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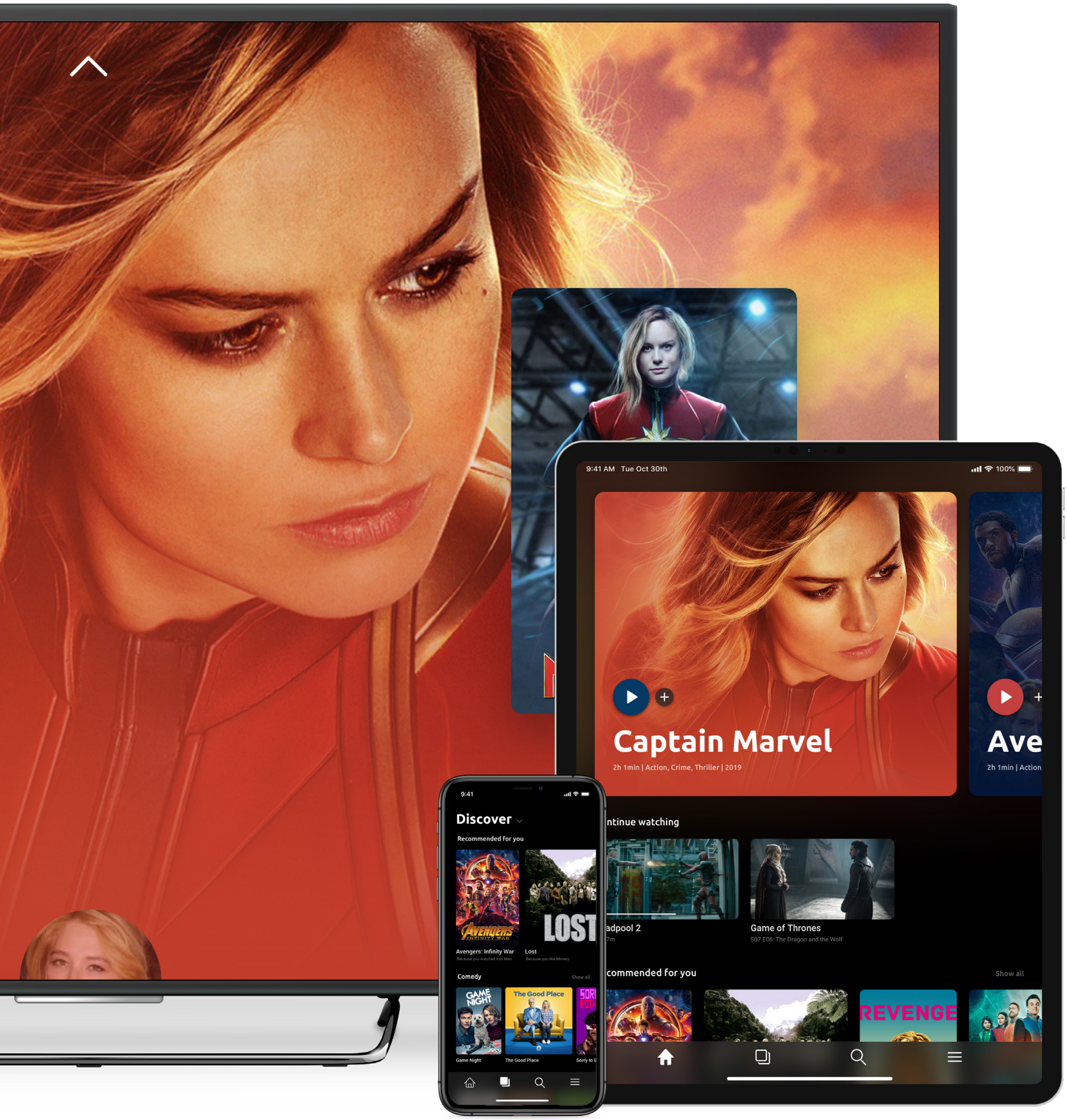
Amino Technologies plc – Annual Report 2019



Amino Technologies plc is a new breed of Media Tech business focused on enabling operators to meet the challenge of the rapidly converging worlds of broadcast and next-generation streaming services. We believe the operators that will succeed will be those that allow consumers to control how, when and where they "watch TV" and consume video. The smart operator will enable each consumer to define what TV means to them.

We aim to anticipate the technological and consumer behavioral trends so that we can keep on creating the solutions that enable operators and media companies to drive growth in engagement and profitability while embracing the inevitable disruption to the video market.

The Group meets these challenges through combining its award-winning IP/cloud platforms and deep deployment expertise to create solutions that enable our customers to design and deliver innovative and profitable next-generation video experiences.

Amino Technologies consists of two operating companies providing transformational media experiences: **Amino**, with TV-centric solutions and **24i**, focused on streaming and OTT experiences.

Since foundation, Amino Technologies has been committed to the power of IP and how it transforms the TV experience. Our commitment is to harness the most relevant technologies and actionable data to continually create the very best video platforms and experiences.

Headquartered in Cambridge, Amino Technologies has offices in New York, Los Angeles, San Francisco, Amsterdam, Helsinki, Madrid, Porto, Brno and Hong Kong.

For more information, please visit investor.aminocom.com

Strategic Report

Governance

Financial Statements

Company information - Registered office:
Botanic House, 100 Hills Road, Cambridge, CB2 1PH

2019 GROUP REVENUE ANALYSIS

2019 GROUP RESULTS

$77.2m

Revenue down 13%

2018: $88.9m

$10.2m

Adjusted operating profit[1] down 9%

2018: $11.2m

$4.3m

Operating profit

$3.5m

Profit before tax down 55%

7.32 pence

Dividend

2018: 7.32 pence

Expanding our addressable market in the evolving TV market

- Strategic repositioning reflects evolution of the market towards consumer needs
- Strong momentum for 24i (online video specialist)
  - Good strategic fit, fully integrated with good progress since acquisition in July 2019
  - Further expansion into the high growth online video market
  - Supports drive to deliver modern video experiences driven by user experience
  - First joint 24i / Amino contract (Youfone) underlines strategic rationale for acquisition
  - Two major contract extensions and three new Smart App launches since July 2019
  - AminoTV highly complementary to, and combined with 24i; renamed Smart Video
- Transformation programme completed and supporting improved quality of earnings
  - Supports ongoing shift towards software and services
  - Exceeded $5m cost savings target
  - Programme completed in full, on time, in April 2019

(1) Adjusted operating profit, is a non-GAAP measures and excludes amortisation of acquired intangibles assets, exceptional items and share-based payment charges.

STRATEGIC REPORT - **OUR BUSINESS AT A GLANCE**

What We Do

Smarter, more cost-effective ways of delivering modern TV experiences

Amino Technologies group is a new and innovative breed of Media Tech business addressing the seismic shifts that are forcing traditional TV and online streaming services to convergence.

It is our belief that in this disruptive environment successful media companies will be those that are most consumer-centric, data driven and flexible to change. While content is key; how consumers discover, access, view and interact with that content is of incredible importance too.

Amino Technologies is focused on innovating technologies that optimize the entire video experience however consumers choose to view and interact.

It is our mission to become the leading innovator and trusted partner in delivering agile, effective and industry-leading video entertainment experiences.

Market

The future of TV can be fined as TV X.0: video delivery and consumption as defined by consumer expectations. Our goal is to provide our operator, broadcast and media customers with the technology to anticipate and fulfill these expectations.

YESTERDAY

Linear TV schedules

Grid EPG

TV only consumption

TODAY

Increased consumer influence

Multiscreen consumption

Content is King

TOMORROW

Fragmented video/TV market

Data driven creation, monetization & delivery

UI/UX differentiating consumer experience

Strategic Markets

We understand the challenges media and entertainment service providers face today. Through our unique combination of software and hardware solutions we provide our customers with next-generation services that win over consumers and pave the way for recurring revenues and subscriber growth.

As a result we are focused on three strategic market areas:

IP / Cloud TV Everywhere

Comprehensive solutions that encompasses everything needed for service providers to quickly and cost-effectively launch or expand a TV service with all the features expected by viewers today.

Operator Ready Android TV

Android TV is the fastest growing pay TV environment globally with rapid take-up driving adoption and deployment we help operators fully integrate and leverage the features.

Upcycle Legacy to Next Generation

Providing the process and tools to solve a key dilemma: How to create a modern pay TV service that leverages existing infrastructure.

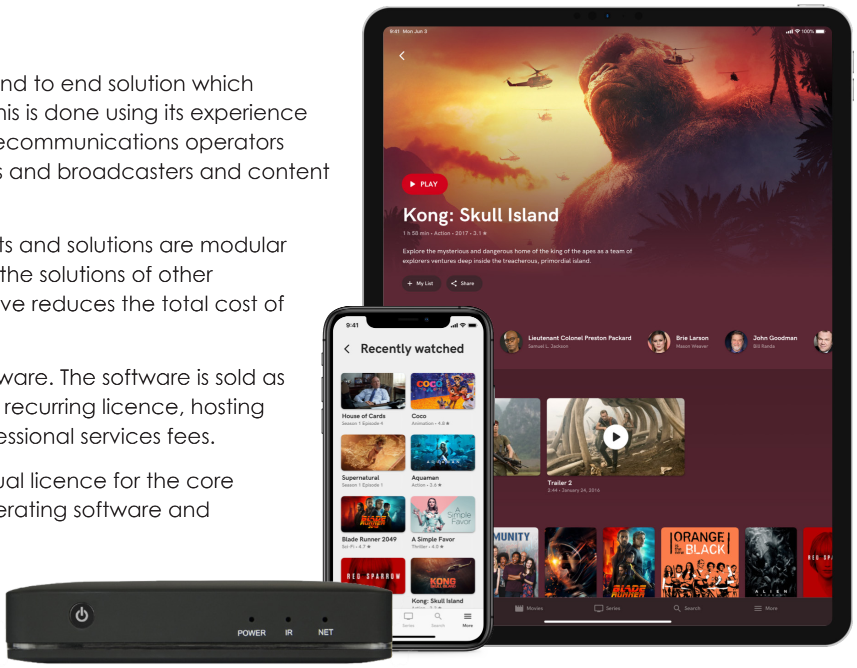
Strategy and Business Model

At its core, the Amino Technologies group offers an end to end solution which delivers next generation video experiences over IP. This is done using its experience in delivering software. We offer our this solution to telecommunications operators wishing to further monetise their broadband networks and broadcasters and content owners wishing to monetise their content.

As set out in the diagram below, the Group's products and solutions are modular and can be sold independently and integrated with the solutions of other vendors, or as an end-to-end solution which we believe reduces the total cost of ownership for a customer.

24i delivers online video solutions all of which are software. The software is sold as hosted or on-premise. It is sold predominately using a recurring licence, hosting and maintenance model, alongside set-up and professional services fees.

Amino sells IPTV/OTT devices which include a perpetual licence for the core software operating system. It also sells the device operating software and services independently of any devices as well as device management software, hosted in the cloud. Margins on the devices sold depend on volume, the region and the scale of a customer's operations.



AMINO TECHNOLOGIES PORTFOLIO

What We Offer

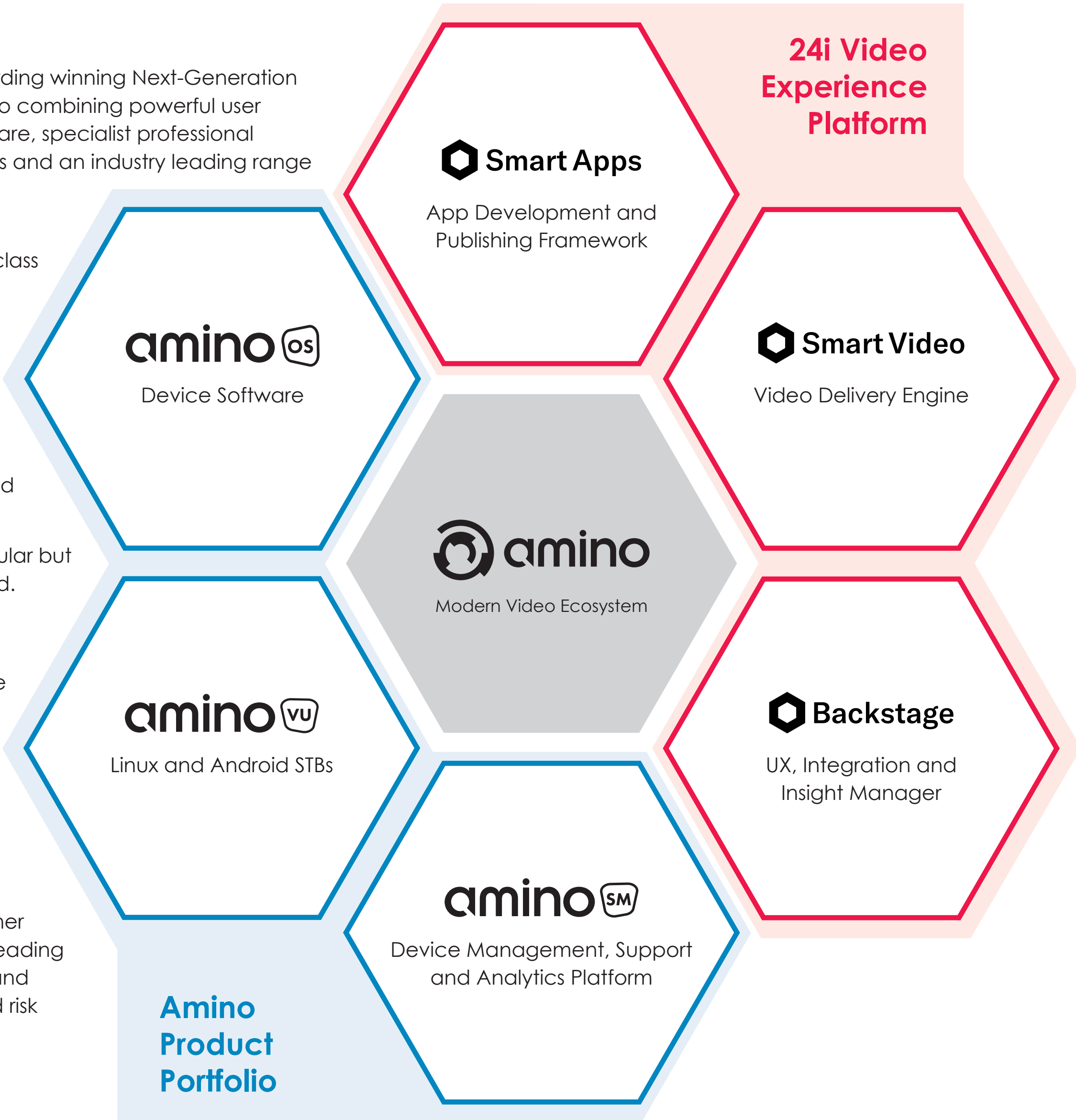
We offer a unique and awarding winning Next-Generation Technology Solutions Portfolio combining powerful user experience and video software, specialist professional services, partner eco-systems and an industry leading range of devices.

Our R&D and systems design teams draw from our world class user experience capabilities and longstanding IPTV heritage and expertise in the deployment of cutting-edge video experiences for a wide range of broadcasters, content owners and operators around the world.

The product portfolio is modular but can be delivered end-to-end.

Our solutions are under-pinned with world class and specialist professional service capabilities. Services range from providing advice and solution design through to implementing complex integrations tasks.

Amino Technologies group companies also operate powerful best of breed partner eco-systems. We work with leading businesses to pre-integrate and reduce speed to deliver and risk in deployments.

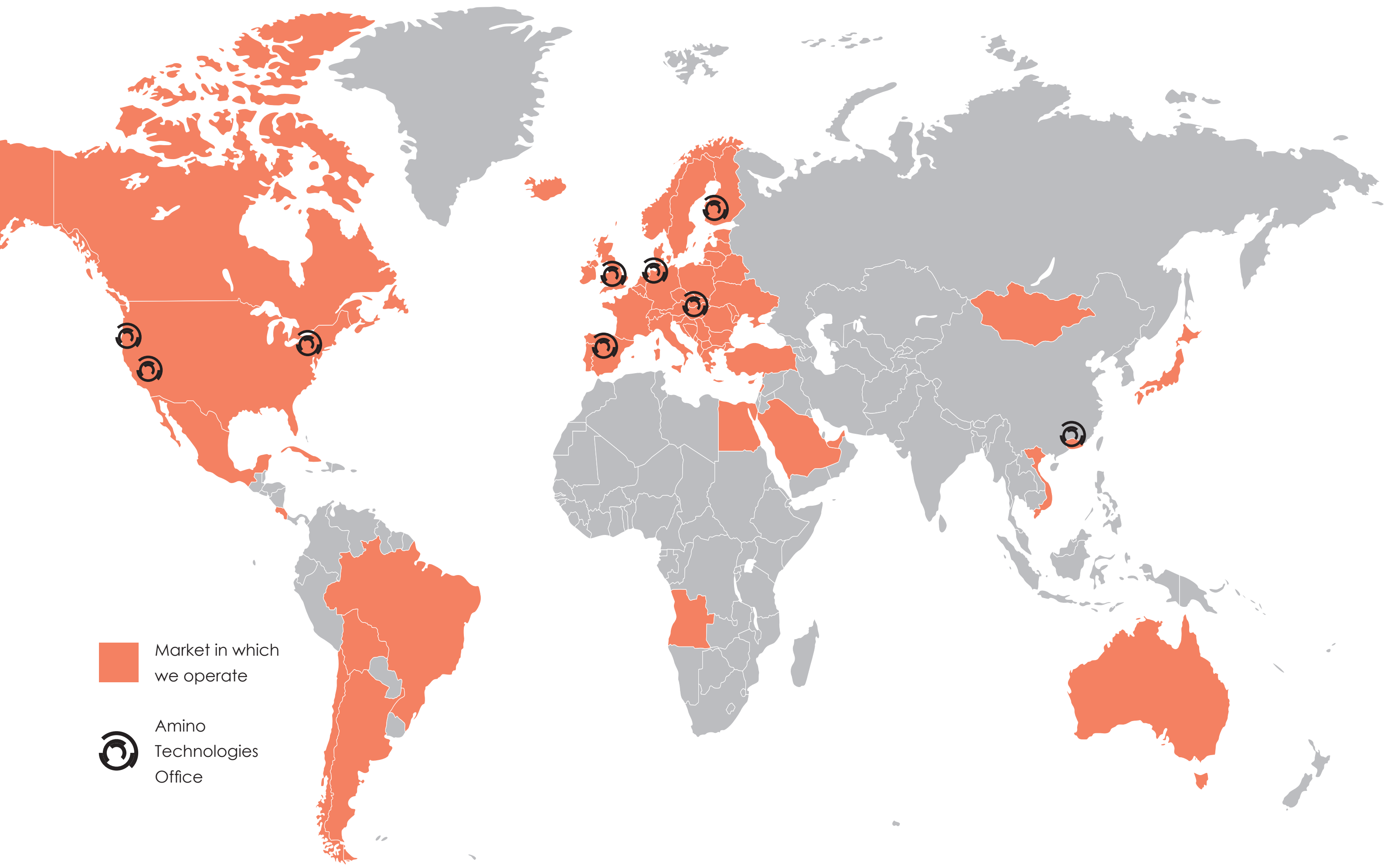


OUR BUSINESS AT A GLANCE

Where and How We Operate

Amino Technologies plc is proud of its world class team and a strong culture of innovation.

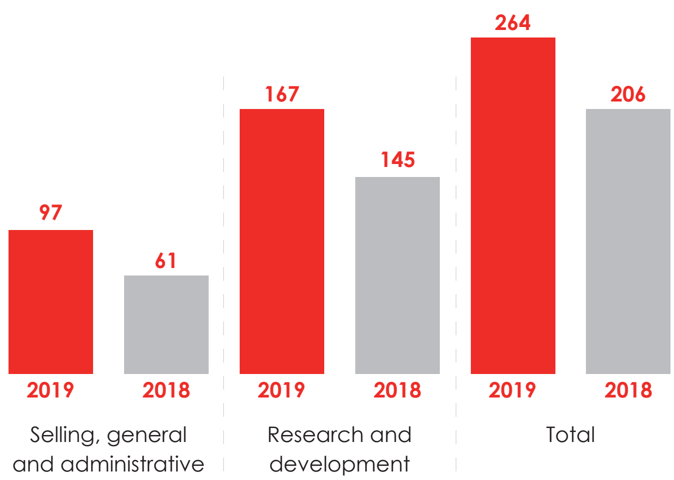
Diversity is also a key focus for the company, our employees come from countries having 35 different nationalities.



Our Values

- We are driven by **innovation**
  - We strive to be open and creative in delivering solutions
- Our culture is underpinned by **ambition and trust** in working with others
  - We have the courage to pursue and share new ideas with colleagues
- Our key focus is our **customers**
  - We respond rapidly to customer needs to deliver meaningful solutions
- We concentrate on value and **financial responsibility**
  - We are focused on delivering customer value and our contribution to our overall return on investment
- It is important that we experience **daily happiness** in our work
  - We work in a fair, diverse and inclusive environment that fosters individuality, collaboration and creativity

Average headcount by major department of the group, including contractors



NON-EXECUTIVE CHAIRMAN AND DIRECTOR

Highlights:

- Good strategic progress
- Acquiring 24i to further drive growth in software and services
- Refreshed Board composition

In my first year as Chairman, I am pleased to report a strong performance in what has been a busy, productive and transformative year for the Company and the management team. During the year the team has delivered on the objectives of its transformation programme announced in February 2019, acquired a fast-growing online video Company in 24i and refinanced its existing loan facility. This is a significant achievement and I believe sets the foundation for a prosperous future for the Company. On behalf of the Board, I would like to take this opportunity to thank all our people in the Amino Technologies group for all their hard work and tireless commitment throughout the year.

Amino's mission and markets

In line with its mission to become the leading innovator and trusted partner in delivering agile, effective and industry-leading video entertainment experiences, Amino continues to take a market leading position in the provision of modern video experiences. By providing the vital capabilities our customers need to become consumer-centric, data driven and flexible to change, it is our belief that in a highly disrupted media marketplace, Amino is addressing the seismic shifts that are forcing traditional TV and online streaming services together. While content is key; how consumers discover, access, view and interact is of incredible importance too. The Company is focused on innovating technologies that optimise the entire video experience; in whichever way consumers choose to view and interact.

Strategic priorities

Aligned with Amino's mission, the Company's three strategic priorities are to:

Expand the Group's addressable market by investment in disruptive technology either organically or via M&A;

Grow margins by focussing on high growth software and services solutions as well as value-add hardware. By investing in products in these areas we aim to increase our software and recurring revenue thereby improving the visibility of revenue going forward; and

Maintain strong levels of operating cash generation to provide appropriate levels of return to shareholders as well investment for the future growth of the Company.

Progress against these strategic priorities in the year to 30 November 2019 has been good. The Group also expanded its end-to-end online video product offering with the acquisition of 24i and won its first joint Amino/24i customer in Youfone. Amino's software revenues increased by 39% and recurring revenues by 44% over the prior year. The Company also generated $17.2m adjusted operating cash flow[1], converting 114% of adjusted EBITDA[1] into cash and paid $6.9m in dividends to shareholders.

Board changes

In March 2019, I succeeded Keith Todd as Non-Executive Chairman who had been on the Board for 12 years. At the same time Steve Vaughan and Erika Schraner were appointed as Non-Executive Directors, bringing with them a wealth of experience in leading listed technology companies as well as in strategy and business integration.

Since then, and following a further review of the Board's composition, in December 2019 I was delighted to appoint Joachim Bergman, Co-Chief Executive Officer of 24i to the Board in that capacity. This appointment reflects 24i's strategic importance to the Group. At the same time Steve McKay and Michael Clegg stepped down from their Non-Executive roles.

On behalf of the Board and everyone at Amino, I would like to thank Keith, Steve and Michael for their considerable contribution to the Group.

Dividend

The Board recommends a full year dividend of 7.32 GBP pence per share. The Board intends to maintain this for the coming financial year.

Karen Bach
Chairman
26 February 2020

GROUP CHIEF EXECUTIVE OFFICER

Highlights:

- 24i acquisition helps position company in key growth sectors
- New business wins at Pureflix, Youfone and Delta
- Software and services revenues up to 17% of revenues
- Being selected as a global Netflix Hailstorm partner

The global Pay TV market continues to experience major changes as consumer expectations continue to evolve. As more content is being delivered to an expanding range of devices, owned by increasingly demanding customers, Pay TV is being forced to become more consumer centric. The adage of "Content is King" is still relevant when it comes to creating a service, but the consumer is in charge when it comes to the success of any video service.

The new world is one where location-independent, consumer-owned devices are used to devour streaming content. Consumers have embraced new user interfaces which present content options in new ways and provide levels of personalization not found in legacy Electronic Programming Guides. If operators cannot provide consumers with the perceived flexibility they receive from online video providers, subscribers will churn.

Data-driven services are the future. This requires correlating data from multiple sources with results that are represented in a configurable user experience. Pay TV providers must embrace these capabilities as much as online streaming services already are. Giving video providers the service capabilities needed to deliver engaging, compelling subscriber experiences, is driving Amino to expand its market reach, align with consumer driven market shifts and provide customers with more than just a set-top-box.

