are:

Goodwill, intangible and investment asset testing

The key assumptions used in the testing of goodwill allocated to operating segments and intangible assets allocated to cash generated units are set out in detail along with sensitivity analysis in note 10.

Useful economic lives of capitalised development costs

The group amortise the majority of its capitalised development costs over 5 years as this has been deemed by management to be the best reflection of the lifecycle of their technology. If this useful economic life estimate were to be 4 or 6 years the impact on the current year amortisation would be $3,291k higher and $2,116k lower respectively. Management will review this estimate each year to ensure it is reflective of the technologies being developed.

Going concern

After making appropriate enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group has modelled out various contingency plans in response to the uncertainty of the COVID-19 impact including an assumption that a number of theatres, attractions and theme parks across the groups customer base could be closed for an 8 to 10 week period and consider there to be sufficient headroom in the forecasts to mitigate this downside risk. In response to this the group has undertaken a significant cost review exercise and has identified and implemented significant headcount related and suspended other discretionary spend. If the shutdowns were to extend beyond this the business would be able to generate further short-term savings by reducing operating costs more widely, however this could impact the profitability in the medium term.

7. Business and geographical segments

Segmental analysis

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

The Board's segmental disclosure continues to align with its organisational structure and how the CODM review and make decisions about resources to be allocated to the segments. During 2019 the ticketing group continued to be headed by a President of Ticketing who is identified as the segment manager. The segment manager maintains regular contact with the CODM to discuss operating activities, financial results, forecasts, or plans for the ticketing segment as a whole.

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

- *accesso Passport* ticketing suite using our hosted proprietary technology offering to maximise up selling, cross selling and selling greater volumes.
- *accesso Siriusware* software solutions providing modules in ticketing & admissions, memberships, reservations, resource scheduling, retail, food service, gift cards, kiosks and eCommerce.
- The *accesso ShoWare* ticketing solution for box office, online, kiosk, mobile, call centre and social media sales.
- *Ingresso* operate a consolidated distribution platform which connects venues and distributors, opening up a larger global channel for clients to sell their event, theatre and attraction tickets.

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

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

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

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

The CODM monitors the results of the operating segments prior to charges for interest, depreciation, tax, amortisation and non-recurring items. 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.

	2019	2018
	$000	$000
Ticketing and Distribution	**79,334**	78,550
Guest Experience	**37,848**	40,197

Total revenue	**117,182**	118,747

Year ended 31 December 2019	**Ticketing and Distribution $000**	**Guest Experience $000**	**Central unallocated costs $000**	**Group $000**
Adjusted EBITDA (*) (**)	34,056	16,989	(22,840)	28,205
Depreciation and amortisation (excluding acquired intangibles) (**)				(16,014)
Aborted sale process costs				(305)
Deferred and contingent payments				(1,416)
Amortisation related to acquired intangibles				(11,286)
Impairment related to TE2				(53,617)
Share-based payments				(1,845)
Finance income				21
Finance expense (**)				(1,324)
Loss before tax				(57,581)

Year ended 31 December 2018 (restated)	**Ticketing and Distribution $000**	**Guest Experience $000**	**Central unallocated costs $000**	**Group $000**
Adjusted EBITDA (*)	30,805	19,256	(15,306)	34,755
Depreciation and amortisation (excluding acquired intangibles)				(9,624)
Acquisition expenses				(1,703)
Deferred and contingent payments				(4,131)
Amortisation related to acquired intangibles				(11,740)
Share-based payments				(2,245)
Finance income				37
Finance expense				(1,127)
Profit before tax				4,222

(*) Adjusted EBITDA is calculated as operating profit before the deduction of amortisation, impairment of intangible assets, depreciation, acquisition costs, deferred and contingent payments, and costs related to share-based payments

(**) The Group initially applied IFRS 16 at 1 January 2019, which requires the recognition of right-of-use assets and lease liabilities for lease contracts that were previously classified as operating leases. As a result, the Group recognised $5.8m of right-of-use assets and $6.1m of liabilities from those lease contracts together with interest and depreciation of $0.4m and $1.3m respectively.

