mirada

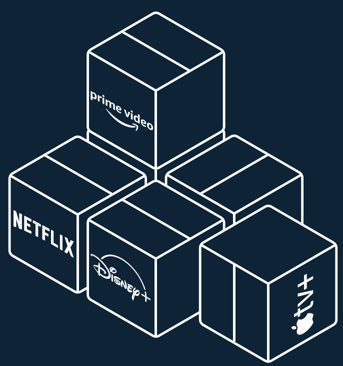
ANNUAL REPORT

& ACCOUNTS · **2022**

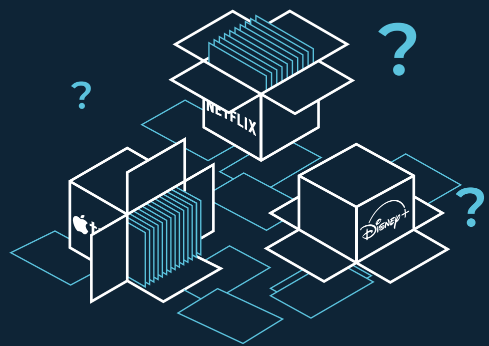
AT THE **CENTRE** OF THE **NEW TV ERA**

mirada

We are a global company with decades of experience delivering software solutions that empower video services to provide audiences their favourite content through the ultimate viewing experience.



Digital video services boom
results in content fragmentation.



Viewers struggle
to find the content they want.

Pay TV operators leverage super-aggregation strategies
to incorporate partners' content into their offering. HOW?

Mirada is the technical partner enabling super-aggregation
future-proofing video services and retaining viewers' engagement & loyalty.

COMMON ACRONYMS

CA	Conditional Acces
CAGR	Compound Annual Growth Rate
CAPEX	Capital Expenditure
D2C	Direct-to-Consumer
EBITDA	Earnings Before Interests, Tax, Depreciation & Amortization
OS	Operating System
OTT	Over-the-top
R&D	Research and Development
SaaS	Software as a Service
SDP	Service Delivery Platform
STB	Set-top box
SVOD	Subscription Video on Demand
UI	User Interface
UX	User Experience

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ABOUT MIRADA

OUR STORY

Mirada was founded in 2000 by CEO José Luis Vázquez, a young engineering graduate and entrepreneur with experience in the cable and tech markets. With the goal of revolutionising the budding digital TV market, in its first five years, the company won international contracts with Sky, Orange and Jazztel, among others. In 2010, Mirada expanded into North America, winning its longest-running customer, Mexican telco giant izzi, in 2014. Recent years have seen interest in our solutions grow, with major deployments across the Caribbean, South America, Spain, and Asia.

Throughout the years, we have successfully spearheaded digital TV trends, from completing one of the biggest Android TV deployments in Latin America, to integrating our solution with 30+ content providers (including all the premium providers such as Netflix, Disney+, HBO Max and Amazon Prime Video). Today, we are committed to continuing to provide our customers with the latest tools and strategies they need to become their viewers' favourites.

OUR PEOPLE

Today we are 170+ Miradians spread across three continents. 85% of which are engineers working on product management, software development, customer support and IT operations.

Our experts include a sales force made of local sales representatives specialising in key markets, and a growing strategic network of local external resellers. This optimised structure has been key to the recent success we have had in expanding our reach worldwide and securing new contract wins.

OFFICES | UK, SPAIN, MEXICO   **REPRESENTATIVES** | SPAIN, CHILE, PHILLIPINES

NURIA LAHUERTA,
VP HUMAN RESOURCES

> *More than 47% of our employees have been at the company for 5 years or more, a retention rate not easy to find in software companies.*

OUR MISSION

Our mission is to continue connecting millions of people to digital video services, actively shaping the future of TV by leading in innovation. We strive to provide a competitive edge for our customers and to be recognised as the main facilitator of the best personalised user experience and a key enabler of their super-aggregation strategies.

OUR SOLUTIONS

At Mirada, we design, develop and deliver innovative software solutions in the field of video entertainment that empower our customers to launch their own video services, bringing their own live and on-demand TV and video offerings to any device. Through our technology, viewers worldwide can access all their favourite channels, series, films and more, with the best user experience both at home and on the go.

Our solutions are acclaimed and have been awarded for their innovation and, in line with current demand trends, we are focused on creating the means to provide unique viewing experiences for individuals, harnessing and utilising data to tailor content and advertising preferences.

OUR CUSTOMERS

Through our multipurpose products and services, we tackle the technological needs of telco companies, pay TV operators, video streaming services and content providers. The versatility and scalability of our solutions allows us to cater to customers of all sizes across markets and territories. We currently serve telco giants such as izzi Telecom in Mexico, alongside market leaders like Skytel in Mongolia and smaller-sized players like Zapi in Spain.

With each new project, we deliver both hardware and software solutions involving significant investment from our customers.

We currently serve clients across four continents including:

izzi · ATN international · One · SKYtel · zapi · Viya · DIGITAL INTERNET + TV CABLE · BBC · orange™

and more

Depending on the region and the size of the prospect, such high stakes mean our bidding process often lasts between six and twelve months.

Our biggest client and most valuable reference to date is izzi Telecom, part of the Televisa Group (the biggest media company in the Spanish-speaking world). Since the beginning of our collaboration in 2014, we have continued to provide izzi with the latest technology and exceptional service to help them cement their position as an industry leader.

Post-year end update: In September 2022, we were proud to announce a record Q1 in terms of existing clients' performance together with a new contract win in Mongolia to expand existing client Skytel's video service, as well as advanced negotiations for a deal in India and a second one in Latin America.

OUR PARTNERS

Mirada's technology has integrations with all the key players in the video industry, including tech giants such as Google and Microsoft, and premium video streaming services like Netflix, Disney+ and Amazon Prime Video.

Our ever-growing partnership strategy enables us to offer the latest components, features, and third-party services that our customers need to retain their competitive advantage.

These integrations mean that our partners' applications, technology and/or content can be seamlessly included in the solutions we provide our customers, without any additional technical efforts needed. This makes our offering one of the most complete in the industry, while profiting from an accelerated time-to-market.

Content providers

NETFLIX | Disney+ | prime video
FOX | HBO max | ViX+

Technology

Google | Microsoft | amazon
HUAWEI | MediaKind
NOKIA | LG | NAGRA KUDELSKI
Synamedia | CISCO | SAMSUNG

and more

OUR EDGE

We consistently exceed the needs of our customers, working hand-in-hand with our strategic technological partners to provide the best possible service. Our flagship solution, Iris, is a comprehensive video platform with advanced functionality, has integrations with all major streaming services including Netflix, Amazon Prime Video, Disney+ and HBO Max, and offers a fully customisable aesthetic so customers can brand it as they please.

We believe that our technology, experience and speed-to-market make us one of the stand-out partners for organisations responding to the viewers' growing demand for personalised, integrated and high quality TV and video viewing experiences on every device, from their sofa or on the go.

Our commitment to innovation and providing the best possible support to our customers has earned us the trust of industry leaders like izzi Telecom and ATN international. We work to establish long-term collaborations with both traditional players and newcomers to the TV & video sector.

JOSÉ LUIS VÁZQUEZ,
CEO

Innovation is at the core of everything we do. Our solutions have been awarded Best TV User Experience and have successfully helped propel our customers to leading positions in areas such as Android TV and content super-aggregation, unlocking the possibilities of providing a personalised user experience.

OUR FUTURE

To keep up with changing viewing habits, traditional pay TV operators are re-positioning themselves as content provider super-aggregators. Meanwhile, content providers are exploring ways to bring their own direct-to-consumer offerings to market, and viewers are becoming more and more demanding of the functionality, simplicity and convenience of the platform that they use.

Mirada is at the centre of TV & video trends, with a team of vastly experienced experts that understand the market better than anyone.

Our scalable business model and a growing reputation for quality and innovation mean we are ideally positioned to capitalise on the emerging opportunities in a rapidly evolving industry.

OUR REFERENCES

AMELIA CARRILLO, CEO

zapî

"With Mirada, our subscribers are able to enjoy the best television experience available on the market, making the most of the TV content with advanced features, content of the most important streaming platforms and customer preferences, in one recommendation system. We are sure that Mirada's solution is the key factor to become the fourth TV platform in Spain, unifying the historic cable industry under the same brand."

"By choosing Mirada to deploy the expansion of our video service, we look forward to strengthening our position in the market with its best-in-class technology and quality of service through the Group's renowned state-of-the-art viewing experience on all devices in all viewing situations."

AMARCHINGUN GANTUMUR
CEO

SKYtel

"Ever since we began our collaboration, results have greatly exceeded our expectations, helping boost our content consumption by more than 50%. The best outcome for us, apart from results, has been Mirada's partner approach towards us, their understanding of our needs and taking care of our service as their own."

JOSEP M. RABÉS,
TELEVISION SERVICES DIRECTOR

orange™

EXECUTIVE TEAM

José Luis Vázquez

Founder
& Chief Executive Officer of Mirada PLC

Holds a degree in Advanced Telecommunications Engineering and an MBA from IESE Business School.

Gonzalo Babío

CFO

Joined Mirada in 2015 as Chief Financial Officer. Before, he worked as Finance Director for both The Walt Disney Company (10 years) and Electronic Arts (10 years).

Holds an EMBA from IESE Business School, among other titles.

Nuria Lahuerta

VP Human Resources

Nuria joined Mirada in 2011 as Office Manager until becoming VP Human Resources and the first female to join Executive Management.

Holds a degree in History of Art and a Masters in Innovative HR Management.

Roszana Dalati

VP Marketing

Roszana joined Mirada as Marketing Manager before joining the Executive Management in 2017.

Holds a degree in International Relations and a Masters in Strategic Management of Sales & Marketing from IE Business School.

José Gozalbo
CTO

José has been Chief Technology Officer of Mirada since its creation.

Holds a degree in Computer Science and has in depth experience in Software Development and Digital TV markets.

Antonio Rodríguez
VP Business Development

Joined Mirada from Jazztel PLC, where he worked as Network Engineering Manager and Telco Platforms and OSS Manager.

Holds a BSc in Telecoms Engineering and an MBA from IE Business School.

Javier Peñín
VP Sales

His previous experience includes working at AUNA during the launch of Spain's first digital cable TV platform. He also worked as Senior Sales Manager in Telefonica and as Global Sales Manager at ADB.

Holds a BSc in Telecoms Engineering and BMD from IESE.

Santiago Rodríguez
Product Director

Santiago joined Mirada back in 2000 and he is responsible for the definition of Mirada's vision and products.

Holds a degree in Telecoms Engineering from the Polytechnic University of Madrid and has broad R&D experience within the audiovisual industry.

OUR STRENGHTS

GONZALO BABÍO,
CFO

> *We strive towards excelling at R&D and a client focus, with over 85% of the company's workforce being engineers in product, software development, IT and customer support. These have granted Mirada a strong reputation for its solid delivery and reliability, both main assets for new and existing customers, and the key for the continued support from our shareholders.*

UNPRECEDENTED MARKET OPPORTUNITY

- The global pay TV market is growing, with research powerhouse Omdia forecasting combined revenue from pay TV and online video subscription services to reach $353bn in 2027, up from $308bn in 2021.
- Post lockdowns, operators and broadcasters need to accelerate their investments in TV and video streaming technology.
- The new TV era has brought a seismic shift in the video and streaming industry, with more players than ever in an ever-growing market.
- Mirada has a growing reputation for pioneering the strategies and tools video services need to remain ahead of the curve.
- Video services must ensure they stand out, embracing the latest tech and viewership trends:
  - **Super-aggregation** of content providers for the most complete offer.
  - **Android TV's potential** for becoming an entertainment hub.
  - **Personalisation** of the viewing experience; tailoring content, advertising and even the user interface to viewers' preferences.

INNOVATIVE AND VERSATILE PRODUCT

- 20+ years of experience providing innovative solutions for global digital TV operators, telcos, broadcasters and video streaming services.
- Versatility of our offering enables us to cater to a broad range of customer types, regardless of size, region and business model.
- Continued evolution of new functionality, end applications and partners' services.
- CSI Award winner for Best TV User Experience for our hyper-personalisation tool UX Evolver.
- Flagship Iris product delivers a high-quality multiscreen user experience which helps our customers attract, engage and retain subscribers and maximise revenues.
- Among the most comprehensive coverage of content providers worldwide, including all premium.

CLEAR GROWTH STRATEGY

- Optimised go-to-market strategy, with a boosted sales strategy focused on regional sales managers and external reseller networks.
- Flexible implementation model with a choice of CAPEX and one-off licences (higher client set-up fees) or SaaS (recurring revenues per device).
- Track-record of winning Tier 1 clients, but opportunity to also target Tier 2 and Tier 3 customers with SaaS.
- Business model highly operationally geared to growth in subscriber-based SaaS revenues.
- Agility and readiness of our solutions brings our target market to 350-400 potential customers globally, typically with c.0.5m subscribers each.

HIGHLY SCALABLE SAAS BUSINESS MODEL

- Cloud-based delivery of our software with a subscription revenue model.
- Disciplined focus on growing recurring revenue, with 5m+ daily active devices worldwide.
- SaaS contracts usually require some up-front investment from Mirada, with high profitability expected over 3 to 5 years, with average customer lifetime much longer.
- Highly scalable software, infrastructure and implementation teams.

STRONG CUSTOMER BASE AND GROWING GLOBAL FOOTPRINT

- Record opportunity pipeline as we emerge from the pandemic, increased by 75% from 12 in 2019 to 21 in the second half of 2021.
- New leads from marketing activities increased more than 190% from 311 in 2019 to 908 in 2021.
- Sticky customer base.
- Increasingly diversified global presence, with growing pipelines in Asia Pacific, Latin America and Europe.

PRODUCTS & SERVICES

DELIVERING THE TV OF TOMORROW, TODAY

Our Iris multiscreen solution provides a next-generation video platform to deliver on-demand, catch up and live content to audiences when, where and how they want it. Iris empowers Mirada's clients with a personalised and intuitive user experience to attract, engage and retain audiences and maximise consumption-based revenues.

IRIS

THE CONTENT VIEWERS CRAVE

Why choose when we can have it all? Linear TV, on demand and all top content providers like Netflix and Disney+ in one place.

THE SCREENS VIEWERS CHOOSE

Consumer habits change, but viewers' appetite for video remains, so we adapt our solution to all devices.

THE EXPERIENCE VIEWERS DESERVE

Catch-up, start-over, automated and personalised recommendations, recordings and more available from any device.

THE DATA CLIENTS TREASURE

Knowledge is power! We offer our clients valuable insights making the most of big data and machine learning.

THE TOOLS CLIENTS NEED

We make our clients' lives easier with our ecosystem of intuitive and powerful tools to enhance their platforms.

THE REVENUES CLIENTS DESIRE

With our solutions, digital TV services benefit from advanced new ways to monetise their platforms and content.

THE IRIS EXPERIENCE ON ALL PLATFORMS

SMART TV

TIZEN	androidtv	webOS
SAMSUNG	SONY Panasonic SHARP	LG

SET-TOP BOXES

androidtv operator tier included!

Linux

STREAMING DEVICES

androidtv, XBOX, AirPlay, fire tv, chromecast

VOICE ASSISTANT

amazon alexa

Google Assistant

TABLETS & MOBILES

WEB CLIENTS

The Company
The Market
Review of the year
Corporate Governance
Financial Statement

MORE TOOLS TO ACHIEVE PERFECTION

Our **ecosystem** of intuitive and powerful tools covers all our clients' needs and takes their platforms to the next level.

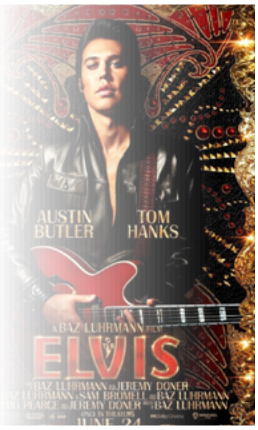
IRIS

- uxevolver — User interface personalisation tool
- logiQ — Data intelligence platform
- IRIScms — Task manager for editors
- IRISams — Assets' workflow manager

uxevolver

A highly flexible and easy to use tool that gives our clients the ability to stay on top of changing consumption habits by adapting, testing and evolving elements of their viewers' user experience.

winner	nominated
CSI AWARDS 2022 WINNER	VideoTech INNOVATION AWARDS 2021 Digital TV



EDITORIAL SERVICES
THE KEY TO TRANSFORMING CATALOGUES INTO OPPORTUNITIES

We empower our clients with all they need to boost their content: a team of editorial experts bridging catalogues with the latest news and current affairs of the subscriber's region.

CASE STUDIES

Mirada's solutions empower 50+ Digital TV services across 4 continents.

izzi

MEXICO FIRST LAUNCH — 2014

Mirada has been izzi's long-term strategic partner and tech provider in Mexico since 2014.

Part of Televisa Group, the largest Spanish-speaking media company in the world, izzi's network reaches about 15 million households and is the second most important player in Mexican telecommunications services.

THE CHALLENGE

In 2014, Televisa Group made a strategic decision to bring its different pay TV services together and offer a new and unified cutting edge pay TV service in the country under a new brand, izzi Telecom. This highly complex project called for an advanced video platform that could integrate five operators, each of them with their own network and infrastructure.

THE SOLUTION

- izzi put its trust in Mirada to deliver a platform that was not only technologically more advanced than other solutions, but also offered the stability and reliability that would ensure izzi could continue offering the best quality service to their subscribers uninterrupted.
- After the success of the initial project, Mirada has continued to work with izzi as their go-to tech partner for their TV service.
- We have continued to equip izzi's platform with new and updated tools, features and integrations with premium content providers, helping them stay on top of emerging trends and cement their position as the elading pay TV service in Mexico.

HIGHLIGHTS OF THE YEAR

- Successful deployment of **new Android TV 10 major release** across all STBs for all izzitv smart customers, bringing them all the advantages of new functionalities and features included in this new version.
- Mirada's technical integrations have brought **new premium content providers** such as **HBO Max, Star+ and more** that are now part of izzi's offering for Mexican viewers.
- Release and integration of **major Iris platform's functionalities** such as including videos with each video title's extended info, enabling biometric access to our apps and allowing izzi customers to access up to 7 days of broadcasted contents through our powerful retrogrid.

izzi is Mirada's key Tier I stakeholder reference. They continue to trust us to provide their flagship video platform with the most advanced features to remain at the forefront of their space.

Our key reference in Asia, with Skytel's SkyGo app (our Iris product) **ranked #1** as the most popular app on Mongolian Google Play Store and Apple's AppStore. Excellent reference which showcases our capacity to deliver a premium product to lower tier customers.

Post-year end update: In 2022, Skytel awarded Mirada the expansion of their video service, which will launch one of the biggest Android TV set-top boxes deployments in the country.

MONGOLIA FIRST LAUNCH — 2019

We are carrying out a project in Bermuda for OneComm, owned by our customer ATN international, a NASDAQ-listed company with several telco operations worldwide. Their FibreWire TV service focuses on delivering the best content to a very demanding Tier 1 customer base.

BERMUDA FIRST LAUNCH — 2019

One of the main Bolivian pay TV services, Digital TV Cable's OTT offering serves as a strong reference for our commercial activities in neighbouring countries.

BOLIVIA FIRST LAUNCH — 2019

Mirada successfully launched Viya TV+ in the US Virgin Islands in the middle of the pandemic. The second launch for ATN international, it helped strengthen our relationship with this high priority customer.

US VIRGIN ISLANDS FIRST LAUNCH — 2019

Deployed Zapi TV for a conglomerate of Spanish operators as a shared OTT platform with the goal of reaching 600,000 subscribers. The launch attracted the attention of several regional pay TV providers around the world with ambitions to unite their efforts under a solution similar to Zapi's and challenge the Tier 1 providers.