Acquisition of 24i

We completed the acquisition of 24i in July 2019. We are now able to provide operators and broadcasters with all the tools they need to deliver modern video experiences that place the consumer in control. This acquisition complements our existing AminoTV offering. As such we have integrated AminoTV into the 24i business.

Operational structure

With the integration of AminoTV into 24i now complete we run two business units that are closely aligned with a joint go-to-market sales strategy and sales teams: Amino and 24i. Our Amino business focusses on its TV centric solutions and our 24i business on streaming and online video services. Modular in their product set, together they can deliver a fully integrated next generation end-to-end online video service with a compelling total cost of ownership.

Strategic Market opportunities

We continue to focus on our three strategic go-to-market opportunities which are supported by our Modern Video Ecosystem:

- **IP/Cloud TV Everywhere:** The market for the delivery of IP/Cloud TV Everywhere software and services are forecast to grow. A recent report by Nagra indicates that 86% of service providers are offering an online TV solution via a TV Everywhere approach. Our solutions provide cost effective and friction free ways to deploy modern multiscreen TV and video solutions.
- **Operator Ready Android TV:** Android TV continues to be a force for growth in the Pay TV sector with market analysts forecasting that 70% of operators are considering Android TV. Amino's solution enables operators to integrate Android TV quickly and effectively as well as adding key functionality designed to make the system Pay TV ready.
- **Upcycle legacy to next generation:** AminoOS powers modern and legacy set-top-boxes. It improves performance and significantly reduces the costs of deploying modern TV experiences. S&P Global estimates this global market to grow to $800m by 2021. A further key aspect is the continuing relevance of devices. The set-top-box remains the key Pay TV experience delivery system and as a result our core business is stable with good growth potential.

Key performance indicators

In focussing on the Group's strategic priorities we monitor the following five key performance indicators, and which underpin the Group's financial progress:

$m	2019	2018
Total revenue	77.2	88.9
Software and services revenue	13.0	9.3
Annual run rate recurring revenue at 30 November	9.5	5.1
Adjusted gross margin %[1]	46%	41%
Adjusted operating cash flow (note 28)	17.2	14.1

The transformation programme announced in February 2019 comprised a renewed focus on software and services revenue and high value device sales. The acquisition of 24i in July 2019 (24i only sells software and services) helped increase overall software and services and recurring revenue and we expect that growth to continue organically into FY20. The decrease in overall revenues reflects the Group's stated strategy to not compete for lower margin hardware where customers are looking for a commodity product. Gross margins were improved across device and software and services revenues.

Device margins improved despite significant component price increases in 2018. The Group continues to generate strong operating cash flows and adjusted operating cash flows improved by 22% in 2019 over the prior year.

24i

I am pleased to report that the integration of 24i into the Group has been completed.

Since 24i joined the Group in July 2019 it has continued to go from strength to strength. During that period, we have signed contract extensions with two major customers. We have also launched three new Smart App services in that period. Two for US based content owners including a new service for Broadway HD. We have also launched our first operator solution based on 24i's next generation Smart Apps platform with Slovak Telecom in Europe.

The AminoTV product has now been integrated into the 24i product suite and renamed Smart Video.

Smart Video continues to gain significant traction in EMEA. Our base of active users grew by 34% during FY19. Significantly we rolled out Smart Video on its first multi-tenant platform to Delta (the number one internet provider in Zeeland, in the Netherlands) and Caiway (the Dutch internet, TV and telephony firm).

We continue to invest in the 24i product set to drive efficiencies and ensure that the business scales profitably. The launch of our first customer on our next generation platform is a key stepping-stone to achieving that.

Amino

In North America, our performance was on target. We continue to work hard to mitigate the impact of US tariffs which were imposed on set-top-boxes in September 2019 and it remains uncertain as to when these will be removed.

In EMEA, we secured new business wins at Delta and Caiway as well as a new multi-year set-top-box supply agreement with existing customer Moldtelecom.

Progress in LATAM has also been good. Orders from key customers like GTD and Pontis alongside new customer wins with us supporting Entel, the National telecommunications operator in Bolivia, in a country-wide fibre roll-out.

In APAC we launched our first ODM customer deployment with a leading APAC tier one telecommunications operator. We have also in recent months secured our first client in Japan, with Android TV.

We completed two upcycling projects in 2019 in LATAM and EMEA and continue to see strong demand from operators for these projects. We have also seen increased demand for our SaaS device management platform with active devices managed increasing by 90% in the year.

Operationally, we exceeded our $5m annualised cost saving target through the transformation programme. We remain focused on improving key component costs in our supply chain and on delivering value to customers. Consequently, gross margins in the Amino business have increased by 5% over the prior year, although we do not expect any further improvement in 2020.

Future growth opportunities

Our first joint Amino/24i contract, an agreement with Youfone (Dutch mobile virtual network operator) to provide a fully integrated, end-to-end video solution, is the first proof point that our strategy to combine 24i and Amino is the correct one. Amino and 24i continue to work jointly together on a number of upcycling opportunities in North America. The Group has a healthy pipeline of sales opportunities in our key growth market segments and that is providing confidence in our longer-term strategy and focus.

Amino has also been unveiled by Netflix as a Hailstorm Partner. Hailstorm is the Netflix initiative designed to reduce the effort of integration and time-to-market for partners looking to launch Netflix services as part of their consumer offering. Amino is one of only nine service providers globally with this accreditation.

Current Trading and outlook

Trading year to date is consistent with meeting management's full year expectations, with the Group's recently acquired business 24i having made good operational progress, as evidenced by several new contract wins and extensions including Amino and 24i's first joint contract.

As has widely been reported, following the outbreak of COVID-19 the Chinese government extended the end of the Lunar New Year holiday from 30 January to 9 February 2020. Factories in China involved in Amino's supply chain were therefore closed over this period. Production resumed on 10 February at a reduced capacity to ensure all health guidelines are met, and to address the irregular flow of raw materials in the region. The Group has good demand from its customers as well as a solid order book and sales pipeline visibility to the end of the financial year, and is working closely with its customers and supply chain partners to meet this demand while accommodating higher ex-factory leadtimes.

Overall, the addition and successful integration of 24i, allied to the Group's expanded portfolio, reinforces the Board's confidence of significant growth in software and services revenues in the year ahead.

Donald McGarva
Group Chief Executive Officer
26 February 2020

(1) Adjusted gross margin is a non-GAAP measure and excludes exceptional items included in cost of sales as set out in note 6.

GROUP CHIEF FINANCIAL OFFICER AND CHIEF OPERATIONS OFFICER

In February 2019, the Group announced a transformation programme to focus on monetising its higher margin core software capabilities and increasing the quality and nature of its revenues. The financial results of the year to 30 November 2019 reflect this transformation programme as well as the Group's acquisition of 24i, a high-growth software and services company. As a result:

- Software revenues have increased by $3.7m to $13.0m (FY 2018 $9.3m) and represent 17% of total revenues.
- Recurring revenues have increased by $2.2m to $6.9m (FY 2018 $4.7m) and represent 9% of total revenues; and
- Adjusted gross margin has also increased overall from 41% to 46%.

Total revenue declined by 13% to $77.2m (FY 2018: $88.9m) which reflects the Group's stated strategy to not compete for lower margin hardware where customers are looking for a commodity product.

The Group continued to generate strong operating cash flows. Adjusted operating cash flow before restructuring and acquisition costs was $17.2m (FY 2018: $14.1m) representing an adjusted EBITDA cash conversion of 114% (FY 2018: 84%). Operating cash flow was $13.8m (2018: $14.3m).

After the impact of the acquisition of 24i (cash consideration paid of $17.8m and net debt acquired of $2.7m) and dividend payments of $6.9m, the Group had net cash of $1.4m at 30 November 2019 (30 November 2018: $20.3m). The Group signed a three-year $15m multicurrency revolving credit facility with Barclays on 25 November 2019.

On 12 July the Group acquired 87% of the share capital of 24i for €21.4m. Following a concurrent reorganisation to recapitalise 24i and transfer 100% of the share capital of Amino Communications Oy to 24i, the Group owns 92% of 24i, with the balance owned by the founders of 24i. 24i is an online video specialist, providing Apps as well as user experience solutions and services, complementary to Amino's existing offering.

Revenue

$m	2019	2018	Change
Software and services	13.0	9.3	39%
Devices including integrated software	64.2	79.6	(19%)
Revenue	77.2	88.9	(13%)
% Recurring	9%	5%	

Software and services revenues represent revenues from our 24i division, our AminoOS software (sold independently from devices), as well as support for our AminoVU devices. Software and services revenues increased by 39% in the year as a result of the acquisition of 24i and growth across all these revenue streams and are now 17% of total revenues for the period (FY 2018: 11%). At 30 November 2019 annual run rate recurring revenues increased to $9.5m (30 November 2018: $5.1m).

Segment result

	Revenue		Segment result	
$m	2019	2018	2019	2018
24i	8.8	5.5	0.0	0.8
Amino	68.4	83.4	17.1	17.8
Central costs	-	-	(2.3)	(1.8)
Total	77.2	88.9	14.8	16.8

The segment result shown above is in accordance with those shown to the Chief Operating Decision Maker. Segment result has been calculated as Adjusted EBITDA for each segment. Adjusted EBITDA is a company specific measure which is calculated as operating profit before depreciation, amortisation, interest, tax, exceptional items and employee share-based payment charges. This is consistent with the way the financial performance of the Group is presented to the Board and Chief Operating Decision Maker. The Directors believe that this provides a more meaningful comparison of how the business is managed and measured on a day-to-day basis.

24i segment result

$m	2019	2018
Software and services	8.8	5.5
Devices including integrated software	-	-
Revenue	8.8	5.5
Cost of Sales	(1.9)	(1.7)
Gross margin	6.9	3.8
Gross margin %	78%	69%
Operating costs	(6.9)	(3.0)
Segment result	0.0	0.8
Segment margin	n.a.	15%
Capitalised development costs	1.9	1.9

The 24i segment comprises the results of 24i Media, acquired in July 2019 and the results of the Amino Communications Oy company that was contributed to the 24i division at that time. Amino Communications Oy runs the AminoTV online video service which has now been renamed SMART Video.

Amino segment result

$m	2019	2018
Software and services	4.2	3.8
Devices including integrated software	64.2	79.6
Revenue	68.4	83.4
Cost of Sales	(39.6)	(50.7)
Gross margin	28.8	32.7
Gross margin %	42%	39%
Operating costs	(11.7)	(14.9)
Segment result	17.1	17.8
Segment margin	25%	21%
Capitalised development costs	2.2	2.6

The Amino segment comprises the results of the sales of AminoVU devices, related support as well as the AminoOS middleware and AminoSM device management platform.

Amino continues to sell its products directly to tier 2 customers and to tier 3 and 4 customers via distributors. The Group has two customers which each have more than 10% of total Group revenue, both of whom are Amino customers are distributors.

Central costs

As reported in $m	2019	2018
Operating costs	(2.3)	(1.8)
Operating expenses	(2.3)	(1.8)

Central costs comprise the costs of the Board, including executive directors as well as costs associated with the Company's listing on the London Stock Exchange.

Adjusted EBITDA

Adjusted EBITDA for the year to 30 November 2019 was $14.8m (2018: $16.8m). Adjusted EBITDA is a non-GAAP company specific measure. It is presented here consistently with the way the financial performance of the Group is presented to the Board and Chief Operating Decision Maker. The Directors believe that this provides a more meaningful comparison of how the business is managed and measured on a day-to-day basis.

As reported in $m	2019	2018
Revenue	77.2	88.9
Cost of Sales	(41.5)	(52.4)
Gross margin	35.7	36.5
Gross margin %	46%	41%
Research and development	(8.7)	(6.5)
SG&A	(12.2)	(13.2)
Adjusted EBITDA	14.8	16.8

The Group continues to invest in research and in the development of new products and spent $12.8m on R&D activities (FY 2018: $11.0m) of which $4.1m was capitalised (FY 2018: $4.5m).

A reconciliation of Adjusted EBITDA to operating profit is provided as follows:

As reported in $m	2019	2018
Adjusted EBITDA	14.8	16.8
Exceptional items:		
• Within cost of sales	1.5	1.5
• Within operating expenses	(2.5)	(2.8)
• Within operating income	-	2.7
Employee share-based payment charge	(0.8)	(1.4)
Depreciation and amortisation	(8.7)	(9.1)
Operating profit	4.3	7.7

Exceptional items

Exceptional items within cost of sales in 2019 comprised a $1.5m credit in respect of royalty costs recognised in prior years which have subsequently been renegotiated.

Exceptional items included within operating expenses in 2019 comprised:

- $0.7m restructuring costs incurred in February during a further rationalisation of the cost base to remove $5m of annualised costs following a business review performed in December 2019;
- $1.1m costs incurred in respect of the acquisition of 24i Unit Media BV; and
- $0.6m contingent post-acquisition remuneration in respect of the acquisition of 24i Unit Media BV.

Depreciation and amortisation

Excluding amortisation of intangibles recognised on acquisition, depreciation and amortisation increased to $4.6m (FY 2018: $5.6m). Amortisation of intangibles recognised on acquisition was $4.1m (FY 2018 restated: $3.5m).

Taxation

The tax charge of $0.6m comprises:

- a $1.0m current tax charge relating to current year and $0.2m relating to prior year profits;
- a $0.1m deferred tax charge relating to a reduction in the deferred tax asset as a result of losses used in the year; and
- a $0.7m credit relating to the unwind of the deferred tax liability recognised in respect of the amortisation of intangible assets recognised on acquisition.

Profit after tax was $2.9m (FY 2018 restated: $7.8m).

Cash flow

Adjusted cash flow from operations was $17.2m (FY 2018: $14.1m) and represented 114% of adjusted EBITDA (FY 2018: 84%). Exceptional cash flows in 2019 comprised:

- $1.1m acquisition costs in respect of the acquisition of 24i;
- $1.8m restructuring costs in respect of two rationalisations of the cost base performed in October 2018 and February 2019; and
- $0.5m payment of escrow funds to employees.

Including these exceptional cash out-flows cash generated from operations was $13.8m (FY 2018: $14.3m).

During the year the Group spent $0.1m (FY 2018: $0.2m) on capital expenditure in respect of tangible fixed assets and capitalised $4.1m of research and development costs and software licenses. The Group paid dividends of $6.9m in the year.

Financial Position

The cash balance at 30 November 2019 was $8.6m (30 November 2018: $20.3m). The Group also has a $15m multicurrency revolving credit facility which expires in November 2022, of which $7.2m was drawn at 30 November 2019 (30 November 2018: $nil).

At 30 November 2019 the Group had equity of $82.6m (30 November 2018 restated: $83.6m) and net current liabilities of $2.3m (30 November 2018: net current assets $19.6m). 70% of trade receivables were insured (30 November 2018: 75%) and debtor days were 27 days (30 November 2018: 59 days).

Dividend

The Board has recommended a full year dividend of 7.32 GBP pence per share in line with the prior year. Subject to shareholder approval at the annual general meeting to be held on 2 April 2020, the dividend will be payable on 1 May 2020, to shareholders on the register on 14 April 2020, with a corresponding ex-dividend date of 9 April 2020.

Prior year restatement

As part of management and directors' review of the Group's financial statements during the year under audit, it was identified that the goodwill and intangible assets and related deferred tax liabilities recognised on the acquisition of Booxmedia Oy and Entone Inc in 2015 had been recorded in an incorrect currency. They had been recorded in the functional currency of the parent company. However, IAS 21 requires them to be treated as assets and liabilities of the foreign operation and expressed in the functional currency of the foreign operation. They have now been recorded in their correct currency and the prior year comparatives have been restated. For the year ended 30 November 2018 the restatement has resulted in an increase in net assets of $10.1m, a decrease in profit for that financial year of $0.4m and a decrease in basic and diluted earnings per share of 0.5c. The impact of this restatement is set out in note 35 below.

Mark Carlisle
Chief Financial Officer
26 February 2020

PRINCIPAL RISKS AND UNCERTAINTIES

The Group undertakes an annual risk review to identify risks which are considered by the Board to be material to the development, performance, position or future prospects of the Group. Amino does not have a dedicated risk management or internal audit function, consequently the risk management review is carried out by the executive management team. Risks within the Group are categorised with four areas: Strategic, Operational, Financial and Compliance related. The following risks are considered to be material. The risks and mitigations taken are summarised in the table below. *They are not set out in priority order.*

Risks	Description and potential impact	Mitigation action/Control
Consumer viewing habits/industry disruption	In a world where more content is being produced than ever before, consumers are shifting viewing habits. If the Group fails to adapt and or innovate and respond effectively to these rapidly changing consumer trends, the Group's solutions may become less competitive or obsolete.	The Group continually monitors the markets of its products and solutions. The Board undertakes a strategic review of the Group's go-to-market propositions twice per year in order to make investment decisions. The Company's business model and go to market strategy is set out on pages 4 to 11.
Cyber Security	A security breach of the Groups' IT systems or Denial of Service ("DoS") attack could significantly disrupt its operations, damage its reputation and potentially expose it to fines under legislation such as GDPR.	The Group has a Security Committee, responsible for the IT security of the Group which continually monitors IT security threats and reviews the Group's IT security policies and procedures.
Reliance on a limited number of key suppliers	The AminoVU device business is dependent on a limited number of key suppliers for key components such as Silicon and Memory.	The Group mitigates this risk by maintain close relationships with key suppliers and diversifying product portfolios using multiple suppliers.
Disruption to the global supply chain	The supply chain for the Group's products and services is global. It is therefore subject to disruption from political, social and economic forces as well as natural disasters across multiple countries.	This risk is mitigated for the Group's AminoVU device business using multiple hardware suppliers in the South East Asia region, particularly China, Hong Kong and Taiwan.
International trade barriers	There is a risk that supply chains and sales are interrupted as cross border tariffs and/or sanctions are imposed by individual countries.	The Group has put in place contingency plans and monitors global events closely to be able to react quickly to political events that would have an adverse impact on its activities. The Group has considered the impact of the UK leaving the EU and put mitigating controls in place to ensure that the supply chain for its devices will not be disrupted.
People	If the Group fails to recruit and retain individuals with the appropriate skills and experience its performance may suffer.	The Group undertakes an annual succession planning exercise to identify individuals that are key to retain as well as the training and development needs of its people. Annual reviews of remuneration structure are undertaken to promote retention and reward superior performance.
Impact of Brexit	The United Kingdom ('UK') formally left the European Union ('EU'), on 31 January 2020. The period of time from when 'UK' voted to exit the EU' on 23 June 2016 and the formal process initiated by the UK government to withdraw from the EU, or Brexit, created volatility in the global financial markets. The UK now enters a transition period, being an intermediary arrangement covering matters like trade and border arrangements, citizens' rights and jurisdiction on matters including dispute resolution, taking account of The EU (Withdrawal Agreement) Act 2020, which ratified the Withdrawal Agreement, as agreed between the UK and the EU. The transition period is currently due to end on 31 December 2020 and ahead of this date, negotiations are ongoing to determine and conclude a formal agreement between the UK and EU, on the aforementioned matters.	The directors currently deem that the effects of the UK's current transitional period outside the EU and the impact of ongoing discussions with the EU will not have a significant impact on the Group and Company's operations due to the global geographical footprint of the business and the nature of is operations. However, the directors and management are constantly monitoring the situation to manage the risk of the return of any volatility in the global financial markets and impact on global economic performance.

The Strategic Report was approved and authorised for issue by the Board of directors on 26 February 2020 and is signed on its behalf by:

Mark Carlisle
Director

GLOSSARY

Cable TV

The delivery of TV services to the home via a fixed line network. Originally, delivered via coaxial cable, increasingly operators are now using fibre optic networks – and IP – to deliver a wider range of on-demand and multiscreen services.

The Cloud

Internet-based computing that provides shared computer processing resources and data to computers and other devices on demand. Cloud computing and storage solutions provide users and enterprises with various capabilities to store and process their data in either privately owned, or third-party data centres.

Connected consumers

A term to describe how consumers are increasingly using multiple devices – smartphones, tablets and the TV – to watch and interact with entertainment content.

IP (Internet Protocol)

The data delivery mechanism that underpins the Internet – to ensure consumers enjoy an "on demand" and always available entertainment experience. At the same time, it increases operator efficiency and streamlines service delivery.

IPTV (Internet Protocol Television)

The delivery of TV entertainment over an IP broadband network that is managed by an operator to ensure consistent quality of service delivery and consumer experience.

On demand

A service that lets consumers watch what they like, when they like – without being tied to a TV channel schedule – using IP to deliver the service.

Operator

A provider of telecommunications services to the home that may include fixed line telephony, broadband, TV-based entertainment and mobile phone services. While many operators will own the network infrastructure to deliver these services, increasingly new market entrants will deliver similar services over competitor networks.

Tier 1/2/3/4 operators

An industry term to describe the size and scale of a telecommunications network operator. Tier 1 refers to large national, or multi-national, operator, with significant customer bases. Tier 2 operators are smaller national operators or sizeable regional operators within one country. Tier 3 operators serve local and smaller regional markets and Tier 4 operators serve local communities, typically with fewer than 3,000 subscribers.

See also the Chairman's statement on page 7, the CEO's report on pages 8 to 9 and the CFO's report on pages 10 to 11, which contains the KPIs for the Group and the review of the business for the year.

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Nominated Advisor and Stockbrker

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Auditor

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Solicitors to the Company

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Registrars and Receiving Agents

Link Asset Services
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Beckenham, Kent, BR3 4TU

Registered Office

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100 Hills Road
Cambridge, CB2 1PH

Company Secretary

Stephanie Lord

BOARD OF DIRECTORS

Karen Bach

Non-executive Chairman

Karen is an entrepreneur and non-executive with strong international technology and transactional expertise. Karen is also non-executive director at Datapharm Limited, a provider of trusted medical information; Escape Hunt Plc, an entertainment business; and KRM22 plc, a risk management business in capital markets. In 2012, Karen founded and was Chief Executive Officer of KalliKids and grew it to encompass 1,400 business customers and 180,000 consumers. Prior to this, she was Chief Financial Officer at growing technology businesses IX Europe Plc, ACS Plc and Kewill Plc.

At the start of her career, Karen gained international experience in finance with blue chip multi-nationals including EDS France, MCI WorldCom, General Motors and Ernst & Young. She has also been a trustee of the eLearning Foundation, which supports technology in education. She has held previous non-executive roles at IXellerate, a Russian datacentre business and Belvoir Lettings Plc.

Donald McGarva

Group Chief Executive Officer

Donald joined Amino as a non-executive director in April 2010, becoming Chief Operating Officer in September of the same year and subsequently Chief Executive Officer in December 2011. Previously, he was Senior Vice President, Asia Pacific, for DHL, the global market leader in the logistics industry.

He is an internationally-minded Executive who has spent the majority of his career in Asia and the US, holding a variety of senior management positions in high growth technology, outsourcing and services companies including Fujitsu, BG Group and Celestica. He is an engineering graduate from the University of Strathclyde in Glasgow and commenced his career in the UK with ICL. He is also a member of the Chartered Institute of Purchasing and Supply Chain (MCIPS).

Mark Carlisle

Group Chief Financial Officer and Chief Operations Officer

Mark joined Amino in August 2016 and has significant experience in the leadership of public company finance teams. In September 2018 Mark was also appointed Chief Operating Officer. Prior to joining Amino, Mark was Chief Financial Officer at Kape (née Crossrider) plc where he formed a key part of the team which successfully raised $75 million as part of its IPO on AIM in September 2014.

Prior to this, he served as Chief Financial Officer of FFastFill plc, a provider of technology solutions to the financial derivatives trading industry. In addition, Mark has ten years of audit experience, gained within the Technology Media and Telecommunications practice of Deloitte, where he served from 2000 to 2010.

Stephen Vaughan

Non-Executive Director

Through his career, Steve has held a number of executive and non-executive roles focused on the technology sector. Steve also has two other non-executive roles, sitting on the Board of Redcentric plc, the AIM-listed IT and network services provider, and Progressive Equity Research, the paid-for equity research house.

Until 2015, Steve was Chief Executive of Phoenix IT plc, the main-market listed IT Infrastructure Services business, and since then has been non-executive director of Mobica, a software development company, ECSC, a cyber-security consultancy and Chairman of NetNames, the internet services and online brand management company. He has previously been Chief Executive at Communisis plc and Synstar plc.

Erika Schraner

Non-Executive Director

Erika joined Amino as a non-executive director in March 2019. Erika is also a non-executive director at JTC Group Plc, a global provider of fund, corporate and private wealth services. Her career spans 25 years in Silicon Valley and Europe specialising in technology, M&A and transformation. Most recently as partner at PwC in London, Erika led M&A Advisory for the TMT sector and M&A Integration Services across the UK. Prior as partner at EY in Silicon Valley, she was the Americas Operational Transaction Services Leader for the Technology sector.