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

An analysis of the Group's external revenues and non-current assets (excluding deferred tax and contract assets) by geographical location are detailed below:

	Revenue		**Non-current assets**	
	2019 $000	2018 $000	**2019 $000**	2018 $000
UK	**27,547**	29,962	**29,346**	37,616
Other Europe	**4,044**	2,901	**7**	3
Australia/South Pacific	**3,710**	4,569	**221**	169
USA and Canada	**78,655**	77,595	**121,915**	163,046
Central and South America	**3,226**	3,720	**447**	221
	117,182	118,747	**151,936**	201,055

Revenue generated in each of the geographical locations is generally in the local currency of the venue or operator based in that location.

Major customers

The Group has entered into agreements with theme parks, theme park groups, and attractions to operate its technology in single or multiple theme parks or attractions within the theme park group.

The customers of one of the park operators within the Guest Experience segment with which the Group has a contractual relationship accounts for $23.7m of Group revenue for 2019 (2018: $20.2m). Another customer within the Guest Experience segment accounted for $9.6m of group revenue in 2019 (2018: $12.m). The customer of an attraction operator within the Ticketing and Distribution segment accounted for $13.6m (2018: $14.7m).

8. Tax

The table below provides an analysis of the tax charge for the periods ended 31 December 2019 and 31 December 2018:

	2019 **$000**	2018 Restated $000
UK corporation tax		
Current tax on income for the period	**1,854**	2,498
Adjustment in respect of prior periods	**6**	(457)
	1,860	2,041
Overseas tax		
Current tax on income for the period	**230**	607
Adjustment in respect of prior periods	**49**	(537)
	279	70
Total current taxation	**2,139**	2,111
Deferred taxation		
Original and reversal of temporary difference - for the current period	**(9,037)**	(670)
Impact on deferred tax rate changes	**-**	(483)
Original and reversal of temporary difference - for the prior period	**(87)**	929
	(9,124)	(224)
Total taxation (benefit)/ charge	**(6,985)**	1,887

The differences between the actual tax charge for the period and the theoretical amount that would arise using the applicable weighted average tax rate are as follows:

	2019 **$000**	2018 Restated see note 30 $000
Profit on ordinary activities before tax (Restated – see note 30)	**(57,581)**	4,222
Tax at United States tax rate of 24% (2018: 24%)	**(13,820)**	1,013
Effects of:		
Adjustments in relation to prior periods	**-**	1,965
Expenses not deductible for tax purposes (2018 Restated for tax effect of additional deferred consideration charge of $955k)	**615**	1,498
Goodwill impairment not deductible	**4,177**	-
Additional deduction for patent box	**-**	(25)
Profit subject to foreign taxes at a lower marginal rate	**440**	(137)
Adjustment in respect of prior period – income statement	**(32)**	(64)
Share options	**748**	35
Impact of rate changes	**-**	(483)
Withholding tax credit	**-**	(61)
Recognition of Uncertain Tax Positions	**897**	-

Other	**(10)**	111
Total tax (benefit) /charge	**(6,985)**	3,852

Deferred taxation	**Asset $000**	**Liability $000**
Group		
At 31 December 2017	**8,937**	**(14,629)**
Credited/(charged) to income (restated)	**1,305**	**(2,967)**
Credited directly to equity (restated)	**(2,243)**	**-**
At 31 December 2018 (restated)	**7,999**	**(17,596)**
Charged to income	**2,194**	**6,930**
Credited directly to equity	**(1,584)**	**-**
Foreign currency translation	**38**	**(112)**
At 31 December 2019	**8,647**	**(10,778)**

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

	2019 **$000**	2018 (restated) $000
Group		
Recognised asset		
Tax relief on unexercised employee share options	**455**	2,443
Short term timing differences	**696**	658
Net operating losses & tax credits	**5,010**	3,654
S163(j) US interest disallowance	**2,486**	1,244
Deferred tax asset	**8,647**	7,999