SPAIN FIRST LAUNCH — 2020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MOONFALL
GUIDE
WHAT'S ON
ON DEMAND
NETFLIX
Disney+
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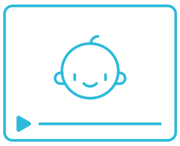
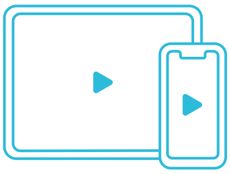
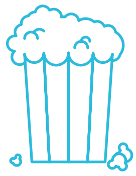
NEW

TV & VIDEO TECH TRENDS

Shaping the New TV Era

Mirada empowers video services to navigate a fast-evolving landscape, facing:

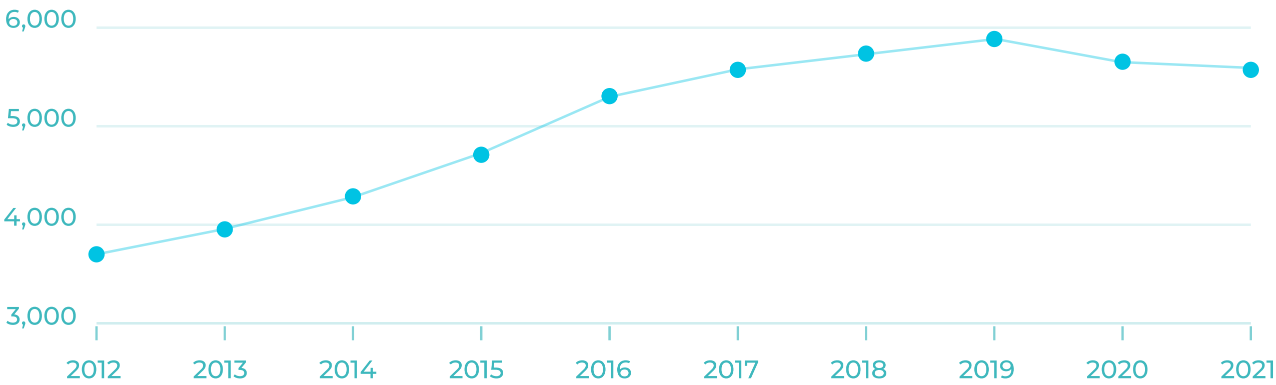




- **NEWCOMERS FROM THE SVOD BOOM**
- **NEW DEVICES AND WATCHING HABITS**
- **NEW USERS DEMANDING A VIEWING EXPERIENCE LIKE NEVER BEFORE**

Past years have seen the birth of a new TV era, with the disruption brought by the continuous arrival of online video services worldwide.

Total number of online video services globally, 2012-21

Source: *Omdia Global Online Services Tracker*, 1Q 22



Moreover, content consumption has shifted from a collective passive experience to viewers actively seeking entertainment, unlocking a world of choice regarding what to watch, when and how.

Viewers' expectations for TV entertainment are higher than ever but also the key to success for video services if they can arm themselves with the right tech partner to help them navigate ever-shrinking innovation cycles brought by the constant arrival of new devices and features - all while meeting users' high standards as set by global OTT powerhouses like Netflix.

SUPER-AGGREGATION OF CONTENT

The content fragmentation brought by many players with different catalogues also presents an opportunity for pay TV operators to capture streaming growth by becoming super-aggregators through partnerships with streaming services.

With these alliances, streaming services benefit from ready-made audiences for expedited growth while pay TV operators stay relevant in the face of shifting consumer preferences.

In their Pay-TV and Online Video Report: Global – 2022, data powerhouse Omdia shows more than 1,000 telco-streaming partnerships were active worldwide at the end of 2021, expecting a greater shift towards bundling over the next five years.

MIRADA'S SOLUTION:

Becoming the ultimate entertainment hub

Our technology serves both pay TV operators and content providers, building bridges between traditional actors and newcomers.

With our solution, pay TV operators harness:

- A platform that is technically integrated with 30+ content providers (including all premium)
- A simplified and unified viewing experience with:
  - All content from one platform
  - Single sign-in
  - Universal search and discovery
  - Unified bill

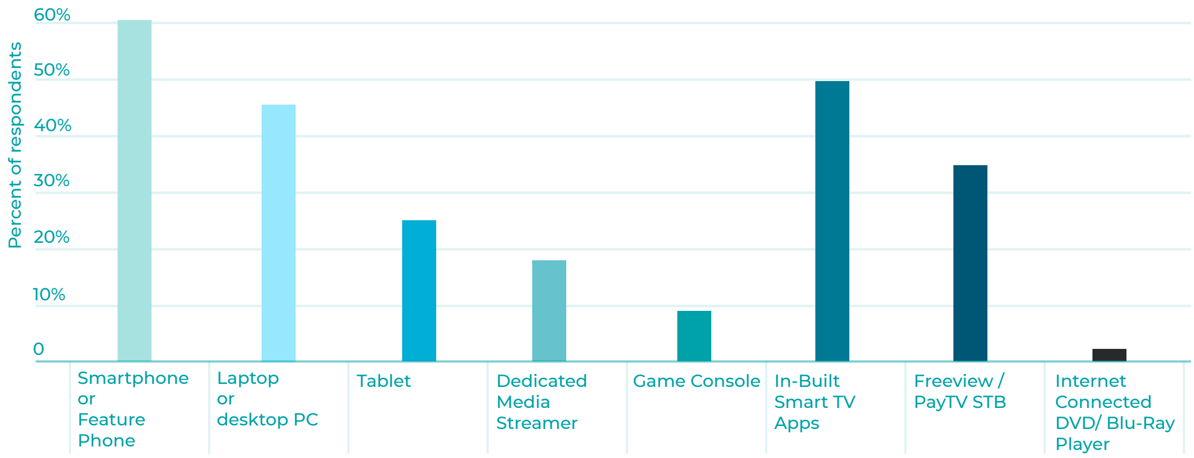
ENABLING TV EVERYWHERE

New consumption habits across smartphones and tablets, both at home and on the go, have emerged. Omdia research even shows smartphones taking the lead over TV for streaming content in 2021.

Pay TV Operators must ensure their service is available on a broader range of devices, bringing viewers their entertainment everywhere they go.

Streaming Devices used at least once a month, April 2021

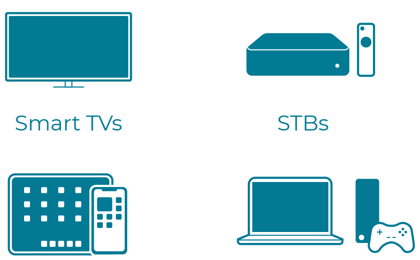
Source: *Omdia Costumer Research Devices Media and Usage Database*, H1 2021



MIRADA'S SOLUTION:

Offering a seamless and cohesive viewing experience

With Mirada's Iris, operators can offer their content to the end-user on almost any device available on the market:



Smart TVs

STBs

Tablets, mobile phones

Computers and game consoles, amongst others.

This places Mirada in a unique position in the market.


mirada
MOONFALL
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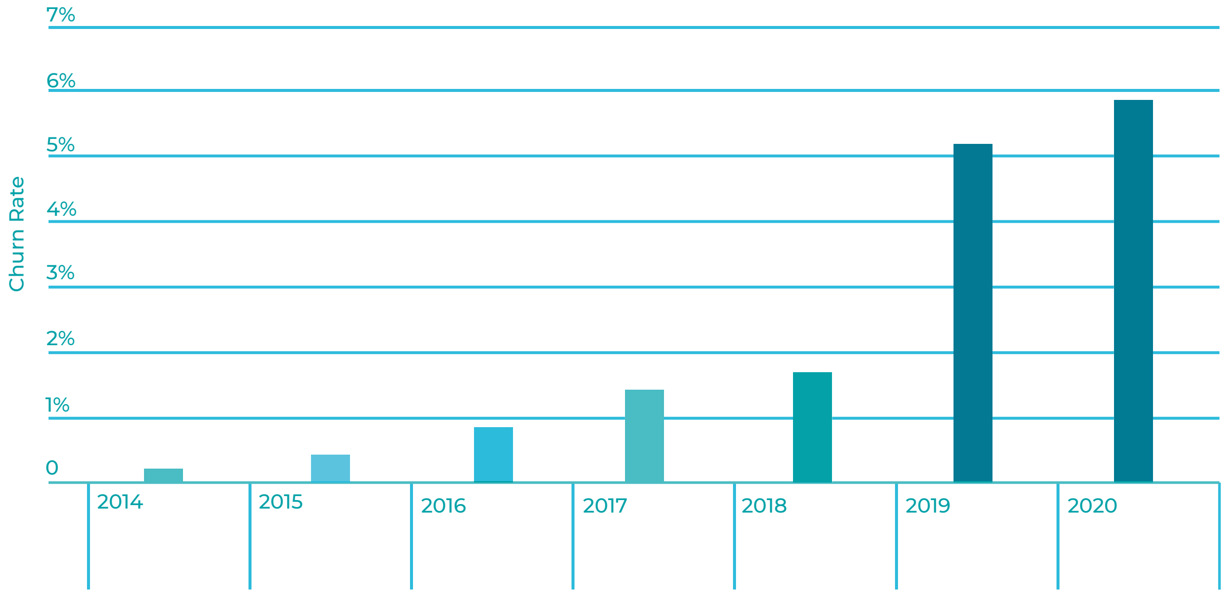
A PERSONALISED VIEWING EXPERIENCE

The unprecedented rise in content and competitors has viewers switching or altogether abandoning their pay TV subscriptions in their search for what to watch.

As content consumption habits evolve, viewers become more demanding of the platforms they subscribe to, forcing video services to offer a most personalised experience.

Churn Rate of pay TV providers in the United States, 2014 – 2020

Source: Statista, March 2021



MIRADA'S SOLUTION:

Creating unique experiences adapted to viewers' preferences

Mirada's award winning flagship Iris solution offers an entire ecosystem of integrated backend tools that can maximise personalisation of the experience with:

- Analysis of data consumption, navigation and operational data
- Advanced audience segmentation
- Personalised content discovery and recommendation
- Tailored user interfaces
- Targeted ads and promotions

TARGET MARKETS

LATIN AMERICA & THE CARIBBEAN

- Growing middle-class with disposable income and an appetite for entertainment.
- Online video subscriptions at 109m in 2021, up 28.3% from previous year.

  Forecasted to reach to 192.5m by 2027, up 77%.

Source: Omdia, *Pay-TV and Online Video Report: Global*, 2022.

- **Ripe opportunity for super-aggregation strategies.**

  Local pay TV operators are seizing partnerships for growth.
- 2021 saw an increase in pay TV revenues of 5.5% YoY with overall positive CAGR expected for each platform in 2022-2027.

Source: Omdia, *Pay TV and Online Video Report: Latin America & the Caribbean*, 2022.

“

*We have successfully supported our main reference in the region, izzi Telecom with **the most complete super-aggregation offering**, developing a tech architecture ready to be replicated with other customers in the region.*

WESLEY FERNANDES,
Sales Representative

WESTERN EUROPE

- Diversification of Mirada's portfolio such as offering Editorial services (see page 14), allows us to attract new clients' profiles with more targeted needs.
- In Western Europe, **pay TV market generates most of the revenue**, holding 67% share of the total pay-TV and online video subscription market.
- The arrival of next-generation D2C services has generated high demand and expectations for video services to implement super-aggregation strategies.

Source: Omdia, *Pay-TV and Online Video Report: Global*, 2022.

EASTERN EUROPE

- One of the few regions that resists cord-cutting, a trend expected to continue for the next five years and beyond.
- **Continued pay TV growth** in 14 of 19 countries, reaching 88.5 million subscriptions.
- Pay TV generated revenue of $7.4bn in 2021, up 7.9% on 2020 and 21.3% higher than in 2017.

Source: Omdia, *Pay-TV and Online Video Report: Global*, 2022.

"

*Different viewing trends and habits call for video services to **arm themselves with scalable solutions that can adapt** to consumption preferences, advertising models and expectations from users.*

EVA AVELLANEDA,
Sales Representative

ASIA & OCEANIA

- Rapid growth and digitisation of the population offer plenty of room for organic growth.
- **Highest regional penetration of pay TV in the world**, accounting for:
  - 67% of TV households and 645m subscriptions in 2021.
  - Pay-TV revenue of $53bn in 2021, up 7.8% on 2020.
- OTT subscriptions expected to reach 636m by the end of 2022, up 3x on 2019, with partnerships between OTT video services and telcos also increasing.
- Pay-TV services are going digital to diversify, creating an opportunity for development of next-generation video platforms.
  - **Post-year end update:** in September 2022, leading Mongolian telco Skytel awarded Mirada expansion of their video service.

Source: Omdia, *Pay-TV & Online Video Report: Asia & Oceania*, 2022.

- World's largest market for Android TV box, accounting for more than 65% market share in 2018.

Source: Globe News Wire

GLADYS GRAFIL,
Sales Representative

*In 2020, we completed one of the **largest deployments of Android TV, a feat ready to be replicated in the APAC region** as we continue capitalising on the emerging opportunities of the market attracting new customers.*

MIDDLE EAST & AFRICA

- Pay-TV subscription numbers grew to 42.8 million in 2021, up by 4.9% on 2020.
- **Demand for premium solutions** in high GDP/capita countries.
- Online video subscriptions exceeded 21m in 2021, supported by high investment in original Arabic content.
- **Content generation enables super-aggregation opportunities**, with Omdia counting 110 OTT–telco bundled partnerships in MENA in 2021.

Source: Omdia, *Pay-TV and Online Video Report: Global*, 2022.

- Difficult customer acquisition due to political instability and legal requirement to have a registered office or local provider in many Gulf countries.

EVA AVELLANEDA,
Sales Representative

> *Despite its challenges, we keep the region in mind and are ready to bring our solutions **enabling TV everywhere** and successful super-aggregation of content, bringing viewers' favourites with them on the go.*

SNAPSHOT OF THE YEAR

Back on track

CAPITALISING ON MARKET RECOVERY

Demand for our products returned in line with the normalisation of trading conditions in the second half.

With our new sales strategy now fully embedded, our pipeline quickly refilled, and we entered into several potentially lucrative negotiations.

New reseller agreements were signed in Asia-Pacific and North America, significantly enhancing our new business capabilities.

Advanced negotiations with one of the largest telco and TV operators in India are ongoing – expected to be the first major new customer since the pandemic – with Asia-Pacific emerging as a key growth market.

We move forward with a record pipeline, growing new business momentum and high confidence of delivering meaningful and sustainable growth in FY23.

DELIVERING FOR OUR CUSTOMERS

Exceptional growth in licences was achieved – 54% over the prior year – demonstrating the growing belief of our customers in the value of our technology.

We surpassed 1.5 million deployments of our Android TV-powered set-top boxes, growing to over 2 million post-period, cementing our position as one of the world's leading providers.

A major new contract was signed with Skytel post-period to deliver the second phase of the Mongolian telco's video service expansion, having successfully delivered the first.

ENCOURAGING FINANCIAL PERFORMANCE

Significant growth in licence revenue from existing customers offset reduced new business caused by the tail end of Covid restrictions.

$11.02m (FY21: $11.13m)

Solid adjusted EBITDA was delivered despite pan-demic-related restrictions on our ability to pursue new customers for much of the year.

$1.57m (FY21: $1.70m)

We began the new financial year firing on all cylinders with progress expected to continue – approximately $3.1m revenue and $0.9m adjusted EBITDA was se-cured in the first quarter.

Extended $3.0m Leasa Spain S.L.U. revolving credit facility for a further year post-period, demonstrating the lender's confidence in our prospects.

CEO REVIEW

EMERGING STRONGLY FROM THE PANDEMIC

This is a robust set of results that bodes well for the future given the impact of Covid meant virtually no new business activity took place in the first half of the year and our ability to source and negotiate new business was impeded for much of the second.

> *I am proud of the efforts of our teams and particularly encouraged by the way we were able to strengthen and deepen our relationships with existing customers in the period, with licences across our base increasing 50% over FY21.*

Working closely with them throughout, not only did we support them through tough times, we helped them continue moving forwards with their respective growth strategies.

While the market recovery in the second half was somewhat stop-start as the pandemic continued to impact sentiment and logistics, appetite for our products and services steadily increased, *our sales pipeline reached record levels*, and we were able to make progress in advancing opportunities (albeit at a slower pace than originally anticipated).

As we move through the new financial year and with our new global sales strategy bedded in, we are now beginning to convert some significant opportunities such as those with Mongolian telco Skytel, a relevant Indian telco and TV provider in India and a major telco in Latin America and are confident in our ability to continue in a similar vein. This, combined with continued revenue momentum from existing customers, has led to a growing sense of stabilisation in the business and optimism that we are now back on track.

Despite the challenges, particularly in the first half, we made encouraging progress in rolling out our new global sales strategy which centres around partnering with local experts to provide greater and more targeted access to international markets. We now have an established presence in Asia-Pacific that has already delivered major new business leads, and with several exciting prospects referred by our sales team, resellers and partners, pipelines are growing across the board, particularly in India. In November 2021, we signed a significant reseller deal with Shift 2 Stream, a TV as a Service provider active in North America and the Caribbean, enabling us to expand our reach into North America and strengthening our presence in the Caribbean, both of which are important target markets for Mirada.

Also in November 2021, driven mainly by the continued success of our relationship with Mexican telco giant izzi Telecom, we announced that we had surpassed the deployment of one million set-top boxes ("STBs") powered by our Android TV Operator Tier offering. Using 2021 statistics published by technology research firm Omdia, Mirada STBs constituted approximately 5% of the expected 20 million global Android TV Operator Tier STBs at the time. By period end, deployments of Mirada-powered Android TV set-to-boxes worldwide had increased to approximately 1.5 million and by August 2022, that figure surpassed 2 million.

To have rolled out our Android TV Operator Tier STBs at such a rate despite the global chipset shortage and installation challenges posed by the pandemic is both a great achievement and strong validation of our decision to back this technology. Omdia forecasts that 50 million Android TV Operator Tier STBs will be in use in 2024 and, with existing and prospective customers actively considering replacing their legacy platforms, we continue to be confident in our ability to consolidate our market share.

IDEALLY POSITIONED VERSUS TECHNOLOGY TRENDS

The Directors believe that market trends continue to move in Mirada's favour. Super-aggregation, which involves consolidating video streaming services and traditional linear channels into a single viewing experience, remains the dominant strategy for Pay TV operators looking to adapt to the industry disruption caused by the emergence of Netflix, Amazon Prime Video and other content providers.

At the same time, with the landscape for these direct-to-consumer ("D2C") content providers becoming increasingly competitive and dominant players such as Netflix approaching saturation point, they themselves are becoming more and more reliant on super-aggregation as a method of customer acquisition and retention, alongside tactics such as limiting account sharing and creating new advertising-driven subscription tiers. Super-aggregation plays a key role in increasing subscriber loyalty, which at present is an important priority for these providers.

This mutually beneficial relationship between Pay TV operators and content providers means super-aggregation is set to be an enduring trend and Mirada's proposition puts it right at the centre.

The Directors believe that Mirada's flagship software, Iris, now boasts one of the most comprehensive sets of integrated content providers available, with all the key players including Disney+, Amazon Prime Video, Netflix, HBO, Fox and more represented. This is a technically challenging feat to achieve and maintain – particularly in the small and medium operator space – giving Mirada a strong competitive advantage as we look to capitalise on improved trading conditions.

At the same time, Android TV, Google's operating system ("OS"), continues to cement its position as the OS of choice for set-top boxes and other devices, due to its versatility, reliability, and ability to quickly and conveniently deliver the premium content and multiscreen functionality needed to reduce churn and increase premium subscriptions and viewing times. According to a February 2022 report by streaming analytics provider Conviva, Android TV is the fastest-growing TV platform, with 42% growth in the final quarter of 2021 compared to the same period in 2020.