Before that, Erika was director of M&A Global Sales & Services at Symantec Corporation. Her deep experience in technology includes prior positions at IBM and CSC/DXC Technology. Erika was a board member at Kevian Capital Management LLC and an advisory board member at FreeOn Ltd and eBoomerang Inc. Since 2007, Erika has been an investor in early-stage companies. Erika received a PhD from Stanford University in Management Sciences & Engineering and a MS in Mathematics from EPFL Switzerland.

Joachim Bergman

Co-CEO 24i

Joachim is jointly responsible, alongside 24i co-founder and co-CEO Martijn van Horssen, for driving 24i's continued growth opportunity in the online video sector. Joachim joined Amino as SVP Cloud Services in September 2017. In 2019 Joachim's team successfully delivered the design and implementation of AminoTV's first multi-tenant online video solution.

Joachim has spent over 20 years working in the telecoms and media sector, latterly for Ericsson as Chief Operating Officer for its Broadcast and Media Service division. Joachim has dual masters degrees from Åbo Akademi and Strathclyde University.

Chairman's Governance report

For the year ended 30 November 2019

As Chairman of the Amino Technologies plc ("the Company") Board, it is my responsibility to ensure that the Board is performing its role effectively and has the capacity, ability, structure and support to enable it to continue to do so. We believe that a sound and well understood governance structure is essential to maintain the integrity of Amino Technologies plc and its subsidiaries (together "the Group") in all its actions, to enhance performance and to impact positively on our shareholders, staff, customers, suppliers and other stakeholders.

The Group has adopted the QCA Corporate Governance Code ("the Code") as the benchmark for measuring our adherence to good governance principles. These principles provide us with a clear framework for assessing our performance as a Board and as a company, and the report below shows how we apply the Code's ten guiding principles in practice.

Principle 1: Establish a strategy and business model which promotes long-term value for shareholders

The strategy and business operations of the Group are set out in the Strategic Report on pages 4 to 12.

The Group's overall objective is to deliver world class solutions that enable operators and media companies to embrace and profit from the inevitable disruption facing the video market.

As the market continues to grow and develop, Amino's challenge is to ensure that new customers continue to recognise the real enduring advantages that employing its technology offers. The Board and Executive team meet twice a year to discuss strategy and future developments. Due to valuable input from our non-executive directors and the breadth of the experience of Executive team, the Board does not consider that an external strategy review is necessary at this time.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Company's executive directors meet at least twice a year with institutional shareholders, fund managers and analysts as part of an active investor relations programme to discuss long-term issues and obtain feedback. Private investors are encouraged to participate in the Annual General Meeting in addition to receiving the annual report and accounts.

The Company retains a corporate broker, finnCap who hold further meetings with investors. finnCap and Progressive Research prepare regular independent analysis of the Company's results and prospects, which are available on the Company's investor website: https://investor.aminocom.com.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

Amino works with its employees, customers and suppliers to conduct its business in an ethical way. The Company is of a relatively small size but is committed to Corporate Social Responsibility.

Employees

The Company recognises that an essential part of its continued success is the support and involvement of its employees.

Effective communication is essential to ensure its employees are fully engaged with the business which include:

- Quarterly 'all-hands' presentations updating employees on Company performance against objectives;
- A monthly newsletter to staff;
- Annual employee appraisals to set objectives, identify strengths and areas for development;
- The provision of training where appropriate to enhance job performance and aid development; and
- A regular review of the benefits offered to employees.

The Group's revenue is dependent on delivering complex, viable technologies to specific markets and therefore ensures that cross-functional teams of senior employees work together and with customers to ensure the successful integration of its technologies.

Customers

The sales and product management team obtain feedback from customers regarding current products, new product ideas and customer service through regular interactions with customers mainly comprising face to face meetings.

The customer support ticket system includes a satisfaction indicator and optional comments on closure of each ticket. These results are monitored throughout the year and reviewed in more detail as part of the half yearly team meetings.

Suppliers

The Group sources its hardware products principally from manufacturers in the US, Taiwan and China. By establishing long-term relationships with suppliers, the Group seeks to mitigate the risk of fluctuating input prices, lengthening lead times and constraints in the supply of components.

Partners

A particular strength of the Group is the ability to partner with and rapidly integrate most suppliers of the different elements of the value chain within the online video ecosystem to deliver value to customers.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The directors recognise their responsibility for the Company's system of internal control and have established systems to ensure that an appropriate and reasonable level of oversight and control is provided. The Company's systems of internal control are designed to help the Company meet its business objectives by appropriately managing, rather than eliminating, the risks to those objectives. The controls can only provide reasonable, not absolute, assurance against material misstatement or loss.

The Executive team meets bi-annually to review both the risks facing the business and the controls established to minimise those risks and their effectiveness in operation on an ongoing basis. The aim of these reviews is to provide reasonable assurance that material risks and problems are identified, and appropriate action taken at an early stage. From this review the Company maintains its internal risk register which forms the foundation of the Audit Committee and Board review processes.

The Company maintains a comprehensive risk register which includes commercial, operational and financial internal and external risks that are assessed according to nature and magnitude and given a score based on the seriousness of the risk and the likelihood of the risk occurring. Those ranked in the highest category which are considered both serious and more likely to occur are managed by the executive directors and reviewed by the Board including monitoring actions to mitigate the risks. The senior management team manages the remainder of the risks and reviews them as part of the management meeting cycle. On an annual basis the whole register is reviewed and updated by the senior management team and presented for review by the Audit Committee and the Board. New potentially material risks which arise in the meantime, such as the potential effect of Brexit, are added to the risk register and discussed at Board level as they arise.

The annual budget is reviewed and approved by the Board. Financial results, with comparisons to budget, latest forecasts and prior year are reported on a monthly basis to the Board together with a report on operational achievements, objectives and issues encountered. Significant variances from plan are discussed at Board meetings and actions set in place to address them.

Measures continue to be taken to review and embed internal controls and risk management procedures into the business processes of the organisation and to deal with areas of improvement which come to the management's and the Board's attention. Metrics and quality objectives continue to be actively implemented and monitored as part of a continual improvement programme.

The Company's auditor is encouraged to raise comments on internal control in their management letter following their audit, and the points raised and actions arising are monitored through to completion by the Audit Committee.

The principal risks and uncertainties impacting the Company and how these are mitigated are detailed in the Strategic Report on page 12.

Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chair

There is clear division of responsibility between the running of the Board and executive responsibility for running the Company's business. The Chairman, Karen Bach is responsible for the leadership of the Board and setting the Board's agenda. The Chief Executive, Donald McGarva is responsible for running the Company's business. During the year to 30 November 2019 there was one other executive director: Chief Financial Officer, Mark Carlisle. On 9 December 2019, Joachim Bergman, co-CEO of 24i, was appointed to the Board as an executive director in that capacity.

The Company has three independent non-executive directors: Karen Bach, Steve Vaughan and Erika Schraner. During the year to 30 November 2019 Michael Clegg and Steve McKay also served as non-executive directors although they were not considered to be independent. Michael Clegg and Steve McKay stepped down from the Board on 9 December 2019.

The non-executive directors normally do not have any day-to-day involvement in the running of the business but are responsible for scrutinising the performance of management in meeting agreed goals and objectives and monitoring the reporting of performance. All directors are able to allocate sufficient time to the Company to discharge their responsibilities as directors.

All directors have access to the advice and services of the Company Secretary, are covered by directors and officers insurance and may take independent professional advice at the Group's expense.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The background of all directors including details of their relevant experience, skills and capabilities is set out on pages 14-15.

There are three non-executive directors:

- Non-executive Chairman Karen Bach has been a director of Amino since February 2016 and Chairman since March 2019, and is considered to be independent;
- Non-executive Steve Vaughan has been a director of Amino since March 2019 and is considered to be independent. Steve is also chairman of the Remuneration Committee.
- Non-executive Erika Schraner has been a director of Amino since March 2019 and is considered to be independent. Erika is also chairman of the Audit Committee.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

In November 2018 the Chairman performed an evaluation of Board performance and effectiveness comprising interviews with board members. This was the first such evaluation and going forward will be carried out bi-annually.

The evaluation covered:

- Board and committee composition (mix of skills, experience, diversity, and adequate succession planning);
- Contribution and effectiveness of the Chairman and members of the Board/committee;
- Quality and timeliness of information;
- Board communication;
- Decision process (effectiveness of board strategy discussions);
- Board induction and training;
- Meeting arrangements and processes;
- Leadership and culture; and
- Internal control and risk management.

The purpose of the Board Evaluation Process was to identify the actions required to both improve the Board's effectiveness and its level of compliance with the QCA Code. The primary actions arising from the process which were all implemented in 2019 were:

- For the non-executive directors to meet without the executive directors present more regularly;
- To review and implement a more formal Board succession plan; and
- For the remuneration committee to formally re-review the remuneration strategy for the Group.

The next Board Evaluation will be performed in the first half of 2020.

The Board recognises the importance of succession planning and diversity in ensuring that the Board remains effective and regularly reviews its composition. The most recent review of the Board's composition resulted in the appointment of Joachim Bergman in December 2019 as executive director in his capacity of co-CEO of 24i in recognition of the strategic importance of 24i to the Group. At the same time Michael Clegg and Steve McKay stepped down from the Board. Following these changes, the Board comprises 3 independent and 3 non-independent directors. Prior to this change the Board comprised 3 independent and 4 non-independent directors.

Principle 8: Promote a culture that is based on ethical values and behaviours

The Company has policies in place to address the issues covered by the Modern Slavery Act and the Bribery Act - https://investor.aminocom.com/about-us/slavery-and-human-trafficking-statement - that are issued to all staff and include a whistleblowing policy. The Board reviews these policies annually.

The Group's culture is based on a set of core values:

- We are driven by Innovation
  - We strive to be open and creative in delivering solutions
- Our culture is underpinned by ambition and trust in working with others
  - We have the courage to pursue and share new ideas with colleagues
- Our key focus is our customers
  - We respond rapidly to customer needs to deliver meaningful solutions
- We concentrate on value and are financially responsible
  - We are focused on delivering customer value and our contribution to our overall return on investment
- It is important that we experience daily happiness in our work
  - We work in fair, diverse and inclusive environment that fosters individuality, collaboration and creativity

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board is responsible for the overall strategy and leadership of the Group. The Board is also responsible for ensuring that the business has the necessary resources in place to meet its objectives. The Board provides leadership and a control framework which includes a continual risk assessment and management of the principal risks and uncertainties which are disclosed on page 12.

The Board is supplied with monthly financial and non-financial information in a timely manner to enable it to discharge its duties. The Board has a formal schedule of matters specifically reserved for decision by the Board and meets for scheduled Board meetings 11 times per year, pus ad hoc meetings as required. The Board also meets with management at two strategy days per year. In addition, the Board reviews and approves all trading updates and results announcements. The Group has established whistleblowing procedures under which employees can raise concerns in confidence about possible improprieties in matters of financial reporting or other areas.

Board committees

The Group has an audit committee, a nominations committee, and a remuneration committee. Each committee has written terms of reference which are reviewed on an annual basis and updated as required. These will be available for review at the Annual General Meeting for 2020 and are available for review in the Investor Relations section of the Group's website. The Board and its committees are considered to have the appropriate balance of skills, experience, independence and knowledge of the Company to enable them to discharge their respective duties and responsibilities effectively.

Remuneration committee

The Remuneration Committee is comprised of Steve Vaughan (chair of the committee, appointed 25 March 2019), Karen Bach and Erika Schraner (appointed to the committee on 9 December 2019). Keith Todd was a member of the committee until he resigned on 27 March 2019 and Michael Clegg was a member of the committee until he resigned on 9 December 2019. The committee determines the Group's policy for executive remuneration and the individual remuneration packages for executive directors. The committee also considers grants of options under the Company's share option schemes. The policy of the committee is to grant share options to employees as part of a remuneration package to motivate them to contribute to the growth of the Group over the medium to long-term. The Chief Executive Officer may, at the committee's invitation, attend meetings, except where his own remuneration is discussed.

Audit committee

The Audit Committee is comprised of Erika Schraner (chair of the committee), Karen Bach and Steve Vaughan (appointed to the committee on 8 December 2019). Keith Todd was a member of the committee until he resigned on 27 March 2019 and Steve McKay was a member of the committee until he resigned on 9 December 2019. Karen Bach has recent and relevant financial experience by virtue of her senior finance roles and holds a professional accountancy qualification. The committee aims to meet at least twice a year and at other times as agreed between the members of the committee. Executive directors and the Group's auditor may be invited to attend all or part of any meetings. The committee also meets with the Group's external auditor without the presence of the executive directors.

Nominations committee

The Nominations Committee is comprised of Karen Bach (chair of the committee), Steve Vaughan (appointed 9 December 2019) and Erika Schraner (appointed 9 December 2019). The committee meets when appropriate and considers the composition of the board, retirements and appointments of additional and replacement directors and makes appropriate recommendations to the board. The objective of the committee is to review the composition of the Board and to plan for its progressive refreshing, regarding balance and structure. The committee is responsible for reviewing the structure of the Board as well as evaluating the balance of skills, knowledge, experience and diversity of the board.

The Board will continue to review the Company's governance framework to ensure that it remains appropriate for its size and complexity, considering plans for growth.

The number of formal meetings of the Board, Audit Committee ("Auditco"), Remuneration Committee ("Remco") and Nominations Committee ("Nomco") during the year ended 30 November 2019 and the attendance records of each Director are set out below:

Director	Number of meetings held during year/appointment				Number of meetings attended			
	Board	Auditco	Remco	Nomco	Board	Auditco	Remco	Nomco
Keith Todd (resigned 27 March 2019)	2	1	-	1	2	1	-	1
Karen Bach	10	3	4	1	10	3	4	1
Steve McKay (resigned 9 December 2019)	10	3	-	-	9	2	-	-
Michael Clegg (resigned 9 December 2019)	10	-	4	-	10	-	4	-
Donald McGarva	10	-	-	-	10	-	-	-
Mark Carlisle	10	-	-	-	10	-	-	-
Erika Schraner (appointed 27 March 2019)	8	2	-	-	7	1	-	-
Steve Vaughan (appointed 27 March 2019)	8	-	4	-	7	-	4	-

Internal financial control

The Group has established policies covering the key areas of internal financial control and the appropriate procedures, controls, authority levels and reporting requirements which must be applied throughout the Group.

The key procedures that have been established in respect of internal financial control are:

- internal control: the directors review the effectiveness of the Group's system of internal controls on a regular basis;
- financial reporting: there is in place a comprehensive system of financial reporting based on the annual budget approved by the board. The results for the Group are reported monthly along with an analysis of key variances, and year-end forecasts are updated on a regular basis; and
- investment appraisal: applications for significant expenditure of either a revenue or capital nature are made in a format which places emphasis on the commercial and strategic justification as well as the financial returns. All significant projects require specific Board approval.

No system can provide absolute assurance against material misstatement or loss but the Group's systems are designed to provide reasonable assurance as to the reliability of financial information, ensuring proper control over income and expenditure, assets and liabilities.

Karen Bach

Chairman

26 February 2020

Remuneration Committee

The Remuneration Committee, chaired by Steve Vaughan and including Erika Schraner and Karen Bach, determines the Group's policy for executive remuneration and the individual remuneration packages for executive directors. In setting the Group's remuneration policy, the Remuneration Committee considers a number of factors including the following:

- salaries and benefits available to executive directors of comparable companies;
- the need to both attract and retain executives of appropriate calibre; and
- the continued commitment of executives to the Group's development through appropriate incentive schemes (including the award of shares and share options).

Remuneration of executive directors

Consistent with this policy, benefit packages awarded to executive directors comprise a mix of basic salary and performance-related remuneration that is designed as an incentive.

The remuneration packages comprise the following elements:

- base salary: the Remuneration Committee sets base salaries to reflect responsibilities and the skills, knowledge and experience of the individual;
- bonus scheme: the executive directors are eligible to receive a bonus dependent on both individual and Group performance as determined by the Remuneration Committee;
- equity: shares and share options; and
- car allowance, company contribution into a personal pension scheme, life assurance, private medical insurance and permanent health insurance.

The executive directors are engaged under separate contracts which require a notice period of six months given at any time by the Company or the individual.

Remuneration of non-executive directors

The fees paid to the non-executive directors are determined by the board. With the exception of Karen back who receives health insurance, the non-executive directors do not receive any other forms of benefits such as health cover or pension. The notice periods of the non-executive chairman and non-executive directors are three months.

Directors' detailed emoluments and compensation – audited

Year ended 30 November 2019

USD$	Salary and fees	Bonus	Benefits	Sub-total	Pensions contributions	Total
Keith Todd	33,026	-	-	33,026	-	33,026
Mark Carlisle	272,614	232,992	6,878	512,484	25,987	538,471
Donald McGarva (2)	379,458	239,444	3,095	621,997	41,497(3)	663,494
Karen Bach	86,910	-	682	87,592	-	87,592
Erika Schraner	30,526	-	-	30,526	-	30,526
Stephen Vaughan	34,886	-	-	34,886	-	34,886
Steve McKay	44,500	-	-	44,500	-	44,500
Michael Clegg	62,500	-	-	62,500	-	62,500
	944,420	**472,436**	**10,655**	**1,427,511**	67,484	**1,494,995**

Year ended 30 November 2018

USD$	Salary and fees	Bonus(1)	Benefits	Sub-total	Pensions contributions	Total
Keith Todd	102,486	-	-	102,486	-	102,486
Mark Carlisle	286,692	27,898	4,321	318,911	27,329	346,240
Donald McGarva (2)	399,069	69,744	3,112	471,925	43,640(3)	515,565
Peter Murphy	25,351	-	-	25,351	-	25,351
Karen Bach	52,970	-	-	52,970	-	52,970
Steve McKay	37,083	-	-	37,083	-	37,083
Michael Clegg	50,580	-	-	50,580	-	50,580
	954,231	97,642	7,433	1,059,306	70,969	1,130,275

(1) Bonus payments in 2018 were deferred from 2017, based on assessment by the Remuneration Committee of the continued performance of management into the first quarter of the following year
(2) In addition to the salary and fees disclosed above, Donald McGarva made a $nil share option gain during the year (FY 2018: $171,870)
(3) Includes pension entitlement elected to be paid as salary of $41,497 (FY 2018: $43,640)
(4) Michael Clegg's fees include $13,500 (FY 2018: $13,500) for his role as chair of the IT security committee

Contributions were made to the personal pension schemes of one of the directors (FY 2018: one), in accordance with their employment contracts.

The highest paid director was Donald McGarva (FY 2018: Donald McGarva).

Steve McKay's fees were paid to Ignite Advisors LLC.

Directors and their interests in shares

The directors held the following interests in Amino Technologies plc:

	At 30 November 2019		At 30 November 2018	
	Ordinary shares of 1p each Number	**Options over ordinary shares of 1p each Number**	Ordinary shares of 1p each Number	Options over ordinary shares of 1p each Number
Keith Todd [(1)]	**n.a.**	**n.a.**	516,665	120,424
Donald McGarva	**544,698**	**310,000**	544,698	-
Mark Carlisle	**8,751**	**225,000**	8,751	-
Steve McKay	**10,000**	**700,000**	10,000	700,000

[(1)] No longer a director at 30 November 2019

Full details of the directors' options over ordinary shares of 1p each are detailed below:

Director	**Grant Date**	**Exercise Price**	**At November 2019 Number**	At November 2018 Number
Keith Todd [(1)]	19 May 2014	£0.89	n.a.	120,424
Donald McGarva	15 July 2019	£0.00	310,000	-
Mark Carlisle	15 July 2019	£0.00	225,000	-
Steve McKay	16 November 2016	£1.59	700,000	700,000
Joachim Bergman	16 October 2017	£1.93	300,000	300,000
Joachim Bergman	13 March 2019	£0.86	150,000	-

Notes

All vested options held by current directors lapse six months after the date of resignation.

Long Term Incentive Plan 2019 ("LTIP 2019")

On 15 July 2019 Donald McGarva and Mark Carlisle were granted 310,000 and 225,000 nil cost share options respectively. These share options will vest three years from grant subject to a minimum share price condition. Details of the valuation of these options can be found in note 25 to the accounts. In addition to the Long-Term Incentive Programme, these two Executive Directors benefitted from a special bonus scheme which would pay out, in the event of a change of control, a sum linked to the growth in share price since July 2019, subject to an initial uplift requirement, payable in cash or shares at the Remuneration Committee's discretion. In respect of this bonus scheme, no amount has been accrued as settlement is not deemed probably at the balance sheet date.

Long Term Incentive Plan 2017 ("LTIP 2017")

This LTIP 2017 was introduced in August 2017 to provide an effective mechanism for senior executives to participate in the Company's equity, aligning their interests with those of shareholders. The LTIP was implemented via a subscription for shares in a subsidiary, Amino Holdings Limited ("AHL"). The performance criteria for the scheme has not been met and accordingly the scheme will be wound up.

The market price of the Company's shares at the end of the financial year was 106.5p and ranged between 75.5p and 125.0p during the year.

Stephen Vaughan
Chairman, Remuneration Committee
26 February 2020

The Audit Committee is comprised of Erika Schraner (chair of the committee), Karen Bach and Steve Vaughan who are all non-executive directors and considered to be independent. Karen Bach has recent and relevant financial experience by virtue of her senior finance roles and holds a professional accountancy qualification. The Audit Committee aims to meet at least twice a year and at other times as agreed between the members of the Audit Committee. Executive directors and the Group's auditors may be invited to attend all or part of any meetings. The Audit Committee also meets with the Group's external auditor without the presence of the executive directors. The current terms of reference of the Audit Committee were reviewed and updated in December 2016.

BDO LLP was appointed as auditor for the year ended 30 November 2019. The Audit Committee monitors the independence of the Group's external auditor. During the year BDO LLP provided the Group with non-audit services comprising due diligence services and taxation advisory services in relation to the Groups' acquisition of 24i. The Audit Committee considered the threats to the independence of BDO LLP created by the provision of the non-audit services and concluded that sufficient safeguards were in place.

In advance of the annual audit of the Group's annual report and financial statements, the Audit Committee reviewed the plan as presented by the Group's independent auditor, BDO LLP. The plan set out the proposed scope of work, audit approach, materiality and identified areas of audit risk and was compliant with the Ethical Standards for Auditors issued by the Auditing Practices Board. Prior to commencing its audit work, BDO LLP confirmed in writing the safeguards in place to ensure its independence and objectivity.

The Audit Committee also reviews the annual report and financial statements along with the audit plan, audit findings report and interim findings report presented by BDO LLP. The Audit Committee will keep under review, in consultation with major shareholders, the decision as to whether to conduct a tender in respect of the audit in line with the recommendations of the Financial Reporting Council.

The Audit Committee is responsible for ensuring that the Group's risks are understood, managed and mitigated as far as practicable. During the year The Audit Committee reviewed the scope and effectiveness of systems to identify and address financial and non-financial risks. The review identified the key risks, risk control measures and the implementation status of the risk control measures. The report was presented to the Committee by the Chief Financial Officer. The principal risks and uncertainties relating to the Group are set out on page 12.

In making its recommendation that the annual report and financial statements be approved by the Board, the Audit Committee has taken consideration of the following significant issues and judgement areas:

Carrying value of goodwill and other intangible fixed assets

At 30 November 2019 the carrying value of goodwill and other intangible fixed assets in the Group's statement of financial position was $92.0m (2018: $65.0m). The Audit Committee reviewed the judgements taken in the impairment review performed for each of the Group's two cash generating units to determine whether there was any indication that those assets had suffered any impairment. The Audit Committee consider the key judgements to be the discount rate and growth rates used in the value in use calculations. Following a review of the impact of the sensitivities performed by management on the discount rate and growth rate in the value in use calculations, the Audit Committee considered that the rates used were reasonable and indicated no impairment.

Accounting policies

For the year ended 30 November 2019, the Group adopted IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers, as required. In the year commencing 1 December 2019, the Group will apply IFRS 16 'Leases' for the first time with a restatement, where applicable, of the reported results for the year ended 30 November 2019. The estimated impact of IFRS 16 is shown on page 45.

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, de-recognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of IFRS 9 from 1 December 2018 resulted in changes in accounting policies but no adjustments to the amounts recognised in the financial statements. The Group has two types of financial asset that is subject to IFRS 9's new expected credit loss model being trade receivables and contract assets.

IFRS 15 has replaced IAS 18 Revenue (IAS 18) and IAS 11 Construction Contracts as well as various Interpretations previously issued by the IFRS Interpretations Committee. IFRS 15 adoption has resulted in changes in accounting policies but no adjustments to the amounts recognised in the financial statements.

The impact of the adoption of IFRS 15 and IFRS 9 has not been significant, the details of which are set out in note 34.

Alternative performance measures

The Group reports a number of alternative performance measures which are not in accordance with the reporting requirements of IFRS. The audit committee has reviewed these during the year ended 30 November 2019 to ensure they are appropriate and that in each case the reason for their use is clearly explained; they are reconciled to the equivalent IFRS figure; and they are not given prominence over the equivalent IFRS figure.

