mmx annual report 2019

Minds + Machines Group Limited ("MMX" or the "Company" or the "Group") is a BVI incorporated company, which is traded on the AIM Market operated by the London Stock Exchange ("AIM"). MMX is the owner of a world class portfolio of 32 ICANN approved top-level domains (gTLDs). The Company generates revenues through the registration and annual renewal of names by organisations and individuals within each of its top-level domains, sales being processed through the Group's network of global registrar and distribution partners.

The MMX portfolio is currently focused around generic names (e.g. .work, .vip), consumer interest (e.g. .fashion, .wedding), lifestyle (e.g. .fit, .surf, .yoga), professional occupations (e.g. .law), beverage (.beer, .vodka) and geographic domains (e.g. .london, .boston, .miami, .bayern). In 2019, Company has introduced first brand protection product and contributed full year revenue from ICM acquired in 2018. For more information on MMX and its rapidly growing renewal base, please visit www.mmx.co.

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financial highlights

a year of growth

$11.7m	**accounting renewal** 62% of total revenue
2.46m	**domains under management** 2018 – 1.81m
$6.0m	**operating expenses** 2018: $5.5m
$18.9m	**group revenue** 2018: $15.1m
19%	**cost of sales** (2018: 23%)
$6.4m	**operating EBITDA** 2018: $3.6m

operational highlights

key regions

62%

United States

% of revenue (2018: 57%)

21%

Asia

% of revenue (2018: 29%)

17%

Europe

% of revenue (2018: 14%)

executive summary

Toby Hall
Chief Executive Officer

Michael Salazar
Chief Financial Officer

Overview

As a registry, MMX has a growth strategy based on organic development, innovation and selective acquisition. The Group operates its portfolio of 32 top-level domains ("TLDs") on an outsourced platform model to maximise operational leverage. The majority of our revenues, over 90%, are generated through the online sale and renewal of names via third party registrars (the industry's retail channel) as well as, to a lesser extent, the negotiated sale of high-value names via brokers.

As highlighted at the half-year, the 2019 business focus has been to continue growing the Group's top-line revenue through increasing automated new and renewal revenue through the registrar channel, improving the contribution from the US and European markets, reducing exposure to one-off brokered sales, and maintaining a tight control on costs. In short, to improve both the quantum and quality of revenues to deliver sustainable, profitable growth.

To that end, we are pleased to report revenues in the year improved by 25% to $18.9m (2018: $15.1m) with:

- automated sales through the channel up 40% to $17.3m (2018: $12.4m), now representing 91% of total revenues (2018: 82%) with:
  - new registration channel revenue up 84% to $5.6m (2018: $3.0m) and
  - renewal revenues up 25% to $11.7m (2018: $9.4m), representing 62% of total revenue (2018: 62%);
- one-off brokered sales outside of the channel reduced by $1.0m to $1.7m (2018: $2.7m), now representing under 10% of total revenue (2018: 18%); and
- US and European revenues improved by 36% and 51% respectively, benefitting from the introduction of our first brand protection product and first full-year contribution of the 2018 ICM acquisition.

Importantly, the ongoing management of costs has allowed the operational gearing benefits of MMX's outsourced model to begin to better evidence itself with Company Costs (ie. COGs, and OPEX) reduced to 51% of total revenue (2018: 60%), a metric management expects to continue improving to deliver improved earnings in the coming year.

2019 Financial highlights

- Revenues up 25% to $18.9m (2018: $15.1m);
- Profit after tax improved to $4.7m compared to 2018 loss of $12.6m;
- Operating EBITDA, net of $0.6m auction revenue, up 79% to $6.4m (2018: $3.6m);
- 170% improvement in cashflow from operations to $6.2m (2018: $2.3m) including receipts of $1.6m from private auctions;
- Cash at the year-end standing at $6.6m (2018: $10.4m) post re-payment of the Working Capital facility of $3.0m, final partner and onerous contract related payments of $6.7m, and $0.4m share buy-back; and
- EPS of 0.51c (2018 1.68c loss).

Current Trading & Outlook

The momentum experienced in Q4 has continued into the first quarter with healthy trading being experienced across all regions through the channel in Q1 2020 with no initial signs of automated sales through the channel from any region (notably China) being negatively impacted by coronavirus to date. That said, working practices are having to be significantly adjusted as a result of key industry events being cancelled, international travel being temporarily curtailed, and our office based staff having to work remotely.

Any immediate impact is therefore likely to be most noticeable in our one-off brokered sales, which currently account for less than 10% of our business, and certain aspects of business development. Longer term, the extent to which the wider environment may impact us is an unknown. However, the high levels of our recurring revenues and online nature of the majority of our sales should, in theory, shield us from the worst of the immediate storm. But to believe that we are fully insulated from the global crisis would be unwise.

2019 Operational Review

Organic growth

Top-line registration growth

2019 saw another significant year in top-line registration growth through the registrar channel, with registrations on the DNS (World Wide Web) growing by 36% to $2.46m contributing to topline revenue growth of 25%. Encouragingly, outside of .work, this was achieved without having to rely heavily on aggressive first year pricing tactics. Instead, it was driven through a combination of support from major registrars around certain properties, such as .law, and data analysis/micro price testing with other registrar partners to identify optimal price points across multiple properties to attract first year registrations and their subsequent renewal. As a result, a broader distribution of

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2019 had been an incredible year for our company leading in improved cashflow; growth in renewal revenue and launch of brand protection product has given us tremendous growth opportunity

registration growth across the portfolio has been achieved than in previous years, a trend we look to continue in the current year. It has also been encouraging to see global coverage for one of our properties, .vip, via Premier League TV coverage as a result of ManBetX, a team shirt sponsor, adopting MX666.vip as its main advertised site. This coverage coincided with Q4 regular registrations in .vip growing by over 360,000, of which 267,000 were regular standard sales via GoDaddy.

Improved revenue mix

A constant theme to the business development strategy over recent years has been the drive to improve the quality of the Group's revenue – specifically, replacing one-off high-value brokered sales with automated sales revenue, notably renewal and standard based, through the registrar channel. To that end, new registration revenue through the channel grew by $2.6m and represents 29% of total revenue, while renewal revenue grew by $2.4m and now makes up 62% with brokered sales representing 9% of total revenue. The table below charts the significant change in revenue composition from the last three years.

	FY 2017 %	FY 2018 %	FY 2019 %
Brokered Revenue (non channel)	38%	18%	9%
Premium Revenue	11%	4%	9%
Standard Revenue	17%	16%	20%
Renewals Revenue	34%	62%	62%
	100%	100%	100%

Improved geographic revenue mix

Of equal importance has been the transition in the regional make-up of the revenues over the same period. The table below reflects the $3.1m improvement in US revenues in the last twelve months, it now accounting for 62% of revenues in 2019 as compared to 32% in 2017, greatly boosted by the ICM acquisition; the $1.1m improvement in European revenues, now contributing 17% of Group revenues as compared to 15% in 2017; and Asia transitioning from 53% in 2017 to 21% in 2019. In terms of 2019 Asia revenues, it should be noted that inspite of the $0.3m drop in top-line revenues from that region in the last year, revenue through the channel grew by 61% in the period, largely compensating for the $1.3m drop in brokered trades over the year. Encouragingly, revenues continued to be generated by a broader number of properties in that region during the year.