	2019 **$000**	2018 (restated) $000
Recognised liability		
Capital allowances in excess of depreciation	**(7,651)**	(8,627)
Uncertain tax positions	**(635)**	
Short term timing differences	**(182)**	(92)
Business combinations	**(2,310)**	(8,877)
Deferred tax liability	**(10,778)**	(17,596)

Tax rates in the UK will reduce from 19% to 17% with effect from 1 April 2020. Tax rates in the US were reduced from 35% to 21%, before state taxes, with effect from 1 January 2018. As both rate changes had been substantively enacted during the previous periods, deferred tax assets and liabilities were measured at a rate of 17% and 21% plus state taxes in the UK and US, respectively. The same rates were in effect for 2019. There are no material unrecognised deferred tax assets.

Taxation and transfer pricing

The Group is an international technology business and, as such, transfer pricing arrangements are in place to cover funding arrangements, management costs and the exploitation of IP between Group companies. Transfer prices and the policies applied directly affect the allocation of Group-wide taxable income across a number of tax jurisdictions. While transfer pricing entries between legal entities are on an arm's length basis, there is increasing scrutiny from tax authorities on transfer pricing arrangements. This could result in the creation of uncertain tax positions.

The Group provides for anticipated risks, based on reasonable estimates, for tax risks in the respective countries in which it operates. The amount of such provisions can be based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible authority. Uncertainties exist with respect to the evolution of the Group following international acquisitions holding significant IP assets, interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income.

Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded.

Uncertainties in relation to tax liabilities are provided for within income tax payable to the extent that it is considered probable that the Group may be required to settle a tax liability in the future. Settlement of tax provisions could potentially result in future cash tax payments; however, these are not expected to result in an increased tax charge as they have been fully provided for in accordance with management's best estimates of the most likely outcomes.

Ongoing tax assessments and related tax risks

The Group has undertaken a review of potential tax risks and current tax assessments, and whilst it is not possible to predict the outcome of any current or future tax enquiries, adequate provisions are considered to have been included in the Group accounts to cover any expected estimated future settlements.

In common with many international groups operating across multiple jurisdictions, certain tax positions taken by the Group are based on industry practice and external tax advice or are based on assumptions and involve a degree of judgement. It is considered possible that tax enquiries on such tax positions could give rise to material changes in the Group's tax provisions.

The Group is consequently, from time to time, subject to tax enquiries by local tax authorities and certain tax positions related to intercompany transactions may be subject to challenge by the relevant tax authority.

The Group has recognised provisions where it is not probable that tax positions taken will be accepted, totalling \$0.6m (2018: \$0.5 million) in relation to transfer pricing risks and \$0.3 million (2018: \$0.3 million) in relation to availability of tax losses and international R&D claims.

9. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the net profit attributable to ordinary shareholders, after adjustments for instruments that dilute basic earnings per share, by the weighted average of ordinary shares outstanding during the period (adjusted for the effects of dilutive instruments).

Earnings for adjusted earnings per share, a non-GAAP measure, are defined as profit before tax before the deduction of amortisation related to acquisitions, impairment of intangible assets, acquisition costs, deferred and contingent consideration linked to continued employment, and costs related to share-based payments, less tax at the effective rate on tax impacted items.

The table below reflects the income and share data used in the total basic, diluted, and adjusted earnings per share computations.

	2019	2018 (Restated)
(Loss) / Profit attributable to ordinary shareholders (\$000)*	**(50,596)**	370
Basic EPS		
Denominator		
Weighted average number of shares used in basic EPS	**27,459**	26,905
Basic (loss)/earnings per share (cents)	**(184.26)**	1.38
Diluted EPS		
Denominator		
Weighted average number of shares used in basic EPS	**27,459**	26,905
Effect of dilutive securities		
Options	**406**	709
Deferred share consideration on business combinations	**17**	421
Weighted average number of shares used in diluted EPS	**28,882**	28,035
Diluted (loss)/earnings per share (cents)	**(184.26)**	1.32

*Restated
The Group has made a loss in the year, and therefore the options and equity settled deferred consideration are anti-dilutive. As a result, basic and diluted earnings per share are presented on the same basis for the year ended 31 December 2019.