Prior year restatement

As part of management and directors' review of the Group's financial statements during the year under audit, it was identified that the goodwill and intangible assets and related deferred tax liabilities recognised on the acquisition of Booxmedia Oy and Etone Inc in 2015 had been recorded in an incorrect currency. They had been recorded in the functional currency of the parent Company. However, IAS 21 requires them to be treated as assets and liabilities of the foreign operation and expressed in the currency of the foreign operation. They have now been recorded in their correct currency and the prior year comparatives have been restated. For the year ended 30 November 2018 the restatement has resulted in an increase in net assets of $10.1m, a decrease in profit for that financial year of $0.4m and a decrease in basic and diluted earnings per share of 0.5c. The impact of this restatement is set out in note 35 to the financial statements.

Erika Schraner
Chairman, Audit Committee
26 February 2020

Directors' report

For the year ended 30 November 2019

The directors present their Annual Report on the affairs of the Group, together with the financial statements and independent auditor's report for the year ended 30 November 2019. The Chairman's governance report set out on pages 16 to 21 forms part of this report. The Company's full name is Amino Technologies plc, company number 05083390. Amino Technologies plc is a public listed company, listed on the London Stock Exchange AIM and domiciled in the United Kingdom. The address of its registered office is given on page 2.

Principal activity

The principal activity of the Group is to deliver next generation video experiences over IP. This comprises its 24i online video solution and Amino IPTV/OTT devices and associated operating and device management software. A detailed overview of the Group's activities is set out on pages 4 to 6. The principal activity of the Company is a non-trading parent company.

Review of business and future developments

Details of the Group's performance during the year under review and expected future developments are set out in the strategic report on pages 4 to 12 including a description of the principal risks and uncertainties facing the Group on page 12.

Proposed dividend

On 9 July 2019 the Board announced payment of an interim dividend of 1.68 pence per share. The Board has proposed a final dividend of $5.3m (2018: $5.3m). This equates to a total of 7.32 pence per share (2018: 7.32 pence).

Research and development

$12.8m was spent on research and development in 2019 (2018: $11.0m). Under IAS 38 "Intangible Assets" $4.1m of development expenditure was capitalised (2018: $4.5m). The Group continues to invest in its 24i online video solution and Amino IPTV/OTT devices and associated operating and device management software to further enhance its capabilities. In the opinion of the directors, these investments will maintain and generate significant revenues in future years.

Financial risk management

Details of the Group's financial risk management objectives and policies are set out in note 3 to the financial statements.

Going concern

After making enquiries and taking account of the Group's cash resources, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months from the date of approval of this report and, for this reason, they continue to adopt the going concern basis in preparing these financial statements.

Post balance sheet events

There are no post balance sheet events requiring disclosure for the year ended 30 November 2019 at the date of this report.

Directors

The directors of Amino Technologies plc, who served during the whole of the year unless otherwise stated, were as follows:

Keith Todd	Non-executive Chairman and Director – Resigned 27 March 2019
Donald McGarva	Chief Executive Officer
Mark Carlisle	Chief Financial Officer and Chief Operating Officer
Karen Bach	Non-executive Chairman and Director
Steve McKay	Non-executive Director – Resigned 9 December 2019
Michael Clegg	Non-executive Director – Resigned 9 December 2019
Erika Schraner	Non-executive Director – Appointed 25 March 2019
Stephen Vaughan	Non-executive Director – Appointed 25 March 2019
Joachim Bergman	co-Chief Executive Officer of 24i – Appointed 9 December 2019

Director's indemnities

The directors have been granted an indemnity from the Company to the extent permitted by law in respect of liabilities incurred as a result of their office which remains in force at the date of this report. The Company maintains director and officers' liability insurance.

Re-election of Directors

The Articles of Association require that at each Annual General Meeting one third of the directors (excluding any director who has been appointed by the Board since the previous Annual General Meeting) or, if their number is not an integer multiple of 3, the number nearest to one third but not exceeding one third shall retire from office.

Appointment of a Director

The Articles of Association require that any director appointed by the Board shall, unless appointed at such meeting, hold office only until the dissolution of the Annual General Meeting of the Company next following such appointment.

Substantial shareholdings

As at 20 January 2020 the following shareholders had each notified the Company that they held an interest of 3%, or more, in the Company's ordinary share capital. The percentages below are calculated after excluding 2,039,647 shares held in Treasury from the 78,069,571 shares disclosed in note 24 as allotted, called and fully paid up.

	Number of ordinary shares	Percentage of issued share capital
Miton Asset Management	13,439,709	17.7%
Kestrel Partners	12,693,751	16.7%
Investec Wealth & Investment	6,768,793	8.9%
M&G Investment Management	5,759,718	7.6%
Close Brothers Asset Management	3,644,582	4.8%
Chelverton Asset Management	3,551,023	4.7%
24i Media PF	3,197,180	4.2%
Mr Ari Charles Zaphiriou-Zarifi	2,470,713	3.2%
Amino Communications Employee Benefits Trust	242	0%
	51,525,711	67.8%

Environmental matters

The Group is conscious of its responsibility as a provider of electronics equipment that it has a specific duty to minimise environmental impact. This requires the Group to be fully compliant with a range of national, regional and international guidelines on safety, EMC emissions and energy efficiency.

This extends from packaging through to the provision of devices that minimise the power consumed by consumers in the home. All product packaging is 100% recyclable – with the majority made from recycled material – and has been designed to minimise wastage and transportation costs. Those redundant devices that are returned to the Group are recycled in compliance with WEEE regulations.

Employee matters

Employment policies

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. This is achieved through both formal and informal meetings.

The Group runs a number of employee share schemes, which are designed to ensure that all employees have an element of equity based compensation.

The Group gives full and fair consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities meet the requirements of the job. In the event of any staff becoming disabled while with the Group, every effort will be made to ensure that their employment by the Group continues and that appropriate adjustments are made to their work environment.

The Group seeks to be a responsible employer, providing a pleasant and professional working environment in all locations. Compliant with all relevant human resources and health and safety regulations, the Group strives to offer competitive employment packages with opportunities for personal and professional development.

Regular staff surveys are carried out with follow-up action plans alongside an internal communications programme to provide regular updates on performance. Clear and transparent Group objectives are set each year which, in turn, are reflected in team and individual objectives.

Diversity

The Group does not discriminate on the grounds of age, race, sex, sexual orientation or disability. It has a clear and transparent recruitment process and members of staff have personal development plans in place to progress their careers within the business.

The table below shows the number of persons of each sex who were directors, key management and employees of the Group (employees only).

Group Level	Number of female employees	Number of male employees	Total
Board	2	5	7
Key Management including Board	2	8	10
Employees including Key Management	62	188	250

Social, community and human rights

Social and community

Staff are actively engaged in a range of community and educational activities. Through matched funding initiatives, Amino provides support for a range of charitable and community initiatives with regular fund-raising activities in support of a number of local and national charities.

Human rights

Since 2013, Amino has had a Supplier Code which incorporates the 10 principles of the UN Global Compact. New direct suppliers of materials and manufacturing services are asked to sign a declaration confirming that their operations are in conformance with the code. Our experience of customer requirements is that these are generally in-line with, or based on, the principles of the UN Global Compact – the Group is therefore usually able to respond positively to any customer-driven policies for ethical sourcing.

Conflict minerals compliance is not currently part of our Supplier Code. However, we have raised the matter with our key direct materials suppliers, and have obtained assurances that those suppliers are committed to ensuring that materials and components sourced are free of conflict minerals.

Brexit

The United Kingdom (‘UK’) formally left the European Union (‘EU’), on 31 January 2020. The period of time from when ‘UK’ voted to exit the EU’ on 23 June 2016 and the formal process initiated by the UK government to withdraw from the EU, or Brexit, created volatility in the global financial markets. The UK now enters a transition period, being an intermediary arrangement covering matters like trade and border arrangements, citizens' rights and jurisdiction on matters including dispute resolution, taking account of The EU (Withdrawal Agreement) Act 2020, which ratified the Withdrawal Agreement, as agreed between the UK and the EU. The transition period is currently due to end on 31 December 2020 and ahead of this date, negotiations are ongoing to determine and conclude a formal agreement between the UK and EU, on the aforementioned matters.

The directors currently deem that the effects of the UK’s current transitional period outside the EU and the impact of ongoing discussions with the EU will not have a significant impact on the Group and Company’s operations due to the global geographical footprint of the business and the nature of its operations. However, the directors and management are constantly monitoring the situation, to manage the risk of the return of any volatility in the global financial markets and impact on global economic performance.

Statement of directors’ responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs), and have elected to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws, including FRS 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the group financial statements have been prepared in accordance with IFRSs as adopted by the European Union, and in respect of the parent company, United Kingdom Generally Accepted Accounting Practice subject to any material departures disclosure and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Parent Company and Group will continue in business.

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

Website publication

The directors are responsible for ensuring the annual report and financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The directors confirm that:

- so far as each director is aware there is no relevant audit information of which the Company's auditors are unaware;
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

The auditor, BDO LLP, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

The directors' report was approved by the Board of directors on 26 February 2020.

On behalf of the board

Mark Carlisle
Director

Opinion

We have audited the financial statements of Amino Technologies Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 November 2019, which comprise the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of financial position, the company balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (FRS 102).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 November 2019 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with FRS 102 as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters (continued)

Revenue Recognition under IFRS 15: Revenue from Contracts with Customers	
Key audit matter	The Group has adopted the new revenue accounting standard, IFRS 15, from 1 December 2018. This standard brings a new and detailed approach to accounting for revenue, with a more prescriptive framework and introduced the concept of 'highly probable' in assessing outcomes and performance obligations along with the five-step model framework in respect of revenue recognition. As such, significant emphasis has been placed on this transition throughout the audit, resulting in the recognition of this key audit matter. Details of the Group's core revenue streams are set out in note 4. Details of the accounting policies applied during the period are given in note 2 and 34 to the financial statements. We considered there to be a significant audit risk arising from inappropriate or incorrect recognition of revenue. The risk of material misstatement in relation to revenue recognition concerns the recognition around the year-end and services required to be delivered throughout the year, in relation to all the Group's different types of revenue and that the Group's revenue recognition accounting policies, are in line with the applicable International Financial Reporting Standards, as adopted by the European Union (IFRSs)
How the key audit matter was addressed in our audit	We assessed whether the revenue recognition policies adopted by the Group comply with IFRS 15. by performing the following procedures: We reviewed the adopted IFRS 15 policies, and checked that these were being adhered to throughout the year. In making our assessment of compliance with the Group's accounting policy, we tested whether revenues recognised were in line with our expectations based on source documentation including customer contracts, sales invoices issued and payment terms during the year as further explained below. In relation to devices incorporating integrated Amino software and associated accessories, we reviewed a sample of contracts to assess whether the revenue had been recognised in accordance with the Group's accounting policy, whether it was recognised appropriately from a timing perspective (in time or over time) and whether any other terms within the contract had any material accounting or disclosure implications. Furthermore, we tested a sample of revenue transactions recognised in the general ledger to source documentation including sales invoices, sales orders and cash receipts. In making our assessment of compliance with the Group's accounting policy, we also checked that revenues were only recognised at the point of delivery of the Group's goods or service. In relation to Software and services revenue, we tested a sample of revenue transactions recognised in the general ledger to source documentation by reference to work performed and assessment of stage of completion and also sales invoices, sales orders and cash receipts. In making our assessment of compliance with the Group's accounting policy, we also checked that revenues were only recognised in reference to work performed and when stage of completion is passed such that revenue can be recognised. In respect of revenue being recognised over time, including licence, support and maintenance revenue, we tested the calculations and service obligations to evidence the completeness, existence and accuracy of accrued income and deferred revenue balances shown in the statement of financial position at year end to check no material misstatements were identified. We checked a sample of revenue transactions occurring either side of the year-end reporting date across all revenue streams and checked that the revenues recognised for the year under audit and contract assets/ accrued revenue and contract liabilities/deferred revenue recognised at the year-end reporting date did not include any material misstatements. **Key observations** We noted no material exceptions through performing these procedures.

Key audit matters (continued)

<table>
<tr><th colspan="2">Acquisition of 24i – 24i- Accounting for acquisition and the business combination</th></tr>
<tr><td>Key audit matter</td><td>See accounting policy in note 2, the intangibles assets note (note 14) and the business combinations note (note 27).

The acquisition of the 24i group resulted in the group holding, on consolidation, goodwill and intangible assets of $16,675k and $15,157k respectively, deferred consideration of $308k, recognition of a put liability held at fair value of $1,848k and recognition of a non-controlling interest of $766k.

As a result of the acquisition, there is a non-controlling interest in the group. In addition there was a group reorganisation, such the Amino Communications Oy subsidiary historically owned directly by the group, is now held by the group headed 24i and has resulted in a partial disposal of that entity from the group.

In addition, fair valued deferred consideration of $308k exists in favour of the former shareholders (note 27) and a put option exists whereby the founder shareholders has the right but not the obligation to require Amino group to purchase their shares in the 24i group at a fixed price per share this is recognised at fair value of $1,848k (Notes 19 and 27).

There are risks present as a result of management's requirement to make significant judgements in assessing the fair values of consideration and of the assets and liabilities acquired. Management has engaged external valuations experts to undertake the purchase price allocation exercise required.

The complexity of this transaction and the judgements involved in assessing the fair values have led us to assess this as a key audit matter.</td></tr>
<tr><td>How the key audit matter was addressed in our audit</td><td>With input from our valuations team, we challenged the assumptions underpinning the significant judgements and estimates used by management in the assessment of the fair values of the assets and liabilities acquired and consideration paid as well as the fair value of the put option liability. Our work included reviewing underlying cash flow projections and comparing against post-year end outturn, considering the appropriateness of discount rates applied and the long term growth rates.

Our testing focused on both material and more judgmental fair value adjustments that were recorded. Particular adjustments we tested were:

Intangible assets – the directors obtained external valuations for the acquired intangible assets. Utilising our own valuation team's expertise, we evaluated the valuation methodologies used for each type of asset and used these to check that the methodology used by the directors was appropriate and consistent with market practice.

We also examined the key assumptions used as inputs to the valuation models to assess whether these were consistent with our understanding of the businesses acquired, their historical performance and the markets in which they operate. These assumptions included revenue and profit forecasts, discount rates, customer attrition rates, technology obsolescence rates and royalty rates.

For contingent consideration, the audit team assessed whether the contingent consideration represents additional purchase price or compensation to the seller. Specifically there was an assessment as to whether the payments are linked to a specific post-deal period of employment of the seller, where upon they are regarded as an expense, or if the payments are made regardless of the employment status of the selling party, where upon they are regarded as an additional purchase price.

For deferred revenue, the audit team checked the acquired deferred revenue balance to assess whether the deferred balance was at fair value with costs expected against this, or whether this was purely a profit margin that would need adjusting over and above a reasonable profit element for a similar business.

For accounts receivable, the audit team looked at post acquisition amounts received to check that the acquired accounts receivable balances were held at fair value.

We examined and satisfied ourselves with the methodology and tax rates used to calculate the associated deferred tax liabilities arising from the creation of intangible assets. This involved reference to the tax jurisdictions in which the acquired entities operates, and levels of business in those jurisdictions.

Key observations

Based on the procedures performed, we noted no instances of material misstatements in the year relating to the accounting for the acquisition of 24i.</td></tr>
</table>

Key audit matters (continued)

Internally developed software	
Key audit matter	See accounting policy in Note 2 and intangible assets, Note 14. The group capitalises costs in relation to the development of the software provided to its clients, being primarily device software and the software for its apps and Cloud TV platforms. In accordance with accounting standards, management's policy is to capitalise development expenditure on internally developed software products if the costs can be measured reliably and the resulting asset meets the following criteria: • It is technically feasible to develop the product • Adequate resources are available to complete the development • There is an intention and ability to complete and sell the product • It is controlled by the group • Future economic benefits are expected to flow to the group • It is identifiable Development costs not satisfying the above criteria and expenditure on the research phase of internal projects are recognized in the income statement as incurred. Capitalised development costs are amortised straight-line basis over their estimated useful lives, which is two years for set top box device development and associated software and three years for video apps. There is a risk that the criteria outlined in the accounting standards are not met and therefore development costs are incorrectly capitalised. Further, a risk exists that assets not available for use have not been impaired as required. Both of these factors indicate that this is a key audit matter due to the focus of resources and the time apportioned to this area of the audit.
How the key audit matter was addressed in our audit	The senior members of the audit team are responsible for completing the work in relation to capitalised development costs. The testing strategy involves communications with individuals working out of different components within the group. We considered whether the development costs capitalised met the criteria for capitalisation by critiquing the position presented against the guidance per accounting standards and subsequently whether the mechanics over capturing time spent and translating that cost into an accounting entry operated accurately. Utilising the underlying timecard information, the underlying hours and cost were agreed back through to the timecard system. Any capitalised projects with a material net book value ("NBV") on the balance sheet were selected for detailed testing. An understanding was gained over the stage of development of the product by reviewing the underlying timecard information and the ability for the asset to generate future economic benefits for the business by analyzing forecast cashflows. For each intangible asset sampled all inputs were agreed back to supporting documentation to check the existence and accuracy of the intangible asset created. As an extension of the above, we revisited management's estimate of the amortization period applied to the asset, checking whether any indicators of impairment exist in relation to older versions of software platforms/ devices/ Apps. Finally we checked that where assets were not yet available for use (such as projects in development) management had undertaken an impairment review as required by accounting standards. There were no instances where this was an issue in the year. **Key observations** Based on the procedures performed, we noted no instances of material misstatements in the year in respect of the accounting for capitalising internally developed software

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We set an overall level of materiality for the financial statements as a whole based on our understanding of the elements of the financial statements that are likely to be of greatest significance to users. In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Materiality

Materiality for the Group financial statements as a whole was set at $335,000 which represents 5% of consolidated profit before tax for the year, adjusted for certain non-recurring transactions relating to restructuring and the acquisition of 24i Group (profit before tax provides a consistent year on year basis for determining materiality and has been concluded as the most relevant performance measure to the stakeholders of most listed Groups). Parent Company materiality has been set at $301,500 reflecting 1.5% of net assets of the entity, capped at 90% of Group materiality, which is considered a suitable benchmark for a non-trading holding Parent Company.

Materiality levels used for the five components identified, Amino Communications Limited, Amino Communications Oy (ACO), Amino Technologies (HK) Limited, Amino Technologies (US) LLC and the group headed 24i Unit Media BV (Excluding ACO) within the Group ranged from $251,000 to $95,000.

Performance Materiality

Based upon our assessment of the risks within the Group and the Group's control environment, performance materiality for the financial statements was set at $234,500, being 70% of overall financial statement materiality.

Performance materiality levels used for the five key components identified, Amino Communications Limited, Amino Communications Oy (ACO), Amino Technologies (HK) Limited, Amino Technologies (US) LLC and the group headed 24i Unit Media BV (Excluding ACO) within the Group ranged from $176,000 to $57,000.

Reporting Threshold

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of $16,750, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements at the Group level.

We obtained an understanding of the internal control environment related to the financial reporting process and assessed the appropriateness, completeness and accuracy of Group journals and other adjustments performed on consolidation.

The five principal trading subsidiaries/sub groups, noted above, were identified as significant components and were subject to full scope audit for Group reporting purposes. These components accounted for 100% of the Group's revenue and the Group's profit before tax.

Classification of components

The Group is comprised of 3 incorporated UK trading or holding companies (including Amino Technologies Plc) and 4 significant non-UK components. Full scope statutory audits were completed by the Group audit team for the incorporated UK trading or holding entities.

BDO Netherlands were engaged to perform a full scope audit for group reporting purposes of the financial information of 24i Unit Media BV and subsidiaries (excluding Amino Communications Oy). We instructed BDO Netherlands as to the scope and timing of their work on the financial information for group reporting purposes, we met with the audit team to review their audit documentation and findings and participated in the local audit close meeting.

BDO Finland were engaged to perform a full scope audit for group reporting purposes of the financial information of Amino Communications Oy. We instructed BDO Finland as to the scope and timing of their work on the financial information for group reporting purposes, we met with the audit team to review their audit documentation and findings.

BDO Hong Kong were engaged to perform a full scope audit for group reporting purposes of the financial information of Amino Technologies (HK) Limited. We instructed BDO Hong Kong as to the scope and timing of their work on the financial information for group reporting purposes, we met with the audit team during the planning phase of their audit and reviewed their audit documentation and findings remotely.

Work on all remaining components was completed by BDO LLP. Furthermore contracts, operations and controls relevant to the audit relevant to the significant US component are accessible from the UK and therefore we obtained a full understanding of the US component's operational activities, and appropriately scoped the key risks relating to the US component. Financial information for the remaining components not identified as significant was reviewed for Group reporting purposes, using analytic procedures.

We ensured that audit teams both at group and at component level have the appropriate skills and competencies which are needed to perform the audit.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 30, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Iain Henderson (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

26 February 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated income statement

For the year ended 30 November 2019

	Notes	Year to 30 November 2019 $000s	Year to 30 November 2018 Restated (see note 35) $000s
Revenue	4	**77,232**	88,934
Cost of sales		**(40,021)**	(50,973)
Gross profit		**37,211**	37,961
Operating expenses	8	**(32,877)**	(32,979)
Other operating income	6	**-**	2,700
Operating profit		**4,334**	7,682
Adjusted operating profit		**10,224**	11,158
Share-based payment charge	25	**(829)**	(1,378)
Exceptional items	6	**(965)**	1,436
Amortisation of acquired intangible assets	8, 35	**(4,096)**	(3,534)
Operating profit		**4,334**	7,682
Finance expense		**(966)**	(53)
Finance income		**113**	90
Net finance (expense)/income	7	**(853)**	37
Profit before tax	8	**3,481**	7,719
Tax (charge)/credit	11, 35	**(629)**	70
Profit after tax	35	**2,852**	7,789

Profit for the year from continuing operations attributable to equity holders		**2,989**	7,789
Non-controlling interest		**(137)**	-
Profit for the year		**2,852**	7,789
Earnings per share			
Basic earnings per 1p ordinary share	12, 35	**4.04c**	10.71c
Diluted earnings per 1p ordinary share	12	**3.96c**	10.70c

All amounts relate to continuing activities.

The accompanying notes are an integral part of these financial statements.

Consolidated statement of comprehensive income

For the year ended 30 November 2019

	Notes	Year to 30 November 2019 $000s	Year to 30 November 2018 Restated (see note 35) $000s
Profit for the financial year	35	**2,852**	7,789
Items that may be reclassified subsequently to profit or loss:			
Net foreign exchange loss arising on consolidation	35	**(445)**	(665)
Other comprehensive expense		**(445)**	(665)
Total comprehensive income for the year		**2,407**	7,124
Non-controlling interest		**168**	-
Total comprehensive income for the financial year attributable to equity holders		**2,575**	7,124

The accompanying notes are an integral part of these financial statements.

Consolidated statement of financial position

For the year ended 30 November 2019

Assets	Notes	As at 30 November 2019 $000s	As at 30 November 2018 Restated (see note 35) $000s	As at 1 December 2017 Restated (see note 35) $000s
Non-current assets				
Property, plant and equipment	15	**395**	534	793
Intangible assets	14, 35	**91,919**	65,024	69,554
Deferred tax assets	23	**637**	716	751
Trade and other receivables	17	**430**	402	408
		93,381	66,676	71,506
Current assets				
Inventories	16	**2,399**	3,633	4,285
Trade and other receivables	17	**16,483**	20,290	15,012
Corporation tax receivable	17	**8**	-	221
Cash and cash equivalents	18	**8,612**	20,310	17,386
		27,502	44,233	36,904
Total assets		**120,883**	110,909	108,410
Capital and reserves attributable to equity holders of the Company				
Called-up share capital		**1,367**	1,327	1,327
Share premium		**35,907**	32,300	32,300
Capital redemption reserve		**12**	12	12
Foreign exchange reserve	35	**(3,461)**	(3,047)	(2,382)
Merger reserve		**30,122**	30,122	30,122
Other reserve		**(1,750)**	-	-
Retained earnings	35	**19,790**	22,880	20,282
Equity attributable to owners of the parent		**81,987**	83,594	81,661
Non-controlling interest		**598**	-	-
Total equity		**82,585**	83,594	81,661
Liabilities				
Current liabilities				
Trade and other payables	19	**21,800**	24,226	22,499
Corporation tax payable	19	**684**	393	26
Loans and borrowings	20	**7,314**	-	-
		29,798	24,619	22,525
Non-current liabilities				
Trade and other payables	19	**2,785**	-	-
Provisions	21	**1,298**	1,318	2,056
Deferred tax liabilities	23, 35	**4,417**	1,378	2,168
		8,500	2,696	4,224
Total liabilities		**38,298**	27,315	26,749
Total equity and liabilities		**120,883**	110,909	108,410

The financial statements on pages 39 to 95 were approved and authorised for issue by the Board of directors on 26 February 2020 and were signed on its behalf by:

Donald McGarva
Director

Mark Carlisle
Director

Registered number: 05083390

The accompanying notes are an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 30 November 2019

	Notes	Year to 30 November 2019 $000s	Year to 30 November 2018 $000s
Cash flows from operating activities			
Cash generated from operations	28	**13,815**	14,310
Corporation tax paid		**(1,023)**	(73)
Net cash generated from operating activities		**12,792**	14,237
Cash flows from investing activities			
Purchases of intangible assets	14	**(4,150)**	(4,589)
Purchases of property, plant and equipment	15	**(69)**	(177)
Interest received	7	**113**	90
Acquisition of subsidiaries net of cash acquired	27	**(18,916)**	-
Net cash used in investing activities		**(23,022)**	(4,676)
Cash flows from financing activities			
Proceeds from exercise of employee share options		**-**	225
Dividends paid	13	**(6,889)**	(6,794)
Interest paid		**(187)**	(53)
Repayment of borrowings		**(1,583)**	-
Bank loans drawn down		**7,236**	-
Net cash used in financing activities		**(1,423)**	(6,622)
Net (decrease)/increase in cash and cash equivalents		**(11,653)**	2,939
Cash and cash equivalents at beginning of year		**20,310**	17,386
Effects of exchange rate fluctuations on cash held		**(45)**	(15)
Cash and cash equivalents at end of year	18	**8,612**	20,310

The accompanying notes are an integral part of these financial statements.