Mirada boasts an enviable track record of large-scale deployments and has established itself as one of the world's preeminent providers of the technology, with well over 2 million of its Android TV-powered STBs currently in circulation.

GEOGRAPHIC EXPANSION FACILITATED BY NEW SALES STRATEGY

Our decision to sell into international markets via local resellers has provided us with access to a wealth of new international opportunities that would otherwise have been difficult to reach. The success we are having in India is a great example of this. A hugely populous nation with a burgeoning middle class, research by Omdia forecasts the Indian Pay TV market to grow by nearly 30% over the next five years, with the average revenue per user ("ARPU") increasing by 35% by 2025. With a substantial addressable market and a well-connected presence on the ground sourcing new prospects, we continue to expect India, and the wider APAC region, to become key markets for Mirada in the coming years.

We are currently working to replicate the success of the APAC reseller strategy in the rest of the world, starting with the Americas. According to a recent report, again by Omdia, Pay TV is the largest video entertainment segment by revenue across all of Latin America, worth $15 billion annually as at calendar year 2022, a 4% increase over 2021. In addition, Digital TV Research points to OTT TV revenues doubling by 2027, reaching $14 billion annually. As in South-East Asia, economic growth in key Latin American territories has led to the emergence of a middle class with extra disposable income and an appetite for advanced video entertainment options. With a strong existing reputation in the region and the prospect of greater access through the new sales strategy, Mirada is well-positioned to capitalise.

PEOPLE AND BOARD UPDATE

I would like to take this opportunity to again thank everyone associated with Mirada for their efforts through the year. At times it was another difficult period for them and their families and yet they rose to the challenges posed by the pandemic, demonstrating real perseverance and resolve. Our people are our greatest asset and I feel fortunate to have such a talented, dedicated and hard-working team, particularly against the backdrop of an extremely competitive labour market.

Post-period on 1 April 2022, we announced that Francis Coles stepped down as Chairman and a director of the Company for family reasons. As I mentioned at the time, Francis played an important role in the transition of Mirada to a product model and provided valuable guidance as we grew our footprint internationally. I am grateful for his support over the years and, on behalf of everyone at Mirada, would like to again wish him and his family all the best for the future.

Following Francis' departure, I stepped into the role of Interim Chairman. The Board continues to make good progress in finding Francis' successor, and in seeking to appoint a further non-executive director and will make a further announcement at the appropriate time.

FINANCIAL OVERVIEW

Revenue was broadly flat at $11.02 million (FY21: $11.13 million), with significant growth in licences from existing customers (50% growth over FY21) offsetting, what the Directors to believe to be, a temporary reduction in professional services and delays to new contracts caused by the pandemic. Development revenue decreased to $3.70 million (FY21: $5.61 million). Licence revenues grew strongly to $5.35 million (FY21: $3.57 million).

Gross profit was also broadly flat at $10.25 million (FY21: $10.84 million) and operating losses increased to $2.72 million (FY21: $2.59 million). Staff costs decreased to $6.48 million (FY21: $7.10 million), supported by the majority of our costs being incurred in Euros and the appreciation of the US dollar. Other administrative expenses increased to $2.12 million (FY21: $2.05 million).

Adjusted EBITDA (as defined in Note 7) was $1.65 million (FY21: $1.70 million). A tax credit was recognised in the period of $0.03 million (FY21: $0.17 million) from Mirada Iberia's research and innovation tax deductions. Net loss for continued activities was $2.87 million (FY21: loss of $2.99 million).

Net Debt increased to $8.59 million (FY21: $7.07 million). Long-term interest-bearing loans and borrowings and related party loans and interest increased to $6.66 million (FY21: $5.40 million) and short-term borrowings increased to $1.95 million (FY21: $1.78 million) – see note 9 for further details. Trade receivables increased from $1.83 million to $2.07 million.

On 27 September 2021, the Company announced the extension from €1.3 million to €3.0 million of the facility granted by a related party, of which €2.27 million was utilised at 31 March 2022. The facility is being provided by Leasa Spain, S.L.U. ("Leasa" or the "Lender"). The Lender is incorporated in Spain and ultimately owned by Mr Ernesto Luis Tinajero Flores who has a total beneficial interest in 87.21% of Mirada's share capital. The term of the Facility was extended until 30 November 2023 ("Maturity Date"), although the Company retains the option to repay any drawn amounts earlier.

Other intangible assets have decreased by $0.27 million.

The Group generated $2.86 million of cash in operating activities in the year (FY21: $3.15 million) and spent a further $3.99 million (FY21: $4.17 million) in investing activities.

GROWING NEW BUSINESS MOMENTUM WITH MAJOR NEW CONTRACTS SIGNED POST-PERIOD

In recent weeks, we announced the first major contract win since the onset of the pandemic and the company has two more significant deals with new customers in late stage, one in India where terms have been agreed and one in Latin America.

With a large TV operator and telecoms company in India, Mirada has agreed a five-year contract and is expecting to be able to implement it and start the project in the new year following receipt of the initial payment. Mirada will deliver a hybrid DVB ("Digital Video Broadcasting")/OTT ("Over-the-Top") Android TV Operator Tier platform, powered by its flagship Iris solution. The platform will provide viewers with on-demand content as well as linear TV on set-top boxes and on other devices such as smartphones, tablets, computers and smart TVs. The deal marks Mirada's continued expansion in the Asia-Pacific market, where it is seeing an increasing number of new opportunities and demonstrates the success of the Company's new sales and marketing strategy.

Mirada is also in advanced negotiations for a contract to provide Pay TV services and ad-based entertainment platform available in public spaces to a Pay TV Operator in Latin America. The Pay TV contract will be delivered via a SaaS model, an important part of Mirada's growth strategy, with the potential for revenue to increase as the customer expands its subscriber base. The expected contract includes initial set-up fees for Mirada, followed by subscriber fees on a monthly basis (with a minimum revenue guaranteed) once the service goes live. The entertainment platform contract would see the Group's Iris solution deployed for the first time as an ad-based service available in public spaces, such as in government buildings, parks, train stations and airports.

ENCOURAGING START TO FY23

The contract wins described in the above section have been achieved alongside a strong start to trading from existing customers in FY23. The first quarter ended 30 June 2022 saw a marked increase in subscriber-based licence fees, with over 2 million set-top boxes now deployed using Mirada's technology. This has translated into revenues for the quarter of approximately $3.1 million (2021: $3.1 million) and adjusted EBITDA of $0.9 million (2021: $0.7 million).

Confidence in delivering continued, sustainable growth in the new financial year and beyond

To have delivered these FY22 results despite the effects of the pandemic continuing to be felt for much of the period is testament to quality of the products and services we provide, the dedication of our people, the resilience of our model and the improvements made to our operational infrastructure.

We continued to support our customers as they worked to realise their growth ambitions, and while new business activity across the market suffered a major setback because of the Covid 19 pandemic – particularly in the first half – we were able to offset this by securing a significant increase in licences across our existing base.

As the second half progressed, we saw a recovery in appetite across our target markets and, although there were pandemic-related challenges along the way and it can take several months for a new agreement to be signed in our industry, our sales pipeline quickly grew to the largest it has ever been. Encouragingly, as demonstrated by the post-period agreements with Mongolian telco Skytel and a telco in India, and late-stage negotiations in Latin America, we are now beginning to get those deals over the line.

There remains an air of uncertainty around the broader economic environment but, at present, we are not seeing any signs of the demand in our end markets slowing. Our outlook as things stand remains unchanged from the trading update issued in May – that the new financial year will be one of significant commercial progress.

We have invested heavily and developed several strategic initiatives ahead of the curve that position us at the centre of emerging TV and video service trends. Assuming the worst of the pandemic is now behind us, I am confident Mirada is equipped to return to its pre-Covid trajectory and grow in a meaningful and sustainable way.

29th september

José Luis Vázquez,
Chief Executive Officer

STRATEGIC REPORT

BUSINESS MODEL

The Company's main activity is the provision of software for the Digital TV market. Our major customers are pay TV platforms and broadcasters willing to address final customers through a streaming platform. We provide the technology needed to facilitate the final user's interaction across many devices, including digital TV decoders (set-top boxes), tablets, smartphones, computers, game consoles and smart TVs. Our flagship product is our navigational software proposition, Iris, and its set of back-end tools.

Our customers need the services of a user interface ("UI") provider such as Mirada when creating a new video service or replacing/upgrading an existing one. The UI provider interacts with i) the device vendor (in the case of set-top boxes); ii) the encryption technology vendor (Conditional Access ("CA") vendor) for the protection of content; and iii) the customers' systems (billing and provisioning systems).

The Group tends to interact with the customer in the early stages of their decision-making process and help in the selection of the proper ecosystem for their video solution. Our expertise and experience are widely recognised in the industry, and we provide a value that goes beyond our actual UI proposition. Aside from the professional services related to deployment, support and maintenance, our licensing model varies depending on the size of the customer, from one-off fees per household for the product as it is, to recurrent revenues for a Software as a Service ("SaaS") model. Support & Maintenance services such as quality assurance on functionality add-ons to platforms are also provided to customers.

STRATEGY

The Group's strategy is to extend its presence in the media and telecommunication markets, focusing on those markets with higher potential growth rates, for example the Latin America, Eastern Europe and South East Asia markets. The aim is to increase the number of customers being charged subscriber-based licence fees, as these revenues command higher margins and, so long as the customer's subscriber base keeps growing, Mirada will continue to earn licence fees even from projects which were completed several years previously.

Reference deployments (defined as key deployments used as a reference to attract potential customers) are very important in this market, and winning reference contracts has been and remains an integral part of our strategy.

Development, performance and position of business

Development, performance and position of our business have been discussed in the CEO report, with key items on pages 35 and 36.

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks affecting the Group are set out below. All these risks are consistent and stable compared with the prior year.

DEPENDENCE ON PEOPLE

The Group recognises the value of the commitment of its key management personnel and is conscious that it must keep appropriate reward systems, both financial and motivational, in place to minimise this area of risk. Rotation of key management, considered to be the main measure of risk, is very low as there have been no changes in the key executive management team in the last seven years. The Group invests a significant number of resources to identify market practices in our sector and to be up to date on human resources policies, including employment benefits, remote working and continued internal and external training for our employees.

DIGITAL TV AND BROADCAST MARKETS

The sectors in which the Group operates may undergo rapid and unexpected changes. It is possible, therefore, that competitors will develop products that are similar to those of the Group, or its technology may become obsolete or less effective. The Group's success depends upon its ability to enhance its products and technologies and develop and introduce new products and features that meet changing customer requirements and incorporate technological advances on a timely and cost-effective basis. As a result, the Group continues to invest significantly in new product and product improvements, research and development, totalling this year circa 30% of our revenues, well above market standards. As most of our market growth is related to Subscription Video on Demand (SvoD) and OTT services, we have been able to improve our OTT product line and integrate our services with Netflix, Disney+, HBO Max and Amazon Prime Video at our largest customer, izzi Telecom, paving the way for potential future integration in present and future customers.

Information technology

Data security, loss or corruption of data, and business continuity pose inherent risks for the Group leading to a loss of customer confidence in the Group being able to deliver their requirements. To mitigate this risk, the Group invests in, and keeps under review, formal data security and business continuity policies. The Group maintains both local and cloud-based backups and regularly reviews plans on how to improve data management.

Intellectual property

There are certain markets in which there could be instances of disputes regarding intellectual property involving technology companies, including the Digital TV market. So far, no disputes have been raised and the Company does not envisage any risks to its own intellectual property. While the Group internally generates its products and software and strongly believes that it has not infringed any third-party intellectual property, management do recognise that due to the nature of the technology market there will always be a risk of other corporations potentially making claims regarding intellectual property/patent infringements.

Liquidity risk

Liquidity risk is managed through the assessment of short, medium and long term cashflow forecasts to ensure the adequacy of funding in order to meet the Group's working capital requirements. Cash and cash flow forecasts are regularly reviewed by the Executive Directors and the Group constantly monitors these to ensure, among other scenarios, that the Group is able to meet its liabilities as they fall due. Where a shortfall in funding is identified, the Company will look to meet this shortfall through a variety of funding options including but not limited to the issuing of new equity. The Company relies on the support of its shareholders and has been able to secure new equity and loan facilities during prior years from its main shareholder. This area is considered further in the report of the directors and the accounting policies under 'Going concern'.

Customer concentration

Revenues from the main customer represent 77% of the total turnover. The Company has a focus on reducing this level generating business with new customers.

BREXIT

The UK's exit from the European Union (EU) did not have any significant impact in the performance of our business.

COVID-19

For the two years from April 2020 to March 2022, most potential customers chose to postpone their decision-making processes until there was greater clarity around the future of the pandemic. New business activity across the industry – particularly during confinement periods – effectively ground to a halt.

Encouragingly, as we moved through the financial year ending in March 2022, we began to see growing indications of a gradual reversion to pre-pandemic levels of appetite for investment from both existing and prospective customers.

Section 172 statement

From 1 January 2019, legislation was introduced requiring companies to include a statement pursuant to section 172 of the Companies Act 2006.

The Board recognises the importance of the Group's wider stakeholders when performing their duties under Section 172(1) of the Companies Act and their duties to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

- the likely consequences of any decision in the long term;
- the impact of his decisions in the value for shareholders;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and partners;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

The Board considers that all their decisions are taken with the long-term in mind, understanding that these decisions need to regard the interests of the Company's shareholders, employees, its relationships with suppliers, customers, partners, the communities, and the environment in which it operates. Since the beginning of the pandemic the company implemented a flexible remote working policy and deployed sales and marketing strategies to perform online product demonstrations for customers and partners. It is the view of the Board that these requirements are addressed in the Corporate Governance Statement, which can be found on the company's website at www.mirada.tv/investors/corporate-governance.

APPROVAL

29th September 2022

This strategic report was approved on behalf of the Board on 29th September 2021 and signed on its behalf.

José Luis Vázquez,
Chief Executive Officer

DIRECTOR'S REPORT

REVIEW OF BUSINESS, FUTURE DEVELOPMENTS AND KEY PERFORMANCE INDICATORS

Reviews of the business, its results, future direction and key performance indicators are included in the Chief Executive Officer's Report and Strategic Report on pages 32 to 41.

DIVIDENDS

No dividend is declared in respect of the year (2021: $nil).

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to several financial risks including capital risk, credit risk, foreign currency exchange risk, interest rate risk and liquidity risk. The management of financial risk is governed by the Group's policies approved by the board of directors, which provide written principles to manage these risks. See note 21 for further details on the Group's financial instruments.

GOING CONCERN

These financial statements have been prepared on the going concern basis. The Directors have reviewed the Company and Group's going concern position taking account of its current business activities, budgeted performance and the factors likely to affect its future development, which are set out in this Annual report, and include the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, its exposure to credit and liquidity risks and the impact of the COVID-19 pandemic.

Based on our review of going concern position, we believe that there are material uncertainties relating to going concern assumptions for the Group and the company on the grounds that future sources of funding or supporting evidence are not available at the date of approval of the financial statements. We have considered a period of at least twelve months from the date of approval of the financial statements. We acknowledge that the Group requires additional funding, and we are in the process of exploring opportunities to raise additional funding and optimistic that we will be able to raise sufficient funds.

As at 31 March 2022, the Group had cash and cash equivalents of $0.03m (2021: $0.11m), had net current liabilities of $1.39m (2021: $0.23m) and net assets of

$4.73m (2021: $7.90m.). In the year ended 31 March 2022, the Group generated net cash from operating activities of $2.86m (2021: $3.15m), realised a loss for the year of $2.87m (2021: $2.99m).

The €1.30 million credit facility, granted by Leasa Spain, S.L.U. ("the Lender") on 4 June 2019, was increased up to €3.0 million and its Maturity Date was extended until 30 November 2022. In addition, the Facility was novated from Mirada Iberia to Mirada Plc. On 23 September 2022 this was extended until 30 November 2023. All other terms of the Facility remain unchanged. The Lender is controlled by Mr. Ernesto Luis Tinajero Flores, who also owns 87.21% of the voting rights of Mirada.

The Directors have prepared detailed cash flow forecasts for the period to at least 31 December 2023. The Directors regularly review the detailed forecasts of sales, costs and cash flows. The assumptions underlying the forecasts are challenged, varied and tested to establish the likelihood of a range of possible outcomes, including reasonable cash flow sensitivities. The expected figures are carefully monitored against actual outcomes each month and variances are highlighted and discussed at Board level. From a technology point of view, the Group is also offering and developing the most advanced features in the market, providing services to a growing subscriber base in our core markets. To this end a base case cash flow forecast has been prepared which takes into account the following key assumptions:

- The continued availability of the Group's invoice discounting facility throughout the foreseeable future.
- An average revenue growth of 13% in the foreseeable future, which Directors believe, comprise of revenue that is substantially already secured under-signed contracts.
- Fundraising up to $2.0 million to happen in the year ending in 31 March 2023.
- The extension of the due date of the €3.0 million credit facility granted by Leasa Spain, S.L.U. until 30 November 2023.
- An expected receipt of US$0.3m of Research and Development tax credit in March 2023 from Spanish tax authorities.
- The Company expects to announce in the coming weeks a contract win to provide Pay TV services and an ad-based entertainment platform available in public spaces to a Pay TV Operator in Latin America.

The Directors have also considered several downside scenarios, including a scenario where all revenue growth from new customers is removed and a reverse stress test. The purpose of the reverse stress test for the Group is to test at what point the cash facilities would be fully utilised if the assumptions in the Director's base case forecasts are altered. This reverse stress test includes both a removal of all revenue growth from new customers and a reduction of contracted revenue from existing customers for the forecast period, resulting in an overall reduction of revenue of c.20%, as well as the removal of any potential future funding and the receipt of the US$0.3m Research and Development tax credits anticipated. In the event that the performance of the Group is not in line with the projections, and more akin to one of our downside scenarios, including the worst-case scenario, action will be taken by management immediately to address any potential cash shortfall for the foreseeable future. The actions that could be taken by the Directors include both a review and restructuring of employment related costs, including the deferral of any potential bonuses due to employees. These measures alone could save at least $1.5m in operating costs and therefore cash flows, although they would compromise the company's future growth. Further, the Directors could also negotiate access to other sources of finances from the Group's lenders. Given the Director's current relationship with lenders and their recent success in negotiations with these financial institutions, whilst there are no binding agreements currently in place, negotiations are in very advanced stages for additional funding. Therefore, the Directors are confident that any additional funding required would be obtained.

Overall, the sensitised cash flow forecasts demonstrate that the Group will be able to pay its debts as they fall due for the period to at least 31 December 2023 based on a potential fundraising of up to $2.0 million during the period. The Directors are, therefore, satisfied that the financial statements should be prepared on the going concern basis.

See note 3 (b) to the financial statements for further information on going concern.

DIRECTORS' AND OFFICERS' INDEMNITY INSURANCE

The Group has taken out an insurance policy to indemnify the Directors and officers of the company and its subsidiaries in respect of certain liabilities which may attach to them in their capacity as directors or officers of the Group, so far as permitted by law. This policy remained in force throughout the year and remains in place at the date of this report.

RESEARCH AND DEVELOPMENT ACTIVITIES

The Group continues its development program of software for the Pay TV market including the research and development of new products and enhancements to existing products. The Directors consider the investment in research and development to be fundamental to the success of the business in the future.

CORPORATE GOVERNANCE

The Board decided to adopt the QCA Corporate Governance Code (April 2018) from 26 September 2018, and there have not been any changes since then. Details of the Company's corporate governance policies and compliance are available on the Mirada website: https://www.mirada.tv/investors/corporate-governance/.

COMPLIANCE WITH THE QUOTED COMPANIES ALLIANCE CORPORATE GOVERNANCE CODE

The Quoted Companies Alliance has published a corporate governance code which includes a standard of minimum best practice for AIM companies and recommendations for reporting corporate governance matters.