	2019 $000	2018 $000 (Restated)
Adjusted EPS		
Profit attributable to ordinary shareholders ($000) (2018 restated*)	**(50,596)**	370
Adjustments for the period related to:		
Amortisation relating to acquired intangibles from acquisitions	**11,286**	11,740
Impairment of goodwill	**17,403**	-
Impairment of intangible assets	**36,214**	-
Interest expense related to deferred and contingent liabilities	**-**	331
Acquisition expenses (including debt arrangement fees)	**305**	1,703
Deferred and contingent consideration linked to employment – (2018 restated*)	**1,416**	4,131
Share-based compensation and social security costs on unapproved options	**1,845**	2,245
	17,873	20,520
Net tax related to the above adjustments (2019: 19.1%, 2018: 18.8%):	**(9,420)**	(2,689)
Adjusted profit attributable to ordinary shareholders ($000)	**8,453**	17,831

* Restated

	2019	2018
Adjusted profit attributable to ordinary shareholders ($000)	**8,453**	17,831
Adjusted basic EPS		
Denominator		
Weighted average number of shares used in basic EPS	**27,459**	26,905
Adjusted basic earnings per share (cents)	**30.78**	66.27
Adjusted diluted EPS		
Denominator		
Weighted average number of shares used in diluted EPS	**27,882**	28,035
Adjusted diluted earnings per share (cents)	**30.32**	63.60

453,665 LTIP awards were not included in the calculation of diluted EPS because their exercise is contingent on the satisfaction of certain criteria that had not been met as at 31 December 2019 (2018: 137,432).

10. Intangible assets

The cost and amortisation of the Group's intangible fixed assets are detailed in the following table:

	Goodwill $000	Customer relationships & supplier contracts $000	Trademarks $000	Acquired internally developed intellectual property $000	Patent & IPR costs $000	Development costs $000	Totals $000
Cost							
At 31 December 2017	117,337	18,415	1,927	53,636	764	37,765	229,844
Foreign currency translation	**(1,193)**	**(101)**	**(86)**	**(655)**	**(34)**	**(839)**	**(2,908)**
Additions	**-**	**-**	**-**	**-**	**2**	**21,100**	**21,102**
At 31 December 2018	**116,144**	**18,314**	**1,841**	**52,981**	**732**	**58,026**	**248,038**

Foreign currency translation	**646**	**-**	**-**	**40**	**32**	**591**	**1,309**
Additions	**-**	**-**	**-**	**-**	**1**	**21,998**	**21,999**
Disposals	**-**	**-**	**-**	**-**	**(3)**	**(2,765)**	**(2,768)**
At 31 December 2019	**116,790**	**18.314**	**1,841**	**53,021**	**762**	**77,850**	**268,578**
Amortisation							
At 31 December 2017	-	4,403	556	15,974	496	10,117	31,546
Foreign currency translation	**-**	**(25)**	**(14)**	**(206)**	**(27)**	**(413)**	**(685)**
Charged	**-**	**2,818**	**146**	**8,776**	**38**	**8,067**	**19,845**
At 31 December 2018	**-**	**7,196**	**688**	**24,544**	**507**	**17,771**	**50,706**
Foreign currency translation	**-**	**(36)**	**(33)**	**(163)**	**28**	**482**	**278**
Charged	**-**	**2,468**	**139**	**8,679**	**97**	**12,903**	**24,286**
Impairment	**17,403**	**3,648**	**1,027**	**16,348**	**-**	**15,191**	**53,617**
Disposal	**-**	**-**	**-**	**-**	**-**	**(2,765)**	**(2,765)**
At 31 December 2019	**17,403**	**13,276**	**1,821**	**49,408**	**632**	**43,582**	**126,122**
Net book value							
At 31 December 2019	**99,387**	**5,038**	**20**	**3,613**	**130**	**34,268**	**142,456**
At 31 December 2018	116,144	11,118	1,153	28,437	225	40,255	197,332

The cost and amortisation of the company's intangible fixed assets are detailed in the following table:

Impairment testing of goodwill

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value-in-use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

During 2018 management reorganised their business into three operating segments and continue to monitor goodwill at this level, comprising Ticketing and Distribution, *accesso LoQueue* and The Experience Engine ('*TE2*').