Consolidated statement of changes in equity

For the year ended 30 November 2019

	Notes	Share capital $000s	Share premium $000s	Merger reserve $000s	Put option reserve $000s	Foreign exchange reserve $000s	Capital redemption reserve $000s	Profit and loss $000s	Total attributable to owners of parent $000s	Non-controlling interest $000s	Total Equity $000s
Shareholders' equity at 30 November 2017 (previously reported)		1,327	32,300	30,122	-	(11,826)	12	21,158	73,093	-	73,093
Prior year adjustments	35	-	-	-	-	9,444	-	(876)	8,568	-	8,568
Shareholders' equity at 30 November 2017 (restated)		1,327	32,300	30,122	-	(2,382)	12	20,282	81,661	-	81,661
Profit for the year (restated)	35	-	-	-	-	-	-	7,789	7,789	-	7,789
Other comprehensive income (restated)		-	-	-	-	(665)	-	-	(665)	-	(665)
Total comprehensive income for the year attributable to equity holders		-	-	-	-	(665)	-	7,789	7,124	-	7,124
Share based payment charge	25	-	-	-	-	-	-	1,378	1,378	-	1,378
Exercise of employee share options		-	-	-	-	-	-	225	225	-	225
Dividends paid	13	-	-	-	-	-	-	(6,794)	(6,794)	-	(6,794)
Total transactions with owners		-	-	-	-	-	-	(5,191)	(5,191)	-	(5,191)
Total movement in shareholders' equity		-	-	-	-	(665)	-	2,598	1,933	-	1,933
Shareholders' equity at 30 November 2018 (restated)	35	**1,327**	**32,300**	**30,122**	**-**	**(3,047)**	**12**	**22,880**	**83,594**	**-**	**83,594**
Profit for the year		-	-	-	-	-	-	2,989	2,989	(137)	2,852
Other comprehensive expense		-	-	-	-	(414)	-	-	(414)	(31)	(445)
Total comprehensive income for the year attributable to equity holders		-	-	-	-	(414)	-	2,989	2,575	(168)	2,407
Share based payment charge	25	-	-	-	-	-	-	829	829	-	829
Issue of share capital	24	40	3,607	-	-	-	-	-	3,647	-	3,647
Dividends paid	13	-	-	-	-	-	-	(6,889)	(6,889)	-	(6,889)
Acquisition of 24i	27	-	-	-	-	-	-	-	-	766	766
Reorganisation of 24i	27	-	-	-	-	-	-	(19)	(19)	-	(19)
Put option in relation to 24i	27	-	-	-	(1,750)	-	-	-	(1,750)	-	(1,750)
Total transactions with owners		40	3,607	-	(1,750)	-	-	(6,079)	(4,182)	766	(3,416)
Total movement in shareholders' equity		40	3,607	-	(1,750)	(414)	-	(3,090)	(1,607)	598	(1,009)
Shareholders' equity at 30 November 2019		**1,367**	**35,907**	**30,122**	**(1,750)**	**(3,461)**	**12**	**19,790**	**81,987**	598	82,585

The accompanying notes are an integral part of these financial statements.

1 General Information and basis of preparation

Amino Technologies plc (the “Company”) and its subsidiaries (together the “Group”) specialise in the delivery of next generation video experiences over IP using its end-to-end solution. This comprises the 24i online video solution and Amino set-top box devices and associated operating and device management software.

The Company is a public limited company which is listed on the AIM of the London Stock Exchange and is incorporated and domiciled in England and Wales. The address of its registered office is given on page 2.

Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and interpretations (collectively ‘IFRS’) as adopted by the EU and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated financial statements have been prepared under the historical cost convention basis except for certain financial liabilities that are measured at fair value through profit or loss, as discussed in the accounting policies below.

The financial statements are presented in US $000s except where stated.

Going concern

The Group had cash resources of $8.6m at the statement of financial position (“SOFP”) date and a multicurrency working capital facility of $15.0m, of which $7.2m was drawn at 30 November 2019, which primarily creates net current liabilities as of the year end. The facility expires on 25 November 2022. The Group is profitable and has a solid order book and sales pipeline. As such the directors have, at the time of approving the financial statements, a reasonable expectation that both the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Adoption of new and revised standards

For the purposes of the preparation of these consolidated financial statements, the Group has applied all standards and interpretations that are effective for accounting periods beginning on or after 1 December 2018.

New standards impacting the Group that have been adopted in the financial statements for the year ended 30 November 2019, and which have given rise to changes in the Group’s accounting policies are:

- IFRS 15 Revenue from Contracts with Customers; and
- IFRS 9 Financial Instruments.

The impact of the adoption of IFRS 15 and IFRS 9 has not been significant, the details of which are set out in note 34.

No new standards, amendments or interpretations to existing standards that have been published and that are mandatory for the Group’s accounting periods beginning on or after 1 December 2019, or later periods, have been adopted early. The directors do not consider that the adoption of these standards and interpretations would have a material impact on the Group’s financial statements.

New standards and interpretations currently in issue but not effective, based on EU mandatory effective dates are:

Standard	Description	Effective date	Expected impact
IFRS 16	Leases	1 January 2019	See below
IFRIC23	Uncertainty over income tax treatments	1 January 2019	See below

1 General Information and basis of preparation (continued)

IFRS 16

Adoption of IFRS 16 will result in the Group recognising right-of-use assets and lease liabilities for all contracts that are, or contain, a lease. For leases currently classified as operating leases, under current accounting requirements the Group does not recognise related assets or liabilities and instead spreads the lease payments on a straight-line basis over the lease terms, disclosing in its annual financial statements the total commitment.

The Group will apply the modified retrospective adoption method in IFRS 16 and, therefore, will recognise leases on balance sheet as at 1 December 2019. In addition, the right of use assets will be measured by reference to the measurement of the lease liability resulting in no immediate impact to net assets on that date. At 30 November 2019, operating lease commitments amounted to $2,787,000 (see note 29) which is not expected to be materially different to the anticipated position at 30 November 2020. It is anticipated that the effect of discounting those commitments will result in right-of-use assets and lease liabilities of approximately $2,530,000 being recognised on 1 December 2019. Further work is being carried out to determine whether and when extension and termination options are likely to be exercised which may result in the actual liability recognised being different to this amount.

Instead of recognising an operating expense for its operating lease payments, the Group will instead recognise interest on its lease liabilities and amortisation on its right-of-use assets. This will increase reported adjusted EBITDA by the amount of its current operating lease cost, which for the year ended 30 November 2019 was approximately $1,192,000 (see note 8).

IFRIC 23

IFRIC 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires an entity to:

- determine whether uncertain tax positions are assessed separately or as a group; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:
    - If yes, the entity should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.
    - If no, the entity should reflect the effect of uncertainty in determining its accounting tax position.

The Interpretation is effective for annual periods beginning on or after 1 January 2019. Entities can apply the Interpretation with either full retrospective application or modified retrospective application without restatement of comparatives retrospectively or prospectively.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the Group’s consolidated financial statements.

2 Summary of significant accounting policies

The principal accounting policies applied in the presentation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). The Company beneficially owns at least 92% of the voting rights in all of its subsidiaries. Control is achieved where the Company has power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-recognised from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. For acquisitions after IFRS 3 (revised) became effective costs directly attributable to the acquisition are expensed; for acquisitions before IFRS 3 (revised) became effective costs directly attributable to the acquisition are also included. Consideration where payment is contingent on future employment is excluded from the acquisition accounting and is recognised as a post-acquisition expense charged to the consolidated income statement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies.

Revenue recognition

Revenue represents the invoice value of goods sold and services provided in the year, the value of sales of licences, professional services, and support and maintenance, stated exclusive of value added tax. The Group has two product types with the following revenue recognition bases:

Devices incorporating integrated Amino software and associated accessories

- Income from the sale of products is recognised at a point in time when goods are delivered, transferring control to the customer, in accordance with the terms and conditions of sale agreed with the customer, including the incoterms.

Software and services

- Licence revenues for perpetual, non-cancellable licence agreements are recognised at a point in time once the economic benefit of the licenced hardware and/or software has been transferred to the customer and no further material performance obligations remain outstanding.
- Professional services are invoiced in line with customer contracts and revenue is recognised:
  - on the basis of the stage of completion, determined by reference to work performed, where an asset is created with no alternative use to the Group and there is an enforceable right to receive payment for the work completed; or
  - at a point in time when each performance obligation is fulfilled in the absence of this right.
- Revenue from support and maintenance and license fees is recognised over time over the contract period during which the service is provided and consumed by the customer on a straight line basis.

2 Summary of significant accounting policies (continued)

Revenue recognition (continued)

Contract assets and liabilities are recognised relating to professional services revenue, support and maintenance revenue and license fees because payments are received in advance and in arrears of the services being provided. Further details are set out in note 4.

Stage of completion is assessed using timesheet records and project management knowledge and experience of the technical work involved. No variable consideration or costs of obtaining and fulfilling contracts have been recorded in the year to 30 November 2019.

Non-controlling interests

For business combinations, the Group initially recognises any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's net assets. The total comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests.

Foreign currencies

(i) Functional and presentational currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in US dollars, which is the Group's presentational currency. The Parent Company's financial statements are presented in sterling, which is the Company's functional currency. The functional currency of the entities in the Group has remained unchanged during the reporting period.

(ii) Transactions and balances

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date.

(iii) Group companies

The results and financial position of all Group entities that have a functional currency different from the presentation currency are translated on consolidation into dollars as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the year end date;
- income and expenses for each income statement are translated at the average exchange rate for the month where these approximate the exchange rate at the date of the transaction; and
- all resulting exchange differences are recognised within other comprehensive income and taken to the foreign exchange reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into dollars at the closing rate.

2 Summary of significant accounting policies (continued)

Financial instruments
(i) Financial assets

The Group has one class of financial asset that is recorded at amortised cost as detailed below.

These assets, which are held to collect, arise principally from the provision of goods and services to customers (e.g. trade receivables). Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach with IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process, the probability of the non-payment of the trade receivables is assessed. The probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within selling, general and administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivables will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's financial assets measured at amortised cost comprise trade and other receivables, contract assets and cash and cash equivalents in the consolidated statement of financial position. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments and, for the purposes of the statement of cash flows, bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities in the statement of financial position.

(ii) Financial liabilities

The Group has two classes of financial liability: those recorded at amortised cost and those at fair value as detailed below.

Bank borrowing, loans from related parties, deferred remuneration, contract liabilities, trade payables and other short-term monetary liabilities are initially recognised at fair value, net of any transaction costs directly attributable to the issue of the instrument and are subsequently measured at amortised cost using the effective interest method which ensures that any interest expense and associated finance costs over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purpose of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption as well as any interest payable while the liability is outstanding. Contingent deferred consideration is initially measured at fair value, with subsequent changes recorded at fair value through profit and loss.

For debt modifications that are not substantial, the existing liability is not derecognised. Instead the Group recalculates the amortised cost of the financial liability as the present value of the estimated future contractual cashflows, including transaction fees, that are discounted at the financial instrument's original effective interest rate. Any gain or loss on the revised amortised cost is recognised in profit or loss as interest income or interest expense.

The put option liability in respect of the non-controlling interest following the acquisition of 24i Unit Media BV in July 2019 has been recognised at fair value at inception in Other reserves, with movements through profit and loss each year.

2 Summary of significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost, net of depreciation and any provision for impairment in value. Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected economic useful life. Depreciation is recognised within operating expenses within the consolidated income statement.

The principal annual rates used for this purpose are:

Computer equipment	33.3% per annum
Office and other equipment	25% per annum
Leasehold improvements	Over the period of the lease

Intangible assets

(i) Research and development – internally generated

All on-going research expenditure is expensed in the year in which it is incurred. When the criteria for capitalisation are met, development costs are capitalised as an internally generated asset. Internally generated intangible assets are amortised on a straight-line basis over their estimated useful lives, which is two years for set top box device development and associated software and three years for video apps. Amortisation commences when the asset is available for use.

Development costs are capitalised when the following criteria are met: a product is technically feasible; production and sale are intended; a market exists; expenditure can be measured reliably; and sufficient resources are available to complete the project. Development costs are capitalised up to the amount which, taken together with further related costs, will be recovered from the future economic benefits related to the asset. No interest costs are capitalised.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

(ii) Acquired platforms

Acquired software and hardware platforms are considered a separate class of asset as they are field-proven and expected to generate future economic benefits for a longer period of time than internally generated developments. Acquired platform intangible assets are amortised on a straight-line basis over their estimated useful lives, which is five years.

(iii) Software licences

Software licences are capitalised at cost. Software licence intangible assets are amortised on a straight-line basis over their estimated useful lives which is the shorter of three years or the licence period.

Amortisation of intangible assets is recognised within operating expenses within the consolidated income statement.

The principal annual rates used for this purpose are:

Acquired software/hardware platforms	20% - 33.3% per annum
Customer relationships	6.7% - 20% per annum
Trade names	10% - 20% per annum
Software licenses	33.3% per annum

Customer relationships and trade names were capitalised as part of fair value adjustments relating to acquisitions.

2 Summary of significant accounting policies (continued)

Impairment of intangible assets excluding goodwill

At each reporting date, the Group performs an impairment review in respect of any intangible assets excluding goodwill and reviews the carrying amounts to determine whether there is any indication that those assets have suffered any impairment. If any such indication exists, the recoverable amount of the asset (being the higher of fair value less costs to sell and value in use) is estimated in order to determine the extent of any impairment. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In determining a value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the cash generating unit that have not already been included in the estimate of future cash flows.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income Statement. Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised as income immediately.

Impairment of goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the identifiable net assets acquired and is capitalised.

At each reporting date, and during the year if any events or changes in circumstances indicate potential impairment, the Group performs an impairment review in respect of goodwill to determine whether there is any indication that it has suffered any impairment. Any impairment loss is recognised as an expense in the consolidated income statement in the year in which it was identified to the extent that the carrying value exceeds the recoverable amount.

The recoverable amount is the higher of the fair value less costs of disposal and the value in use in the Group. In determining a value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the cash generating unit that have not already been included in the estimate of future cash flows.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Goodwill is allocated to those cash-generating units that are expected to benefit from the synergies of the related business combination and represent the lowest level within the Group at which management monitors the related cash flows.

Impairment losses recognised in respect of goodwill are not reversed in subsequent periods.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is based on estimated selling price, in the ordinary course of business, less further costs expected to be incurred to completion and sale.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks. Highly liquid investments with original maturity dates of three months or less from inception are considered to be cash equivalents.

2 Summary of significant accounting policies (continued)

Current and deferred tax

UK Corporation tax and overseas income tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the year end.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is calculated at taxation rates and laws that are expected to apply in the period when the liability is settled or the asset is realised, provided that the rates are substantively enacted at the year end. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with through the statement of comprehensive income or statement of changes in equity.

Where there is uncertainty concerning the Group's filing position regarding the tax bases of assets or liabilities, the taxability of certain transactions or other tax-related assumptions then the Group:

- Considers whether uncertain tax treatments should be considered separately or together as a group based on which approach provides better predictions of the resolution;
- Determines if it is probable that the tax authorities will accept the uncertain tax treatment; and
- If it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on which ever method better predicts the resolution of the uncertainty. This measurement is required to be based on the assumption that each of the tax authorities will examine amounts they have a right to examine and have full knowledge of all related information when making those examinations.

Employee benefits

(i) Pension obligations

The Group operates a number of stakeholder pension schemes and contributes to a number of personal pension schemes on behalf of its employees. The Group provides no other post-retirement benefits to its employees. Pension costs are charged to the consolidated income statement in the year to which they relate.

(ii) Share-based compensation

The Group operates a number of equity-settled, share-based compensation plans. Equity-settled share-based payments (including where the Company has an option to settle in cash or equity) are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. Fair value is measured by use of the Black-Scholes option pricing model or a Monte Carlo option valuation model as appropriate depending on the terms of the options.

In order to facilitate the exercise of share options the Group maintains an Employee Benefit Trust (EBT). This is consolidated in accordance with IFRS 10. The costs of purchasing own shares held by the EBT are deducted from profit and loss reserves. Neither the purchase nor sale of own shares leads to a gain or loss being recognised in the Group's income statement or statement of comprehensive income. When shares are subsequently transferred to employees for less than their purchase price the difference is a realised loss recognised directly in reserves.

2 Summary of significant accounting policies (continued)

The Group schemes, which award shares in the parent entity, includes recipients who are employees in certain subsidiaries. In the consolidated financial statements, the transaction is treated as an equity-settled share-based payment, as the Group has received services in consideration for equity instruments. An expense is recognised in the Group income statement for the fair value of share-based payment over the vesting year, with a credit recognised in equity.

In the subsidiaries' financial statements, the awards, in proportion to the recipients who are employees in said subsidiary, are treated as an equity-settled share-based payment, as the subsidiaries do not have an obligation to settle the award. An expense for the grant date fair value of the aware is recognised over the vesting year, with a credit recognised in equity. The credit to equity is treated as a capital contribution, as the parent is compensating the subsidiaries' employees with no cost to the subsidiaries as there is no expectation to recharge the cost. In the parent company's financial statements, there is no share-based payment charge where the recipients are employed by a subsidiary, with the parent company recognising an increase in the investment in the subsidiaries as a capital contribution from the parent and a credit to equity

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight line basis over the period of the lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term.

Provisions

The Group has recognised provisions for warranty claims from customers. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

The Group has recognised provisions for uncertain tax positions relating to the application of OECD transfer pricing principles within the Group's subsidiaries.

Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the AGM.

Reserves

- Share capital – comprises the nominal value of ordinary shares classified as equity.
- Share premium reserve – comprises the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- Merger reserve – resulted from the merger of Amino Technologies plc and Amino Holdings Limited on 28 May 2004, prior to the Group's adoption of IFRS.
- Foreign exchange reserve – comprises the foreign exchange differences arising on consolidation.
- Capital redemption reserve – comprises the repurchase and cancellation of own shares on 15 April 2008.
- Other reserve – comprises the fair value of the put option liability at inception in respect of the non-controlling interest following the acquisition of 24i Unit Media BV (see note 27).
- Profit and loss reserve – comprises all current and prior period retained profits and losses.

2 Summary of significant accounting policies (continued)

Exceptional and other items presented separately on the face of the consolidated income statement

Adjusted operating profit is shown before exceptional items, amortisation of acquired intangibles and share-based payment charges on the face of the consolidated income statement. This is consistent with the way the financial performance of the Group is presented to the Board and Chief Operating Decision Maker. The Directors believe that this provides a more meaningful comparison of how the business is managed and measured on a day-to-day basis.

Exceptional items are items which are material or non-recurring in nature and which are therefore presented separately from underlying operating expenses and income. Material costs may include: release of deferred contingent consideration no longer payable, release of royalty costs recognised in prior years and subsequently renegotiated, redundancy and associated costs, legal and professional advisors fees in respect of acquisition costs, contingent post acquisition remuneration payable and additions or releases to the provision for uncertain tax positions. Material income comprises amounts outside the course of normal trading activities.

Investment in own shares

The Group offsets the cost of own shares held, including following a share buyback, as a debit within the profit and loss reserve. These shares are held at cost and are typically used to satisfy share awards at which point, the cost is credited to the profit and loss reserve.

Critical accounting estimates and significant judgements

The preparation of financial information in conformity with IFRS requires the directors to make critical accounting estimates and significant judgements that affect the application of policies and reported amounts of assets and liabilities, income and expenses. An assessment of the impact of these estimates and judgements on the financial statements is set out below. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates and any subsequent changes are accounted for with an effect on income at the time such updated information is available.

Critical judgements in applying the Group's accounting policies

Assessing whether development costs meet the criteria for capitalisation

The point at which development costs meet the criteria for capitalisation is critically dependent on management's judgement of the point at which technical feasibility is demonstrable. Furthermore, the useful economic lives of capitalised development costs are based on management's knowledge of the life cycle of the Group's products and technology. The carrying value of development assets also depends on management's ability to demonstrate the future economic benefits they will deliver. This judgement requires assumptions about factors outside the business's control such as medium term economic conditions, technological developments and market changes. Details are contained in note 14.

Key sources of estimation uncertainty

Impairment of development costs

The Group tests annually whether the capitalised development costs have been impaired by reference to expected future generation of cash from the relevant products incorporating the technologies developed. In estimating the cash flows the capitalised development costs may generate the directors make judgements, based on budgets and forecasts, about the amount of future profits from the relevant products that will be generated and the timing of when these will be realised. Details are contained in note 14.

2 Summary of significant accounting policies (continued)

Assessing the fair value of acquired intangible assets and goodwill and whether they have been impaired

Goodwill represents a portion of consideration transferred by the Group for the future economic benefits from assets that cannot be individually identified and separately recognised. The Group uses a third party valuation expert to assess the fair value of acquired intangible assets due to the complex nature of the valuation calculations.

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Details of the impairment review are set out in note 14.

Assessing the potential impairment of inventories

In determining whether inventories are impaired, management considers expected future sales including product mix, pricing and volumes. If the inventories provided for were sold in the future, the provision may be overstated by $390,000. If inventories assessed as not impaired could not be sold for more than cost, inventories may be overstated by up to $2,399,000. The carrying value of the Group's provision for write-downs and obsolescence is disclosed in note 16.

Assessing the amount of deferred tax asset that has been recognised

The amount of the deferred tax asset included in the SOFP of the Group is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. In estimating the amount of the deferred tax asset that may be recognised the directors make judgements, based on current budgets and forecasts, about the amount of future taxable profits and the timing of when these will be realised. There is uncertainty regarding the Group's ability to use tax losses driven primarily by the availability of enhanced R&D deductions and deductions for share schemes. If profits were not generated to utilise these losses, the asset may be overstated by $637,000. Details are contained in note 23.

Uncertain tax positions

The Group is subject to taxation in several jurisdictions and significant judgement is required in calculating the consolidated tax position. There are transactions for which the ultimate tax determination is uncertain and for which the Group makes provisions based on an assessment of internal estimates and appropriate advice. Where the final tax outcome of these matters is different from the amounts that were initially recorded, the difference will impact the tax charge in the period in which the outcome is determined in the range $0 - $1,100,000. It is possible that the ultimate resolution of these matters could result in tax charges that are materially higher or lower than the amount provided. The carrying value of the Group's uncertain tax provision is disclosed in note 21.

Royalties

The Group uses certain standards-based technologies which may be subject to third-party licenses. Where the ownership, validity and value of such licenses has not been clearly established, the Group makes estimates for license costs which may subsequently be negotiated at a different rate once the rights and value of the IP have been established. The Group has estimated liabilities of c.$1,700,000 that may be negotiated.

3 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk) and credit risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Group's finance department under policies approved by the Board of directors. These policies permit the use of financial instruments such as forward foreign exchange contracts where appropriate but speculative transactions are not permitted.

Market Risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the UK pound sterling, in which dividends are paid, the HK Dollar and the Euro.

The Group considers foreign exchange risk to be one of its financial risks and may seek to minimise its effects by using forward foreign exchange contracts where appropriate. Such contracts would be entered into to hedge against known foreign exchange exposures only and are not used for speculative purposes. Forward foreign exchange contracts are not designated for hedge accounting and are valued (i.e. marked to market) at the balance sheet date and any resulting profits or losses are taken to the consolidated income statement.

During 2019 and 2018, the Group did not enter into any forward foreign exchange contracts.

The Group had the following current assets and liabilities denominated in currencies other the functional currencies of the entities in which they were held:

As at 30 November 2019	Dollars $000s	Euros €000s	GBP £000
Trade and other receivables denominated in foreign currency	7,503	763	-
Cash balances denominated in foreign currency	5,179	69	-
Trade and other payables denominated in foreign currency	(7,005)	(26)	(122)
Net current assets denominated in foreign currency	**5,677**	**806**	**(122)**

As at 30 November 2018	Dollars $000s	Euros €000s	GBP £000
Trade and other receivables denominated in foreign currency	6,931	413	-
Cash balances denominated in foreign currency	9,126	319	-
Trade and other payables denominated in foreign currency	(13,253)	(36)	-
Net current assets denominated in foreign currency	**2,804**	**696**	**-**

At 30 November 2019, if the US dollar had weakened/strengthened by 10% against the euro with all other variables held constant, the retranslation of the year end foreign currency balances would have increased/decreased post-tax profit for the year by $0.1m/$0.1m (2018: $0.1m/$0.1m).