CHAIRMAN'S CORPORATE GOVERNANCE STATEMENT

As a chairman, my role is to manage the Board in the best interests of our stakeholders, to ensure that our shareholders' views are communicated to the Board and to be responsible for ensuring the Board's integrity and effectiveness. I recognise that my role also involves my responsibility over the correct implementation of the QCA Corporate Governance Code into Mirada's corporate governance practices.

The Company is managed by the Board of Directors, and it is the Board's job to ensure that the Mirada group is managed for the long-term benefit of all shareholders, with effective and efficient decision-making. Corporate governance is an important part of that job, reducing risk and adding value to our business.

In addition to each of the 10 principles listed further below, the following provides an overview of how the Company applies the QCA Corporate Governance Code, in order to support the Company's medium to long-term success.

The Board comprises three Executive and one independent non-Executive Director. The Board considers, after careful review, that the non-Executive Director brings an independent judgement to bear notwithstanding his length of service and is therefore considered independent. The Board has decided to adopt voluntarily the practice that one third of the Directors stand for re-election on an annual basis.

I, José-Luis Vázquez, the Chief Executive, has executive responsibility for running the Group's business and implementing Group strategy and has assumed the role of interim Chairman after Francis Coles departure for family reasons. The Board meets at least four times per year and has a formal schedule of matters reserved to it. It is responsible for overall Group strategy, approval of major capital expenditure projects, approval of the annual and interim results, annual budgets and Board structure. It monitors the exposure to key business risks and reviews the strategic direction of all trading subsidiaries, their annual budgets, their performance in relation to those budgets and their capital expenditure. The Board delegates day-to-day responsibility for managing the business to the Executive Directors and the senior management team.

The Board believes that, given its size, there is sufficient opportunity for shareholders to raise any concerns they may have with the non-Executive Chairman, the Chief Executive, the Group Finance Director and the other Directors.

Our values are based on two cornerstones: our customers and our employees. The Board believes this is vital for creating a sustainable, growing business and is a key responsibility of the Group. This culture supports the Company's objectives to grow the business through acquiring and retaining customers by attending to their needs from the very beginning of the sales process until successful delivery and during ongoing services provision and support. The Company recognises its employees as a key driver of success and considers it crucial to recruit and retain the right people with the appropriate set of skills and values. Corporate governance is an important part of that job, reducing risk and adding value to our business.

José Luis Vázquez,
Interim Chairman

The QCA Corporate Governance Code sets out ten principles which should be applied. These are listed below together with a short explanation of how the Group applies each of the principles:

1. *Establish a strategy and business model which promote long-term value for shareholders:*

The Mirada Group strategy is focused around four key areas: market, product, sales, and business model, as explained fully within the Strategic Report section of our Report and Annual Accounts.

The Group's strategy is to extend its presence in the Digital TV markets, focusing on those with high potential growth rates, for example the Latin American, Eastern Europe and South East Asian markets. The aim is to increase the number of customers being charged subscriber-based licence fees, as these revenues command higher margins and, as long as the customer's subscriber base is growing, Mirada will continue to earn licence fees even from projects completed several years previously.

The key challenges to the business and how these are mitigated are detailed in the Strategic Report.

2. *Seek to understand and meet shareholder needs and expectations:*

The Mirada Group encourages two-way communication with both its institutional and private investors and responds quickly to all queries received. The CEO talks regularly with the Group's major shareholders and ensures that their views are communicated fully to the Board.

The Board recognises the AGM and the GMs as important opportunities to meet private shareholders. The Directors are available to listen to the views of shareholders informally immediately following these meetings. The Group has set up a dedicated email address for all investor queries. The Board has also utilised digital technology to present virtually to current and prospective investors.

Where voting decisions are not in line with the Company's expectations, the Board will engage with those shareholders to understand and address any issues.

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

The Mirada Group has identified the following key stakeholders and decided on implementing the following actions to cover their needs, interests and expectations:

- Employees - company meetings, CEO letters, work council
- Customers - corporate website, social media, international trade fairs, personal meetings, high- and low-level bilateral meetings
- Sales Partners - internal blog, weekly industry press reviews, weekly follow-up conferences, marketing material
- Shareholders - see above
- Technological Partners - corporate website, social media, international trade fairs, personal meetings, high- and low-level bilateral meetings
- Compliance advisors - periodic conference calls, advice request when applicable
- Banks - periodic meetings

Mirada identifies its employees as its key asset and puts a considerable amount of effort into ensuring employee satisfaction by such measures as improving work-life balance, providing fringe benefits, team building activities and many more.

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

The Board considers risk to the business at every Board meeting (at least one meeting is held per quarter) and the risk register is updated at each meeting. The Company formally reviews and documents the principal risks to the business at least annually.

Both the Board and senior managers are responsible for reviewing and evaluating risk and the Executive Directors meet at least monthly to review ongoing trading performance, discuss budgets and forecasts and new risks associated with ongoing trading. This process allows the Board to gain assurance that the risk management and related control systems in place are effective.

5. Maintain the board as a well-functioning, balanced team led by the chair:

The Company is controlled by the Board of Directors. José Luis Vázquez, the Chief Executive, has executive responsibility for running the Group's business and implementing Group strategy and is acting as interim Chairman. Directors attend one Board Meeting per quarter.

A summary of Board meetings attended by current Directors in the twelve months to 31 March 2022 is set out below:

	Francis Coles	José Luis Vazquez	Matthew Peter Earl	José Francisco Gozalbo	Gonzalo Babío
21 Apr 2021	✓	✓	✓	✓	✓
24 Jun 2021	✓	✓	✓	✓	✓
15 Sep 2021	✓	✓	✓	✓	✓
27 Oct 2021	✓	✓	✓	✓	✓
11 Nov 2021	✓	✓	✓	✓	✓
27 Jan 2022	✓	✓	✓	✓	✓

All Directors receive regular and timely information about the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. In addition, minutes of the meetings of the Directors are circulated to the Group Board of Directors. All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

The Board comprises three Executive Directors and one Non-Executive Director. All Executives Directors work on a full-time basis and the Non-Executive Director's service agreement sets out expected time commitments. All Directors recognise that a certain time of increased activity, the preparation and attendance at meetings will increase. The Board considers that the Non- executive Director brings an independent judgement to bear notwithstanding the length of service.

The Board continues to make good progress in finding Francis' successor, and in seeking to appoint a further non-executive director and will make a further announcement at the appropriate time.

The Directors of Mirada (the "Directors") have the following experience and skills:

JOSÉ LUIS VÁZQUEZ

Chief Executive Officer
& Interim Chairman

José L. Vázquez is CEO and Co-Founder of Mirada, a leading interactive TV player in the Spanish market. He holds a degree in Advanced Telecommunication Engineering (UPM) and an MBA (IESE). He has more than 15 years of experience in Telecommunication and Interactivity markets, where he is a skilled professional. He founded Fresh in year 2000 being the CTO and became the CEO of the company in 2004. José is one of the leading figures in the Hispanic Digital TV platforms markets.

GONZALO BABÍO

Chief Financial Officer

Gonzalo Babío has a broad experience in media and technology sectors. His professional career includes three years working at Arthur Andersen as an auditor, ten years at Electronic Arts as Finance Director working in Madrid, Lisbon, Sao Paulo, Lyon and London, and ten years as Finance Director for The Walt Disney Company Iberia in Madrid. He has a degree in Business Administration from the Universidad de Deusto in Bilbao, an EMBA from IESE Business School in Madrid and a PED from IMD in Lausanne.

JOSÉ FRANCISCO GOZALBO SIDRO

Chief Technology Officer

José joined Mirada as Chief Technology Officer in March 2008, bringing over 18 years of experience in software development companies. In this role he has been responsible for software development, quality assurance, R&D and presales departments. He has a special focus on the Latin America region and has helped to build relationships with big telecoms partners that have led to multiple deployments of Mirada's products. Prior to joining Mirada, José was Chief Technology Officer at Fresh Interactive Technologies where he managed the deployment of products and services worldwide, working with some of the key partners in the Pay TV market.

MATTHEW PETER EARL

Non-Executive Director

Matthew has spent over 19 years working in the financial services sector primarily in Equity Capital Markets. Matthew started his career with Royal Bank of Scotland plc as an economist before working at Investec plc. Matthew then joined Charles Stanley Securities as an equity analyst in the support services sector, until he moved to head up the business services research team at Matrix Group Limited in 2010. More recently he has become an active investor in small and medium sized businesses.

The Audit Committee and the Remuneration and Nomination Committee meet formally at least twice a year. In the year ended 31 March 2022, Francis Coles and Matthew Earl attended all meetings of the Audit, Remuneration and Nomination Committees. After Francis Coles departure on 1 April 2022, José Luis Vázquez and Matthew Earl attend both committees.

6. *Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities:*

The Nomination Committee of the Board oversees the hiring process and makes recommendations to the Board on all new Board appointments. Where new Board appointments are considered the search for candidates is conducted, and appointments are made, on merit, against objective criteria. Whilst there is not currently a balance of genders on the Board, the Company's Directors look to appoint individuals with complementary skills and experience to fulfil the Company's strategy, regardless of gender. The Nomination Committee also considers succession planning.

The skills and experience of the Board are set out in their biographical details against principle 5 above. The Directors bring a mixture of relevant sector, public company and financial experience to the Board such that it has the capabilities to deliver the Company's strategy.

The directors keep their skillsets up to date by attending industry and qualification relevant seminars and training sessions.

The directors seek advice from their corporate advisers (including the Company's nominated adviser, lawyers and accountants) as necessary.

7. *Evaluate board performance based on clear and relevant objectives, seeking continuous improvement:*

The Board carries out an evaluation of its performance annually, taking into account the financial reporting Council's Guidance on Board Effectiveness. The company has performed regular reviews of its Board composition, considering whether each Director has the appropriate skills for the proper performance of their duties. The Board is satisfied that each individual has the right balance of financial and market knowledge to understand the performance and prospects of the business for the proper development of the Group.

All Directors undergo a performance evaluation before being proposed for re-election to ensure that their performance is and continues to be effective, that where appropriate they maintain their independence and that they are demonstrating continued commitment to the role.

Appraisals are carried out each year with all Executive Directors.

The Board has decided to adopt voluntarily the practice that one third of the Directors stand for re-election on an annual basis.

8. *Promote a corporate culture that is based on ethical values and behaviours:*

Ethical values and behaviours are one of the key elements of Board members' appraisals. It also forms an important part of every employee's appraisal process, with a special focus on employees with direct contact with customers and vendors. Company values are also included in the welcome package that every new employee receives upon joining the Company, which is also available for everyone on the Intranet.

9. *Maintain governance structures and processes that are fit for purpose and support good decision-making by the board:*

Our corporate governance statement on structure and processes is available on our corporate website, AIM Rule 26, Corporate Governance section. Direct link available here: https://www.mirada.tv/investors/aim-rule-26/

10. *Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders:*

The Company encourages two-way communication with both its institutional and private investors and responds quickly to all queries received. The CEO talks regularly with the Group's major shareholders and ensures that their views are communicated fully to the Board.

The Board recognizes the AGM and other General Meetings as important opportunities to meet private shareholders. The Directors are available to listen to the views of shareholders informally, immediately following any General Meeting.

DIRECTORS

The directors who held office during the year are given below:

Executive directors

MR JOSÉ LUIS VÁZQUEZ
Chief Executive Officer
& Interim Chairman from 1 April 2022

MR JOSÉ GOZALBO

MR GONZALO BABÍO

Non-executive directors

MR FRANCIS COLES
Chairman until departure on
1 April 2022 for family reasons

MR MATTHEW EARL

EVENTS SINCE THE REPORTING DATE

On 23 September 2022, Mirada Plc obtained an extension of the €3.0 million credit facility from Leasa Spain, S.L.U. (the "Lender") until 30 November 2023. The Lender is owned by Mr. Ernesto Luis Tinajero Flores, who also owns 87.21% of the voting rights of Mirada.

On 23 September 2022, Mirada PLC announced it has been awarded a further extension of Skytel video service in Mongolia to include more connected devices.

For most of the years ended in March 2021 and March 2022, potential customers chose to postpone their decision-making processes until there was greater clarity around the future of the pandemic. New business activity across the industry – particularly in the first half – effectively ground to a halt.

Encouragingly, as we moved through the financial year ending in March 2023, we began to see growing indications of a gradual reversion to pre-pandemic levels of appetite for investment from both existing and prospective customers.

AUDITORS

Each of the persons who are directors at the date of approval of this report confirms that:

1. so far as the directors are aware, there is no relevant audit information of which the auditors are unaware; and
2. the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

PKF Littlejohn LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

José Luis Vázquez,
Chief Executive Officer
28th September 202

AUDIT COMMITTEE REPORT

Approved by the Board of Directors and signed on behalf of the Board:

I am pleased to present the report on behalf of the Audit Committee.

The Committee is responsible for challenging the quality of internal and external control and for ensuring that the financial performance of the Group is properly reported and reviewed. The Board considers that the Company is not currently of a size to warrant the need for an internal audit function although the Board has put in place internal financial procedures to ensure close internal controls.

COMMITTEE COMPOSITION

The members of the Audit Committee are myself, Francis Coles (until 1 April 2022), as Chair, and Matthew P. Earl both independent non-executive directors. The Board is of the view that we have recent and relevant experience. Meetings are held on average twice a year. José Luis Vázquez (CEO), and Gonzalo Babío (Finance Director), attend by invitation. I report to the Board following an Audit Committee meeting and minutes are available to the Board. After Francis Coles departure on 1 April 2022, the members are Jose Luis Vazquez (Interim Chairman) and Matthew Earl and Gonzalo Babío attends by invitation.

COMMITTEE DUTIES

The main duties of the Committee are set out below:

- Reviewing and recommending to the Board in relation to the appointment and removal of the external auditor.
- Recommending the external auditor's remuneration and terms of engagement.
- Reviewing the independence of the external auditors, the objectivity and the effectiveness of the audit process, taking into account relevant professional and regulatory requirements.
- Reviewing and monitoring the extent of the non-audit work undertaken by the Group's external auditor.
- Reviewing a wide range of financial matters including the annual and half year results.
- Monitoring the controls which ensure the integrity of the financial information reported to the shareholders.

In the financial year commencing on 1 April 2021, the International Accounting Standards Board (IASB) issued various amendments and revisions to International Financial Reporting Standards and IFRIC interpretations. The amendments and revisions were applicable for the year ended 31 March 2022 but did not result in any material changes to the Financial Statements of the Group.

EXTERNAL AUDITOR

PKF Littlejohn LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Matthew Earl,
Chair of the Audit Committee

NOMINATIONS & REMUNERATION COMMITTEE REPORT

I am pleased to present the report on behalf of the Remuneration Committee.

The Committee decides the remuneration policy that applies to executive directors and senior management. The Remuneration Committee meets as necessary in order to consider and set the annual remuneration for executive directors and senior managers, having regard to personal performance and industry remuneration rates. In determining that policy, it considers a number of factors including:

- the basic salaries and benefits available to executive directors and senior management of comparable companies.
- the need to attract and retain directors and others of an appropriate calibre; and
- the need to ensure all executives' commitment to the success of the Group.

The members of the Audit Committee are myself, Francis Coles, as Chair (until 1 April 2022), and Matthew P. Earl both independent non-executive directors. The Board is of the view that we have recent and relevant experience. Meetings are held on average twice a year. José Luis Vázquez (CEO), and Gonzalo Babío (Finance Director), attend by invitation. I report to the Board following an Audit Committee meeting and minutes are available to the Board. After Francis Coles departure on 1 April 2022, the members are Jose Luis Vazquez (Interim Chairman) and Matthew Earl and Gonzalo Babío attends by invitation.

Non-executive directors are appointed on contracts with a three-month notice period and may be awarded fees as determined by the Board.

Executive directors are appointed on contracts with a 12-month notice period.

DIRECTORS' REMUNERATION

The following table summarises the remuneration receivable by the directors for the year ended 31 March 2022.

	Salary & Fees	Benefits	2022 Total	2021 Total
	$000	**$000**	**$000**	**000**
Executive				
José Luis Vázquez	186	4	190	258
José Gozalbo Sidro	162	11	173	227
Gonzalo Babío	135	18	153	187
Non-executive				
Matthew Earl	40	-	40	41
Francis Cole	59	-	59	62
	582	**33**	**615**	**774**

The directors' participation in the company's share option plan is detailed in Note 24 and, as confirmed in Note 8, there were no contributions paid into a pension scheme for any director.

Matthew Earl,
Chair of the Nominations & Remuneration Committee

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 UK adopted International accounting standards. The Directors have elected to prepare the Company financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Standards (United Kingdom Generally Accepted Accounting Practice including FRS 101 Reduced Disclosure Framework). 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 for that year. 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;
- for the Group financial statements, state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements;
- for the Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 requirements of 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 the financial statements are made available on the Company's 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MIRADA PLC

OPINION

We have audited the financial statements of Mirada Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise: the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, 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 significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

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 31 March 2022 and of the group's and parent company's loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- 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 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.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 3.b in the Consolidated financial statements, which indicates that the Group and the Company will require additional funding within 12 months from the date at which the financial statements are authorised for issue in order to meet its obligations as they fall due, including their projected spend. The ability of the Group to maintain its growth strategy is therefore dependent on successfully raising funds. The Group incurred losses for the year ended 31 March 2022 of $2.9 million (31 March 2021: $3.0 million). These events and conditions indicates that a material uncertainty exists and if the funds are note raised, it may cast significant doubt on the Group's ability to continue its operations, maintain its growth strategy and meet its liabilities in the foreseeable future. Our opinion is not modified in respect of this matter.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. At the planning stage, materiality is used to determine the financial statement areas that are included within the scope of our audit and the extent of sample sizes during the audit.

We determined our overall financial statement materiality for the group to be $221,400, based on 2% of turnover. We consider turnover to provide a consistent year on year basis for determining materiality, it is a main KPI and is a significant driver of profit/loss for the year. In order to arrive at this judgement, we considered the financial measures which we believed to be most relevant to the shareholders in assessing the performance of the Group.

We set performance materiality at 65% of overall financial statement materiality to reflect the risk associated with the judgemental and key areas of management estimation within the financial statements.

We agreed with the board of directors that we would report to the committee all audit differences identified during the course of our audit in excess of £11,000.

No significant changes have come to light through the audit fieldwork which has caused us to revise our materiality figure.

OUR APPROACH TO THE AUDIT

In designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas requiring the directors to make subjective judgements, for example in respect of assessing the carrying value and recoverability of investments and goodwill, and the consideration of future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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. In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our scope addressed this matter
Revenue recognition (Refer note 4d & 6)	
The group's revenue recognition policy can be found in note 3.d to the financial statements. Several revenue streams exist across the group involving different timings and recognition entailing a degree of complexity as detailed in note 3.d. There-fore, revenue recognition related to each deliverable requires judgement over the assessment of the separate contract deliverables. We assessed revenue recognition as a fraud risk as revenue forms the basis for certain of the Group's key performance indicators, both in external communications and for management incentives. As a result, we consider a significant risk of material misstatement to arise from the recognition of revenue throughout the year.	A summary of procedures performed to address the risk include: • Reviewed the revenue recognition policy for the Group in light of the requirements of IFRS 15. • Tested a sample of transactions from the revenue listing by allocating transaction price to each peformance obligation and checked whether the revenue was recognised appropriately at a point in time or over time. • Tested a sample of sales invoices raised before and after year end to ensure that these were accounted for in the correct period and accrued for, or deferred, appropriately by agreeing to supporting evidence. • Tested completeness of deferred revenue and existence of accrued revenue by agreeing the sales in-voices to cash receipts and ensuring that revenue was appropriately recognised during the year. • For all samples tested our testing included inspection of the contracts, proof of payments and ensuring re-venue recognition as per the accounting policy. We confirmed that the appropriate trigger event i.e. performance obligation had satisfied in order to ensure that the revenue recognition criteria had been met. • We also considered the adequacy of the Group's disclosures relating to revenue recognition.