	FY 2017 %	FY 2018 %	FY 2019 %
US	32%	57%	62%
Europe	15%	14%	17%
Asia	53%	29%	21%
	100%	100%	100%

Brand protection contribution

As highlighted in the interims, a significant part of the H1 2019 Innovation activity was the structuring and roll-out of our first brand protection product, AdultBlock, which the channel started actively selling to their corporate customer base from September 2019. This is targeted at the circa 80,000 corporates whose marks are held in the Trademark Clearing House or participated in the original Sunrise B programme when ICM launched its first extension in 2011. The AdultBlock+ product, which can be bought on a single year or multi-year basis, allows brands to protect not just their exact name matches but also the look-alike variations that can be generated through non-Latin scripts now permitted on the World Wide Web's DNS. During Q4 some initial 2000 blocks were sold to brands covering in excess of 5 million variations which would not be reflected in sites covering DNS based registrations, such as ntldstats.com, given that addresses are blocked at the registry level without the need for them to be registered on the DNS.

In revenue recognition terms, AdultBlock generated $1.1m in revenue in the final two months of the year. Much of the associated cash collection on AdultBlock sales took place in January and February of 2020 as the product was introduced on the normal post-payment model to the registrar channel.

Operational efficiencies

During the year, multiple back-end contracts were renegotiated. In addition to the financial savings discussed in the Financial Review, the renegotiated contracts significantly improve the available capacity across the Group's outsourced platform, thereby both improving our operational leverage and ability to scale.

Post period end, the renegotiated contracts have also allowed the Group to outsource its last remaining data-centres onto the cloud thereby allowing a reduction and replacement of in-house operation and technical headcount. This in turn is providing the headroom to grow the product development (ie. innovation),

executive summary

(continued)

commercial development (ie. organic) and corporate development teams as discussed below whilst remaining in-line with set KPI's.

Staff

As a result of the above, we are delighted to announce the appointments of Ben Anderson as COO, who will be responsible for platform management and implementing our product development strategy as it relates to our innovation programme, and Vaughn Liley as Chief Revenue Officer who will be responsible for driving growth through the registrar channel. Meanwhile we are equally pleased to welcome Ronan Prendergast back as interim CTO who will report into the COO. As such, the finance, legal, and operations functions will report into the CFO, and sales, marketing and policy into the CEO.

Innovation

The basic premise of the innovation activity is to develop a suite of products that provide additional end-customer benefits to owning names across our portfolio and, as is the case with .luxe, allow us to take a position of leadership in specific areas that are likely to impact the registry industry in the coming years.

As discussed earlier, the main innovation activity in 2019 focused on the introduction of our first brand protection product, AdultBlock. We now look forward to further developing our brand protection capabilities across the wider portfolio.

Progress likewise continues to be made on our .luxe R&D project which is looking at how a standardizing naming approach with an associated established governance framework can be applied in a blockchain environment. In 2019, following securing the relevant ICANN approvals and Ethereum integration in 2018, we successfully completed .luxe's integration into the first multi-chain association engine developed by our outsourced partner. This technically enables the same .luxe name (or ID) to be used across multiple chains. Following Ethereum's subsequent move to introduce a similar multichain association engine product in Q4 2019 – we are now expanding our existing Ethereum API so that .luxe can potentially support multiple multichain association protocols. Our points of differentiation in this activity are that:

1. we have developed an easy-to-use mechanism that integrates with the existing registrar channel to allow end-users to associate their .luxe name to the blockchains of their choice;
2. we are providing an over-arching governance system to name ownership that does not exist within the emerging blockchain universe;
3. we provide traditional World Wide Web usage for the same name.

As such we are pleased with the steady registration growth in the extension given it is priced as a premium product in the Asia region, it reaching 14,600 DNS based registrations by the year-end.

Selective acquisition

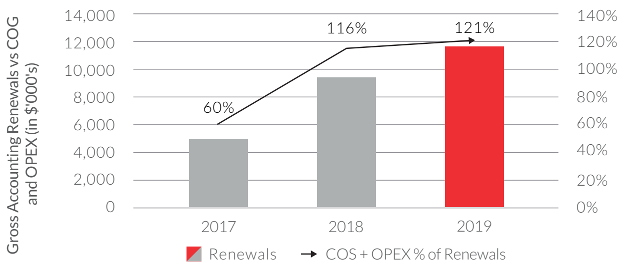
MMX has created a profitable platform based business that has significant capacity built into it allowing us to scale at marginal additional operating cost. We will therefore continue to explore opportunities that can enable us to bolt on additional recurring revenue streams to that platform which will be significantly earnings enhancing.

KPIs

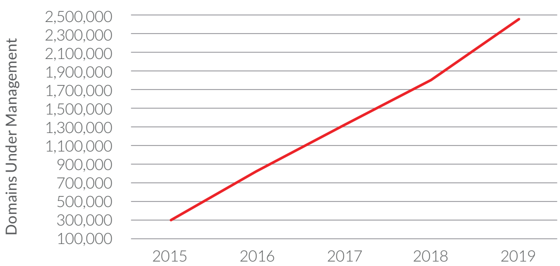
	2019	2018	% change
Domains under management	2.46m	1.81m	36%
Gross revenue	$18.9m	$15.1m	25%
Renewal revenue	$11.7m	$9.4m	25%
Cost of sales as a % of gross revenue	19%	19%	N/A
OPEX as a % of gross revenue	32%	37%	N/A
Operating EBITDA, net of gTLD auction revenue	$6.4m	$3.6m	79%

Please refer to the Operational Review and Financial Review sections for further discussion on each of the KPI's.

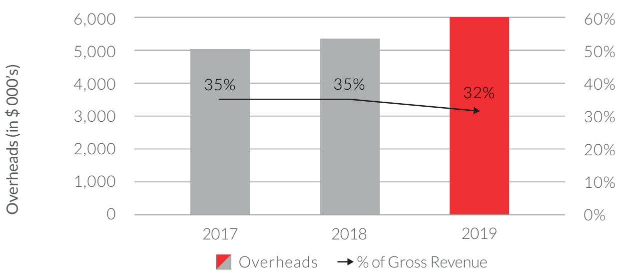
Accounting Renewals



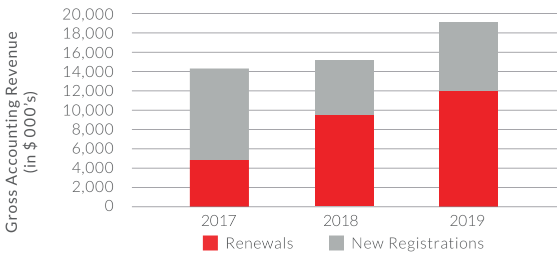
Domains under management



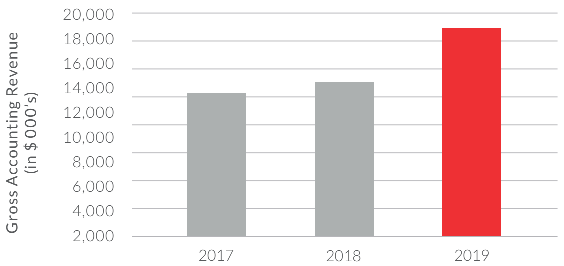
Overheads (on a like for like basis)



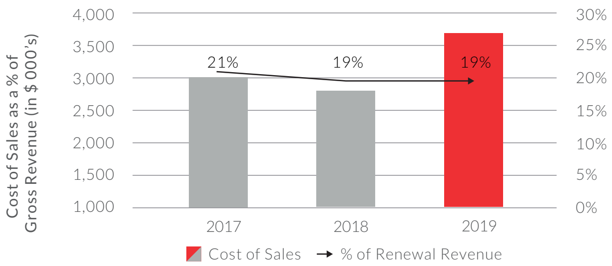
Revenue Split



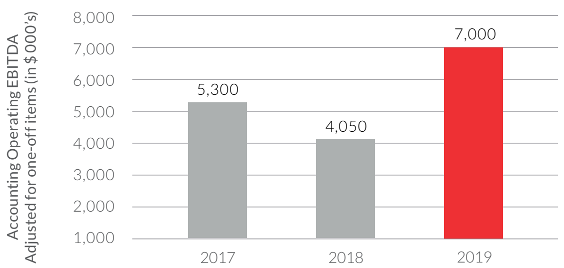
Gross Accounting Revenue



Cost of Sales



Accounting Operating EBITDA (net of one off costs)



Financial Review

Revenue

Gross revenue has increased by just over 25% to $18.9m in 2019 from $15.1m in 2018, in part reflecting the first full year contribution of ICM.