These values have been calculated by re-translating balances denominated in currencies at an exchange rate 10% higher/lower than that used in preparing the financial statements and comparing this with the actual balances consolidated.

3 Financial risk management (continued)

(ii) Interest rate risk

Throughout the year-ended 30 November 2019 cash was held in investments repayable on demand. Cash at bank earns interest based on relevant LIBOR equivalents and during the year earned interest at an average rate of 0.5% (2018: 0.72%).

At 30 November 2019, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. Borrowings are is managed centrally and local operations are not permitted to borrow long-term from external sources. During 2019 the Group's borrowings at variable rate were denominated in USD and EUR (2018: nil).

The sensitivity of profit to a reasonably possible change in interest rates of +/- 2% (2018: +/- 1%) with all other variables held constant, at 30 November 2019, would have increased/decreased post-tax profit for the year by $0.1m/$0.1m (2018: nil).These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates.

The directors consider that 1% is the maximum likely change in interest rates on USD borrowings over the next year, being the period up to the next point at which the Group expects to make these disclosures.

Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The Group spreads this risk by depositing cash across a number of banks. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

It is Group policy to insure its debtors where it is deemed appropriate. Where debtors are covered by insurance, the Group's exposure is limited to 10% of the value of the debt. Where insurance cannot be obtained due to the territory or customer involved, where possible, the necessary terms are placed on the customer so that monies are prepaid in full or to an adequate level so that maximum exposure is equal to the margin on the sale of devices.

Temporary increases in credit limits for specific contracts are subject to Executive management review and approval.

The Group's credit risk is limited to the carrying value of financial assets recognised at the reporting date, summarised below:

Financial asset carrying amounts	**As at 30 November 2019 $000s**	As at 30 November 2018 $000s
Non-current assets		
• trade and other receivables	**430**	402
Current assets		
• trade and other receivables	**15,985**	19,495
• cash and cash equivalents	**8,612**	20,310
	25,027	40,207

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group has an external multicurrency revolving credit facility of $15.0m which expires on 25 November 2022. At 30 November 2019 the value of external borrowings was $7.3m (2018: $nil) and therefore capital equates to the Group's total equity.

3 Financial risk management (continued)

	As at 30 November 2019 **$000s**	As at 30 November 2018 restated $000s
Capital		
Total equity	**82,585**	83,594
Less: cash and cash equivalents	**(8,612)**	(20,310)
	73,973	63,284
Overall financing		
Total equity	**82,585**	83,594
Plus: borrowings (see note 20)	**7,314**	-
	89,899	83,594
Capital-to-overall financing ratio	**1:1.2**	1:1.3

The Group has confirmed its commitment to a progressive dividend policy recommending 7.32 pence per share for the year ended 30 November 2019. Dividend cover for the current year is 0.4 and cash dividend cover is 1.25 times. None of the entities in the Group are subject to externally imposed capital requirements.

Liquidity risk

Liquidity risk is that the Group might be unable to meet its obligations and arises from trade and other payables. The Group manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows. Net cash requirements are compared to available cash and banking facilities in order to determine headroom or any shortfall. This analysis shows that available borrowing facilities are expected to be sufficient over the 12 month period from the approval of the financial statements. At 30 November 2019, the Group's non-derivative financial liabilities have contractual maturities (representing undiscounted contractual cash flows) as summarised below:

	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
USD bank loan	7,236	-	-	-
Trade and other payables	19,200	1,183	1,712	-
Put option liability	-	-	2,305	-
Total	**26,436**	**1,183**	**4,017**	

This compares to the maturity of the Group's non-derivative financial liabilities in the previous reporting period as follows:

	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Trade and other payables	23,497	-	-	-
Total	**23,497**	**-**	**-**	**-**

4 Revenue

Disaggregation of Revenue

In the tables below, 24i refers to the development and sale of online video solutions and Amino refers to the development and sale of TV centric devices and solutions, including licensing and support services. This is consistent with the segmental analysis contained in note 5 below.

The Group's revenue disaggregated by primary geographical market is as follows:

Geographical external customer revenue analysis

	Year to 30 November 2019			Year to 30 November 2018		
	Amino $000s	**24i $000s**	**Total $000s**	Amino $000s	24i $000s	Total $000s
North America	**31,924**	**1,854**	**33,778**	49,613	-	49,613
Latin America	**10,105**	**328**	**10,433**	9,039	-	9,039
Netherlands	**12,445**	**4,261**	**16,706**	10,260	1,249	11,509
Rest of EMEA	**11,761**	**2,418**	**14,179**	13,143	4,213	17,356
EMEA	**24,206**	**6,679**	**30,885**	23,403	5,462	28,865
Rest of the World	**2,136**	**-**	**2,136**	1,412	5	1,417
	68,371	**8,861**	**77,232**	83,467	5,467	88,934

The Group's had two significant customers in the year, defined as representing more than 10% of revenue recognised, USA 1 $19,533k and USA 2 $8,786k (2018: USA 1 $16,287k, USA 2 $17,734k and USA 3 $11,735k).

The Group's revenue disaggregated by product is as follows:

	Year to 30 November 2019			Year to 30 November 2018		
	Amino	**24i**	**Total**	Amino	24i	Total
	$000s	**$000s**	**$000s**	$000s	$000s	$000s
Devices incorporating integrated Amino software and associated accessories	**64,159**	**-**	**64,159**	79,583	-	79,583
Software and services	**4,212**	**8,861**	**13,073**	3,884	5,467	9,351
	68,371	**8,861**	**77,232**	83,467	5,467	88,934

4 Revenue (continued)

The Group's revenue disaggregated by pattern of revenue recognition is as follows:

	Year to 30 November 2019			Year to 30 November 2018		
	Amino	**24i**	**Total**	Amino	24i	Total
	$000s	**$000s**	**$000s**	$000s	$000s	$000s
Goods and services transferred at a point in time	**64,387**	**557**	**64,944**	79,984	723	80,707
Software licenses and services transferred over time	**3,984**	**8,304**	**12,288**	3,483	4,744	8,227
	68,371	**8,861**	**77,232**	83,467	5,467	88,934

The Group's revenue disaggregated by customer group is as follows:

	Year to 30 November 2019			Year to 30 November 2018		
	Amino	**24i**	**Total**	Amino	24i	Total
	$000s	**$000s**	**$000s**	$000s	$000s	$000s
Direct customers	**36,660**	**8,861**	**45,521**	54,061	5,467	59,528
Distribution channel	**31,711**	**-**	**31,711**	29,406	-	29,406
	68,371	**8,861**	**77,232**	83,467	5,467	88,934

Contract balances

	Contract Assets		**Contract Liabilities**	
	Year to 30 November			
	2019	2018	**2019**	2018
	$000	$000	**$000**	$000
At 1 December	**328**	372	**(229)**	(473)
Changes due to business combinations	**14**	-	**(1,229)**	-
Transfers in the period from contract assets to trade receivables	**(2,738)**	(2,158)	**-**	-
Amounts included in contract liabilities that was recognised as revenue during the period	**-**	-	**4,434**	1,557
Excess of revenue recognised over cash (or rights to cash) being recognised during the period	**3,657**	2,122	**-**	-
Cash received in advance of performance and not recognised as revenue during the period	**-**	-	**(4,302)**	(1,334)
Foreign exchange gains/(losses)	**(11)**	(8)	**3**	21
	1,250	328	**(1,323)**	(229)

Contract assets and contract liabilities are included within "trade and other receivables" and "trade and other payables" respectively on the face of the statement of financial position. They arise from the Group's software license and support contracts, which can be for a period of more than one year, because cumulative payments received from customers at each balance sheet date do not necessarily equal the amount of revenue recognised on the contracts. The opening balance for trade receivables as at 1 December 2017 was $13,318,000.

4 Revenue (continued)

Remaining performance obligations

The majority of the Group's contracts are for goods and services supplied within the next 12 months for which the practical expedient in paragraph 121(a) of IFRS 15 applies.

There are certain software support, professional service, maintenance and licences contracts that have been entered into for which both:

- the original contract period was greater than 12 months; and
- the Group's right to consideration does not correspond directly with performance.

The amount of revenue that will be recognised in future periods on these contracts when those remaining performance obligations will be satisfied is shown below.

	Year to 30 November		
	2020	2021	2022-3
	$000	$000	$000
Revenue expected to be recognised on Software and Service contracts	7,078	2,664	1,350

The Group has applied the exemption in paragraph C5(d) of the transitional rules in IFRS 15 and therefore has not disclosed the amount of revenue that will be recognised in future periods for the comparative period.

No variable consideration or costs of obtaining and fulfilling contracts have been recorded in the year to 30 November 2019 (2018: nil).

The Group provides a warranty on its devices and accessories products of up to two years. Although this is a separately identifiable performance obligation, it is not considered distinct from the associated product and therefore does not meet the criteria requiring the separate allocation of revenue to it.

Further details on the transition to IFRS 15 can be found in note 34.

5 Segmental analysis

Operating segments are reported in a manner consistent with the internal reporting provided to the Amino Technologies plc chief operating decision maker ("CODM") for the use in strategic decision making and monitoring of performance. The CODM has been identified as the Group Chief Executive and the Chief Financial Officer. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Performance of the operating segments is based on adjusted EBITDA. Information provided to the CODM is measured in a manner consistent with that in the Financial Statements.

Previously, the Group had only one operating segment, being the development and sale of broadband network software and systems, including licensing and support services ("Amino"). Following the acquisition of 24i and the integration of the Group's AminoTV solution into 24i, the Group now reports three operating segments to the CODM:

- the development and sale of TV centric devices and solutions, including licensing and support services ("Amino");
- development and sale of online video solutions ("24i"); and
- central costs which comprise the costs of the Board, including the executive directors as well as costs associated with the Company's listing on the London Stock Exchange.

The comparative information has been reported to reflect the change to the composition of reportable segments in the year.

Revenues and costs by segment are shown below.

Amino Technologies plc is domiciled in the United Kingdom.

2019		**Amino $000s**	**24i $000s**	**Central costs $000s**	**Total $000s**
Revenue	Software and services	4,212	8,861	-	13,073
	Devices *	64,159	-	-	64,159
	Total	68,371	8,861	-	77,232
	% Recurring	5%	44%	-	9%
Cost of sales		(39,571)	(1,931)	-	(41,502)
Gross profit		28,800	6,930	-	35,730
Operating expenses		(11,728)	(6,900)	(2,251)	(20,879)
Segment result		**17,072**	**30**	**(2,251)**	**14,851**
Exceptional items	Cost of Sales				1,480
	Operating expenses				(2,445)
Share based payment charge					(829)
Depreciation, amortisation and loss on disposal of fixed assets					(8,723)
Operating profit					**4,334**
Finance costs					(853)
Profit before tax					**3,481**
Additions to non-current assets: Capitalised development costs		2,213	1,922	-	4,135

2018 restated		Amino $000s	24i $000s	Central costs $000s	Total $000s
Revenue	Software and services	3,828	5,467	-	9,295
	Devices *	79,639	-	-	79,639
	Total	83,467	5,467	-	88,934
	% Recurring	3%	36%	-	5%
Cost of sales		(50,761)	(1,702)	-	(52,463)
Gross profit		32,706	3,765	-	36,471
Operating expenses		(14,951)	(2,977)	(1,792)	(19,720)
Segment result		**17,755**	**788**	**(1,792)**	**16,751**
Exceptional items	Cost of Sales				1,490
	Operating expenses				(54)
Share based payment charge					(1,378)
Depreciation, amortisation** and loss on disposal of fixed assets					(9,127)
Operating profit					**7,682**
Finance income					37
Profit before tax					**7,719**
Additions to non-current assets: Capitalised development costs		2,628	1,877	-	4,505

* incorporating integrated Amino software and associated accessories

** restated, see note 35.

The location of non-current assets of the Group, other than financial instruments and deferred tax assets (there are no employment benefit assets and rights arising out of insurance contracts) is shown below. The prior year information has been restated in light of the prior year adjustment to restate the value of goodwill and acquired intangible fixed assets, see note 35 for details.

Non-current assets by geographic area analysis (excluding deferred tax assets)	**As at 30 November 2019 $000s**	As at 30 November 2018 Restated $000s
United Kingdom	**3,882**	4,682
USA	**47,746**	50,455
Finland	**9,116**	10,326
Netherlands	**31,559**	-
Rest of the World	**441**	497
	92,744	65,960

6 Exceptional items

Exceptional items within operating costs and cost of sales comprise the following charges/(credits):

	Year to 30 November 2019 $000s	Year to 30 November 2018 $000s
Credit relating to royalty costs recognised in prior years and subsequently renegotiated	**(1,480)**	(1,490)
Subtotal cost of sales	**(1,480)**	(1,490)
Expensed contingent post-acquisition remuneration in respect of the acquisition of 24i Unit Media BV.	**597**	-
Redundancy and associated costs	**723**	2,372
Acquisition costs	**1,125**	-
Aborted acquisition costs	**-**	382
Subtotal operating expenses	**2,445**	2,754
Other operating income	**-**	(2,700)
Total exceptional items	**965**	(1,436)

Other operating income comprises proceeds of a claim settled against former Entone, Inc. shareholders in respect of previously unrecorded liabilities identified post the acquisition of Entone, Inc.

7 Net finance (expense)/income

	Year to 30 November 2019 $000s	Year to 30 November 2018 $000s
Interest payable and similar costs	(614)	(24)
Interest receivable and similar income	113	90
Net foreign exchange losses	(352)	(29)
	(853)	37

Interest payable and receivable relates to the Group's bank balances, loss on debt modification during the year and extended credit terms offered to one customer, in accordance with IFRS 15 Revenue from contracts with customers.

Interest payable and similar costs comprises:

- Loss on debt modification during the year of $330,000 (2018: $nil) (see note 20);
- Bank loan interest payable of $176,000 (2018: $nil) (see note 20);
- Unwinding of discount of the put option regarding the non-controlling interest of the 24i Group of $98,000 (2018: $nil) (see note 27); and
- Bank and other interest payable of $10,000 (2018: $24,000).

8 Profit before tax

Profit before tax is stated after charging/(crediting):	**Year to 30 November 2019 $000s**	Year to 30 November 2018 Restated $000s
Depreciation of owned property, plant and equipment	281	430
Amortisation of intangible assets		
• other assets (see note 14)	4,289	5,163
• acquired intangible assets (see notes 14 and 35)	4,096	3,534
Loss on disposal of property, plant and equipment	55	7
Research and development expense (excluding amortisation)	8,723	6,532
Operating lease rentals (see note 29)		
• land and buildings	1,164	1,148
• plant and machinery	28	31
Auditor's remuneration:		
Audit services		
• fees payable to Company auditor for the audit of the Company and consolidated financial statements	123	83
Other services		
• the auditing of the Company's subsidiaries pursuant to legislation	140	52
• due diligence and taxation services	274	-
• audit related assurance services	15	13
Movements in inventory provision	15	(106)
Net realised (gain)/loss on foreign exchange	352	29

9 Staff costs

The year end and average monthly number of employees of the Group (including executive directors) was:

	As at 30 November 2019 Year end Number	As at 30 November 2018 Year end Number	**Year to 30 November 2019 Average Number**	Year to 30 November 2018 Average Number
Selling, general and administration	**99**	52	**88**	51
Research and development	**151**	127	**150**	132
	250	179	**238**	183

	Year to 30 November 2019 $000s	Year to 30 November 2018 $000s
Their aggregate remuneration comprised:		
Wages and salaries	**14,946**	14,321
Termination costs	**723**	1,874
Social security costs	**981**	851
Other pension costs (see note 31)	**786**	1,148
Expense of share-based payments (see note 25)	**829**	1,378
	18,265	19,572

10 Key management and directors compensation

Details of aggregate key management emoluments for the year are as follows:

	Year to 30 November 2019 $000s	Year to 30 November 2018 $000s
Salaries and other short term employee benefits	**1,892**	2,744
Termination benefits	**-**	141
Social security costs	**204**	329
Company contributions to personal pension schemes	**113**	156
Expense for share based payments	**217**	1,183
	2,426	4,553

The directors are of the opinion that the key management of the Group comprises the executive and non-executive directors of Amino Technologies plc along with the co-CEOs and Chief Strategy Officer of 24i. These persons have authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. At 30 November 2019, key management comprised 10 people (2018: 12).

Directors' emoluments are disclosed in the Remuneration Committee report on pages 22 to 23 and is summarised below.

	Year to 30 November 2019 $000s	Year to 30 November 2018 $000s
Salaries and other short term employee benefits	**1,428**	1,059
Company contributions to personal pension schemes	**67**	71
	1,495	1,130

In addition to the salary and fees disclosed above, directors made share option gains during the year totalling $nil (2018: $171,870).

The highest paid director was Donald McGarva:

	Year to 30 November 2019 $000s	Year to 30 November 2018 $000s
Salaries and other short term employee benefits	**622**	472
Company contributions to personal pension schemes	**41**	44
	663	516

In addition to the salary and fees disclosed above, the highest paid director made a share option gain during the year of $nil (2018: $171,870). The pension entitlement was elected to be paid as salary in both years.

11 Tax (charge)/credit

	Year to 30 November 2019 $000s	Year to 30 November 2018 Restated (see note 35) $000s
Corporation tax charge for the year	**(988)**	(618)
Foreign tax charge	**(15)**	(66)
Adjustment in respect of prior years	**(273)**	20
Total current tax charge	**(1,276)**	(664)
Deferred tax (origination and reversal of temporary differences) (see note 23)	**647**	734
Total tax (charge)/credit in consolidated income statement	**(629)**	70

The tax (charge)/credit for the year differs from that calculated by applying the pro-rated standard rate of corporation tax in the UK of 19.0% (2018: 19.0%). The differences are explained below:

	Year to 30 November 2019 $000s	Year to 30 November 2018 Restated (see note 35) $000s
Profit on ordinary activities before corporation tax	**3,481**	7,719
At the standard rate of corporation tax in the UK of 19% (2018: 19%)	**661**	1,467
Effects of:		
Amounts not allowable for tax purposes	**1,279**	(281)
Enhanced deduction for research and development expenditure	**(429)**	(610)
Adjustment in respect of prior years	**273**	20
Losses utilised during the year	**(1,257)**	(612)
Other permanent differences relating to exercise of share options	**-**	12
Effect of different tax rates of subsidiaries operating in other jurisdictions	**15**	(66)
Deferred tax asset movement (see note 24)	**87**	-
Total current tax charge/(credit)	**629**	(70)

Profit before tax and the unwind of the deferred tax liability for the year to 30 November 2018 have been restated, see note 35 for details.

12 Earnings per share

	Year to 30 November 2019 **$000**	Year to 30 November 2018 Restated $000
Profit attributable to ordinary shareholders	**2,989**	7,789
Exceptional items	**965**	(1,436)
Share-based payment charges	**829**	1,378
Amortisation of acquired intangible assets	**4,096**	3,534
Tax effect thereon	**(734)**	(734)
Profit attributable to ordinary shareholders excluding exceptional items, share-based payments and amortisation of acquired intangibles and associated taxation	**8,145**	10,531
Weighted average number of shares (Basic)	**74,050,058**	72,700,215
Dilutive share options outstanding	**1,336,325**	129,420
Weighted average number of shares (Diluted)	**75,386,383**	72,829,635
Basic earnings per share	**4.04c**	10.71c
Diluted earnings per share	**3.96c**	10.70c
Adjusted basic earnings per share	**11.00c**	14.49c
Adjusted diluted earnings per share	**10.80c**	14.46c

The calculation of basic earnings per share is based on profit after taxation and the weighted average of ordinary shares of 1p each in issue during the year. The Company holds 2,039,647 (2018: 2,039,647) of its own shares in treasury and these are excluded from the weighted average above. The basic weighted average number of shares also excludes 242 (2018: 22,586) being the weighted average shares held by the EBT in the year.

The number of dilutive share options above represents the share options where the exercise price is less than the market price if the Company’s ordinary shares. Amortisation of acquired intangible assets and the tax effect thereon for the year to 30 November 2018 have been restated, see note 35 for details.

13 Dividends

Amounts recognised as distributions to equity holders in the year:

	Year to 30 November 2019 $000s	Year to 30 November 2018 $000s
Final dividend for the year ended 30 November 2018 of 5.64p (2018: 5.125p for year ended 30 November 2017) per share	**5,336**	5,220
Interim dividend for the year ended 30 November 2019 of 1.68p (2018: 1.68p) per share	**1,553**	1,574
	6,889	6,794

The Board of directors has proposed a final dividend of $5,535,000 for the current financial year (2018: $5,259,000). This equates to 5.64 pence per share, bringing the total for 2019 to 7.32 pence per share (2018: 7.32 pence). The proposed final dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

14 Intangible assets

	Goodwill Restated	Customer relationships Restated	Trade names Restated	Intellectual Property	Software licences	Development costs	Acquired platforms Restated	Total Restated
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
Cost								
At 30 November 2017 as reported	42,984	8,534	1,417	390	2,220	28,124	8,117	91,786
Prior year restatement (see note 35)	7,042	1,367	239	-	-	-	1,464	10,112
At 30 November 2017 restated	50,026	9,901	1,656	390	2,220	28,124	9,581	101,898
Additions	-	-	-	-	84	4,505	-	4,589
Disposals	-	-	-	-	(637)	-	-	(637)
Foreign exchange adjustment	(304)	(26)	(13)	-	(99)	(1,261)	(137)	(1,840)
At 30 November 2018	49,722	9,875	1,643	390	1,568	31,368	9,444	104,010
Additions	-	-	-	-	15	4,135	-	4,150
Acquisition of subsidiary	16,675	10,262	845	-	-	-	4,050	31,832
Disposals	-	-	-	-	(5)	-	-	(5)
Foreign exchange adjustment	(343)	(249)	(28)	-	13	-	(197)	(804)
At 30 November 2019	**66,054**	**19,888**	**2,460**	**390**	**1,591**	**35,503**	**13,297**	**139,183**
Amortisation								
At 30 November 2017 as reported	-	2,571	663	390	2,062	21,578	3,850	31,114
Prior year restatement (see note 35)	-	419	112	-	-	-	699	1,230
At 30 November 2017 restated	-	2,990	775	390	2,062	21,578	4,549	32,344
Charge for the year	-	1,286	331	-	90	5,073	1,916	8,696
Eliminated on disposals	-	-	-	-	(637)	-	-	(637)
Foreign exchange adjustment	-	(18)	(9)	-	(95)	(1,199)	(96)	(1,417)
At 30 November 2018	-	4,258	1,097	390	1,420	25,452	6,369	38,986
Charge for the year	-	1,580	363	-	83	4,206	2,153	8,385
Eliminated on disposals	-	-	-	-	(5)	-	-	(5)
Foreign exchange adjustment	-	(48)	(11)	-	13	-	(56)	(102)
At 30 November 2019	**-**	**5,790**	**1,449**	**390**	**1,511**	**29,658**	**8,466**	**47,264**
Net book amount								
At 30 November 2019	**66,054**	**14,098**	**1,011**	**-**	**80**	**5,845**	**4,831**	**91,919**
At 30 November 2018	49,722	5,617	546	-	148	5,916	3,075	65,024
At 30 November 2017	50,026	6,911	881	-	158	6,546	5,032	69,554

Development costs relate to a number of projects with varying start dates. All of these projects are being amortised evenly over their estimated useful life, usually two or three years for internally generated additions and five years for platforms acquired, subject to impairment review.

Management has considered each product group separately when determining appropriate assumptions and determined that there would be no impairment. Management prepares a cash flow forecast based initially on the detailed 2020 operating budgets which are then extended for a further one or two years depending on the expected life of the product.

14 Intangible assets (continued)

The carrying value of goodwill is allocated to the following cash-generating units ("CGUs"):

CGU	**As at 30 November 2019 $000s**	As at 30 November 2018 $000s
Cash flows from 24i Group (formerly Booxmedia Oy (Smart Video), now incorporating 24i Unit Media BV and its subsidiaries)	**23,656**	7,324
Cash flows from Amino software and devices (formerly Entone, Inc.)	**42,398**	42,398
	66,054	49,722

Management has considered each CGU separately when determining appropriate assumptions. The recoverable amounts for the CGUs given above were determined based on value-in-use calculations at a level where there are largely independent cash flows. Management prepares a cash flow forecast based initially on the detailed 2020 operating budgets which are then extended for a further three years plus a terminal value. A pre-tax discount rate is then applied in order to calculate the present value of such cash flows, which represents the recoverable amount.

Discount rates applied to future cash flows. The Group's pre-tax weighted average cost of capital ("WACC") has been used as the foundation to determine the discount rates to be applied. For 24i Group the WACC has then been adjusted to reflect risks specific to that CGU that are not already reflected in the future cashflows. The discount rate used for the impairment review of Amino was 12% (2018: 12%). The discount rate used for the 24i Group was 14.3% (2018: (Booxmedia Oy only) 12%).