Key observations
Based on procedures performed, we did not identify any evidence of material misstatement in the revenue recognised in the year.

Key audit matter	How our scope addressed this matter
Goodwill and intangible asset impairment. (Refer note 3.f, 3.g, 3.h, 3.i & 13)	
The group has made a loss during the year and, as a result, the Directors have tested goodwill and intangibles assets, including previously capitalised development costs, for impairment. There remains a degree of uncertainty around expected revenues and profits to be realised and be sufficient to ensure recoverability of the assets recognised on the statement of financial position. Determining if an impairment charge is required for Goodwill and Intangible assets involves significant judgements about the future results and cash flows of the business, including forecast growth in future revenues and operating profit margins, as well as determining an appropriate discount factor and long-term growth rate. Details of these are included in note 13. We therefore focused on these areas and the judgements applied to future forecasts.	Our work in this area included the following: • We have reviewed management's analysis for goodwill and Intangible assets impairment and assessed whether the assumptions applied were consistent with the Board approved forecasts used for purposes of estimating Goodwill and Intangible assets impairment. • We have also considered, if impairment losses should be recognized in the financial statements and determined in accordance with IAS 36 Impairment of Assets. • Considered the appropriateness of the disclosure included in the financial statements.

Key observations

We have reviewed the Group's projections and its value in use calculations that support the carrying value of the Intangible as-sets and Goodwill and note that value is dependent on the Group's ability to convert a significant portion their sales pipeline into realised revenue over the medium term. The ability to achieve its projected growth plans is therefore reliant on the Group raising sufficient funds within the next 12 months to ensure it can maintain and increase their projected marketing spend as required. If the Group is unable to raise the required funds in over the next 12 months to meet its expected funding obligations, then it will be unable to meet its legal obligations as they fall due. This will put a significant strain on their day to day operations which may impact its ability to achieve the projected revenue targets which will ultimately lead to an impairment of its Goodwill and Intangible assets.

Key audit matter	How our scope addressed this matter
Carrying value and classification of Investments in subsidiaries	
The investments have material balances on the financial statements of the company and there is a risk that the carrying value is incorrect due to incorrect calculation of impairment.	Our work in this area included the following: • We have reviewed management's analysis and assessed whether the assumptions applied were consistent with the Board approved forecasts used for going concern purposes, considering that the impairment losses on Investments in Subsidiaries should be recognized (if any) have been appropriately determined in accordance with IAS 36 Impairment of Assets. • We have reviewed forecasts provided by the management to consider if the impairment losses are recognized appropriately and based on supportable estimations by management. • Verify certificates of ownership. • Consider the appropriateness of the impairment review per-formed if applicable. • Consider whether or not the investments have been classified and disclosed adequately and correctly. • Considered the appropriateness of the disclosure included in the financial statements.

Key observations

We have reviewed the Group's impairment review that support the carrying value of its Investment in subsidiaries and note that the value is dependent on the Group's ability to maintain its growth strategy. The ability to achieve its projected growth plans is there-fore reliant on the Group raising sufficient funds within the next 12 months to ensure it can maintain and increase their projected marketing spend as required. If the Group is unable to raise the required funds in over the next 12 months to meet its expected funding obligations, then it will be unable to meet its legal obligations as they fall due. This will put a significant strain on their subsidiaries' ability to meet their day to day obligations which will ultimately lead to an impairment of its investment.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 their 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, the directors are responsible for the preparation of the group and parent company 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 group and parent company financial statements, the directors are responsible for assessing the group 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and the company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research and the application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from
  - AIM rules;
  - Companies Act 2006;
  - General Data Protection Regulation;
  - Employment Act 2008;
  - Health and Safety Law;
  - Anti-Bribery Money Laundering Regulations; and
  - Quoted Companies Alliance compliance
  - UK City Code on Takeovers and Mergers
  - Local laws and regulations in UK, Spain and Mexico where the Group operates; and
  - Local tax and employment law where each member of the Group operates.

- There was regular interaction with the component auditors during all stages of the audit, including procedures designed to identify non-compliance with laws and regulations, including fraud.

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:

    - review of legal and professional fees to understand the nature of the costs and the existence of any non-compliance with laws and regulations;

    - discussion with management regarding potential non-compliance; and

    - review of minutes of meetings of those charged with governance and RNS

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, the potential for management bias was identified in relation to the going concern of the group and the company and as noted above, we addressed this by challenging the assumptions and judgements made by management when auditing that significant accounting estimate.

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Zahir Khaki,
Senior Statutory Auditor

For and on behalf of PKF Littlejohn LLP Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

USE OF OUR REPORT

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022

Company number 03609752	Note	2022	2021
		$000	$000
Revenue	6	11,023	11,134
Cost of sales		(776)	(297)
Gross profit		**10,247**	**10,837**
Depreciation	15,16	(336)	(378)
Amortisation	14	(4,032)	(3,909)
Staff costs	9	(6,477)	(7,095)
Other administrative expenses		(2,120)	(2,047)
Total administrative expenses		**(12,965)**	**(13,429)**
Operating loss	8	**(2,718)**	**(2,592)**
Finance income	10	-	70
Finance expense	11	(263)	(222)
Foreign currency translation differences		77	(419)
Loss before taxation		**(2,904)**	**(3,163)**
Taxation	12	33	171
Loss for year		**(2,871)**	**(2,992)**

Other comprehensive income for the period	*Amounts that will or may be reclassified to the profit or loss*		
Forex on translation of foreign operations		(299)	338
Total comprehensive loss for the period		**(3,170)**	**(2,654)**

Earnings per share		Year ended 31 March 2022	Year ended 31 March 2021
		$	$
Earnings per share for the year - basic & diluted	**13**	**(0.322)**	**(0.336)**

(The notes on pages 30 to 67 form part of these financial statements)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2022

Company number 03609752	Note	2022	2021
		$000	$000
Goodwill	14	5,151	5,435
Other Intangible assets	14	7,046	7,314
Right of use assets	15	195	343
Property, plant and equipment	16	161	223
Other Receivables	17	334	354
Non-current assets		**12,887**	**13,669**
Trade & other receivables	17	4,986	4,856
Cash and cash equivalents	27	25	107
Current assets		**5,011**	**4,963**
Total assets		**17,898**	**18,632**
Loans and borrowings	19	(1,856)	(1,774)
Related parties loans and interests	19	(94)	(3)
Trade and other payables	18	(2,953)	(2,234)
Deferred income	18	(1,403)	(973)
Lease liabilities	15	(96)	(204)
Current liabilities		(6,402)	(5,188)
Net current liabilities		**(1,81)**	**(225)**
Total assets less current liabilities		12,706	13,444
Related parties loans	20	(2,557)	(586)
Interest bearing loans and borrowings	20	(4,106)	(4,815)
Lease liabilities	15	(105)	(145)
Trade and other payables		(1.210)	-
Non-current liabilities		(7.978)	(5,546)
Total liabilities		**(13,170)**	**(10,734)**
Net assets		**4,728**	**7,898**

These financial statements were approved and authorised for issue on 29 September 2022

Signed on behalf of the Board of Directors

José Luis Vázquez,
Chief Executive Officer
28th September 202

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

Company number 03609752	Share capital	Share premium	Foreign exchange reserve	Merger reserves	Accumulated losses	Total
	$000	$000	$000	$000	$000	$000
Balance at 1 April 2021	12,015	-	13,761	4,863	(22,741)	7,898
Profit/(loss) for year	-	-	-	-	(2,871)	(2,871)
Other comprehensive income						
Movement in foreign exchange	-	-	(299)	-	-	(299)
Total comprehensive income for the year	-	-	(299)	-	(2,871)	(3,170)
Balance at 31 March 2022	**12,015**	-	**13,462**	**4,863**	**(25,612)**	**4,728**
Balance at 1 April 2020	12,015	-	13,423	4,863	(19,749)	10,552
Profit/(loss) for year	-	-	-	-	(2,992)	(2,992)
Other comprehensive income						
Movement in foreign exchange	-	-	338	-	-	338
Total comprehensive income for the year	-	-	338	-	(2,992)	(2,654)
Balance at 31 March 2021	**12,015**	-	**13,761**	**4,863**	**(22,741)**	**7,898**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

Company number 03609752	Note	2022	2021
		$000	$000
Cash flows from operating activities			
(Loss)/profit after tax		(2,871)	(2,992)
Adjustments for:			
Depreciation of property, plant and equipment	15,16	336	378
Amortisation of intangible assets	14	4,032	3,909
Finance income		-	(70)
Finance expense		263	222
Foreign currency translation differences		(77)	419
Taxation		(33)	(171)
Operating cash flows before movements in working capital		**1,650**	**1,695**
Decrease/(increase) in trade and other receivables		134	1,375
(Decrease)/increase in trade and other payables		1,018	(74)
Interest paid		(10)	(13)
Taxation received		71	162
Net cash used in operating activities		**2,863**	**3,145**
Cash flows from investing activities			
Interest and similar income received	10	-	70
Purchases of property, plant and equipment	16	(16)	(53)
Purchases of other intangible assets	14	(3,972)	(4,185)
Net cash used in investing activities		**(3,988)**	**(4,168)**
Cash flows from financing activities			
Interest and similar expenses paid	11	(253)	(209)
Payment of principal on lease liabilities	27	(269)	(301)
Loans received	27	832	3,264
Related parties loans received	27	2,557	-
Repayment of loans	27	(1,114)	(956)
Repayment of related parties	27	(556)	(704)
Net cash from financing activities		**1,197**	**1,094**
Net decrease in cash and cash equivalents		72	71
Cash and cash equivalents at the beginning of the period	27	107	185
Exchange losses on cash and cash equivalents		(153)	(149)
Cash and cash equivalents at the end of the year	**27**	**25**	**107**

(The notes on pages 30 to 67 form part of these financial statements)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2022

1. GENERAL INFORMATION

Mirada plc is a company incorporated in the United Kingdom. The address of the registered office is 3rd Floor Chancery House, St Nicholas Way Sutton, Surrey SM1 1JB. The nature of the Group's operations and its principal activities are the provision and support of products and services in the Digital TV and Broadcast markets.

2. CHANGES IN ACCOUNTING POLICIES

a. *New and amended standards mandatory for the first time for the financial periods beginning on or after 1 April 2021*

The International Accounting Standards Board (IASB) issued various amendments and revisions to International Financial Reporting Standards and IFRIC interpretations. The amendments and revisions were applicable for the year ended 31March 2022 but did not result in any material changes to the Financial Statements of the Group.

b. *New Standards, interpretations and amendments not yet effective*

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2022:

Standard	Impact on initial application	Effective date
IFRS 16 (Amendments)	Property, plant, and equipment	*1 January 2022
IAS 1 (Amendments)	Classification of Liabilities as Current or Non-Current	1 January 2022
Annual improvements	2018-2020 Cycle	1 January 2022
IAS 37 (Amendments)	Provisions, contingent liabilities and contingent assets	*1 January 2022
IAS 8 (Amendments)	Accounting estimates	1 January 2023

* Subject to endorsement

The Group has not early adopted any of the above standards and the directors are assessing the impact on future financial statements. There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group

3. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of accounting

These consolidated financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and UK-adopted International Accounting Standards (UK IASs).

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, assets held for sale measured at fair value less costs to sell; and defined benefit pension plans for which the plan assets are measured at fair value.

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest thousand currency units, unless otherwise stated.

The preparation of consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

b. Going concern

These financial statements have been prepared on the going concern basis. The Directors have reviewed the Company and Group's going concern position taking account of its current business activities, budgeted performance and the factors likely to affect its future development, which are set out in this Annual report, and include the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, its exposure to credit and liquidity risks and the impact of the COVID-19 pandemic.

Based on our review of going concern position, we believe that there are material uncertainties relating to going concern assumptions for the Group and the company on the grounds that current and future sources of funding or supporting evidence are not available at the date of approval of the financial statements. We have considered a period of at least twelve months from the date of approval of the financial statements. We acknowledge that the Group requires additional funding, and we are in the process of exploring opportunities to raise additional funding and optimistic that we will be able to raise sufficient funds.

As at 31 March 2022, the Group had cash and cash equivalents of $0.03m (2021: $0.11m), had net current liabilities of $1.39m (2021: $0.23m) and net assets of $4.73m (2021: $7.90m.). In the year ended 31 March 2022, the Group generated net cash from operating activities of $2.86m (2021: $3.15m), realised a loss for the year of $287m (2021: $2.99m).

The Directors have prepared detailed cash flow forecasts for the period to at least 30 September 2023 and extended it for further 4 years. The Directors regularly review the detailed forecasts of sales, costs and cash flows. The assumptions underlying the forecasts are challenged, varied and tested to establish the likelihood of a range of possible outcomes, including reasonable cash flow sensitivities. The expected figures are carefully monitored against actual outcomes each month and variances are highlighted and discussed at Board level. However, the uncertain impact of COVID-19 has increased risks and uncertainty into this year's review. The Group has seen limited impact of COVID-19 on the operational capability of the business. From a technology point of view, the Group is also offering and developing the most advanced features in the market, providing services to a growing subscriber base in our core markets. To this end a base case cash flow forecast has been prepared which takes into account the following key assumptions:

- The continued availability of the Group's invoice discounting facility throughout the foreseeable future.
- An average revenue growth of 13% in the foreseeable future, which Directors believe, comprise of revenue that is substantially already secured under-signed contracts.
- Fundraising between $1.0million and $2.0 million to happen in the year ending in March 2023.
- The extension of the due date of the €3.0 million credit facility granted by Leasa Spain, S.L.U. until 30 November 2023
- An expected receipt of US$0.3m of Research and Development tax credit in March 2023 from Spanish tax authorities.

The Directors have also considered a number of downside scenarios, including a scenario where all revenue growth from new customers is removed, a scenario where no further funding is obtained in the period and a reverse stress test. The purpose of the reverse stress test for the Group is to test at what point the cash facilities would be fully utilised if the assumptions in the Director's base case forecasts are altered. This reverse stress test includes both a removal of all revenue growth from new customers and a reduction of contracted revenue from existing customers for the forecast period, resulting in an overall reduction of revenue of c.20%, as well as the removal of any potential future funding and the receipt of the US$0.3m Research and Development tax credits anticipated. In the event that the performance of the Group is not in line with the projections, and more akin to one of our downside scenarios, including the worst case scenario, action will be taken by management immediately to address any potential cash shortfall for the foreseeable future. The actions that could be taken by the Directors include both a review and restructuring of employment related costs, including the deferral of any potential bonuses due to employees. These measures alone could save at least $1.0m in operating costs and therefore cash flows. Further, the Directors could also negotiate access to other sources of finances from our lenders. Given the Director's current relationship with lenders and their recent success

in negotiations with these financial institutions, whilst there are no binding agreements currently in place, negotiations are in very advanced stages for additional funding. Therefore, they Directors are confident that any additional funding required would be obtained.

Whilst the cash flow forecasts prepared have been sensitised to consider several downside scenarios, including the reverse stress test, the Directors are pleased to note that the post year end performance of the Group has exceeded the original forecast for April and May 2022. Therefore, demonstrating that the Group has not suffered negatively from the impact of COVID-19 and is in a strong place to meet the base case forecasts.

Overall, the sensitised cash flow forecasts demonstrate that the Group will be able to pay its debts as they fall due for the period to at least 31 December 2023. The Directors are, therefore, satisfied that the financial statements should be prepared on the going concern basis.

c. *Basis of consolidation*

The consolidated financial statements comprise the financial statements of Mirada plc and its subsidiaries as at 31 March 2022. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognised in assets, are eliminated in full. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Mirada plc owns the majority of the shareholdings and has operational control over all its subsidiaries.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquire and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. 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 Group recognises any non-controlling interest in the acquire on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Contingent consideration is classified either as equity or as a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Mirada plc has used the exemption grated under s408 of the Companies Act 2006 that allows for the non-disclosure of the Income Statement of the parent company. The after-tax loss attributable to Mirada plc for the year ended 31 March 2022 was $1.432 million (2021: $1.220 million).

d. Revenue recognition

Interactive service revenues are divided into 5 types: professional services fees, the sale of licences, SaaS, support & maintenance services and self-billing revenues.

1. **Revenues from professional services fees (which include set-up fees):** these are recognised according to management's estimation of the stage of completion of the project. This is measured by reference to the amount of professional services time spent on a project compared to the most up to date calculation of the total time estimated to complete the project in full.

   Since the Group has determinate, the works incurred are specific to the customer and cannot be used on alternative contracts and Mirada has right to payment for all incurred works, the revenue is recognised over the time.

2. Sale of licence: Revenue from licences is earned from two specific and separate streams.

   i) Where the revenue relates to the sale of a one-off licence, the licence element of the sale is recognised as income when the following conditions have been satisfied:

   - The software has been provided to the customer in a form that enables the customer to utilise it;
   - The ongoing obligations of the Group to the customer are minimal; and
   - The amount payable by the customer is determinable and there is a reasonable expectation of payment.

   The performance obligation included in this type of contract is to provide initially licence and key to access.

   ii) Contract licence fees payable by customers are dependent upon the number of end user subscribers signing up to the customer's digital television service, purchased Set Top Boxes or active devices. Licences cover the right of use of the software in the initial conditions without any right to modify it. None of the contracts have an end or termination date. Typically, once you sign a contract, you keep using the software for many years.

   For this type of contract, revenues are recognised by multiplying the individual licence fee by the net increase in the customer's subscriber base, purchased Set Top Boxes or active devices.

   The Group promises to grant a licence that provides a customer with a right to use and obtain substantially all the benefits from the licence. Because of this, the recognition of the revenue is at a point in time at which the licence is granted.

3. SaaS: Some of the licence software are under Software as a Service model (SaaS). Under this model, lower integration set up fees than in other agreements are

offset by recurrent monthly licence fee revenues. Revenue for SaaS arrangements are recognised over the period of the arrangement to reflect the ongoing service provision. This is on the basis that the Group's performance under these services does not create an asset with an alternative use to the Group and that the Group has an enforceable right to payment for performance completed to date.

4. **Support & Maintenance services:** Revenue is measured on a straight-line basis over the length of the contract i.e. as and when the service is being provided. Length of service is pre-defined in the contract and there are no performance obligations after the contract term is complete.

5. **Transaction revenues:** These are earned through a revenue-share agreement between Mirada Connect Ltd and the customers for the cashless parking services which are presented in the Mobile segment. The Group are informed by the customer of the amount of revenue to invoice and the revenues are recognised at a point in time in the period these parking services happen. Mirada Connect Ltd was sold in July 2019 to PaybyPhone Ltd, a subsidiary of the Volkswagen Group.

Where agreements involve multiple obligations, the entire fee from such arrangements is allocated to each of the individual obligations based on each obligation's fair value. The revenue in respect of each element is recognised in accordance with the above policies.

Certain revenues earned by the Group are invoiced in advance. As outlined in the revenue recognition policy above, revenues are recognised in the period in which the Group provides the services to the customer, revenues relating to services which have yet to be provided to the customer are deferred.

e. Business combinations

Acquisitions of businesses are accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued or to be issued, by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost and is accounted for according to the policy below.

f. Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the acquired business at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of that the balance sheet date of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

g. Other intangible assets

Intangible assets acquired as part of a business combination are initially recognised at their fair value and subsequently amortised on a straight-line basis over their useful economic lives. Intangible assets that meet the recognition criteria of IAS 38, "Intangible Assets" are capitalised and carried at cost less amortisation and any impairment losses. Intangible assets comprise of completed technology, acquired software, capitalised development costs and goodwill.