Growth in new revenue via the registrar channel from new registrations and AdultBlock was up $2.5m in 2019 to $5.6m, an 84% increase from 2018 ($3.0m). This growth has come both through a stronger focus on working with our channel partners as well as the introduction of new products (e.g., AdultBlock). Of the $2.5m in new registration revenue, the original MMX TLDs contributed $1.3m, AdultBlock contributed $1.1m, with the ICM TLDs contributing $0.1m.

Renewal revenue has also increased by $2.4m in 2019 to $11.6m, a 25% increase from 2018 ($9.4m). Renewal revenue growth has primarily benefitted from a full year of ICM renewals in 2019 compared to 2018.

One-off brokered revenue decreased by $1.1m in 2019 to $1.7m, a 39% decrease from 2018 ($2.7m). The decrease has been primarily related to the Management's increased focus to drive recurring revenue from its registrar channel versus focusing efforts to drive higher value non-recurring sales.

Expenditures

Note: 2018 figures have been adjusted for IFRS 16 for a like-for-like comparison. IFRS 16, effective 1 January 2019, impacts the accounting and reporting for certain leases. From a balance sheet view it requires certain leases to be reported as assets to reflect the value of the leased asset being controlled and used by the Company as well as recording a liability to reflect the fair value of future payments towards the lease.

The Company has taken the modified approach to adopting IFRS 16. As a result the balance sheet now reflects a 'right-of-use asset' of $2.7m related to leases for registry services and properties and a lease liability of $3.9m. The right of use asset is being amortised over its useful life and the lease liability is unwound as payments are made. In addition, the Company is

executive summary

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required to impute interest expense against the lease liability which is charged to finance costs.

COGs

At $3.6m, cost of sales are up by $0.8m, a 29% increase from 2018 ($2.8m). The increase relates primarily to AdultBlock commissions and an $0.1m increase in marketing spend. As a percentage of gross revenue, they remained within Management's KPI of 20% of gross revenue at 19% (2018, 23%).

OPEX

Operating expenditures are also up by $0.8m in 2019 to $6.0m, a 15% increase from 2018 ($5.3m). The increase relates primarily to integrating the ICM operations into MMX which included a full year of incoming personnel costs as compared to a half year worth of costs in 2018. At the end of the year, Management made improvements to certain operational costs by outsourcing certain functions and reinvested savings into improving certain key resources.

The business has therefore been able to stay within the range of its stated goal of $6.0m of operating expenditures thereby allowing the inherent operational gearing in the Group's structure to evidence itself, OPEX as a percentage of revenue decreasing to 32% in 2019 from 37% the previous year. However, going into 2020, given increased costs related to health benefits in the US, Management expects that operating expenditures could slightly increase but will nevertheless endeavour to remain within its stated goal of a $6.0m cap during the year.

Operating EBITDA

Operating Earnings Before Interest, Taxes, Depreciation, and Amortization (Operating EBITDA), net of gTLD auction revenue, has increased by $2.8m to $6.4m, a 79% increase from 2018 ($3.6m). Inclusive of $0.6m of auction revenue, 2019 Operating EBITDA was $7.0 (2018: $4.0m). Looking forward, management does not expect there will be any further, material monies coming from its sole remaining contended gTLD (.hotel).

Profit/(loss)

Profit for the year is $4.7m compared to the loss of $12.6m in 2018.

The profit for the year includes the accounting gain of $1.4m on the settlement of the onerous contract negated by the bad debt write off, the gain on the sale of the join.law reseller platform of $0.4m, share based payment expenses of $1.3m and depreciation and amortisation and finance costs of $1.9m (increased due to IFRS 16).

The loss in 2018 was driven by the provision towards the onerous contract and related write off of $11.3m, bad debt write offs / provisions of $2.1m and one-off costs of $1.4m.

Cash

Cashflow generated from operating activities has increased 170% to $6.2m (2018: $2.3m). This includes gTLD contention set proceeds of $1.6m (2018: $0.5m). Excluding the impact of IFRS 16 of $1.1m (i.e., adding back), subtracting the onerous contract payment of $6.7m, and adding for a FX gain of $0.1m, results in the reported cash generation from operating activities of $0.7m.

Cash balances at the end of 2019, post repayment of the working capital facility of $3.0m and $6.7m payment against onerous contract obligations, stood at $6.6m ($10.4m at the end of 2018). Restricted cash at the period end stood at $1.7m compared to $3.2m at the end of 2018. The reduction in restricted cash is the result of renegotiated agreements with partners and the release of ICANN letters of credit where contested gTLDs have been resolved.

During the year the Company also authorized up to £1.0m to be deployed on a share buyback resulting in the repurchase of 5,837,160 shares at an average price of 5.99p and a total cost of £0.35m/$0.44m.

Balance sheet

Outside of cash, the key changes to the balance sheet in 2019 relate primarily to the implementation of IFRS 16 and the reduction of certain liabilities. These include:

- $2.4m increase in non-current assets to $87.7m (2018: $85.3m) which includes the $2.7m 'right of use' asset reflecting the implementation of IFRS 16;
- $5.8m reduction to the onerous contract provision to nil (2018: $5.8m) reflecting payments made in accordance with the original agreement and its final settlement;
- $3.8m reduction in trade and other payables to $5.8m (2018: $9.6m) primarily related to repayment of the $3.0m working capital facility during H1 2019 relieving the Company of any outstanding debt from borrowings; and
- $4.0m increase in lease liabilities as a result of IFRS 16.

Onerous Contract provision – update

In December 2019, the Company was able to reach an agreement to settle its outstanding onerous contract. In addition to settling its 2018 obligation of $1.4m, which was paid in H1 2019, the Company paid a full and final settlement of $5.3m in December 2019. The $5.3m settlement removes any obligations for future minimum revenue guarantees as well as any marketing commitments and is expected to save the Company in excess of $3.0m over the remainder of the contract.

Releasing the onerous contract provision has resulted in a 2019 gain of $1.4m.

Bad debt provision – update

During the year the Company collected $0.6m in cash related to contracts entered into in 2017 associated with the bad debt provisions. However, in spite of also receiving collateral in the form of equity in two privately held businesses, the Company believes that it would be prudent to write off the remaining aged receivables in the amount of $1.4m as a bad debt expense in the current year as it is currently not appropriate to place a value on such collateral. In total, $3.0m of China bad debt provisions relating to 2017 have been written off in the subsequent two years, removing all long-term China debts from the balance sheet. The Company nevertheless continues to pursue collection.

Capital Returns Policy

In normal trading conditions, the business now operates with increasing visibility of its revenues and its cost base. The balance sheet has been repaired and the business retains cash on the balance sheet, no debt and anticipates incremental cashflow from operations moving forward. It would therefore, have been our intention to declare a maiden annual dividend. However, these are not normal times and we have therefore decided to take the prudent and precautionary measure of delaying any decision on the dividend until September, as at that point we will have much better visibility on the real impact, or not, of COVID-19 on current trading. The initial dividend, as and when declared, is intended as a base from which we can build a sustainable progressive dividend policy augmented by additional returns of cash when appropriate.