The goodwill arising on the respective ticketing entities enhances the value of only the Ticketing and Distribution group of CGUs and has therefore been monitored at a Ticketing and Distribution segment level for impairment testing. *accesso LoQueue* has no original goodwill. $52.4m of goodwill arising on the acquisition of *TE2* was identified at the acquisition date as being expected to drive synergies in Ticketing and Distribution, this goodwill has been allocated to Ticketing and Distribution ($6.5m) and accesso LoQueue ($28.5m) in line with the apportionment set out at acquisition leaving $17.4m within *TE2's* CGU. This allocation has been based on a relative proportion of the EBITDA synergies of the respective CGUs which is considered the most accurate reflection of where the value of the synergies of the goodwill will be driven.

The carrying amount of goodwill is allocated as follows:

	2019	**2018**
	$000	**$000**
Ticketing and Distribution *	**70,887**	**70,241**
LoQueue **	**28,500**	**28,500**

The Experience Engine TE2	-	**17,403**
	99,387	**116,144**

* Comprises accesso, LLC, Siriusware, Inc., VisionOne Worldwide Limited & its subsidiaries and Ingresso Group Limited & subsidiaries and *accesso Passport*/ *accesso ShoWare* trading within Accesso Australia PTY Limited

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

Impairment of The Experience Engine ('TE2') – Cash Generating Unit 4 (CGU4) and Operating Segment

The recoverable amount of CGU4 which also represents its own Operating Segment was based on a value in use, estimated using discounted cash flows. The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of the expected performance of TE2 combined with historical data from both external and internal sources are set out in the table below.

The discount rate was a pre-tax measure estimated based on comparable listed company gearing and capital structures, an equity risk premium and a 20 year risk-free rate applicable to the US, small stock premium relative to the market and size of business and an appropriate cost of debt relative to market conditions. The pre-tax discount rate has increased by 2.7% to 14.4% to take account of increased forecasting accuracy risk.

The cash flow projections included specific estimates for three years and a 2% terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual growth rate relative to the US market, consistent with the assumptions that a market participant would make.

Average EBITDA during the forecast period was estimated taking into account past experience and had been significantly de-risked from the previous impairment test to reflect current performance. TE2 performed below management expectations in 2019 which has required the estimated EBITDA growth assumption to move to 2%.

The estimated recoverable amount of TE2 is negative and consequently the carrying amount of all its intangible assets have been impaired to nil with a charge of $46.6m charged to administrative expenses, its remaining assets consist of working capital and a right of use property asset which have a carrying amount that is determined to be reflective of fair value. This impairment is not sensitive to plausible changes in key assumptions.

Impairment of Ingresso Group Limited intangible assets (CGU 3)

The recoverable amount of CGU3's allocated intangible assets, excluding goodwill, (which is part of the Ticketing and Distribution Operating Segment) was tested for impairment based on 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 key assumptions used in the estimation of the recoverable amount are set out in the table below.

The discount rate was a pre-tax measure estimated based on comparable listed company gearing and capital structures, an equity risk premium and a 20 year risk-free rate applicable to the UK, small stock premium relative to the market and size of business and an appropriate cost of debt relative to market conditions. The pre-tax discount rate has increased by 3.2% to 13.4% to take account of increased forecasting accuracy risk.

The cash flow projections included specific estimates for 3 years per management approved forecasts plus 2 extrapolated years at growth rates of 2% which is consistent with the terminal values utilised by the group, no terminal value was applied thereafter.

Average EBITDA during the forecast period was estimated taking into account past experience and had been significantly de-risked from the previous impairment test to reflect current performance. Ingresso performed below expectations which has led to a revised growth rate of 23.4%.