Amortisation of other intangible assets is calculated over the following periods on a straight-line basis:

Completed technology	Over a useful life of 4 years
Deferred development costs	Over a useful life of 3 to 4 years

The amortisation is charged to administrative expenses in the consolidated income statement. Completed technology relates to software and other technology related intangible assets acquired by the Group from a third party. Deferred development costs are internally-generated intangible assets arising from work completed by the Group's product development team.

h. Internally-generated intangible assets – research and development expenditure

Any internally generated intangible asset arising from the Group's development projects are recognised only if all of the following conditions are met:

- The intention to complete the intangible asset and use or sell it.
- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The ability to use or sell the intangible asset.
- How the intangible asset will generate probable future economic benefits. Among other things, the Group can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

If a development project has been abandoned, then any unamortised balance is immediately written off to the income statement. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred. The amortisation is charged to administrative expenses in the consolidated statement of comprehensive income.

i. Impairment of non-current assets excluding deferred tax assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the 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 asset for which the estimates of future cash flows have not been adjusted.

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 (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the impairment of intangible assets line in the consolidated statement of comprehensive income as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (cash-generating unit) in prior periods. A reversal of an impairment loss is recognised as income immediately.

Goodwill impairments are not reversed.

f. Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is provided on all property, plant and equipment, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on current prices, of each asset evenly over its expected useful life, as follows:

Office & computer equipment	33.3% per annum
Short-leasehold improvements	10% per annum

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. The asset's residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial period end.

k. Right-of-use assets and Lease liabilities

On 1 April 2019, the Group adopted IFRS 16, on Leases.

At the start of a contract, the Group evaluates whether it contains a lease. A contract is or contains a lease if it grants the right to control the use of the asset identified for a period of time in exchange for a consideration. The length of time during which the Group uses an asset includes consecutive and non-consecutive periods of time. The Group only re-assesses the conditions when a contract is amended.

In contracts with one or more lease and non-lease components, the Group deems all components as one sole lease component.

The Group has also chosen to not recognise in the balance sheet the lease liabilities and the right-of-use asset corresponding to short term lease agreements (leases for one year or less) and leases for low value assets ($5 thousand or less). For this type of contracts, the Group recognises straight-line payments during the lease term.

Lessee accounting

At the commencement of the lease term, the Group recognises a right-of-use asset and lease liability. The right-of-use asset is composed of the amount of the lease liability, any payment for the lease made on or prior to the starting date, less any incentives received, the initial direct costs incurred and an estimate of the costs for decommissioning or restoration to be incurred, as indicated in the accounting policy provisions.

The Group measures the lease liability as the present value of the lease payments which are outstanding at the commencement date. The Group discounts lease payments at the appropriate incremental interest rate, unless the implicit interest rate of the lessor may be determined reliably.

The pending lease payments are comprised of fixed payments, less any incentive to be collected, the variable payments that depend on an index or rate, initially appraised by the index or rate applicable on the starting date, the amounts expected to be paid for residual value guarantees, the price of exercising the purchase option whose exercise is reasonably certain and any compensation payments for contract termination, providing the term of the lease reflects the termination option.

The Group measures the right-of-use assets at cost, less depreciation and accrued impairment losses, adjusted by any re-estimate of the lease liability.
If the contract transfers ownership of the asset to the Group at the end of the lease term or if the right-of-use asset includes the price of the purchase option, the depreciation criteria indicated in Note 3.j are applied from the lease commencement date until the end of the useful life of the asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date until the date of the useful life of the right or the end of the lease term, whichever is the earlier.

The Group applies the criteria for impairment of non-current assets set out in Note 3.i to right-of-use assets.

The Group measures the lease liability increasing it by the interest accrued, decreasing it by the payments made and re-assessing the carrying amount due to any amendments to the lease or to reflect any reviews of the in-substance fixed lease payments.

The Group records any variable payments that were not included in the initial valuation of the liability in the Consolidated Income Statement for the period in which the events resulting in payment were produced.

The Group records any re-assessments of the liability as an adjustment to the right-of-use asset, until it is reduced to zero, and subsequently in the Consolidated Income Statement.

The Group re-assesses the lease liability discounting the lease payments at an updated rate, if any change is made to the lease term or any change in the expectation of the purchase option is being exercised on the underlying asset.

The Group re-assesses the lease liability if there is any change in the amounts expected to be paid for a residual value guarantee or any change in the index or rate used for determining payments, including any change for reflecting changes in market rents once these have been reviewed.
The Group recognises an amendment to the lease as a separate lease if it increases the scope of the lease

by adding one or more rights of use and the amount of consideration for the lease increases by an amount consistent with the individual price for the increased scope and any adjustment to the individual price to reflect the specific circumstances of the contract.

If the amendment does not result in a separate lease, on the amendment date the Group assigns the consideration to the amended contract as indicated above, it re-determines the term of the lease and re-estimates the value of the liability discounting the revised payments at the revised interest rate. The Group writes down the carrying amount of the right-of-use asset to reflect the partial or total end of the lease in any amendments that reduce the scope of the lease and it records the profit or loss in income. For all other amendments, the Group adjusts the carrying amount of the right-of-use asset.

l. Financial instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position at fair value when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Classification

The Group classifies its financial assets in the following categories: at amortised cost including trade receivables and other financial assets at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables and contract assets. During this process the probability of non-payment of a trade receivable balance is assessed and multiplied by an expected amount of credit loss as a result of the likely credit default. The group has set up a matrix using the age a debtor is overdue and any likely events as a criteria to determine the default probability. This uses 5 categories ranging from 0% to 90% probability.

The Group only have assets that are categorised as amortised cost and the application of ECL has not had a material impact to the impairment provision. As a conclusion, the impact of the IFRS 9 on the Group was immaterial.

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, 12 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 provision for expected credit losses against receivables from related parties were not material and no charge is made in the current and last year.

Cash and cash equivalents

Cash and cash equivalents include cash at hand and deposits held at call with banks with original maturities of three months or less.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Group's ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

Incremental external costs directly attributable to the issue of new shares (other than in connection with a business combination) are recorded in equity as a deduction, net of tax, to the share premium reserve.

Bank Borrowings

Interest-bearing bank loans are initially recorded at fair value less direct issue costs. Finance charges are accounted for on an accruals basis in the income statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Invoice discounting

The Group has an invoice discounting facility secured on the trade debtors as specified in Note 18. Liabilities under this arrangement are shown in borrowings.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

m. Employee share incentive plans

The Group issues equity-settled share-based payments to certain employees (including directors). These payments are measured at fair value at the date of grant by use of the Black-Scholes pricing model. This fair value cost of equity-settled awards is recognised on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of any non market-based vesting conditions. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. A corresponding credit is recorded in equity in the retained earnings.

n. Leases

The group leases property and equipment. Rental contacts are typically made for fixed periods but may have extension options as described below.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any incentives receivable;
- variable lease payments that are based on an index rate, initially measured using the index or rate as at the commencement date;
- the amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases held by the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjust to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Mirada Plc, which does not have recent third-party financing; and
- make adjustments specific to the lease, for example term, country, currency and security.

Lease payments are allocated between principle and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the lability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the least term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the group.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets compromise IT equipment and small items of office furniture.

o. Taxation

The tax expense represents the sum of the current tax and deferred tax charges.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

If the Group considers it is likely that the tax authority will accept an uncertain tax treatment, the Group will establish the taxable gain (loss), the tax bases, unused tax losses, unused tax credits or the tax rates consistent with the tax treatment used or intended to be used in its income tax returns.

If the Group considers it unlikely that the tax authority will accept an uncertain tax treatment, the Group will reflect the effect of the uncertainty to establish the taxable gain (loss), the tax bases, unused tax losses or credits or the corresponding tax rates. The Group will reflect the effect of the uncertainty for each uncertain tax treatment by using the most likely amount or the expected value of the probability weighted amounts.

Deferred tax is the tax expected to be payable or recoverable on 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 liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

p. Research and development tax credit

Companies within the group may be entitled to claim special tax allowances in relation to qualifying research and development expenditure (e.g. R&D tax credits). The group accounts for such allowances as tax credits and recognise them when it is probable that the benefit will flow to the group and that benefit can be reliably measured. R&D tax credits reduce current tax expense and, to the extent the amounts due in respect of them are not settled by the balance sheet date, reduce current tax payable.

q. Retirement benefit costs

The Group operates defined contribution pension schemes. The amount charged to the statement of comprehensive income in respect of pension costs and other post-retirement benefits is the contributions payable in the period.

Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

r. Foreign exchange

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the result and the financial position of each group company are expressed in US Dollars, which is the presentational currency for the consolidated financial statements.

On translation of balances into the functional currency of the entity in which they are held, exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used.

Exchange differences arising on translating the opening statement of financial position and the current year income statements are classified as equity and transferred to the Group's foreign exchange reserve. Such translation differences are recognised as income or an expense in the period in which the operations is disposed of.

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in notes 2 and 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

a. Key judgements

The following are the critical judgements that the directors have made in the process of applying the Group's accounting policies that has the most significant effect on the amounts recognised in the financial statements.

Presenting financial information in USD

The reporting currency is US Dollar due to the growing exposure to the US Dollar, as all major contracts and most of the new potential deals for the Group are denominated in this currency. The board therefore believes that USD financial reporting provides the best presentation of the group's financial position, funding and treasury functions, financial performance and its cash flows. Coupled with the evolution of the business, the group's shareholder base is now largely comprised of investors to whom financial reporting in GBP is of limited relevance. Internally, the board also bases its performance evaluation and many investment decisions on USD financial information.

b. Key sources of estimation uncertainty

- **Capitalised development costs**

Any internally generated intangible asset arising from the Group's development projects are recognised only once all the conditions set out in the accounting policy Internally Generated Intangible Assets (refer to Note 3.h) are met. The amortisation period of capitalised development costs is determined by reference to the expected flow of revenues from the product based on historical experience. Furthermore, the Group reviews, at the end of each financial year, the capitalised development costs for each product for indications of any loss of value compared to net book value at that time. This review is based on expected future contribution less the total expected costs.

The Group capitalises spend on development of new software and the delivery of innovative software. Management exercises judgement in establishing both the technical feasibility of completing an intangible asset which can be sold, and the degree of certainty that a market exists for the asset, or its output, based on feedback from existing and potential customers, for the generation of future economic benefits. In addition, amortisation rates are based on estimates of the useful economic lives and residual values of the assets involved.

- **Impairment of goodwill and intangibles**

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 Group to estimate the future cash flows expected to arise from the cash-generating units and the 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. This includes the directors' best estimate on the likelihood of current deals in negotiation not yet concluded. Consequently, the outcome of negotiations may vary materially from management expectation. See Note 13 for more details.

5. REVENUE FROM CONTRACTS WITH CUSTOMERS

Dissagregation of revenue

Year to 31 March 2022	Professional Services	Licences	Support & Maintenance	Total
	$000	$000	$000	$000
Mexico	2,922	3,907	1,625	8,454
Europe	394	486	302	1,182
Other Americas	308	959	-	1,267
Asia	77	-	43	120
	3,701	**5,352**	**1,970**	**11,023**
Revenue recognised over a period	3,549	5,278	1,966	10,793
Revenue recognised at a point in time	152	73	5	230
	3,701	**5,351**	**1,971**	**11,023**

Year to 31 March 2021	Professional Services	Licences	Support & Maintenance	Total
	$000	$000	$000	$000
Mexico	4,239	2,032	1,713	7,984
Europe	827	556	228	1,611
Other Americas	393	977	-	1,370
Asia	147	-	22	169
	5,606	**3,565**	**1,963**	**11,134**
Revenue recognised over a period	5,243	3,450	1,916	10,609
Revenue recognised at a point in time	363	115	47	525
	5,606	**3,565**	**1,963**	**11,134**

Licenses revenue are including both contract licenses and SaaS revenue.

CONTRACT BALANCES

The following table provides information about contract assets (included as accrued income) and contract liabilities (included as deferred income) from contracts with customers:

	31 March 2022	31 March 2021
	$000	$000
Contract assets (incurred income)	1,859	1,561
Contact liabilities (deferred income)	1,403	973
	3,262	**2,534**

The movement in the contract assets and liabilities during the year is set out below:

	Contract assets	
	31 March 2022	**31 March 2021**
	$'000	$'000
At 1 April	1,561	3,478
Transfers in the period from contact assets to trade receivable	(1,561)	(3,478)
excess of revenue recognised over cash (of rights to cash) recognised during the period	1,859	1,561
At 31 March	**1,859**	**1,561**

	Contract liabilities	
	31 March 2022	**31 March 2021**
	$'000	$'000
At 1 April	973	1,785
Amounts included in contract liabilities recognised as revenues in the period	(973)	(1,785)
cash recieved in advance of performance and not recognised as revenue during the period	1,403	973
At March 31	**1,403**	**973**

Contract assets ('accrued income') and contract liabilities ('deferred income') are included within 'Trade and other receivables' and 'deferred income' respectively on the face of the Statement of Financial Position. They arise from the Group's revenue contracts, where work has been performed in advance of invoicing customers, and where revenue is received in advance of work performed. Cumulatively, payments received from customers at each balance sheet date do not necessarily equate to the amount of revenue recognised on the contracts.

6. SEGMENTAL REPORTING

REPORTABLE SEGMENTS

The chief operating decision maker for the Group is ultimately the board of directors. For financial and operational management, the board considers the Group to be organised into two operating divisions based upon the varying products and services provided by the Digital TV & Broadcast. The products and services provided by each of these divisions are described in the Strategic Report. The segment headed other relates to corporate overheads, assets and liabilities.

Segmental results for the year ended 31 March 2022 are as follows:

March 2022	Digital TV & Broadcast	Other	Group
	$000	$000	$000
Revenue	11,023	-	11,023
Segmental profit/(loss)	2,677	(1,027)	1,650
(Adjusted EBITDA, see note 8)			
Finance income	-	0	0
Finance expense	-	(263)	(263)
Depreciation	(336)	-	(336)
Amortisation	(4,032)	-	(4,032)
Foreign currency translation differences	77	-	77
(Loss) before taxation	**(1,614)**	**(1,290)**	**(2,904)**

$1.027 million (2021: $0.744 million) disclosed as "Other" comprises employment, legal, accounting and other central administrative costs incurred at a Mirada Plc level.

The segmental results for the year ended 31 March 2021 are as follows:

	Digital TV & Broadcast	**Other**	**Group**
	$000	$000	$000
Revenue	11,134	-	11,134
Segmental profit/(loss)	2,439	(744)	1,695
(Adjusted EBITDA, see note 8)			
Finance income	-	70	70
Finance expense	-	(222)	(222)
Depreciation	(378)	-	(378)
Amortisation	(3,909)	-	(3,909)
Foreign currency translation differences	(419)	-	(419)
Profit / (Loss) before taxation	**(2,267)**	**(896)**	**(3,163)**

There is no material inter-segment revenue.

The Group has a major customer in the Digital TV and Broadcast segment that generates revenues amounting to 10% or more of total revenue that account for $8.45 million of $11.02m total revenue. This is approximately 77% of all revenue (2021: $7.9 million, out of $11.03m) of the total Group revenues.

Segment assets and liabilities are reconciled to the Group's assets and liabilities as follows:

	Assets 2022	Liabilities 2022	Assets 2021	Liabilities 2021
	$000	$000	$000	$000
Digital TV - Broadcast & Mobile	11,387	10,251	12,847	10,449
Other:				
Goodwill	5,151	-	5,435	-
Other financial assets & liabilities	1,360	2,919	350	286
Total other	6,511	2,919	5,785	286
Total Group assets and liabilities	**17,898**	**13,170**	**18,632**	**10,734**

Assets allocated to a segment consist primarily of operating assets such as property, plant and equipment, intangible assets, goodwill and receivables.

Liabilities allocated to a segment comprise primarily trade payables and other operating liabilities.

	Digital TV & Broadcast 2022	Digital TV & Broadcast 2021
	$000	$000
Professional Services	3,701	5,606
Transactions	-	-
Licenses	5,351	3,565
Support & Maintenance	1,971	1,963
	11,023	**11,134**

7. EXPENSES BY NATURE

This has been arrived at after charging:

	2022 $000	2021 $000
Depreciation of owned assets (notes 15 and 16)	336	378
Amortisation of intangible assets (note 14)	4,032	3,909
Operating lease charges	220	253

The Company

The Market

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Financial Statement

Total R&D expenditure capitalised as intangible assets amounts to $4.13m (2021: $4.12m).

The total lease expense not subject to IFRS 16 for short-term as well as low-value leases amounts to $0.220 (2021: $0.253) (refer to Note 14).

Analysis of auditors' remuneration is as follows:

	2022 $000	**2021** $000
Fees payable to the company's auditor for the audit of the company's accounts	72	60
Audit of the account of subsidiaries	22	30

Reconciliation of operating profit for continuing operations to adjusted earnings before interest, taxation, depreciation and amortisation:

	2022 $000	**2021** $000
Operating loss	(2,718)	(2,592)
Depreciation	336	378
Amortisation	4,032	3,909
Operating profit before interest, taxation, depreciation, amortisation, impairment (EBITDA)	1,650	1,695
Share-based payment charge	-	-
Adjusted EBITDA	**1,650**	**1,695**

These APM are not International Finacial Reporting Standard measures.

8. STAFF COSTS AND EMPLOYEE INFORMATION

	Group 2022	**Group 2021**
Staff costs (including directors) comprise:	$000	$000
Wages and salaries	8,341	8,950
Social security costs	2,227	2,228
Other pension costs	41	41
Staff costs	**10,609**	**11,219**

Contained within staff costs are amounts capitalised as intangible assets totalling $4.132 million (2021: $4.124 million), with $6.477 million (2021: $7.095 million) charged to administrative expenses.

The Group operates a defined contribution pension scheme for certain employees. No directors are members of this scheme in both the current year and the previous year.

The average number of persons, including executive directors, employed by the Group during the year was:

By activity	2022	2021
Office & Management	10	11
Platform and Development	145	150
Sales & Marketing	12	11
	167	**172**

The average number of persons, including executive directors, employed by the Company and the Group during the year was 9 (2021: 9) within the office and management team.

DIRECTORS AND KEY MANAGEMENT PERSONNEL REMUNERATION

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the directors of the company listed on page 18, the Director of Business Development and the Sales Director.

	2022	**2021**
	$000	$000
Salaries & Fees	831	1,077
Social Security costs	68	72
Defined contribution pension cost	-	-
Other benefits	54	46
	953	**1,196**

DIRECTORS REMUNERATION

The emoluments received by the directors who served during the year were as follows:

	2022	**2021**
	$000	$000
Executive directors Aggregate emoluments	516	671
Non-Executive directors Aggregate emoluments	99	103
	615	**774**

The directors' remuneration is disclosed in the Nominations and Remuneration Report on page 18.

Emoluments payable to the highest paid director are as follows:

	2022 $000	2021 $000
Aggregate emoluments	**190**	**258**

There were no Group contributions to the pension scheme or benefits on behalf of the highest paid director.

9. FINANCE INCOME

	2022 $000	2021 $000
Interest received on bank deposits	-	70
	-	**70**

10. FINANCE EXPENSE

Finance expenses exclude all fees directly incurred to facilitate borrowing. These include professional fees paid to bank arrangement fees and fees to secure required guarantees.

	2022 $000	2021 $000
Bank interest payable	122	131
Interest on loans from related parties	131	78
Interest received on lease liabilities	10	13
	263	**222**

11. TAXATION

	2022	2021
	$000	$000
Analysis of tax credit for the year		
Current tax		
UK tax for the current financial year	-	-
Foreign tax on income for the year	(33)	(171)
Total current tax (credit)	(33)	(171)
Deferred tax		
Origination and reversal of temporary adjustment in respect of prior periods	-	-
Total deferred tax (credit)	-	-
Total tax (credit) for the year	**(33)**	**(171)**

The tax assessed on the loss on ordinary activities for the period differs from the standard rate of tax of 19% (2021-19%). The differences are reconciled below:

	2022	2021
	$000	$000
Profit/(loss) before taxation	(2,904)	(3,163)
Loss on ordinary activities multiplied by 19% (2021: 19%)	(552)	(601)
Losses carried forward/(utilised)	552	601
Witholding Taxes	314	186
Total current tax	314	186
Subtotal	314	186
Tax benefit from research and development expenditure	(334)	(466)
Total tax expense		
Foreign exchange	(13)	109
Total tax credit	**(33)**	**(171)**

Rate used by the Group to calculate income tax is based on UK tax latest rates.