The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period.

The growth rates used were as follows:

CGU	Assumed annual revenue growth rate	Assumed gross margin % growth	Assumed annual operating profit margin growth rate	Assumed terminal growth rate
24i Group	Increase 25 – 30%	6% increase in years 2 and 3, no growth thereafter	Increase 8 – 15%	Increase 2%
Amino	Decrease 4%	1% decrease in years 2 and 3, no decrease thereafter	Decrease 2% – 0	Decrease 4%

The annual growth rates are based on management's view of customer and product development opportunities. For 24i Group CGU this takes into account forecast growth from new and existing customers. The long-term growth rate into perpetuity for the 24i Group CGU has been assumed to be 2% per annum reflecting the long term potential of the market in which the CGU operates. The long-term growth rate into perpetuity for the Amino CGU has been assumed to be a decrease of 4% per annum, reflecting current market forecasts.

Management has considered the impact of the following sensitivities and determined that there would be no impairment charge for either CGU.

CGU	Revenue sensitivity	Gross margin sensitivity
24i Group	increased in year 2 by 20% instead of 30%	increased by 3% instead of 6% in year 2 and 3
Amino	decreased by 6% instead of 4% per annum	decreased by 3% instead of 1% in year 2 and 3

15 Property, plant and equipment

	Computer equipment $000s	Office and other equipment $000s	Leasehold improvements $000s	Total $000s
Cost				
At 30 November 2017	1,328	495	787	2,610
Foreign exchange adjustment	(30)	(11)	(12)	(53)
Additions	139	25	13	177
Disposals	(366)	(216)	(5)	(587)
At 30 November 2018	1,071	293	783	2,147
Foreign exchange adjustment	(3)	(4)	2	(5)
Additions	11	41	17	69
Acquired through a business combination	-	139	-	139
Disposals	(182)	(59)	(287)	(528)
Reclassification	(16)	16	-	-
At 30 November 2019	**881**	**426**	**515**	**1,822**
Depreciation				
At 30 November 2017	1,015	344	458	1,817
Foreign exchange adjustment	(28)	(11)	(15)	(54)
Charge for the year	190	46	194	430
Disposals	(365)	(210)	(5)	(580)
At 30 November 2018	812	169	632	1,613
Foreign exchange adjustment	(1)	-	2	1
Charge for the year	138	62	81	281
Disposals	(175)	(35)	(258)	(468)
Reclassification	(16)	16	-	-
At 30 November 2019	**758**	**212**	**457**	**1,427**
Net book amount				
At 30 November 2019	**123**	**214**	**58**	**395**
At 30 November 2018	259	124	151	534
At 1 December 2017	313	151	329	793

16 Inventories

	As at 30 November 2019 $000s	As at 30 November 2018 $000s
Raw materials	**1,204**	1,945
Finished goods	**1,195**	1,688
	2,399	3,633

The following write-downs and obsolescence provisions were recognised in respect of inventories:

	2019 $000s	2018 $000s
Provision at 1 December	**375**	481
Provided in the year	**222**	212
Credited to the consolidated income statement for items sold/utilised	**-**	(281)
Inventory written off as scrap	**(212)**	(25)
Net foreign exchange translation losses/(gains)	**5**	(12)
Provision at 30 November	**390**	375

The cost of inventories recognised as an expense and included in cost of sales amounted to $35.0m (2018: $47.4m).

17 Trade and other receivables

	As at 30 November 2019 $000s	As at 30 November 2018 $000s
Current assets:		
Trade receivables	**15,414**	18,907
Less: provision against trade receivables	**(1,317)**	(108)
Trade receivables (net)	**14,097**	18,799
Contract assets	**1,250**	328
Total financial assets other than cash and cash equivalents classified as amortised cost	**15,347**	19,127
Other receivables	**638**	368
Prepayments	**498**	795
Sub-total	**16,483**	20,290
Corporation tax receivable	**8**	-
Current assets: due within one year	**16,491**	20,290
Non-current assets:		
Other receivables	**430**	402

Other receivables due in more than one year comprise rent deposits. The carrying value of trade and other receivables classified at amortised cost approximates fair value. The Group does not hold any collateral as security.

17 Trade and other receivables (continued)

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables and contract assets. To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts.

The expected loss rates are based on the Group's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors in the countries where the Group operates. Credit insurance forms part of the credit risk management strategy and is reviewed on an annual basis by management using historical credit loss experience and forward-looking information.

The lifetime expected loss provision for trade receivables and contract assets is as follows:

	Current	**Under 90 days past due**	**Over 90 days past due**	**Total $000s**
At 30 November 2019				
Expected loss rate	0%	0%	86%	8.4%
Gross carrying amount	12,027	1,851	1,537	15,414
Loss provision	-	-	1,317	1,317
At 30 November 2018				
Expected loss rate	0%	0%	0%	0%
Gross carrying amount	18,456	451	-	18,907
Loss provision	-	108	-	108

At 30 November 2019 trade receivables of $351,000 (2018: $105,000) had lifetime expected credit losses of the full value of the receivables. The receivables due at the end of the financial year relate to five customers, four of which payment in full was considered unlikely; and one which ceased to trade. In the prior year it was due to one customer where payment in full was judged to be unlikely.

Trade receivables that are more than three months past due are reviewed for impairment on an individual basis including consideration of previous payment history and the ongoing relationship with the customer. The ageing analysis of trade receivables that were past due but not impaired is as follows:

Trade receivables	**As at 30 November 2019 $000s**	As at 30 November 2018 $000s
Neither past due nor impaired	12,026	18,456
Under 90 days overdue but not provided for	1,850	343
Under 90 days overdue and provided for	-	108
Over 90 days overdue and provided for	1,317	-
Over 90 days overdue but not provided for	221	-
	15,414	18,907

Standard credit terms vary from customer to customer largely based on territory. At the year end $3.3m of debts were past due (2018: $0.5m). As shown above, at 30 November 2019 and 30 November 2018 trade receivables more than 90 days old but not provided for amounted to $0.3m and $nil respectively. No further analysis has been provided here on the quality of these debts as they are unlikely to have a material adverse impact on the Group's future results.

17 Trade and other receivables (continued)

Movement on the Group provision for impairment of trade receivables is as follows:

	2019	2018
	$000s	$000s
At 1 December	**108**	231
Provision for receivables impaired	**37**	-
Amounts recovered during the year	**-**	(113)
Fair value on acquisition of 24i	**1,198**	-
Foreign exchange translation gains and losses	**(26)**	(10)
At 30 November	**1,317**	108

18 Cash and cash equivalents

	As at 30 November 2019	As at 30 November 2018
	$000s	$000s
Cash and cash equivalents	**8,612**	20,310

The Group's overall interest rate risk is explained in note 3 "Financial risk management".

19 Trade and other payables

	As at 30 November 2019	As at 30 November 2018
	$000s	$000s
Current liabilities		
Trade payables	**9,959**	14,165
Other payables	**125**	-
Accruals	**9,116**	9,332
Deferred consideration	**154**	-
Deferred post-acquisition remuneration	**395**	-
Total current financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	**19,749**	23,497
Social security and other taxes	**728**	500
Contract liabilities	**1,323**	229
Total Trade and other payables	**21,800**	24,226
Tax payable	**684**	393
	22,484	24,619
Non-current liabilities		
Other payables	**56**	-
Deferred contingent consideration	**529**	-
Deferred consideration	**154**	-
Deferred post-acquisition remuneration	**198**	-
24i Founders Put option (see note 27)	**1,848**	-
	2,785	-

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

20 Loans and borrowings

	As at 30 November 2019	As at 30 November 2018
	$000s	$000s
Bank loan	**7,314**	-

There is no difference between the book value and the fair value of the bank loan. The bank loan is denominated in USD and the rate at which the loan is payable is 1.5% above bank reference rate. The bank loan is secured by a fixed and floating charge over all assets of the Group.

During the year, the Group drew down $7,236,000 under its borrowing facility and subsequently arranged a new $15,000,000 borrowing facility which was accounted for as a non-substantial modification in accordance with IFRS 9. The fair-value adjustment charge recognised in interest expense amounted to $330,000. A total of $252,000 bank arrangement fee and legal fees were capitalised in the loan balance and will be amortised over the three-year term as part of the finance costs. The new facility is in the form of a revolving credit facility that allows the Group to repay and draw down loans during the initial three-year term and includes a $5,000,000 overdraft facility which was unused at 30 November 2019. As at 30 November 2019, the loan was due to be repaid on 25 February 2020.

The Group has undrawn committed floating rate borrowing facilities available at 30 November, for which all conditions have been met, as follows:

	As at 30 November 2019	As at 30 November 2018
	$000s	$000s
Expiry in more than 2 years	**8,034**	-

21 Provisions

	As at 30 November 2019 $000s			As at 30 November 2018 $000s		
	Uncertain tax	**Warranty**	**Total**	Uncertain tax	Warranty	Total
At 1 December	**1,110**	**208**	**1,318**	1,110	946	2,056
Credited in the year	**-**	**(20)**	**(20)**	-	(696)	(696)
Foreign exchange adjustment	**-**	**-**	**-**	-	(42)	(42)
At 30 November	**1,110**	**188**	**1,298**	1,110	208	1,318

Provisions comprise amounts reserved against uncertain corporation tax positions and potential warranty costs.

The Group provides a warranty on its products of up to two years and makes a provision for future warranty expenditure based on past experience of return rates and specific product quality issues. The provision is expected to be utilised or reversed within the next two years.

An uncertain tax provision has been recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. These uncertainties relate to the application of OECD transfer pricing principles within the Group’s subsidiaries.

It is possible that the ultimate resolution of these matters could result in tax or warranty charges that are materially higher or lower than the amount provided.

22 Financial assets and liabilities

Trade and other receivables, cash and cash equivalents, and trade and other payables are measured at amortised cost. The accounting policies applied are set out in note 2. The carrying amounts of financial assets and liabilities as at 30 November 2019 are categorised as follows:

Carrying value of financial assets and liabilities within the consolidated balance sheet:	**As at 30 November 2019 $000s**	As at 30 November 2018 $000s
Financial assets		
Trade and other receivables due after one year	**430**	402
Trade and other receivables	**15,347**	19,127
Cash and cash equivalents	**8,612**	20,310
Financial assets at amortised cost	**24,389**	39,839
Financial liabilities		
Trade and other payables at amortised cost	**10,084**	14,165
Accruals	**9,116**	9,332
Deferred post-acquisition remuneration	**593**	-
Deferred consideration	**308**	-
Bank loan	**7,314**	-
24i founders Put Option	**1,848**	-
Financial liabilities at amortised cost	**29,263**	23,497

All financial liabilities at amortised cost based on contractual undiscounted payments are due for settlement within six months, except $198,000 deferred post-acquisition remuneration and $154,000 deferred consideration, both payable on the second anniversary of the acquisition, and the 24i founders Put Option which can be exercised only on the second anniversary of the acquisition, 12 July 2021.

There is no material difference between the fair value and book value of financial instruments.

23 Deferred tax

The Group had recognised deferred tax assets as follows:

Tax effect of temporary differences because of:	Tax losses carried forwards $000s	Equity settled share options $000s	**Total $000s**
At 1 December 2017	511	240	**751**
(Charged)/credited to the income statement	205	(205)	**-**
Foreign exchange adjustment	(23)	(12)	**(35)**
At 30 November 2018	693	23	**716**
(Charged)/credited to the income statement	(218)	131	**(87)**
Foreign exchange adjustment	6	2	**8**
At 30 November 2019 (see note 11)	**481**	**156**	**637**

The Group had potential unrecognised deferred tax assets as follows:

	As at 30 November 2019 $000s	As at 30 November 2018 $000s
Tax effect of temporary differences because of:		
Differences between capital allowances and depreciation	**37**	37
Tax losses carried forward	**1,763**	1,578
Equity-settled share options	**-**	-
Other short term temporary differences	**15**	15
	1,815	1,630

Factors that may affect the future tax charge

The directors have recognised a deferred tax asset in respect of taxable losses based on their expectation of the Group generating taxable profits in the next 12 months. No deferred tax asset is recognised on a further $7.5m of other trading losses, temporary differences, or property, plant and equipment timing differences (2018: $7.7m).

During the year, the Group used $6.8m tax losses (2018: $0.6m), as can be seen from the movement in recognised and unrecognised tax losses above.

The Group also had recognised deferred tax liabilities due to the tax effect of temporary differences because of the acquisition of subsidiaries as follows:

	As at 30 November 2019		As at 30 November 2018	
	Amount recognised	**Amount unrecognised**	Amount recognised Restated	Amount unrecognised
Deferred tax liability	**$000s**	**$000s**	$000s	$000s
At 1 December as reported	**1,195**	-	1,854	-
Prior year restatement (see note 35)	**183**	-	314	-
Recognised in the income statement	**(734)**	-	(734)	-
Acquisition of subsidiary (see note 27)	**3,773**	-	-	-
Foreign exchange adjustment	**-**	-	(56)	-
At 30 November	**4,417**	-	1,378	-

The amount recognised in the income statement was a credit of $734k (2018: credit of $734k).

24 Share capital

	As at 30 November 2019 $000s	As at 30 November 2018 $000s
Allotted, called up and fully paid		
78,069,571 (2018: 74,872,391) Ordinary shares of 1p each	1,367	1,327

During the year the Company issued 3,197,180 (2018: nil) new shares with an aggregate nominal value of $40,000 and consideration received of $3,665,000. The Company holds 2,039,647 (2018: 2,039,647) of its own shares in Treasury.

25 Share based payments

Options granted to current and former employees and non-executives and others were under the following schemes:

	As at 30 November 2019 Number	As at 30 November 2018 Number
Granted:		
• Unapproved Share Option Scheme	**5,397,219**	5,322,018
• Individual share option schemes	**-**	120,424
	5,397,219	5,442,442

Options granted under these schemes will be satisfied out of ordinary shares of 1p each through shares held in Treasury by the Company.

The number of options relating to current and former employees and non-executives over ordinary shares of 1p each, granted, lapsed or cancelled during the year was as follows:

Date granted	Exercise price	As at 30 November 2018 Number	Granted Number	Exercised Number	Lapsed Number	As at 30 November 2019 Number	Notes
May 2014	£0.89	120,424	-	-	(120,424)	-	
May 2014	£0.89	94,202	-	-	(94,202)	-	
July 2014	£0.94	142,451	-	-	(142,451)	-	
October 2015	£1.32	467,021	-	-	(15,000)	452,021	
July 2016	£1.12	249,575	-	-	(29,681)	219,894	
November 2016	£1.59	2,777,619	-	-	(206,722)	2,570,897	(a)
November 2016	£1.605	116,150	-	-	(40,249)	75,901	
May 2017	£2.09	20,000	-	-	-	20,000	(b)
October 2017	£1.93	300,000	-	-	-	300,000	(c)
March 2018	£0.00	600,000	-	-	(150,000)	450,000	(d)
July 2018	£1.985	555,000	-	-	(248,494)	306,506	(e)
March 2019	£0.86	-	467,000	-	-	467,000	(f)
July 2019	£0.00	-	535,000	-	-	535,000	(g)
		5,442,442	1,002,000	-	(1,047,223)	5,397,219	

25 Share based payments (continued)

Notes:

(a) 1,991,521 of these options are subject to the following performance criteria, the balance have vested:

- 50% shall vest if annual compound growth in the Total Shareholder Return, between 16 November 2016 and 31 May 2020, equals or exceeds 10% per annum.
- 50% shall vest if the annual compound increase in Earnings per Share, between 1 December 2016 and 30 November 2019, is equal to or exceeds 10% .

(b) These options will vest three years after the date of grant.

(c) The vesting conditions of these options are as follows, first 50,000 three years after grant date, of the balance:

- 50% shall vest if annual compound growth in the Total Shareholder Return, between 16 October and 28 February 2021, equals or exceeds 10% per annum.
- 50% shall vest if the annual compound increase in Earnings per Share, between 1 December 2017 and 30 November 2020 is equal to or exceeds 10%.

(d) The vesting conditions of these options are as set out in the tables below:

Adjusted EPS for year ended 30 November 2020 (pence)	Number of options vesting	Adjusted EPS for year ended 30 November 2021 (pence)	Number of options vesting
<17.29	-	<18.58	-
17.29-17.76	13,500	18.58-19.36	20,250
17.77-18.09	45,000	19.37-19.90	67,500
≥18.10	90,000	≥19.91	135,000

TSR for 20 days after announcement of results for year ended 30 November 2020 (pence)	Number of options vesting	TSR for 20 days after announcement of results for year ended 30 November 2021 (pence)	Number of options vesting
<226.24	-	<243.21	-
226.24-232.59	13,500	243.21-253.52	20,250
232.60-236.88	45,000	253.53-260.57	67,500
≥232.89	90,000	≥260.58	135,000

(e) 275,000 of these options are subject to the following performance criteria, the balance will vest three years after the date of grant:

- 50% shall vest if annual compound growth in the Total Shareholder Return, between 18 July 2018 and 17 July 2021, equals or exceeds 10% per annum.
- 50% shall vest if the annual compound increase in Earnings per Share, between 1 December 2017 and 30 November 2020, is equal to or exceeds 10%.

(f) These options will vest three years after the date of grant.

(g) The vesting conditions of these options are as set out in the table below:

Average share price for 90 days ending 15 July 2022 (pence)	Number of options vesting
< 120	-
120	133,750
120.5 – 127.0	160,500 – 508,250 (an additional 5% for each 0.5 pence by which the share price exceeds 120 pence)
≥127.5	535,000

25 Share based payments (continued)

All other options excluding (a)-(g) as noted above have vested in full.

For options exercised in year:

- The weighted average exercise price of options exercised was £N/A (2018: £0.92).
- The weighted average share price at date of exercise was £ N/A (2018: £1.94).

For options granted in year:

- The weighted average fair value of options granted was £0.29 (2018: £0.49).
- The weighted average exercise price of options granted was £0.40 (2018: £0.95).

For options lapsed in year:

- The weighted average exercise price of options lapsed was £1.21 (2018: £1.51).

At 30 November 2019 there were a total of 5,397,219 options outstanding of which 1,288,072 had vested and were exercisable with a weighted average exercise price of £1.42 (2018: 794,098 exercisable options with a weighted average exercise price of £1.09). The options outstanding at the end of the year have a weighted average contractual life of 2.2 years (2018: 2.4 years).

During the year the Group recognised a total expense relating to employee share-based payments under the equity-settled share option plans of $829,000 (2018: $1,378,000), including the 2016 LTIP, see below.

The fair values of options granted were determined using a Black-Scholes model or Monte Carlo simulation option pricing model that takes into account factors specific to the share option plans, such as the vesting period. The related performance condition, being a market condition, has been incorporated into the measurement by means of actuarial modelling. The following principal assumptions were used in the valuation:

Grant date	**15 July 2019**	**13 March 2019**	**18 July 2018**	**6 March 2018**
Vesting period ends	15 July 2022	13 March 2022	18 July 2021	28 February 2021
Share price at date of grant	£1.22	£0.86	£1.985	£1.975
Volatility	28.0%	33.8%	26.6%	19.9%
Option life	3 years	3 years	3 years	2.5 years
Dividend yield	6.0%	8.7%	3.4%	3.4%
Risk-free investment rate	0.58%	0.85%	0.94%	0.83%
Fair value at grant date	£0.46	£0.10	£0.30	£0.67
Exercise price at date of grant	£0.00	£0.86	£1.985	£0.00
Exercisable to	15 July 2024	13 March 2024	18 July 2023	No limit

The underlying expected volatility was determined by reference to the Company’s historical share price movements.

26 Investment in own shares

Offset within the Group profit and loss reserve at 30 November 2019 is an amount of $126 (2018: $126) representing the cost of own shares held. These shares are held by the EBT as detailed in note 1 to the parent company financial statements.

A further $2,687,075 (2018: $2,687,075) is offset within the Group profit and loss reserve at 30 November 2019 in relation to 2,039,647 of the Company's own shares repurchased in 2011 and 2014 and held in treasury less those used to settle part of the contingent post acquisition remuneration payable relating to the acquisition of Entone, Inc (completed in 2015). and to settle SAYE exercises in prior years.

27 Acquisition of subsidiaries

On 12 July 2019, the Group acquired 87% of the issued share capital of 24i Unit Media BV ("24i"), obtaining control of 24i Unit Media BV and its subsidiaries. 24i is an online video specialist, providing Apps as well as user experience solutions and services. 24i was acquired to extend Amino's offering to deliver full 'end to end' solutions to customers and accelerates the evolution towards higher margin software and recurring revenues as planned. The acquisition develops a new customer base for the Group, complements the existing customer base and provides earlier sight of upcycling opportunities via entry to the growing user experience market. The acquisition was completed in Euros, being the functional currency of the 24i Group.

Following a concurrent reorganisation, the Group owns 92% of the issued share capital of 24i, with the balance owned by the founders. The reorganisation comprised the transfer of 100% of the issued share capital of Amino Communications Oy to 24i and provision of €5 million of working capital funding.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are set out in the table below.

	Book value $000	Fair value adjustment $000	Fair value $000
Identifiable intangible assets	5,305	9,852	15,157
Property, plant and equipment	139	-	139
Current assets			
• Current trade and other receivables	1,717	-	1,717
• Cash and cash equivalents	926	-	926
Liabilities			
• Bank overdraft	(1,995)	-	(1,995)
• Current trade and other payables	(4,122)	-	(4,122)
• Bank loan	(1,613)	-	(1,613)
• Deferred contingent consideration	(542)	-	(542)
• Deferred tax liability	-	(3,773)	(3,773)
Total identifiable assets and liabilities	(185)	6,079	5,894
Less: non-controlling interest 13%			(766)
Goodwill (see note 14)			16,675
Total consideration			**21,803**

27 Acquisition of subsidiaries (continued)

Satisfied by:

	Fair value $000
Cash	17,847
Equity instruments (3,197,180 ordinary shares of Amino Technologies plc)	3,648
Deferred consideration arrangements	308
Total consideration transferred	**21,803**
Net cash outflow arising on acquisition	
Cash consideration	17,847
Less: cash and cash equivalent balances acquired	(926)
Plus: overdrawn bank balances acquired	1,995
Net cash outflow on acquisition	18,916

The fair value of the financial assets includes trade receivables with a fair value of $1,231,000 and a gross contractual value of $2,435,000. The best estimate at acquisition date of the contract cash flows not to be collected is $1,198,000.

The goodwill of $16,675,000 arising from the acquisition consists of expected growth in the sale of online video apps and solutions. None of the goodwill is expected to be deductible for income tax purposes.

The fair value of the 3,197,180 ordinary shares issued as part of the consideration paid for 24i of $3,648,000 was determined by reference to the 60-day volume weighted average price to 30 June 2019.

Total consideration as announced on 15 July 2019 includes €2,147,000 of deferred consideration payable €1,073,000 in cash each on the first and second anniversaries of the acquisition. The payment of €1,866,000 is conditional upon two founder shareholders remaining as management of 24i; this employment condition requires that the payment is accounted for as post-completion contingent remuneration. Details of the expense for the year are contained in note 6 and the balance at the reporting date are contained in note 19. The remaining payment of €281,000 ($308,000) has been included in consideration above.

Following the reorganisation and provision of working capital funding the non-controlling interest reduced from $766,000, being 13% of the total identifiable assets of $5,894,000, to 8% of the enlarged 24i Group which now includes Amino Communications Oy, with a carrying value at 30 November 2019 of $598,000.

The vendors of 24i retain an 8% shareholding and have been granted a put option to sell this 8% to the Company on 12 July 2021 in return for 1p Ordinary Shares in the Company or cash, at the Company's discretion. If this option is exercised, the price paid per 24i share will be equal to the price paid per share at acquisition date. This option has been valued at inception in accordance with IFRS 9 using the Euro cash value payable, discounted at 14.32% back to the reporting date, being the discount rate used in the 24i goodwill impairment review (see note 14). The value of $1,750,000 is shown in other reserves in the statement of changes in equity and the liability of $1,848,000, including $98,000 interest, is shown in note 19.

The costs of the acquisition were $1,125,000. 24i, excluding Amino Communications Oy, contributed $5,310,000 revenue and $743,000 loss to the Group's profit for the period between the date of acquisition and the balance sheet date. If the acquisition of 24i had been completed on the first day of the financial year, Group revenues for the period would have been $82,613,000 and Group profit after tax would have been a profit of $495,000.

28 Notes supporting statement of cash flows

Cash generated from operations	**Year to 30 November 2019** **$000s**	Year to 30 November 2018 Restated $000s
Profit for the year	**2,852**	7,789
Tax expense/(credit)	**629**	(70)
Net finance costs/(income)	**853**	(37)
Amortisation charge	**8,384**	8,696
Depreciation charge	**281**	430
Loss on disposal of property, plant and equipment	**55**	7
Share based payment charge	**829**	1,378
Exchange differences	**(247)**	(253)
Decrease in inventories	**1,234**	652
Decrease/(increase) in trade and other receivables	**5,524**	(5,278)
Decrease in provisions	**(20)**	(738)
(Decrease)/increase in trade and other payables	**(6,559)**	1,734
Cash generated from operations	**13,815**	14,310

Adjusted operating cash flow before exceptional cash outflows was $17,179,000 (2018: $14,115,000).