Outside of the dividend programme, one of the most value enhancing actions that we can take is to continue with the share buyback when the stock market fails to recognize the fundamental change to the risk profile of the business and the SaaS type revenue model that we now have. During 2019 we acquired 5,837,160 shares at an average price of 5.99p and we intend to continue with the current programme of share buybacks up to the current limit of £1m and renew such authority at the appropriate time. Alongside the ongoing share buyback, we will carefully review the amount of cash that the business should retain for organic and innovation-based growth and look to supplement the shareholder returns under the progressive dividend programme outlined above with either special dividends or tender offers as circumstances dictate in future periods. As such, your Board is acutely conscious of the need for shareholder return and will proactively manage the balance sheet to maximise value, whilst remaining mindful of the exceptional global market conditions at present and the need to maintain healthy cash balances and robust balance sheet.

Current Trading & Outlook

The momentum experienced in Q4 has continued into the first quarter with healthy trading being experienced across all regions through the channel in Q1 2020 with no initial signs of automated sales through the channel from any region (notably China) being negatively impacted by coronavirus to date. That said, working practices are having to be significantly adjusted as a result of key industry events being cancelled, international travel being temporarily curtailed, and our office based staff having to work remotely.

Any immediate impact is therefore likely to be most noticeable in our one-off brokered sales, which currently account for less than 10% of our business, and certain aspects of business development. Longer term, the extent to which the wider environment may impact us is an unknown. However, the high levels of our recurring revenues and online nature of the majority of our sales should, in theory, shield us from the worst of the immediate storm. But to believe that we are fully insulated from the global crisis would be unwise.

Finally we would like to thank our staff and commercial partners for their effort and support in delivering a successful year of growth and transformation. Their commitment has been outstanding, not least during the current uncertainty and upheaval caused by the coronavirus pandemic.

Toby Hall
Chief Executive Officer
Date: 23 March 2020

Michael Salazar
Chief Financial Officer
Date: 23 March 2020

strategic report

to the members of Minds + Machines Group Limited

Cautionary statement

This Strategic Report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed.

This Strategic Report contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

This Strategic Report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters, which are significant to MMX and its subsidiary undertakings when viewed as a whole.

Review of the Group's Business

The Business Model

Minds + Machines Group Limited operates in the domain name industry and provides end-to-end domain services generating revenues across multiple business lines. In total, 31 of the 32 uncontested domains in which the Group has a commercial interest have entered General Availability, resulting in the Group having over 2.46 million domains under management at the year end.

The Group currently has an interest in 1 wholly-owned contested generic top-level domain (gTLD).

Registry Business

A registry is the authoritative master database of all Domain Names registered for each Top Level Domain ("TLD") operated by a Registry. The registry allows the Domain Name System to route internet traffic to and from connected devices anywhere in the world.

The registry generates revenue by selling domain names to registrars on a recurring subscription basis. Registrars in turn sell domain names directly to consumers. Prices from the registry to the registrar are considered wholesale prices, which are set by the registry. Each registration, known as a second level domain (SLD), has a registration period from 1 to 10 years. At the end of each registration period, in order for the SLD to continue working, the consumer must renew it by paying a registration renewal fee. As required by ICANN, a registry must wholesale SLDs to all ICANN-accredited registrars on the same pricing, terms, and conditions.

Pricing for each SLD is based on the Group's determination of whether it is a geographical gTLD, a defined and restricted market (e.g. .law), a niche market (e.g. .yoga), or a generic market (e.g. .work). Pricing is further adjusted by other factors such as the pricing of other SLDs in other new gTLDs that end-users are likely to view as being comparable (e.g. .site vs. .web vs. .website), or pricing to match the targeted market of the gTLD (for instance .luxe focuses on the luxury market which demands premium prices). Further, some SLDs are considered premium names (e.g. hotel.TLD) which command a higher annual price.

The Group shares wholesale revenues from certain gTLDs (including its geographic gTLDs) and retains all the wholesale revenue for its other wholly-owned gTLDs.

Registry Service Provider

Minds + Machines Group currently has legacy Registry Service Provider clients however, the systems and processes necessary to manage this function have been outsourced to Nominet. Minds + Machines still maintains a small revenue stream from its two clients to manage Nominet on their behalf.

Registrar Business

The Group discontinued its previous wholly owned ICANN accredited retail registrar business in 2016. The Group continued to provide 'Reseller' services, the sale of second level domains for .law and .abogado via an ICANN accredited registrar platform not owned by the Group. The reseller business, 'join.law', was sold at the end of 2019.

Future developments, strategy and objectives

Please see the Executive Summary.

Key performance indicators

We track several Key Performance Indicators (KPI) against set KPI targets to help the Board and management evaluate the performance of our overall business. Please refer to the Executive Summary.

Principal risks and uncertainties

There are a number of potential risks and uncertainties, which could have a material impact on the Group's long-term performance and could cause actual results to differ materially from expected and historical results. The Group's risk management policies and procedures are also discussed in the Corporate Governance Statement.

The market for gTLDs is uncertain, the Group may fail to attract sufficient new customers

The level of demand for new second level domain names for those gTLDs in respect of which the Group either provides registry services or has an economic interest as the gTLD applicant may be less than expected or the new gTLDs may not generate the levels of second level domain name sales anticipated by the Board in which case the Group's revenues and profitability may be adversely affected leading to a potential impairment to the Groups gTLD assets.

The level of demand may decrease due to global events outside of the control of the Group.

The Group closely monitors the industry and global events to judge the potential impact to revenue and cashflow and acts accordingly to ensure that it retains sufficient capital to operate.

The Group has entities that are based in jurisdictions that may be subject to additional compliance requirements

The British Virgin Islands recently passed legislation regarding economic substance requirements where certain entities that are conducting relevant activities must establish that they perform adequate substantive activities in that jurisdiction.

The Group has reviewed the legislation requirements and has taken the necessary steps to ensure compliance.

The Group derives revenue from regions that are subject to additional compliance requirements

The Group derives significant revenue from China, where as a registry, it is subject to strict reporting requirements and where its customers may be subject to certain currency restrictions. These requirements could impact the Group's ability to pursue business opportunities in the region. The Group maintains a strong presence in the region with an office in Xiamen and employs highly qualified and well connected personnel. In addition, the Group has forged strong relationships with several Chinese based business partners to ensure that opportunities are taken advantage of as presented.

The Group acquired additional assets in 2018 that are subject to certain ICANN requirements that have been, and continue to be, fulfilled.

The Group and/or its customers may fail to meet certain contractual obligations

The Group currently has certain contractual commitments for specific TLDs that provide for minimum revenue guarantees. If total revenues from those specific TLDs do not reach the minimum annual revenue targets the Group must reallocate revenues from other areas of its portfolio to ensure appropriate payment of such commitments. Further, the commitments may create a significant barrier to achieving overall profitability and could result in certain impairments to future financial statements.

The Group determines the credit worthiness of certain customers prior to extending credit and continually monitors outstanding balances due.