DEFERRED TAXATION

Deferred taxation amounts not recognised are as follows:

	Group 2022	Group 2021
	$000	$000
Losses	17,981	17,429
Research & Development Tax Credits,	2,888	3,027
Useable against future profits		
Balance at the end of the year	**20,869**	**20,456**

The gross value of tax losses carried forward at 31 March 2022 equals $80.0 million (2021: $79.3 million).

12. LOSS PER SHARE

	Year ended 31 March 2022	Year ended 31 March 2021
	Total	Total
Loss for year	$(2,871,881)	$(2,992,569)
Weighted average number of shares	8,908,435	8,908,435
Basic loss per share	$(0.322)	$(0.336)
Diluted loss per share	$(0.322)	$(0.336)

After the cancellation of share premium approved by the General Meeting on 10 September 2019, the Company has 41,483 (2021: 41,483) potentially dilutive ordinary shares arising from share options issued to staff. However, in 2022 and 2021 the loss attributable to ordinary shareholders and weighted average number of ordinary shares for the purpose of calculating the diluted earnings per ordinary share are identical to those used for basic earnings per ordinary share. This is because the exercise of share options would have the effect of reducing the earning per ordinary share and is therefore anti-dilutive.

13. INTANGIBLE ASSETS

	Deferred development costs	Completed Technology	Total Intangible assets	Goodwill
	$000	$000	$000	$000
Cost				
At 1 April 2020	28,982	1,697	30,679	36,471
Additions	4,153	32	4,185	-
Disposal	-	-	-	-
Foreign exchange	2,001	160	2,161	3,681
At 31 March 2021	35,136	1,889	37,025	40,152
At 1 April 2021	35,136	1,889	37,025	40,152
Additions	3,961	11	3,972	-
Disposal	-	-	-	-
Foreign exchange	(1,778)	(91)	(1,870)	(1,905)
At 31 March 2022	**37,319**	**1,809**	**39,127**	**38,247**
Accumulated amortisation and impairment				
At 1 April 2020	22,406	1,642	24,048	31,373
Provided during the year	3,892	17	3,909	-
Foreign exchange	1,600	154	1,754	3,344
At 31 March 2021	27,898	1,813	29,711	34,717
At 1 April 2021	27,898	1,813	29,711	34,717
Provided during the year	4,016	17	4,032	-
Foreign exchange	(1,574)	(88)	(1,662)	(1,621)
At 31 March 2022	**30,340**	**1,742**	**32,081**	**33,096**
Net book value				
At 31 March 2022	6,979	67	7,046	5,151
At 31 March 2021	7,238	76	7,314	5,435
At 31 March 2020	6,576	55	6,631	5,098

The key assumptions for the value in use calculations are those regarding the discount rate applied, and the forecast sales growth in a five-year budget period approved by management. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The cash flow forecast has been prepared with revenue being forecast per customer based on historical performance of the business.

There is 1 CGUs that has been assessed for impairment, being Digital TV – Broadcast. The sales growth forecasts are based on current contracts and management's estimate of revenues relating to opportunities that are currently being pursued. CGUs defined is: "Digital TV – Broadcast" which refers to the provision of software for the Digital TV market. Major customers are Digital TV platforms, mostly Pay TV service providers and the Group provide the technology needed to facilitate the final user's interaction with the devices they provide. This rate does not exceed the average long-term growth rate for the relevant markets. The rate used to discount the forecast post-tax cash flows for the CGU is 10% (2021: 10%). A 2% increase/decrease to the discount rate does not result in an impairment. A 10% decrease in the five years cash flow and terminal value forecast for both CGUs does not result in an impairment. A perpetual rate of 2% (2021: 2%) has been used in the impairment assessment. Even without perpetual rate, no impairment is required.

During the current and last financial periods, no impairment has been recognised. The split of goodwill by CGU is as follows:

	2022	2021
	$000	$000
Digital TV - Broadcast	5,151	5,435
	5,151	**5,435**

14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The breakdown of changes in right-of-use assets for the year ended as at 31 March 2022 is as follows:

	Short term leasehold improvements $000
Cost	
Balance at 1 April 2021	**908**
Additions	140
Foreign exchange	(47)
Balance at 31 March 2022	**1,001**
Amortisation	
Balance at 1 April 2021	**(565)**
Provided during the year	(268)
Foreign exchange	27
Balance at 31 March 2022	**(808)**
Balance at 31 March 2021	**343**
Balance 31 March 2022	**195**

Of the total amount of rights-of-use assets at 31 March 2022, $0.102 m correspond to buildings and $0.093 m to vehicles (2021: $0.188 m and $0.156 m respectively).

Regarding to the lease contracts, the Group has a dispersed portfolio. The average duration of property lease contracts is 2 years, and 3 years for vehicles. The right-of-use has been defined according to the duration of the contract in force for each asset.

The breakdown of changes in lease liabilities for the year ending at 31 March 2022 is as follows:

	$000
Balance at 31 March 2021	**349**
Additions	140
Payments of the lease liabilities	(280)
Finance expense (note 11)	10
Foreign exchange	(18)
Balance at 31 March 2022	**201**

The analysis of the contractual maturity date of the lease liabilities, including the current interest, is as follows:

			2022			
	Currency	Interest Rate	Less than one year	1 to 3 years	More than 3 years	Total
Lease Liabilities	EUR	3%	96	61	44	201
			96	**61**	**44**	**201**

			2021			
	Currency	Interest Rate	Less than one year	1 to 3 years	More than 3 years	Total
Lease Liabilities	EUR	3%	204	99	46	349
			204	**99**	**46**	**349**

The average incremental discount rates for the main countries affected by this standard, used for calculating the current value of the rights of use and lease liabilities recognised at the date of first-time application of IFRS 16 were as follows:

	Average rate Between 1 and 3 years	Average rate More than 3 years
Spain	**3%**	**3%**

The Group has chosen to not recognise in the balance sheet the lease liabilities and the right-of-use asset corresponding to short term lease agreements and leases for low value assets. Those exceptions have been recorded entirely under the heading of operating leases. The total lease expense not subject to IFRS 16 for short-term as well as low-value leases amounts to $0.220m (2021: $0.253m).

15. PROPERTY, PLANT AND EQUIPMENT

	Office and computer equipment	Short term leasehold improvements	Total
	$000	$000	$000
Cost			
At 1 April 2020	1,247	121	1,368
Additions	53	-	53
Disposal	-	-	-
Foreign exchange	56	-	56
At 31 March 2021	1,356	121	1,477
At 1 April 2021	1,356	121	1,477
Additions	16	-	16
Disposal	-	-	-
Foreign exchange	(50)	-	(50)
At 31 March 2022	**1,322**	**121**	**1,443**
Depreciation			
At 1 April 2020	1,021	119	1,140
Provided during the year	73	-	73
Disposals	-	-	-
Foreign exchange	41	-	41
At 31 March 2021	**1,135**	**119**	**1,254**
At 1 April 2021	1,135	119	1,254
Provided during the year	69	-	69
Disposals	-	-	-
Foreign exchange	(41)	-	(41)
At 31 March 2022	1,163	119	1,282
Net book value			
At 31 March 2022	159	2	161
At 31 March 2021	221	2	223

16. TRADE & OTHER RECEIVABLES

	Group 2022 $000	Group 2021 $000
Trade receivables	2,073	1,826
Other receivables	517	919
R&D tax credit	384	405
Contract assets	1,859	1,561
Prepayments	**153**	**145**
	4,986	**4,856**
Non current R&D tax credit	334	354
	334	**354**

As of 31 March 2022, the Group has a short-term receivable with the Spanish Tax Agency amounting to $0.384m (2021: $0.405m) regarding the FY21 deductions for technological innovation.

Furthermore, there is a long-term receivable of $0.334m (2021: $0.354m) related to the estimation of the deduction for technological innovation generated in FY22.

TRADE RECEIVABLES

Trade receivables net of allowances are held in the following currencies:

	2022 $000	2021 $000
Sterling	2	66
US Dollars	1,916	1,489
Euro	155	271
Total	**2,073**	**1,826**

The fair values of trade and other receivables are the same as book values as credit risk has been addressed as part of impairment provisioning and, due to the short terms nature of the amounts receivable, they are not subject to other ongoing fluctuations in market rates.

Before accepting any new customer, the Group uses a credit approval process to assess the potential customer's credit quality and defines credit limits by customer.

Movement in allowance for doubtful debts:	2022 $000	2021 $000
Balance at beginning of the year utilised this year	-	-
Balance at the end of the year	-	-
	-	-

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable set out above.

17. TRADE & OTHER PAYABLES

The fair values of trade and other payables are the same as book values as due to the short terms nature of the amounts payable, they are not subject to other on-going fluctuations in market rates.

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 24 days (2021: 41 days).

	2021 $000	2021 $000
Trade payables	334	238
Other payables	365	1,219
Other taxation and social security taxes	563	392
Accruals	481	385
Contract liabilities	1,403	973
	3,146	**3,207**

Maturity analysis of the group financial liabilities, excluding other taxation and social security and deferred income, is as follows:

	2022 $000	2021 $000
Up to 3 months	785	615
3 to 6 months	198	100
6 to 12 months	197	1,126
	1,181	**1,841**

18. LOANS AND BORROWINGS

	2022	2021
	$000	$000
Advances Drawn on invoice discounting facilities	500	1,204
Bank loans	1,153	178
Other loans	203	392
Related parties loans	94	3
	1,905	**1,777**
The borrowings are repayable as follows:		
Up to 3 months	1,483	1,320
3 to 6 months	193	141
6 to 12 months	274	316
On demand or within one year	**1,950**	**1,777**

At 31 March 2022, the Group has no available credit lines (2021: $0.53 million) and no available invoice discounting facilities (2021: $1.064 million), average interest rate payable on these facilities are 3% (2021: 3%).

The above bank loans are denominated in Euros and are unsecured.

Interest-bearing bank loans are initially recorded at fair value less direct issue costs.

On 26 September 2022, the Company announced that the extension of the €3.0 million credit facility signed with Leasa Spain, S.L.U. until 30 November 2023. Leasa Spain is fully owned by Mr. Ernesto Tinajero Flores, who own 87.21% of the shares of Mirada Plc.

The total amount withdrawn at 31 March 2022 was €2.3 million (2021: €0.5 million)

Directors estimate the fair value of the Group's borrowing to be consistent with its carrying value. There is no material difference between the value of the gross undiscounted cash flows and carrying amounts in the statement of financial position.

19. NON-CURRENT LIABILITIES

	2022 $000	2021 $000
Interest bearing loans and borrowings:		
Bank loans	2,865	3,767
Other loans	1,241	1,048
Related parties loans	2,557	586
	6,663	**5,401**

Other loans relate to loans received by the Group's Spanish operation to assist in funding the continued development of the Group's Digital TV products.
Capital risks have been analysed in the Director's report (page 42).

NET DEBT

Net Debt is calculated based on short term loans, long terms loans and cash and cash equivalents:

	2022 $000	2021 $000
Loans and borrowings - Current	1,950	1,777
Loans and borrowings - Non Current	6,663	5,401
Cash	(25)	(107)
Net Debt	**8,588**	**7,071**

Borrowings, including interest, are repayable as follows:

	2022 $000	2021 $000
Credit lines		
On demand or within one year	444	-
Between one and two years	1,237	1,725
	1,681	**1,725**

	2022 $000	2021 $000
Bank loans		
On demand or within one year	928	237
Between one and two years	358	496
Between two and five years	936	1,439
More than 5 years	269	199
	2,491	**2,371**

	2022 $000	2021 $000
Other loans		
On demand or within one year	206	393-
Between one and two years	248	218
Between two and five years	662	764
More than 5 years	336	69
	1,452	**1,444**

	2022 $000	2021 $000
Related parties loans		
On demand or within one year	94	35
Between one and two years	2,557	586
	2,651	**621**

	2022 $000	2021 $000
Advances drawn on invoice discounting		
On demand or within one year	500	1,204
	500	**1,204**

	2022 $000	2021 $000
Total borrowings		
On demand or within one year	2,172	1,869
Between one and two years	4,400	3,025
Between two and five years	1,599	2,203
More than 5 years	605	268
	8,776	**7,365**

20. RETIREMENT BENEFIT SCHEMES

The Group operates defined contribution pension schemes. The pension charge for the period represents contributions payable by the Group to the schemes and amounted to $41,435 (2021: $40,827).

At 31 March 2022, contributions amounting to $5,946 (2021: $9,690) were payable and included in other payables.

21. FINANCIAL INSTRUMENTS

CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 18 and 19, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the Consolidated Statement of Changes in Equity and Note 22.

EXTERNALLY IMPOSED CAPITAL REQUIREMENT

The Group is not subject to externally imposed capital requirements.

CATEGORIES OF FINANCIAL INSTRUMENTS

	2022 $000	2021 $000
Financial assets		
Amortised cost:		
Trade and other receivables, excluding payments	4,833	4,711
Cash and cash equivalents	25	107
	4,858	**4,818**
Financial liabilities		
Amortised cost:		
-Trade and other payables	2,390	1,841
-Loans and borrowings due within one year	1,950	1,777
-Interest bearing loans and borrowings due after one year	6,663	5,401
	11,003	**9,019**

* Excluding other taxation, social security and contract liabilities.

FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group monitors and manages the risks relating to the financial instruments held. These risks are discussed in further detail below.

MARKET RISK

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group does not use forward foreign exchange contracts to hedge exchange rate risk.

FOREIGN CURRENCY RISK MANAGEMENT

The Group has undertaken certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The majority of cash at bank is held in Sterling and Euro accounts. There are also trade balances in these currencies. The Group is increasingly signing more sales contracts in US dollars and is currently investigating ways of reducing the risk on any potential future fluctuations in the US dollar exchange rate. Any foreign exchange gains or losses on trading activities are recognised in the consolidated income statement.

The company is aware that the UK's decision to leave the European Union may affect the intercompany trading between the different subsidiaries. We will adapt our internal policies accordingly if required. In the short term, exchange rates are likely to increase the GBP denominated revenues, as the primary cash inflows for the Group are based in US dollars. Brexit has not been considered to be as a principal risk due to the non-EU focussed customer base.

The carrying amounts of the Group's material foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	2022	2021	2022	2021
	$000	$000	$000	$000
US Dollar denominated assets and liabilities	-	-	1,916	1,490
Euro denominated assets and liabilities	10,551	10,090	4,941	4,839

Entities from United Kingdom have no balances denominated in Euro/USD.

FOREIGN CURRENCY SENSITIVITY ANALYSIS

In fiscal years 2021 and 2022, the Company has used US Dollar as presentational currency. The following table details the Group's sensitivity to a 20% increase and decrease in USD against the Euro and to a 20% increase and decrease in USD against Sterling. The sensitivity analysis includes Euro and Sterling denominated monetary items and adjusts their translation at the period end for a 20% change in the Euro/USD rate and for a 20% change in the Sterling/USD rate at March 31, 2021 and March 31, 2022. A positive number below indicates an increase in profit and other equity where US Dollar strengthens against the relevant currency. For a weakening of US Dollar against the relevant currency, there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative. The sensitivities below are based on the exchange rates at the balance sheet used to convert the asset or liability to US Dollar.

	Profit and loss impact	
	2022 $000	2021 $000
Euro	(1,402)	(1,313)
Sterling	(1,311)	(731)

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INTEREST RATE RISK MANAGEMENT

At 31 March 2022, the Group was exposed to interest rate risk as the interest payable on some of the Group's loans and borrowings are linked to Euribor. The Group's loans and borrowings where interest payable is linked to Euribor include bank loans and development loans totalling $18,356. The remaining bank loans totalling $5,944,611 pay fixed rates of interest.

Neither interest rate swaps contracts nor forward interest rate contracts are used to hedge any risks arising.

If interest rates changed by 1% (100 basis points) the profit and loss impact would not be material to the Group's results.

CREDIT RISK MANAGEMENT

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group faces exposure to credit risk on its trade receivables and cash equivalents. The Group has some exposure to credit risk from credit sales. It is the Group's policy to assess the credit risk of new customers before entering into contracts. Historically, as Mirada's customers are mainly broadcasters and medium/large telecommunication companies, bad debts across the Group have been low.

The risk of financial loss arising from defaults on trade receivables is mitigated by the Group using a credit approval process to assess the potential customers' credit quality and also establishes credit limits by customer. The limits and credit scores attributed to customers is reviewed bi-annually however, the sales ledger is reviewed at least monthly to ensure all receivables are recoverable.

Please refer to Note 16 for further details on trade receivables, including analyses of bad debts, ageing and profile by currency.

The Group believes the credit risk on liquid funds, being cash and cash equivalents, to be limited because the counterparties are banks with high-credit ratings assigned by international credit-rating agencies. The table below shows the balance of counterparties at the reporting date in excess of 10% of the overall balance, together with the Standard and Poor's credit rating symbols.

		2022		2021	
Counterparty	**Rating**	**% of overall cash & cash equivalents**	**Carrying amount**	**% of overall cash & cash equivalents**	**Carrying amount**
			$000		$000
Santander	A+	4.3%	1	4.4%	5
La Caixa	A-	7.2%	2	0.7%	1
BBVA	A	1.4%	0	44.0%	47
Barclays	A	47.8%	12	17.9%	19
Bankinter	BBB+	11.8%	3	1.6%	2
Sabadell	BBB-	23.0%	6	18.6%	20
Banamex	BBB	4.5%	1	9.8%	10

LIQUIDITY RISK MANAGEMENT

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. As part of this monitoring the Group ensures that the financial liabilities due to be paid can be met by existing cash and cash equivalents, forecasted receipts from customers and borrowing facilities.

Tables showing the maturity profile of the Group's financial liabilities are included in Notes 17, 18 and 19.

22. SHARE CAPITAL

A breakdown of the authorised and issued share capital in place as at 31 March 2022 and 2021 is as follows:

	2022	2022	2021	2021
	Number	$000	Number	$000
Allotted, called up and fully paid				
Ordinary shares of £1 each	8,908,435	12,015	8,908,435	12,015

On 28 November 2017, the Company announced it had entered into agreements for the provision to the Company of unsecured one-year loan facilities of up to an aggregate amount of $2.4 million. The facility had certain conditional subscription rights in respect of new ordinary shares of 1p each in the capital of the Company. The facility was provided by Kaptungs Limited, Kronck Business S.A. and Minles Corporation Inc. This facility was converted into share capital as announced on 29 August 2018, through the issue of 151,785,713 ordinary shares.

On 7 March 2018, the Company announced it had entered into a secured one-year loan facility for up to $4.2 million. This facility was provided by Kaptungs Limited. This facility was converted into capital as announced on 4 October 2018 through the issue of 300 million ordinary shares.

On 5 October 2018, the Company announced it had raised £3 million before expenses, by way of a subscription of 300 million new Ordinary Shares at 1p per share by a substantial shareholder of the Company, Kaptungs Limited.

Kaptungs Limited is an investment company which is beneficially owned by Mr. Ernesto Luis Tinajero Flores and has a total beneficial interest of 7,768,791 Ordinary Shares in Mirada, which represents 87.21 per cent of the voting rights in the Company.

23. RESERVES

SHARE PREMIUM

The amount subscribed for share capital in excess of nominal value.

On 21 January 2020, the Group announced the completion of the Share Premium account cancelation amounting to $16 millions (£10 millions). The Share Premium reduction was performed in order to create a new reserve against which the Group have performed credit its profit and loss account included as part of the heading “other reserves”.