	Year to 30 November 2019 **$000s**	Year to 30 November 2018 $000s
Adjusted operating cashflow	**17,179**	14,115
Redundancy and associated costs	**(1,753)**	(1,268)
Acquisition costs	**(1,125)**	-
Aborted acquisition costs	**-**	(382)
Proceeds of a claim settled against former Entone, Inc. shareholders in respect of previously unrecorded liabilities identified post the acquisition of Entone, Inc.	**-**	2,700
Escrow release received & paid to employees	**(486)**	486
Royalty settlements relating to pre-acquisition liabilities of Entone Inc.	**-**	(1,341)
Cash generated from operations	**13,815**	14,310

	Current loans and borrowings $000s	Put option liability $000s	**Total** **$000s**
At 1 December 2018	-	-	**-**
Cash flows	5,653	-	**5,653**
Non-cash flows			
Amounts recognised on business combinations	1,613	1,751	**3,364**
Loan modification	78	-	**78**
Effects of foreign exchange	(30)	-	**(30)**
Interest accruing in the year	-	97	**97**
At 30 November 2019	**7,314**	**1,848**	**9,162**

There were no movements in the year to 30 November 2018 to disclose.

29 Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

Group	**Property 2019 $000s**	**Plant and machinery 2019 $000s**	Property 2018 $000s	Plant and machinery 2018 $000s
No later than one year	**988**	**25**	1,043	27
Later than one year and no later than five years	**1,799**	**12**	63	17
	2,787	**37**	1,106	44

The Group leases offices under non-cancellable operating lease agreements. The leases have various terms, escalation clauses and renewal rights. The Group also leases office equipment under non-cancellable operating lease agreements.

30 Contingent liabilities

The Group's products incorporate third party technology, usually under licence. Inadvertent actions may expose the Group to the risk of infringing third party intellectual property rights. Potential claims can still be submitted many years after a product has been deployed. Any such claims are vigorously defended. The Group had no contingent liabilities at 30 November 2019 or 30 November 2018.

31 Pension commitments

The Group operates a number of defined contribution schemes for employees and also makes contributions to the private pension plans of a small number of employees.

The Group's pension charge for the year was $786,000 (2018: $1,148,000). A payable of $70,000 is included within other payables at 30 November 2019 (2018: $111,000) in respect of the final month's contributions.

32 Related party transactions

Dividends totalling $52,787 (2018: $106,642) were paid in the year in respect of ordinary shares held by the Company's directors.

			Balances owed by/(to) the Group		Purchases by the Group	
Name of related party	Nature of purchases	Relationship	**As at 30 November 2019 $000s**	As at 30 November 2018 $000s	**Year to 30 November 2019 $000s**	Year to 30 November 2018 $000s
Ignite Advisors LLC	Consultancy services	Owned by Steve McKay, former non-executive director	**4**	7	**3**	234
Michael Clegg	Director fees only	Former non-executive director	**5**	6	**-**	-
Progressive Equity Research Limited	Company research services	Stephen Vaughan, non-executive director, is also a director of Progressive	**8**	N/A	**11**	N/A
Traiectum BV	Director fees only	Owned by Hans Disch director of subsidiary companies	**34**	N/A	**83**	N/A
Martijn van Horssen Holding BV	Director fees only	Owned by Martijn van Horssen director of subsidiary companies	**(14)***	N/A	**83**	N/A

The amounts outstanding are unsecured and will be settled in cash. There were no sales to related party companies. *The balance of $14,000 is amounts paid for services rendered in advance of receiving an invoice. Directors fees payable to Ignite Advisors LLC and Michael Clegg have been disclosed in the directors' remuneration report on pages 22 to 23.

33 Post balance sheet events

There are no post balance sheet events requiring disclosure in the financial statements for the year ended 30 November 2019.

34 Effects of changes in accounting policies

The Group adopted IFRS 9 and IFRS 15 with a transition date of 1 December 2018. The accounting policy changes did not result in any restatement of the comparatives in the Group financial statements. IFRS 15 has replaced IAS 18 Revenue (IAS 18) and IAS 11 Construction Contracts as well as various Interpretations previously issued by the IFRS Interpretations Committee. The Group financial statements have not been impacted by the adoption of IFRS 15.

The Group chose to adopt IFRS 15 using the cumulative catch-up method. The Group has elected to apply the Standard retrospectively only to contracts that are not completed contracts at 1 December 2018. There were no differences between how the Group accounted for revenue between IAS 18 and IFRS 15 because the point of transfer of control is the same as the point of transfer of risks and rewards under IAS 18.

IFRS 9 has replaced IAS 39 Financial Instruments: Recognition and Measurement (IAS 39), and its adoption has had no significant effect on the Group. The Group has applied IFRS 9 retrospectively and has not applied the standard to items that have already been derecognised at the date of initial application. Although the classification of financial assets and liabilities has changed, the measurement has not, they remain at amortised cost. The policy for the impairment of trade receivables has changed but has had no material impact.

35 Prior year restatement

In 2015, goodwill, acquired intangible assets and associated deferred tax liabilities recognised in respect of the acquisitions of Booxmedia Oy and Entone, Inc. were recorded in the consolidated financial statements in sterling, the functional currency of the parent company. When the Group's presentation currency changed to US dollars for the year ended 30 November 2018, these sterling values were translated to US dollars. However, IAS 21 requires these assets and liabilities to be treated as assets and liabilities of the foreign operation and expressed in the functional currency of the foreign operation. For Booxmedia Oy this should have been Euro and for Entone, Inc. this should have been US dollars.

Consequently, the prior year comparatives have been restated as if the goodwill, acquired intangible assets and associated deferred tax liabilities recognised on the acquisition of Booxmedia Oy had been recorded in Euro and those recognised on the acquisition of Entone, Inc. had been recorded in US dollars. The following tables summarise the impact of the prior period restatement.

Impact on earnings per share and profit for the financial year in the consolidated income statement

For the year ended 30 November 2018	Profit for the year from continuing operations	Basic earnings per share	Diluted earnings per share
	$000s	US cents	US cents
As previously reported	8,179	11.25	11.23
Increase in amortisation of acquired intangible assets	(521)	(0.72)	(0.71)
Additional deferred tax credit	131	0.18	0.18
As restated	7,789	10.71	10.70

Impact on net foreign exchange losses arising on consolidation in the consolidated statement of comprehensive income:

	Year to 30 November 2018
	$000s
Net foreign exchange loss arising on consolidation (as previously reported)	(2,594)
Foreign exchange adjustment	1,929
Net foreign exchange loss arising on consolidation (restated)	(665)

35 Prior year restatement (continued)

Impact on the consolidated statement of financial position:

	As at 30 November 2018 $000s	As at 30 November 2017 $000s
Intangible assets (as previously reported)	54,734	60,672
Foreign exchange adjustment	12,372	10,112
Amortisation charge	(2,082)	(1,230)
Intangible assets (restated)	65,024	69,554
Deferred tax liabilities (as previously reported)	1,195	1,854
Foreign exchange adjustment and corresponding adjustment of deferred tax credit	183	314
Deferred tax liabilities (restated)	1,378	2,168
Total equity (as previously reported)	73,487	73,093
Impact of the adjustments set out above	10,107	8,568
Total equity (restated)	83,594	81,661

Company balance sheet

For the year ended 30 November 2019

	Notes	As at 30 November 2019 £000s	As at 30 November 2018 £000s
Fixed assets			
Investments	3	**27,070**	8,994
Current assets			
Debtors: amounts falling due within one year	4	**11,012**	25,825
Cash at bank and in hand		**2**	2
		11,014	25,827
Creditors: amounts falling due within one year	5	**(13,955)**	(9,406)
Net (current liabilities)/ current assets		**(2,941)**	16,421
Creditors: amounts falling due after more than one year	5	**(119)**	-
Total assets less liabilities being net assets		**24,010**	25,415
Capital and reserves			
Called-up share capital	6	**781**	749
Share premium		**23,748**	20,854
Capital redemption reserve		**6**	6
Foreign exchange reserve		**-**	(210)
Profit and loss account		**(525)**	4,016
Total shareholder funds		**24,010**	25,415

As permitted by Section 408 of the Companies Act 2006, the Parent Company's profit and loss account has not been included in these financial statements. The Parent Company's profit after tax was £244,095 (2018: profit of £879,001).

The financial statements were approved and authorised for issue by the Board of directors on 26 February 2020 and were signed on its behalf by:

Donald McGarva
Director

Mark Carlisle
Director

Registered number: 05083390

Company statement of changes in equity

For the year ended 30 November 2019

	Share capital £000s	Share premium £000s	Capital redemption Reserve £000s	Foreign Exchange reserve £000s	Profit and loss £000s	Total £000s
At 30 November 2017	749	20,854	6	(296)	6,885	28,198
Profit for the year	-	-	-	-	879	879
Other comprehensive income	-	-	-	86	-	86
Total comprehensive income	-	-	-	86	879	965
Dividends paid	-	-	-	-	(4,946)	(4,946)
Share based payment charge	-	-	-	-	1,031	1,031
Movement on EBT shareholding	-	-	-	-	34	34
Options exercised from Treasury shares	-	-	-	-	133	133
Total transactions with shareholders	-	-	-	-	(3,748)	(3,748)
At 30 November 2018	749	20,854	6	(210)	4,016	25,415
Profit for the year	-	-	-	210	244	454
Other comprehensive expense	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	244	454
Dividends paid	-	-	-	-	(5,385)	(5,385)
Share based payment charge	-	-	-	-	600	600
Issue of share capital	32	2,894	-	-	-	2,926
Total transactions with shareholders	32	2,894	-	-	(4,785)	(1,859)
At 30 November 2019	**781**	**23,748**	**6**	**-**	**(525)**	**24,010**

Notes to the parent company financial statements

For the year ended 30 November 2019

1 Summary of significant accounting policies

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to both the years presented, unless otherwise stated.

Basis of preparation

The financial statements of Amino Technologies plc have been prepared in compliance with United Kingdom accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and the Companies Act 2006. A summary of the significant accounting policies, which have been reviewed by the Board of directors is set out below. The financial statements are prepared in accordance with the historical cost convention.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102, as it is a qualifying entity and its financial statements are included in the consolidated financial statements of its ultimate parent company, Amino Technologies plc:

- A reconciliation of the number of shares outstanding at the beginning and end of the period;
- Disclosures for financial assets and financial liabilities;
- Key management personnel compensation in total.

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12 (b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Amino Technologies plc, includes the Company's cash flows in its consolidated financial statements.

Going concern

The Company's subsidiary undertakings had net cash resources of $1.4m at the balance sheet date and an unused $5m overdraft facility. The Company's investments are profitable and cash generative; as such the directors have, at the time of approving the financial statements, a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Investments

Investments are stated at cost, less any provisions for impairment in value.

At each reporting date, investments are assessed to determine whether there is an indication that they may be impaired. If there is such an indication, the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtained as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the income statement.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the statement of comprehensive income.

Debtors

Short term debtors, including amounts due from related party undertakings, are measured at transaction price, less any impairment.

Notes to the parent company financial statements (continued)

For the year ended 30 November 2019

1 Summary of significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Deferred consideration

In addition to the consideration paid on the acquisition of 24i Unit Media BV ("24i") in July 2019, €2.1m of deferred consideration will be payable in two equal amounts on the first and second anniversaries of the acquisition. Of this, €1.8m is contingent on two individuals remaining with 24i and therefore the cost and liability have been recorded in the subsidiary. The balance of €0.3m has been recorded in the Company accounts and is disclosed in note 5.

Put option regarding non-controlling interest

Following the acquisition of 24i, the founders have retained an 8% non-controlling interest. The founders were granted a put option to sell this non-controlling interest on the second anniversary of the acquisition in return for 1p Ordinary Shares in the Company or for cash at the Company's discretion. If the option is exercised, the price paid per 24i share by the Company will be equal to the price paid per share of Total Consideration. This put option has been valued as a derivative in accordance with FRS 102, with movements recognised in profit or loss. The value at the balance sheet date has been assessed as immaterial using the value-in-use calculation prepared as part of the goodwill impairment review in respect of 24i.

Employee share option schemes

The Company grants options over its equity instruments to the employees of its subsidiaries. The carrying value of the investment in these subsidiaries is increased by an amount equal to the fair value of the share-based payment charge attributable to the option holders in the respective subsidiaries.

An Employee Benefit Trust (EBT) is maintained in order to facilitate the exercise of these share options. This is aggregated into the Parent Company in accordance with FRS 102. The costs of purchasing own shares held by the EBT are deducted from profit and loss reserves. Neither the purchase nor sale of own shares leads to a gain or loss being recognised in the Company's income statement or statement of comprehensive income. When shares are subsequently transferred to employees for less than their purchase price the difference is a realised loss recognised directly in reserves.

2 Profit for the year

Directors' emoluments are disclosed in the Remuneration Committee report on pages 22 to 23. The Company had no employees in either year. The audit fee for the Parent Company was £3,200 (2018: £3,200). This expense was met by a trading subsidiary.

3 Fixed asset investments

	Year to 30 November 2019	Year to 30 November 2018
	£000s	£000s
Cost and net book value as at 1 December	**8,994**	7,963
Capital contributions arising from share based payments charge	**600**	1,031
Acquisition of subsidiary undertaking	**17,476**	-
Cost and net book value as at 30 November	**27,070**	8,994

Notes to the parent company financial statements (continued)

For the year ended 30 November 2019

3 Fixed asset investments (continued)

Name of undertaking	Country of incorporation	Description of shares held	Proportion of nominal value of shares and voting rights held by the Group
Amino Holdings Limited	England and Wales	Ordinary shares of 1p each	100%
Amino Communications Limited	England and Wales	Ordinary shares of £1 each	*100%
Amino Communications LLC	Delaware, USA	Ordinary shares of $1 each	*100%
Amino Communications Employee Benefit Trust	England and Wales	Ordinary shares of £1 each	*100%
Amino Communications AB	Sweden	Ordinary shares of SEK 100	*100%
Amino Communications Oy	Finland	Ordinary shares of €1 each	*92%
Amino Technologies (US) LLC	Delaware, USA	Ordinary shares of $0.0001 each	*100%
Amino Technologies (HK) Limited	SAR Hong Kong	Ordinary shares of HKD 59.2 each	*100%
24i Holdings Limited	England and Wales	Ordinary shares of £0.01 each	*100%
Robbie BV	Netherlands	Ordinary shares of €1 each	*100%
24i Unit Media BV	Netherlands	Ordinary shares of €1 each	*92%
24i Media USA LLC	California, USA	Ordinary shares with no par value	*92%
Vigour Inc	Delaware, USA	Ordinary shares of $1 each	*92%
24i Media s.r.o	Czech Republic	Ordinary shares of CZK1 each	*92%
Mautilus s.r.o	Czech Republic	Ordinary shares of CZK each	*92%
24i Media ES S.L.	Spain	Ordinary shares of €1 each	*92%
Stream1 Holding BV	Netherlands	Ordinary shares of €1 each	*92%
Stream1 BV	Netherlands	Ordinary shares of €1 each	*92%
Stream1 IP BV	Netherlands	Ordinary shares of €1 each	*92%

*indirectly held

All of the above subsidiaries are included within the consolidated financial statements of Amino Technologies plc for the year ended 30 November 2019.

3 Fixed asset investments (continued)

Name of undertaking	Registered Office	Activity
Amino Holdings Limited	Botanic House, 100 Hills Road, Cambridge CB2 1PH	Non-trading intermediate holding company
Amino Communications Limited	Botanic House, 100 Hills Road, Cambridge CB2 1PH	Development of software technologies and customer-premises' products for the IPTV market, partnering with world-leading companies in content aggregation, middleware, conditional access, and head-end systems
Amino Communications LLC	Botanic House, 100 Hills Road, Cambridge CB2 1PH	Non-trading intermediate holding company
Amino Communications Employee Benefit Trust	Botanic House, 100 Hills Road, Cambridge CB2 1PH	Holds a number of shares in the Company for the benefit of the employees and former employees of the Company and its subsidiaries to provide employees with the opportunity of acquiring shares in the Company
Amino Communications AB	Botanic House, 100 Hills Road, Cambridge CB2 1PH	Dormant
Amino Communications Oy	Annankatu 31-33 E, FI-00100 Helsinki, Finland	Provision of Cloud-TV technology as a service, enabling broadcasters, operators and copyright owners to deliver TV services
Amino Technologies (US) LLC	1633 Bayshore HWY, Suite, 338, Burlingame, CA 94010, USA	Marketing and distribution of products of Amino Communications Limited in North America
Amino Technologies (HK) Limited	Level 20, Billion Plaza Two,10 Cheung Yue Street, Lai Chi Kok, Hong Kong	Software development and after sales services
24i Holdings Limited	Botanic House, 100 Hills Road, Cambridge CB2 1PH	Non-trading intermediate holding company
Robbie BV	Transformatorweg 78, 1014 AK Amsterdam, The Netherlands	Non-trading intermediate holding company
24i Unit Media BV	Transformatorweg 78, 1014 AK Amsterdam, The Netherlands	Development and deployment of TV apps for every screen, from set-top boxes, SmartTVs and media players to game consoles, tablets and mobile phones
24i Media USA LLC	852 Palms Blvd, Venice CA 90291	See 24i Unit Media BV
Vigour Inc	852 Palms Blvd, Venice CA 90291	See 24i Unit Media BV
24i Media s.r.o	Londýnské náměstí 1, 639 00 Brno, Czech Republic	See 24i Unit Media BV
Mautilus s.r.o	U Vodárny 3032/2a, Brno, Postal Code 616 00, Czech Republic	See 24i Unit Media BV
24i Media ES S.L.	Calle del Prado 4 1ºB, 28014 Madrid Spain	See 24i Unit Media BV
Stream1 Holding BV	Transformatorweg 78, 1014 AK Amsterdam, The Netherlands	Non-trading intermediate holding company
Stream1 BV	Transformatorweg 78, 1014 AK Amsterdam, The Netherlands	See 24i Unit Media BV
Stream1 IP BV	Transformatorweg 78, 1014 AK Amsterdam, The Netherlands	Holding company for Intellectual Property

4 Debtors: amounts falling due within one year

	As at 30 November 2019 £000s	As at 30 November 2018 £000s
Amounts owed by Group undertakings	**11,012**	25,825

Amounts owed to the Company are unsecured, due on demand and may be subject to a market rate of interest.

5 Creditors

Amounts falling due within one year	**As at 30 November 2019 £000s**	As at 30 November 2018 £000s
Deferred consideration	**119**	-
Amounts owed to Group undertakings	**13,800**	9,406
Corporation tax payable	**36**	-
	13,955	9,406
Amounts falling due after more than one year		
Deferred consideration	**119**	-

The deferred consideration payable relates to the acquisition of 24i Unit Media BV completed on 12 July 2019. Further details are given in note 27 to the consolidated financial statements.

Amounts owed to the Group undertakings are unsecured, due on demand and subject to a market rate of interest.

6 Share capital

	As at 30 November 2019 £000s	As at 30 November 2018 £000s
Allotted, called up and fully paid		
78,069,571 (2018: 74,872,391) Ordinary shares of 1p each	**781**	749

During the year, the Company issued 3,197,180 Ordinary shares with an aggregate nominal value of £32,000 and consideration received of £2,926,000 as part of the consideration for the acquisition of 24i Unit Media BV. Further details are given in note 27 to the consolidated financial statements.

The Company holds 2,039,647 of its own shares in treasury (2018: 2,039,647).

7 Share based payments

Information on share options which have been granted to directors and employees are given in note 25 to the consolidated financial statements.

8 Equity

Equity includes the following reserves:

- Called up share capital represents the nominal value of shares that have been issued.
- Share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.
- Capital redemption reserve comprises the repurchase and cancellation of own shares on 15 April 2008.
- Profit and loss account includes all current and prior period retained profits and losses.

9 Related party transactions

The Company takes advantage of the exemption under FRS102 for transactions with wholly owned group companies. There were no other related party transactions during the year, other than dividends totalling £41,244 (2018: £77,518) paid in the year in respect of ordinary shares held by the Company's directors.

Directors	**Karen Bach,** *Non-executive Chairman* **Donald McGarva,** *Chief Executive Officer* **Mark Carlisle,** *Chief Financial Officer* **Joachim Bergman,** *co-Chief Executive Officer of 24i* **Steve Vaughan,** *Non-executive Director* **Erika Schraner,** *Non-executive Director*
Registered Office	Botanic House 100 Hills Road Cambridge CB2 1PH
Secretary	**Stephanie Lord**
Nominated Adviser and Stockbroker	**finnCap Limited** 60 New Broad Street London EC2M 1JJ
Auditor	**BDO LLP** 55 Baker Street Marylebone London W1U 7EU
Solicitors to the Company	**Hewitsons** Shakespeare House 42 Newmarket Road Cambridge CB5 8EP
Registrars and Receiving Agents	**Link Asset Services** 65 Gresham Street London EC2V 7NQ
Head Office	**Amino Technologies plc** 1010 Cambourne Business Park Cambourne Cambridge CB23 6DP Tel: +44 (0) 1223 598 197

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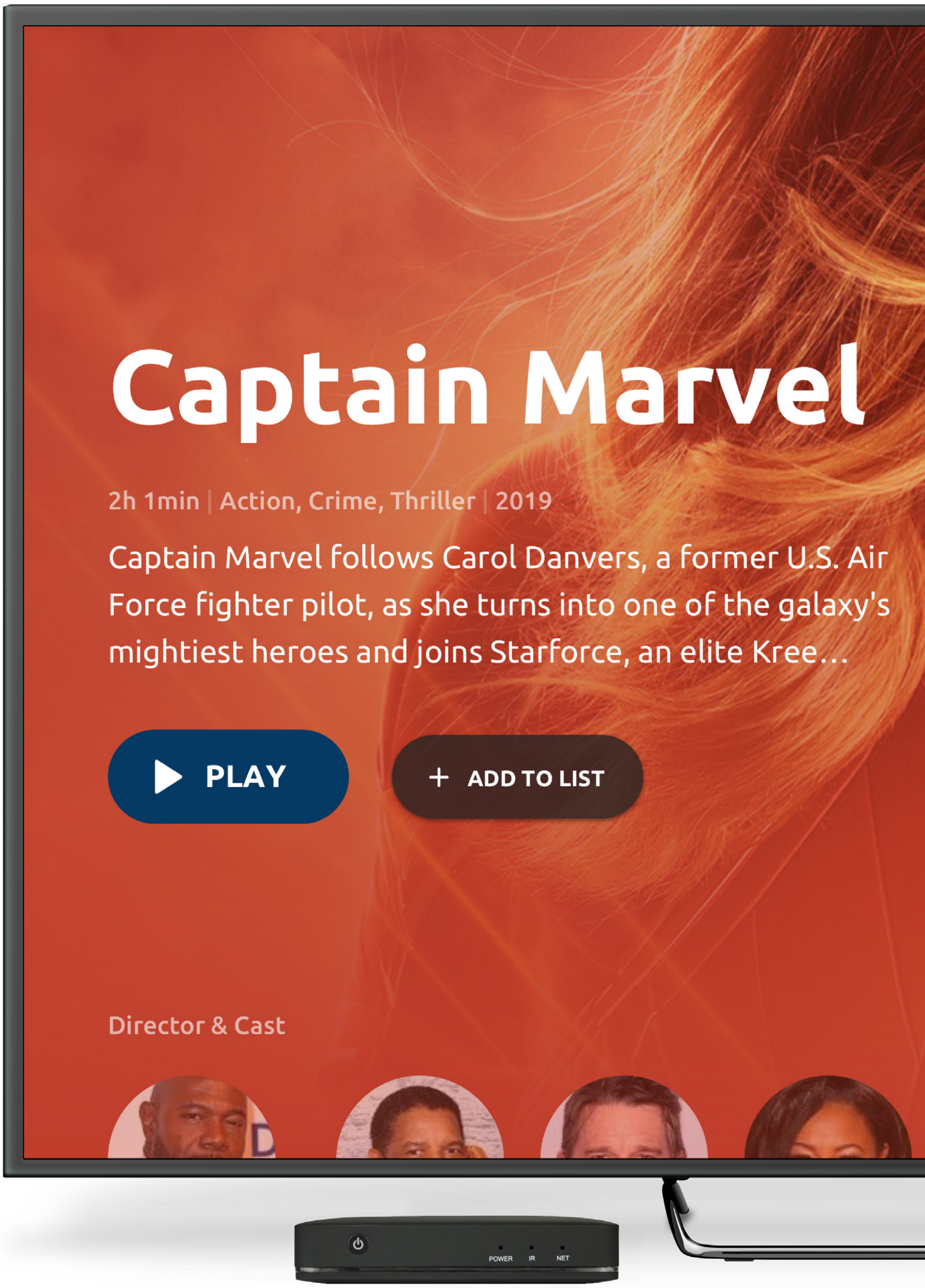

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