The Group depends on technology and advanced information systems, which may fail or be subject to disruption

As a registry, the Group is dependent on the performance of software registry system and underlying databases, together with its back-up systems and disaster recovery plans, to ensure that critical registry functions are available to end users, registrars and other parties that must have access to those functions in the event any circumstance arises that materially impacts the operation of the primary registry system. The integrity, reliability and operational performance of the Group's IT systems, whether in-house or outsourced, are therefore critical to the Group's operations. The Group's IT systems may be damaged or interrupted by increases in usage, human error, unauthorized access, natural hazards or disasters or similarly disruptive events. Furthermore, Group's current systems may be unable to support a significant increase in online traffic or increased customer numbers, whether as a result of organic or inorganic growth of the business. Any failure of the Group's IT infrastructure or the telecommunications and/or other third party infrastructure on which such infrastructure relies could lead to significant costs and disruptions that could reduce revenue, harm the Group's business reputation and have a material adverse effect on the operations, financial performance and prospects of the Group. The Group has in place business continuity procedures, disaster recovery systems and security measures to protect against network or IT failure or disruption. However, those procedures and measures may not be effective to ensure that the Group is able to carry on its business in the ordinary course if they fail or are disrupted, and they may not ensure the Group can anticipate, prevent or mitigate a material adverse effect on the Group's operations, financial performance and prospects resulting from such failure or disruption. In addition, the Group's controls may not be effective in detecting any intrusion or other security breaches, or safeguarding against sabotage, hackers, viruses and cybercrime.

The Group has invested and continues to invest in ensuring that its technology and advanced information systems, whether in-house or outsourced, are performing as expected and can support growth of the business.

strategic report

to the members of Minds + Machines Group Limited
(continued)

Dependence on key personnel

The Group has a small management team and the loss of any key individual or the inability to attract appropriate personnel could adversely impact upon the Group's future performance.

The Group offers competitive compensation packages including share options to retain and attract key personnel.

The Group depends on a number of third parties for the operation of its business

The Group relies on cloud-based services from third party suppliers in order to provide its registry and RSP services which, if faulty and thereby causes errors or a service failure, could adversely affect the Group's operating results or harm its reputation. Furthermore, the Group has key contractual relationships with a number of third parties including suppliers, partners, banks and payment processors. In particular, the Group relies on key suppliers in order to carry on its operations including, but not limited to, Domain Name System (DNS) services, co-location facilities, Distributed Denial of Services (DDoS) mitigation services, security vulnerability assessment services, site and data escrow. The failure of one or more of these third parties may have an adverse impact on the financial and operational performance of the Group. Similarly, the failure of one or more of these third parties to fulfill its obligations to the Group for any other reason may also cause significant disruption and have a material adverse effect on its operations, financial performance and prospects.

The Group puts in place contracts with certain key clients to ensure continued business relationships. The Group also meets with individual management from our strategic partners periodically throughout the year to ensure the continued alignment of business goals and objectives.

Going concern basis

The Group's projections, taking account of the level of renewal revenue and sales through the channel show that the Group is well funded to operate as normal over the next 12 months with little to no impact to operations. Further, at the year end, the Group had current assets of $14.1m and current liabilities (excluding deferred revenue) of $6.8m and therefore net current assets (excluding deferred revenue) of $7.3m, including $6.6 million held as cash and cash equivalents.

The Directors have a reasonable expectation that the Company and the Group have adequate resources to continue operational existence for the foreseeable future and in making this assessment has considered the potential impact of the coronavirus on the business. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Approval

This report was approved by the Board of Directors on 23 March 2020 and signed on its behalf by:

Michael Salazar
Chief Financial Officer
Date: 23 March 2020

directors' report

The Directors present their annual report on the affairs of the Group, including the financial statements and auditor's report, for the year ended 31 December 2019. The Corporate Governance Statement set out on pages 14 to 17 forms part of this report.

Details of significant events since the balance sheet date are contained in note 29 to the financial statements. An indication of likely future developments in the business is included in the Strategic Report.

Information about the use of financial instruments by the company and its subsidiaries is given in note 26 to the financial statements.

Dividend

The Directors do not recommended payment of a dividend.

Capital Structure

Details of the issued share capital is shown in note 24. The Company has one class of ordinary shares, which carry no right to fixed income. Each share carries the right to one vote at general meetings of the Company.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The directors are not aware of any agreement between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

Details of employee share schemes are set out in note 25.

No person has any special rights of control over the Company's share capital.

With regard to the appointment and replacement of directors, the Company is governed by its Articles of Association, the BVI Companies Act and related legislation.

Directors

The Directors who served during the period and since year end are set out below:

Executive Directors
Toby Hall
Michael Salazar

Non-Executive Directors
Guy Elliott
Henry Turcan
Bryan Disher (appointed 2 April 2019)

Directors' Remuneration

Directors' emoluments

	Fees/ Basic Salary $ 000s	Benefits in kind $ 000s	Bonus $ 000s	2019 Total $ 000s	2018 Total $ 000s
Executive Directors					
Toby Hall	330	22	-	352	462
Michael Salazar	330	38	-	368	407
Non-Executive Directors					
Guy Elliott	58	-	-	58	100
Henry Turcan	58	-	-	58	58
Bryan Disher (appointed 2 April 2019)	43	-	-	43	-
Total	819	60	-	879	1,027

Directors' share options

Aggregate emoluments disclosed above do not include any amounts for the value of options to acquire ordinary shares in the company granted to or held by the directors. Details of directors' options are as follows:

	1 Jan 2019	Granted	Forfeited	Exercised	Expired	31 Dec 2019
Michael Salazar (1)	15,500,000	13,000,000	-	-	(7,500,000)	21,000,000
Toby Hall (2)	15,500,000	13,000,000	-	-	(7,500,000)	21,000,000
Total	31,000,000	26,000,000	-	-	(15,000,000)	42,000,000

(1) At the beginning of the year 15,500,000 options – Exercise price – Nil, of which 3,000,000 exercisable on the publication of the 2019 financial statements (will vest on a straight line basis, from a base share price of 9.375p up to full vesting of 18.75p). During the year, a grant of 7,500,000 were expired and further grant of 13,000,000 options were awarded – Nil exercise price – exercisable on the publication of the 2021 financial statements (will vest on a straight-line basis).

(2) At the beginning of the year 15,500,000 options – Exercise price – Nil, of which 3,000,000 are exercisable on the publication of the 2019 financial statements (will vest on a straight line basis, from a base share price of 9.375p up to full vesting of 18.75p). During the year, a grant of 7,500,000 were expired and further grant of 13,000,000 options were awarded – Nil exercise price – exercisable on the publication of the 2021 financial statements (will vest on a straight-line basis)

There have been no variations to the terms and conditions or performance criteria for share options during the financial year.

The Group remunerates non-executive Directors to attract the highest calibre of talent beneficial to the Group and its shareholders.

directors' report

(continued)

Directors' Interests

The total beneficial interests of the serving Directors at the year end in the shares and options of the Company during the period to 31 December 2019 were as follows:

	31 December 2019		31 December 2018	
Director	Shares	Options*	Shares	Options*
Toby Hall	500,000	21,000,000	500,000	15,500,000
Michael Salazar	1,975,050	21,000,000	1,975,050	15,500,000
Guy Elliott	20,750,000	-	20,750,000	-
Henry Turcan	-	-	-	-
Bryan Disher	-	-	-	-

* Terms of the options have been disclosed in Directors' remuneration report.

Directors' Indemnities

The company has made qualifying third-party indemnity provisions for the benefit of its Directors, which were made during the year and remain in force at the date of this report.

Corporate Governance

A statement on Corporate Governance is set out on pages 14 to 17.

Environmental Responsibility

The Company is aware of the potential impact that it and its subsidiary companies may have on the environment. The Company ensures that it, and its subsidiaries, at a minimum comply with the local regulatory requirements and the revised Equator Principles with regard to the environment.