As at 31 March 2019, the amount credited to the Company’s balance sheet as paid up share capital was £8,908,435. Accordingly, the proportion of the Company’s accumulated losses to the aggregate of its share capital, share premium and other reserves was approximately 65.7%. In accordance with EU Regulation 651/2014 the Company’s overseas subsidiary, Mirada Iberia SAU, would currently be restricted from obtaining certain types of additional publicly funded research and development loans that are available in Spain from the Centre for the Development of Industrial Technology on advantageous commercial terms, unless the accumulated losses of the Company are less than 50% of the aggregate of its total share capital, share premium and other reserves. Therefore, by cancelling the Company’s share premium account and crediting such amount to the Company’s balance sheet Mirada Iberia SAU should then be able to improve its position to access such publicly funded loans, should it be required, as its accumulated losses will then be less than 50% of its share capital and other reserves.

The Share Premium Account cancellation has not affected the voting or dividend rights of shareholders and will not affect the number of Ordinary Shares in issue or the nominal value per Ordinary Share.

OTHER RESERVES - FOREIGN EXCHANGE RESERVE

This reserve relates to exchange differences arising on the translation of the balance sheet of the Group’s foreign operations at the closing rate and the translation of the income statement of those operations at the average rate.

OTHER RESERVES- MERGER RESERVE

Under the provisions of s612 of the Companies Act 2006, the premium that arose on the shares issued as consideration in the acquisition of Mirada Iberia S.A, formally known as Fresh Interactive Technologies S.A, has been taken to the merger reserve.

24. SHARE BASED PAYMENTS

EQUITY SETTLED SHARE OPTION SCHEME

On 20 December 2013 the Company granted a total of 5,301,238 share options to certain employees and directors through approved and unapproved share option schemes. The exercise price for these options is £0.10. The exercise of these options is not subject to any performance criterion, and they vest in three equal instalments on 1 January 2015, 1 February 2015 and 1 March 2016. If the options remain unexercised after a period of ten years from the date of grant the options expire. The options are forfeited if the employee leaves before the options vest.

The directors granted options under this scheme are as follows:

	No. of share options
José Gozalbo Sidro	938,728
José Luis Vázquez	631,464
Francis Coles	185,888

In prior periods the Company has granted share options to employees and directors through approved and unapproved share option schemes. The exercise of options for all options granted during the 12 months ended 31 March 2008 is subject to a performance criterion being satisfied. The exercise of options granted prior to 1 January 2007 is not subject to any performance criterion. If the options remain unexercised after a period of ten years from the date of grant, the options expire. The options are forfeited if the employee leaves before the options vest.

In accordance with IFRS 2 the Group has elected not to apply IFRS 2 to options granted on or before 7 November 2002 or to options which had vested by 1 January 2006.

	2022		2021	
Counterparty	**Number of share options**	**Weighted average exercise price (£)**	**Number of share options**	**Weighted average exercise price (£)**
Outstanding at the beginning of period	41,483	0.10	41,483	0.10
Lapsed during period	(889)	0.10	-	0.10
Outstanding at the end of the period	40,594	0.10	41,483	0.10
Exercisable at the end of the period	40,594	0.10	41,483	0.10

Details of the share options outstanding during the period for options issued since 22 June 2007 are as follows:

The General Meeting held on 10 September 2019 approved a 100 to 1 share consolidation. The total outstanding share options at 31 March 2022 was 40,594 (41,483 at 31 March 2021). Therefore, as of 31 March 2022, the Company may issue up to 40,594 additional ordinary shares arising in connection with existing share options granted to staff, management and directors.

The options outstanding at 31 March 2022 and at 31 March 2021 had an exercise price of £0.10.

The options outstanding at 31 March 2022 expire in December 2023.

For the year ended 31 March 2022, the Group has recognised a total expense of nil (2021: nil) related to equity-settled share-based payment transactions.

The estimated fair values for determining this charge were calculated using the Black-Scholes option pricing model. This produces a fair value for each grant of options made and the fair value is then charged over the vesting period, which is three years.

25. OPERATING LEASE AGREEMENTS

On 1 April 2019, the Group adopted IFRS 16 on Leases (refer to Note 2.b). The Group has chosen to not recognise in the balance sheet the lease liabilities and the right-of-use asset corresponding to short term lease agreements and leases for low value assets.

The total lease expense not subject to IFRS 16 for short-term as well as low-value leases amounts to $0.220 million.

At the reporting date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 $000	2021 $000
Within one year	96	129
In the second to fifth years inclusive	55	64
	151	**193**

Operating lease payments represent rentals payable by the Group for its office properties. Leases of buildings are subject to rent reviews at specified intervals and provide for the lessee to pay all insurance, maintenance, and repair costs.

26. NOTES SUPPORTING CASH FLOW STATEMENT

Cash and cash equivalents comprise:

	2022 $000	2021 $000
Cash available on demand	25	107
Net cash decrease in cash and cash equivalents	(81)	(78)
Cash and cash equivalents at beginning of year	107	185
Cash and cash equivalents at end of year	25	107

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are held in the following currencies:

	2022 $000	2021 $000
Sterling	12	19
Mexican Peso	1	11
Euro	12	77
Total	**25**	**107**

Reconciliation of liabilities from financing activities:

	2021 $000	**Cash outflows**	**Cash inflows**	**Non-cash changes**		**2022**
				Other non-cash movement	Foreign exchange movements	$000
Bank loans	3,944	(211)	489	-	(205)	4,017
Other loans	1,440	(262)	343	-	(76)	1,445
Related party loans	589	(556)	2,557	91	(30)	2,651
Advances drawn on invoice discounting	1,204	(641)	-	-	(63)	500
Payment of principal on lease liabilities	(543)	(269)	-	-	-	(812)
Interests on lease liabilities	(27)	(10)	-	-	-	(37)
Total liabilities from financing activities	**6,607**	**1,949**	**3,389**	**91**	**374**	**7,764**

27. RELATED PARTY TRANSACTIONS

At 31 March 2022, the amount owed by Mirada Iberia to Mirada Mexico equals €20,821.62. The operations volume for FY22 has been € 258,417.35 as a supplier.

At 31 March 2022, the amount owed by Mirada Plc to Mirada Iberia equals € 990,605,75. The operations volume for FY22 has been € 191,756.31as a supplier and € 501,488.83 as a customer.

28. EVENTS AFTER THE REPORTING DATE

On 23 September 2022, Mirada Plc obtained an extension of the €3.0 million credit facility from Leasa Spain, S.L.U. (the "Lender") until 30 November 2023. The Lender is owned by Mr. Ernesto Luis Tinajero Flores, who also owns 87.21% of the voting rights of Mirada

On 23 September 2022, Mirada PLC announced it has been awarded a further extension of Skytel video service in Mongolia to include more connected devices.

For most of the years ended in March 2021 and March 2022, potential customers chose to postpone their decision-making processes until there was greater clarity around the future of the pandemic. New business activity across the industry – particularly in the first half – effectively ground to a halt.

Encouragingly, as we moved through the financial year ending in March 2023, we began to see growing indications of a gradual reversion to pre-pandemic levels of appetite for investment from both existing and prospective customers.

Company number 03609752	Note	$000	$000
Investments	iv	11.069	11.602
Non-current assets		**11.069**	**11.602**
Trade & other receivables	v	1.348	331
Cash and cash equivalents		12	19
Current assets		**1.360**	**350**
Total assets		**12.429**	**11.952**
Loans and borrowings	vii	(13)	-
Related parties loans and interests	vii	(94)	-
Trade and other payables	vi	(2.605)	(2.970)
Current liabilities		**(2.712)**	**(2.670)**
Net current liabilities		**(1.352)**	**(2.620)**
Total assets less current liabilities		**9.717**	**8.982**
Related parties loans		(2.557)	-
Interest bearing loans and borrowings		(44)	(69)
Non current liabilities		**(2.601)**	**(69)**

Total liabilities		**(5.313)**	**(3.039)**
Net assets		**7.116**	**8.913**
Issued share capital and reserves attributable to equity holders of the company			
Share Capital	ix	12,015	12,015
Share premium		-	-
Other reserves		1.440	1.805
Accumulated losses		(6.339)	(4.907)
Equity		**7.116**	**8.913**

As permitted by section 408 of the Companies Act 2006, the Parent company's statement of Comprehensive Income has not been included in these financial statements. The loss for the financial year for the parent company was $1,056,182 (2021 - $1,219,540).

These financial statements were approved and authorised for issue on 29 September 2022.

Signed on behalf of the Board of Directors

José Luis Vázquez,
Chief Executive Officer
28th September 202

The notes on pages 111 to 119 form part of these financial statements.

	Share capital	Share premium	Foreign exchange reserve	Accumulated losses	Total
	$000	$000	$000	$000	$000
Balance at 1 April 2021	**12,015**	-	**1,805**	**(4.907)**	**8,913**
Profit/(loss) for year	-	-	-	(1,432)	(1,432)
Other comprehensive income					
Movement in foreign exchange reserve	-	-	(365)	-	(365)
Total comprehensive income for the year	-	-	(365)	(1.432)	(1,797)
Balance at 31 March 2022	**12,015**	-	**1,440**	**(6,339)**	**7,116**
Balance at 1 April 2020	**12,015**	**-**	**848**	**(3,687)**	**9,176**
Profit/(loss) for year	-	-	-	(1,220)	(1,220)
Other comprehensive income					
Movement in foreign exchange	-	-	957		957
Total comprehensive income for the year	-	-	957	(1,220)	(263)
Balance at 31 March 2022	**12,015**		**1,805**	**(4,907)**	**8,913**

The notes on pages 111 to 119 form part of these financial statements

I. GENERAL INFORMATION AND BASIS OF PREPARATION

Mirada plc is a company incorporated in the United Kingdom. The address of the registered office is 3rd Floor Chancery House, St Nicholas Way Sutton, Surrey SM1 1JB. The nature of the Group's operations and its principal activities are the provision and support of products and services in the Digital TV and Broadcast markets.

The financial statements are presented in US Dollars which is the presentational currency of the Company.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Going concern

As disclosed in Note 3(b) from the consolidated financial statement, Directors have prepared a cash flow forecast covering a period extending beyond 12 months from the date of these financial statements. Different scenarios have been considered including worse possible cases. The forecast contains certain assumptions about the performance of the business. These assumptions are the directors' best estimate of the future development of the business, including consideration of cash reserves required to support working capital and its new growth initiatives. Based on this cash flow forecasts, directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of accounting

The separate financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. Principal accounting policies for the company are consistent of those for the group company which are disclosed in Note 2 of the group accounts, page 30. Further polices considered in the company financial statements are listed below.

Disclosure exemptions adopted

In preparing these financial statements the company has taken advantage of certain disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- certain comparative information as otherwise required by UK adopted International accounting standards;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Mirada plc. These financial statements do not include certain disclosures in respect of:

- Financial Instruments (other than certain disclosures required as a result of recording financial instruments at fair value); and
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value)

Investments in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

Right-of-use assets and Lease liabilities (policy applicable as from 1 April 2019)

At the start of a contract, the Company evaluates whether it contains a lease. A contract is or contains a lease if it grants the right to control the use of the asset identified for a period of time in exchange for a consideration. The length of time during which the Company uses an asset includes consecutive and non-consecutive periods of time. The Company only re-assesses the conditions when a contract is amended.

In contracts containing one or more components which are lease-related and non-lease related, the Company assigns the consideration set in the contract for each lease component according to the sales price of each individual lease-related component, and the aggregate individual price of the non-lease related components.

In contracts with one or more lease and non-lease components, the Company deems all components as one sole lease component.

The Company has also chosen to not recognise in the balance sheet the lease liabilities and the right-of-use asset corresponding to short term lease agreements (leases for one year or less) and leases for low value assets ($5 thousand or less). For this type of contracts, the Group recognises straight-line payments during the lease term.

Lessee accounting

At the commencement of the lease term, the Company recognises a right-of-use asset and lease liability. The right-of-use asset is composed of the amount of the lease liability, any payment for the lease made on or prior to the starting date, less any incentives received, the initial direct costs incurred and an estimate of the costs for decommissioning or restoration to be incurred, as indicated in the accounting policy provisions.

The Company measures the lease liability as the present value of the lease payments which are outstanding at the commencement date. The Company discounts lease payments at the appropriate incremental interest rate, unless the implicit interest rate of the lessor may be determined reliably.

The pending lease payments are comprised of fixed payments, less any incentive to be collected, the variable payments that depend on an index or rate, initially appraised by the index or rate applicable on the starting date, the amounts expected to be paid for residual value guarantees, the price of exercising the purchase option whose exercise is reasonably certain and any compensation payments for contract termination, providing the term of the lease reflects the termination option.

The Company measures the right-of-use assets at cost, less depreciation and accrued impairment losses, adjusted by any re-estimate of the lease liability.

If the contract transfers ownership of the asset to the Company at the end of the lease term or if the right-of-use asset includes the price of the purchase option, the depreciation criteria indicated in Note 3.j are applied from the lease commencement date until the end of the useful life of the asset. Otherwise, the Group depreciates the right-of-use asset from the commencement date until the date of the useful life of the right or the end of the lease term, whichever is the earlier.

The Company applies the criteria for impairment of non-current assets set out in note 3.i to right-of-use assets.

The Company measures the lease liability increasing it by the interest accrued, decreasing it by the payments made and re-assessing the carrying amount due to any amendments to the lease or to reflect any reviews of the in-substance fixed lease payments.

The Company records any variable payments that were not included in the initial valuation of the liability in the Consolidated Income Statement for the period in which the events resulting in payment were produced.

The Company records any re-assessments of the liability as an adjustment to the right-of-use asset, until it is reduced to zero, and subsequently in the Consolidated Income Statement.

The Company re-assesses the lease liability discounting the lease payments at an updated rate, if any change is made to the lease term or any change in the expectation of the purchase option is being exercised on the underlying asset.

The Company re-assesses the lease liability if there is any change in the amounts expected to be paid for a residual value guarantee or any change in the index or rate used for determining payments, including any change for reflecting changes in market rents once these have been reviewed.

The Company recognises an amendment to the lease as a separate lease if it increases the scope of the lease by adding one or more rights of use and the amount of consideration for the lease increases by an amount consistent with the individual price for the increased scope and any adjustment to the individual price to reflect the specific circumstances of the contract.

If the amendment does not result in a separate lease, on the amendment date the Company assigns the consideration to the amended contract as indicated above, it re-determines the term of the lease and re-estimates the value of the liability discounting the revised payments at the revised interest rate. The Company writes down the carrying amount of the right-of-use asset to reflect the partial or total end of the lease in any amendments that reduce the scope of the lease and it records the profit or loss in income. For all other amendments, the Company adjusts the carrying amount of the right-of-use asset.

Taxation

The tax expense represents the sum of the current tax and deferred tax charges.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

If the Group considers it is likely that the tax authority will accept an uncertain tax treatment, the Group will establish the taxable gain (loss), the tax bases, unused tax losses, unused tax credits or the tax rates consistent with the tax treatment used or intended to be used in its income tax returns.

If the Goup considers it unlikely that the tax authority will accept an uncertain tax treatment, the Group will reflect the effect of the uncertainty to establish the taxable gain (loss), the tax bases, unused tax losses or credits or the corresponding tax rates. The Group will reflect the effect of the uncertainty for each uncertain tax treatment by using the most likely amount or the expected value of the probability weighted amounts.

Deferred tax is the tax expected to be payable or recoverable on 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 liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

III. KEY JUDGEMENTS AND ESTIMATES

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Impairment of Investments in subsidiaries

Determining whether Investments in subsidiaries are impaired requires an estimation of the value in use of these subsidiaries. The value in use calculation requires the management to estimate the future cashflows expected from the cash generating unit and an appropriate discount rate in order to calculate the present value of the future cashflows. Management has evaluated the recoverable amount of those investments based on such estimates. The carrying amounts of these investments at the end of the reporting period are stated in Note (iv) of the Company financial statements.

IV. INVESTMENTS

Company	
Cost	$000
At 1 April 2021	22.747
Foreign exchange	(1.045)
At 31 March 2022	**21.701**
Amounts provided	
At 1 April 2021	11.145
Foreign exchange	(512)
At 31 March 2022	**10.632**
Net book value	
At 31 March 2022	**11.069**
At 31 March 2021	**11.602**

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of company	Holding	% Voting rights	Country of incorporation	Registered address	Nature of business
Digital Interactive Television Group Limited	Ordinary shares	100%	UK	68 Lombard Street London EC3V 9LJ	Disolved on 27th April 2021
Digital Impact (UK) Limited*	Ordinary shares	100%	UK	68 Lombard Street London EC3V 9LJ	Disolved on 27th April 2021
Mirada Iberia, S.A.	Ordinary shares	100%	Spain	Avda. de las Águilas 2B 28044 Madrid	Interactive TV services
Mirada Mexico, S.A.*	Ordinary shares	100%	Mexico	Montes Urales 505-2º 11000 México DF	Interactive TV services

* Held indirectly in Mirada Iberia S.A.

V. TRADE AND OTHER RECEIVABLES

	2022	2021
	$000	$000
Trade receivables	2	66
Amounts owed by group undertakings	1.293	237
Other receivables	2	2
Prepayments	51	26
	1.348	**331**

VI. TRADE AND OTHER PAYABLES

	2022	2021
	$000	$000
Trade payables	35	16
Amount owed to group undertakings	2.393	2.753
Other payables	6	10
Other taxation and social security taxes	15	28
Accruals	156	137
Contract liabilities	-	26
	2.605	**2.970**

Maturity analysis of the company financial liabilities, excluding other taxation and social security and deferred income, is as follows:

	2022	2021
	$000	$000
Up to 3 months	620	1.281
3 to 6 months	1.254	34
6 to 12 months	716	1.600
	2.590	**2.915**

VII. LOANS AND BORROWINGS

	2022	2021
	$000	$000
Bank loans	13	-
Related parties loans	94	-
	107	-

VIII. OPERATING LEASE ARRANGEMENTS

	2022	2021
	$000	$000
Within one year	7	6
	7	6

IX. SHARE CAPITAL

A breakdown of the authorised and issued share capital in place as at 31 March 2022 and 2021 is as follows:

	2022	2022	2021	2021
	Number	$000	Number	$000
Allotted, called up and fully paid				
Ordinary shares of £1 each	8,908,435	12,015	8,908,435	12,015

On 28 November 2017, the Company announced it had entered into agreements for the provision to the Company of unsecured one-year loan facilities of up to an aggregate amount of $2.4 million. The facility had certain conditional subscription rights in respect of new ordinary shares of 1p each in the capital of the Company. The facility was provided by Kaptungs Limited, Kronck Business S.A. and Minles Corporation Inc. This facility was converted into share capital as announced on 29 August 2018, through the issue of 151,785,713 ordinary shares.

On 7 March 2018, the Company announced it had entered into a secured one-year loan facility for up to $4.2 million. This facility was provided by Kaptungs Limited. This facility was converted into capital as announced on 4 October 2018 through the issue of 300 million ordinary shares.

On 5 October 2018, the Company announced it had raised £3 million before expenses, by way of a subscription of 300 million new Ordinary Shares at 1p per share by a substantial shareholder of the Company, Kaptungs Limited.

Kaptungs Limited is an investment company which is beneficially owned by Mr. Ernesto Luis Tinajero Flores and has a total beneficial interest of 776,879,163 Ordinary Shares in Mirada, which represents 87.21 per cent of the voting rights in the Company.

X. EVENTS AFTER THE REPORTING DATE

See Note 28 of the Group financial statements.

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Mr José Luis Vázquez	*Chief Executive Officer & Interim Chairman*
Mr Matthew Peter Earl	*Non-Executive Director*
Mr José Gozalbo Sidro	*Chief Technology Officer*
Mr Gonzalo Babío	*Chief Financial Officer*

COMPANY SECRETARY

Filex Services Limited

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