If the discount rate were to be increased by 1% the impairment would increase by $220k, if the EBITDA growth during the forecast period were reduced by 1% the impact would be an increased impairment of $100k.As a consequence of this test the carrying value of the Ingresso allocated assets was reduced by $7.0m, which included intangible assets as set out below.

The below table sets out the intangible asset impairments recorded within the Guest Experience and Ticketing and Distribution segments:

	2019 Guest Experience	2019 Ticketing and Distribution	2019 Total
	$000	$000	$000
Goodwill	17,403	-	**17,403**
Intangible assets	29,222	6,992	**36,214**
Impairment charge recorded within administrative expense	46,625	6,992	**53,617**

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

	2019	2018
Pre-tax discount rate (%)		
accesso, LLC & Siriusware, Inc. (CGU 1)	**14.4%**	11.7%
VisionOne Worldwide Limited and its subsidiaries (CGU 2)	**14.4%**	11.7%
Ingresso Group Limited and subsidiaries (CGU 3)	**13.4%**	10.2%
The Experience Engine (CGU 4)	**14.4%**	11.7%
LoQueue ** (CGU 5)	**14.4%**	11.7%
Average EBITDA growth rate during forecast period (average %)		
accesso, LLC & Siriusware, Inc. (CGU 1)	**10.7%**	18.5%
VisionOne Worldwide Limited and its subsidiaries (CGU 2)	**26.3%**	7.9%
Ingresso Group (CGU 3)	**23.4%**	68.2%
The Experience Engine (CGU 4)	**2%**	31.2%
LoQueue ** (CGU 5)	**12.8%**	8.4%
Terminal growth rate (%)		
accesso, LLC & Siriusware, Inc. (CGU 1)	**2.0%**	3.0%
VisionOne Worldwide Limited and its subsidiaries (CGU 2)	**2.0%**	3.0%
Ingresso Group (CGU 3)	**2.0%**	3.0%
The Experience Engine (CGU 4)	**2.0%**	3.0%
LoQueue ** (CGU 5)	**2.0%**	2.5%
Period on which detailed forecasts based (years)		
accesso, LLC & Siriusware, Inc. (CGU 1)	**3**	5
VisionOne Worldwide Limited and its subsidiaries (CGU 2)	**3**	5
Ingresso Group (CGU 3)	**3**	5
The Experience Engine (CGU 4)	**3**	5
LoQueue ** (CGU 5)	**3**	5

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

Operating margins have been based on experience, where possible, and future expectations in the light of anticipated economic and market conditions. Growth rates beyond the formally budgeted period are based on economic data pertaining to the region concerned.

The discount rates applied to all CGUs was a pre-tax measure estimated based on comparable listed company gearing and capital structures, an equity risk premium and a 20 year risk-free rate applicable to the country, small stock premium relative to the market and size of business and an appropriate cost of debt relative to market conditions.

Sensitivity analysis

If any of the following changes were made to the following key assumptions the carrying value and recoverable amount would be equal as at 31 December 2019.

	Ticketing and Distribution*		accesso LoQueue**		The Experience Engine	
	2019	2018	**2019**	2018	**2019**	2018
Pre-tax discount rate	**Increase by 1.5%**	Increase by 14.9%	**Increase by 33.6%**	Increase by 11.2%	**N/A**	Increase by 4.5%
EBITDA Growth rate during detailed forecast period (average)	**Reduce by 7.7%**	Reduce by 42.5%	**Reduce by 68.0%**	Reduce by 39.2%	**N/A**	Reduce by 28.3%
Terminal growth rate	**Reduce by 1.3%**	Reduce by 18%	**Reduce by 33.5%**	Reduce by 16.2%	**N/A**	Reduce by 4.7%
Excess over carrying value ($000)	**$16,887**	$323,790	**$76,176**	$66,336	**$Nil**	$37,941

* Comprises accesso, LLC, Siriusware, Inc., VisionOne Worldwide Limited & its subsidiaries and Ingresso Group Limited & subsidiaries and *accesso Passport*/ *accesso ShoWare* trading within Accesso Australia PTY Limited

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