Employment Policies

The Group is committed to promoting policies which ensure that high-caliber employees are attracted, retained and motivated, to ensure the ongoing success for the business. Employees and those who seek to work within the Group are treated equally regardless of sex, sexual orientation, marital status, creed, color, race or ethnic origin.

Health and Safety

The Group's aim is to achieve and maintain a high standard of workplace safety. In order to achieve this objective, the Group will provide training and support to employees and set demanding standards for workplace safety.

Annual General Meeting ("AGM")

This report and financial statements will be presented to shareholders for their approval at the AGM. The Notice of the AGM will be distributed to shareholders together with the Annual Report.

Statement of disclosure of information to auditor

As at the date of this report the serving directors confirm that:

- So far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- they 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 Company's auditor is aware of that information.

Auditor

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

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

The Directors are required to prepare financial statements for each financial year. The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether IFRS has been followed, subject to any material departures disclosed and explained in the financial statements;
- provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, and other events and conditions on the Group and Company's financial position and financial performance; and
- 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 applicable law. 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.

Electronic communication

The maintenance and integrity of the Company's website is the responsibility of the Directors. The work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Company's website is maintained in accordance with AIM Rule 26. Legislation in the British Virgin Islands governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

On behalf of the board:

Michael Salazar
Chief Financial Officer
Date: 23 March 2020

corporate governance

As Chairman of the Board of Directors of Minds and Machines Group Limited (MMX), it is my responsibility to ensure that MMX has both sound corporate governance and an effective Board. As Chairman of the Company, my responsibilities include leading the Board effectively, overseeing the Company's corporate governance model, communicating with shareholders, and ensuring that good information flows freely between the Executive and Non-Executives Directors in a timely manner.

It is the Board's job to ensure that MMX is managed for the long-term benefit of all shareholders, with effective and efficient decision-making. Corporate governance is an important part of that role, reducing risk and adding value to our business.

The Directors of MMX recognize the value of good corporate governance in every part of its business. MMX is required to adopt a recognized corporate governance code and disclose how it complies with that code, and to the extent the Company departs from the corporate governance provisions outlined by that code, it must explain its reasons for doing so. The Directors have resolved to adopt the Quoted Companies Alliance Corporate Governance Code (QCA Code), which we believe is the most appropriate for a company the size and stage of development of MMX.

The Board will provide annual updates on our compliance with the QCA Code and note that there have been no changes to the Company's key corporate governance arrangements over the past year. An explanatory report of how we have applied the QCA Code guidance, and disclosures of any areas of non-compliance, can be found on our website at: www.mmx.co.

The Board considers that the Group complies with the QCA Code so far as it is practicable having regard to the size, nature and current stage of development of the Company. The Board understands that the application of the QCA Code supports the Group's medium to long-term success whilst simultaneously managing risks and provides an underlying framework of commitment and transparent communications with stakeholders.

Strategy and Business Model

The Board believes that long-term value can be delivered to its shareholders through a process that has three key tenets:

- To continue to drive profitable growth through operational efficiencies and organic business development initiatives within the current TLD portfolio;
- To accelerate scale and earnings through strategic acquisitions; and
- Innovation.

A detailed description of the Company's business model and strategy can be found on page 8. Further challenges to MMX's strategy and long-term goals are highlighted in Principal Risks and Uncertainties on page 8.

Risk Management

The Board recognizes the need for an effective and well-defined risk management process, and it oversees and regularly reviews the current risk management and internal control mechanisms. The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management to forecasts. Project milestones and timelines are regularly reviewed.

The Board has overall responsibility for identifying, monitoring and reviewing the Company's risks, and assessing the systems of external control for effectiveness. The Executive Directors report on any new or changed risks, and any changes in risk management/control to the Board. The Board discusses all business matters having regard to the risks for the Group, and to the extent that risks inherent in a particular activity are considered significant, appropriate action is taken and steps taken to mitigate the issue.

The Board considers that in light of the control environment described above, an internal audit function is not considered necessary or practical due to the size of the Company and the day to day control exercised by the Executive Directors. However, the Board will monitor the need for an internal audit function. The Board has established appropriate reporting and control mechanisms to ensure the effectiveness of its control systems. The Board regularly reviews the mechanisms of internal control it has implemented, assessing for effectiveness.

The Company's key risks are highlighted under Principal Risks and Uncertainties on page 8.

The Board

The Board, as a whole, is responsible for the overall management of the Group and for its strategic direction, including approval of the Group's strategy, its annual business plans and budgets, the interim and full year financial statements and reports, any dividend proposals, the accounting policies, major capital projects, any investments or disposals, its succession plans and the monitoring of financial performance against budget and forecast and the formulation of the Group's risk appetite including the identification, assessment and monitoring of MMX's principal risks.

At the date of this Report, the Board has five members, whose biographies are set out on pages 21 and 22 and whose roles are set out below:

Director' Name	Position(s)
Toby Hall	Executive Director – Group Chief Executive Officer
Michael Salazar	Executive Director – Chief Financial Officer
Guy Elliott	Non-Executive Chairman – Chair of the Remuneration Committee
Henry Turcan	Non-Executive Director – member of the Audit Committee
Bryan Disher (Appointed 2 April 2019)	Independent Non-Executive Director – Chair of the Audit Committee

The Board meets regularly throughout the year and a calendar of meetings and principal matters to be discussed is agreed at the beginning of each year. In order to be efficient, the Directors meet formally and informally both in person and by telephone. Board document authors are made aware of proposed deadlines, allowing board papers to be collated, compiled into a Board Pack, and circulated with sufficient time prior to each meeting, thus allowing time for full consideration and necessary clarifications before the meeting. Management supply the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary.

In 2019 there were 8 official Board meetings, all of which were attended by all Directors in addition to other periodic meetings to update the Board on managements' progress.

The Board comprises the CEO, Toby Hall, the CFO, Michael Salazar, and two Non-Independent Non-Executives, Guy Elliott and Henry Turcan, and one Independent Non-Executive Director, Bryan Disher who was appointed during the year. Guy Elliott is the Company's Chair. Guy Elliott and Henry Turcan, as significant shareholders and representatives respectively, are not considered to be independent. The letters of appointment of all Directors are available for inspection at the Company's registered office during normal business hours. The Non-Executive Directors are expected to dedicate 18 days per annum to the Company. The Executive Directors work full time for the Company.

During the year, Board appointed an Independent Non-Executive Director, Bryan Disher, as highlighted in the Executive Summary. Bryan Disher is the chair person of Company's Audit Committee.

The Board continues to recognise the need for an independent Non-Executive Chair and shall continue to review this as the scale and complexity of the Company grows in the future and in proportion to costs. The Board also notes that the QCA recommends a balance between Executive and Non-Executive Directors and recommends that there be two Independent Non-Executives. The Board will take this into account when considering future appointments. However, all Directors are encouraged to use their judgement and to challenge matters, whether strategic or operational, enabling the Board to discharge its duties and responsibilities effectively.

The Non-Executive Directors have both a breadth and depth of skills and experience to fulfil their roles. The Company believes that the current balance of skills in the Board as a whole reflects a very broad range of personal, commercial and professional skills, and notes the range of financial and managerial skills. The Non-Executive Directors meet without the presence of the Executive Directors during the year, and also maintain ongoing communications with Executives between formal Board meetings.

Meetings are open and constructive, with every Director participating fully. Senior management can also be invited to meetings, providing the Board with a thorough overview of the Company.

In addition to their general Board responsibilities, Non-Executive Directors are encouraged to be involved in specific workshops or meetings, in line with their individual areas of expertise. The Board is kept abreast of developments of governance and AIM regulations. ONE Advisory provides updates on governance issues, and the Company's NOMAD provides annual Board AIM Rules refresher training as well as the initial training as part of a new director's on-boarding.

The Board shall review annually the appropriateness and opportunity for continuing professional development, whether formal or informal.

Board Committees

The Board has established the following committees, each which has its own terms of reference:

Audit Committee

The Audit Committee considers the Group's financial reporting (including accounting policies) and internal financial controls. The Audit Committee comprises of one Independent Non-executive Director, Bryan Disher (Chairman) and one Non-Executive Director, Henry Turcan. The Audit Committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported on.

During 2019, the Committee met three times with all the Directors present at all meetings.

corporate governance
(continued)

Remuneration Committee
The Remuneration Committee is responsible for making recommendations to the Board on Directors' and senior executives' remuneration. It comprises two Non-Executive Directors, Guy Elliott (Chairman), and Henry Turcan. Non-Executive Directors' remuneration and conditions are considered and agreed by the Board. Financial packages for Executive Directors are established by reference to those prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievement of recognized job qualifications and skills. The Committee will also have regard to the terms, which may be required to attract an equivalent experienced executive to join the Board from another company.

During 2019, the Committee met once with both Directors present at the meeting.

Advisers
The Directors have access to the Company's NOMAD and lawyers as and when required and are able to obtain advice from other external bodies when necessary. All Directors have access to advice from the Company Secretary and independent professionals at the Company's expense. Further details of the Company' advisers can be found on page 77.

The Company has employed the services of Liam O'Donoghue of ONE Advisory Limited to act as the Company Secretary, who is responsible for ensuring that Board procedures are followed and that the Company complies with all applicable rules, regulations and obligations governing its operation, as well as helping the Chairman maintain standards of corporate governance. If required, the Directors are entitled to take independent legal advice and if the Board is informed in advance, the cost of the advice will be reimbursed by the Company.

Board Evaluation
The Directors consider that the Company and Board are not yet of a sufficient size for a full Board evaluation to make commercial and practical sense. In the frequent Board meetings/calls, the Directors can discuss any areas where they feel a change would benefit the Company, and the Company Secretary remains on hand to provide impartial advice. As the Company grows, it expects to expand the Board and with the Board expansion, re-consider the need for Board evaluation.

Culture
The Board recognizes that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders, and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board.

A large part of the Company's activities are centered upon an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviors is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Company does.

The Group operates a whistleblowing policy to facilitate the reporting by employees of suspected misconduct, illegal acts or failure to act within the Group. The aim of this Policy is to encourage employees and others who have serious concerns about any aspect of the Group's work to come forward and voice those concerns. The Group also promotes employee engagement and receives feedback from employees through employee commentary and reviews.

The Directors assess various options to engage with the employees and develop a number of initiatives to ensure engagement with the entire workforce to understand employee sentiment. The Directors consider that the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Company has adopted a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016. The Directors seek to align their interests with shareholders.

Board Induction and Training
All new Directors participate in a comprehensive induction programme when they join the Board. The Board ensures that ongoing training is provided for Directors by way of conferences, presentations and circulated updates at (and between) Board and Board Committee meetings on, among other things, Group's business, environmental, social, corporate governance, regulatory developments and investor relations matters.

Internal controls
The Board is responsible for ensuring that the Group maintains a system of internal financial controls including suitable monitoring procedures. The objective of the system is to safeguard Group assets, ensure proper accounting records are maintained and that the financial information used within the business and for publication is reliable.

Internal financial control monitoring procedures undertaken by the Board include the review of monthly financial reports and monitoring of performance, setting of annual budgets and monthly forecasts and the prior approval of all significant expenditure.

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group accounts.

Treasury Policy

The Group finances its operations through debt and equity. The Group holds its cash as a liquid resource to fund the obligations of the Group. The Board approves decisions regarding the management of these assets. Refer to Note 26 for further information.

Securities Trading

The Board has adopted a Share Dealing Code that applies to Directors, senior management and any employee or consultant who is in possession of inside information. All such persons are prohibited from trading in the Company's securities if they are in possession of inside information. Subject to this condition and trading prohibitions applying to certain other periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

Relations with Shareholders

The Board is committed to providing effective communication with the shareholders of the Company. Significant developments are disseminated through stock exchange announcements and regular updates of the Company website. The Board views the AGM as a forum for communication between the Company and its shareholders and encourages their participation in its agenda.

The Directors meet regularly with the Company's institutional and other major shareholders in order to communicate mutual understanding of objectives. The Company intends at its AGMs to communicate with private investors and encourage their participation.

Each year shareholders receive a full annual report and an interim report.

Guy Elliott
Chairman
Date 23 March 2020

audit committee report

As the Chairman of MMX's Audit Committee, I present my first Audit Committee Report for the year ended 31 December 2019, which has been prepared by the Committee and approved by the Board.

The Audit Committee currently consists of myself as Chairman and Henry Turcan. I have the recommended qualifications and experience to act as Chairman of the audit committee.

Roles and Responsibilities

The main role and responsibilities of the Audit Committee are to:

- monitor the integrity of the Financial Statements and any formal announcements relating to financial performance;
- review the internal financial controls and the Company's internal control and risk management systems;
- make recommendations to the Board in relation to the appointment, reappointment or removal of the external auditor and approve remuneration and terms of engagement of the auditor;
- review the Independent Auditor's independence and objectivity; and
- develop and implement the non-audit services policy.

Achievement of its Roles and Responsibilities

The Audit Committee met formally two times this year to consider half-year Interim Results and Prior Full Year Financial Statements. Additional meetings we held as necessary during the year to monitor progress of external audits and reviews, together with any unexpected corporate issues.

The meetings of the Audit Committee are designed to facilitate and encourage communication among the Audit Committee members, the Company's staff and the Company's Independent Auditor, Mazars LLP.

Members of the Committee meet the Independent Auditor regularly throughout the year (with and without Management present) to discuss the results of their examinations, the overall quality of the Company's financial reporting, and the Company's internal control environment (including internal control over financial reporting). In addition, the Audit Committee receives and reviews the Independent Auditor's annual 'Audit Completion Report'.

The Company does not have an Internal Audit function. This, the Committee believes, is consistent with the Company's stage of development. The need for the establishment of an Internal Audit function is monitored and it will be established when it is believed to be appropriate.

The Audit Committee recognizes the importance of ensuring the independence of the Company's independent Auditor both in fact and appearance. Each year the Audit Committee reviews and assesses the quality and efficiency of the service provided.

This is the eighth year that Mazars have acted as Independent Auditor, having been appointed in 2012.

The Company has in place a whistle-blowing procedure to allow staff to raise, in confidence, any concerns about business practices. This procedure complements established internal reporting processes.

It is the Company's policy to conduct all of its business in an honest and ethical manner, and it has adopted a zero-tolerance approach to bribery and corruption. The Company is committed to acting professionally, fairly, and with integrity in business dealings and relationships. The Company's anti-bribery and corruption procedures incorporate appropriate provisions to meet its obligations under the UK Bribery Act 2010.

With regard to the Company's financial statements, the Audit Committee reviews:

- the quality and acceptability of accounting policies and practices;
- the clarity of the disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements;
- material areas in which significant judgements have been applied or there has been discussion with the Independent auditor, and
- whether the Annual Report and Financial Statements, taken as a whole, present a fair, balanced and understandable body of information that provides the data necessary for shareholders to assess the Company's performance, business model and strategy.

The Audit Committee, through the Board, receives financial updates at each Board Meeting as well as regular financial reports throughout the year. The Board also carries out a detailed budget planning and review at the start of each financial year. This is monitored in conjunction with each Board financial review.

Financial Statements

During 2019, the Audit Committee:

- met with the External Auditors to review and approve the annual audit plan and receive their findings and report on the annual audit;
- considered significant issues and areas of judgement with the potential to have a material impact on the financial statements;
- considered the integrity of the published financial information and whether the Annual Report and Financial Statements taken as a whole are fair, balanced and understandable and provide the information necessary to assess the Group's position and performance, business model and strategy; and
- reviewed and approved the interim 2019 and 2018 year end results and financial statements.

Audit Committee Report

This is the first year the Group has presented an Audit Committee Report. In future the content and detail of the Audit Committee Report may be expanded, and formal procedures will be put in place to assess the effectiveness of the Audit Committee's role.

Bryan Disher
Chairman of the Audit Committee
Date: 23 March 2020

remuneration committee report

Dear shareholder,

As the Chairman of MMX's Remuneration Committee, I present the Remuneration Committee Report for the year ended 31 December 2019, which has been prepared by the Committee and approved by the Board.

Remuneration policy

The Company's remuneration policy is focused on being able to attract, retain and incentivise management with the skills and expertise necessary to realise the Group's objectives and ensure management's interests are aligned with Shareholders' interests. The Directors also recognise the importance of ensuring that all employees are engaged, incentivised and identify closely with the profitability of the Company.

Roles and Responsibilities

The Remuneration Committee is responsible for determining the remuneration of the Company's Executive Directors based on agreed goals and objectives set out each year. In addition, the Remuneration committee seeks to link remuneration to individual and Company performance thereby creating a performance culture within the business. The Committee is responsible for overseeing the Company's long-term incentive plans to ensure the sustained growth of the Company by attracting and retaining the necessary talent to delivery of shareholder value.

The Committee also monitors market trends and developments in order to assess those relevant for the Group's future remuneration schemes.

Governance Process

The Committee meets at least once a year and such other times as the Chair or any member of the Committee requests.

Main Activities

- The Committee set CEO and CFO 2019 remuneration packages based on 2018 individual, Company and market performance;
- In relation to the long-term incentive plan, the committee set a three-year plan (covering 2019 to 2021) identifying Company cash generation targets in conjunction with total shareholder return; and
- 2020 Company and individual goals were set at the end of the year.

2020 Focus

- Assess Executive team performance against 2019 goals to determine bonus and long term incentive awards;
- Reviewing and setting the 2020 to 2022 cash generation targets in conjunction with total shareholder return.
- Providing guidance and recommendation on additional 2020 KPI's; and
- Continuing to monitor the effectiveness of the current plans to deliver total shareholder value whilst providing adequate incentives for performance.

Guy Elliott
Chairman of the Remuneration Committee
Date 23 March 2020

directors' biographies

Guy Elliott
Non-Executive Chairman

Guy Elliott is an independent investor, corporate finance advisor and entrepreneur specializing in natural resources and Internet technologies. From 1993 to 2001 Mr. Elliott was a co-founder of Croesus Capital Management, a multi-strategy hedge fund manager with $1 billion under management. Since 2001, Mr. Elliott has been a co-founder of F3 Capital management, an alternative investments advisory that has specialized in early stage financings of resources and Internet technology companies. Mr. Elliott was a co-founder shareholder or Series A investor in many companies during the past 15 years including the following: Iwin, Tagworld, TLDH/Minds + Machines/MMX, Marathon PGM, Uramin, Royal Nickel, CDC/CRC, Polo Resources, Get Pager, Trax Retail and Collinear Networks.

Toby Hall
Chief Executive Officer

Toby Hall is a highly experienced marketeer who has supported a series of fast growth public and private businesses in the Internet and natural resources sector over the last twenty years. In this capacity, he has been a strategic adviser to Minds + Machines Group Limited (MMX) since its inception. Following the successful launches of .miami and .law, Toby formally took over the responsibilities of Chief Marketing Officer for the Group in January 2016. On 22 February 2016, Toby was appointed Chief Executive Officer and has led the Group as it restructured into a pure-play registry and successfully opened up the China market through the launch of .vip which received Chinese Government MIIT approval in December 2016. He divides his time between the US, UK, Europe and Asia.

Michael Salazar
Chief Financial Officer

Prior to joining MMX in December 2012, Michael was the gTLD Program Director at ICANN. He was responsible for developing the new department within ICANN to implement the gTLD operations programme and manage the execution of all operations. Prior to ICANN, Michael worked at KPMG for 16 years, where he was a partner in the Advisory Services Group, responsible for the overall quality and execution of internal audit and advisory engagements for a diverse group of clients across a number of industries, including technology, media and entertainment, consumer products and manufacturing. He co-managed KPMG's IT Advisory Services group within Los Angeles and Orange County. Prior to working in the Advisory Services Group, Michael spent considerable time working in KPMG's International Tax practice.

directors' biographies

(continued)

Henry Turcan

Non-Executive Director

Henry has worked in financial services since 1996, with a focus on equity capital markets. Having spent the majority of his career advising growth companies within investment banking, he switched to investment management when he joined Henderson Global Investors in 2015. In 2017, the funds managed by Volantis were transferred by Henderson to Lombard Odier Investment Management. Henry graduated with an MA (Hons) in Modern Languages from Edinburgh University and is a Member of the Securities Institute. Henry is a representative of the funds managed or sub-advised by Lombard Odier Investments Manager group entities, collectively one of the Company's largest shareholders.

Bryan Disher

Independent Non-Executive Director and Chair of the Audit-Committee

Bryan Disher trained as a Chartered Professional Accountant, Chartered Accountant in Canada and enjoyed a successful career spanning over 37 years at PricewaterhouseCoopers (PwC), which he joined in 1978 and where he was appointed as a Partner in 1991. He held a number of senior positions in PwC Canada where he was Chair of the Partnership Board, and Chair of each of the Finance Committee, Governance Committee and Admissions Committee of the Board. He was also Managing Partner of PwC's Ottawa office (2001 - 2008) and Ottawa Audit and Assurance Leader (1995 - 2001). His final role at PwC was Managing Partner of its Ukrainian practice between 2012 and 2015.

independent auditor's report

Opinion

We have audited the financial statements of Minds + Machines Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the Group and Company Statements of Comprehensive Income, Group and Company Statements of Financial Position, Group and Company Cash Flow Statements, Group and Company Statements of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standard Board (IASB).

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 December 2019 and of the group's profit and the parent company's loss for the year then ended; and
- have been properly prepared in accordance with IFRSs as issued by the International Accounting Standard Board (IASB).

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 SME 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.

The impact of uncertainties due to the COVID-19 coronavirus on our audit

The Directors' view on the impacts of the COVID-19 coronavirus are disclosed on page 4. The full impact following the recent emergence of the global coronavirus is still unknown. It is therefore not currently possible to evaluate all the potential implications to the group's and parent company's trade, customers, suppliers and the wider economy.

We considered the impacts of COVID-19 coronavirus on the group and parent company as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the group's and parent company's future prospects and performance. This included reviewing and evaluating the Director's assessment of the impact of COVID-19 coronavirus on the group and parent company, including sensitivity analysis of the key underlying assumptions. Based on these procedures, we consider the Director's view on the impacts of COVID-19 coronavirus, as disclosed on page 4, to be reasonable.

However, no audit should be expected to predict the unknowable factors or all possible implications for the group and parent company and this is particularly the case in relation to COVID-19 coronavirus.

Conclusions relating to going concern

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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.

independent auditor's report

(continued)

Key audit matter	Our response and key observations
Revenue recognition The group's accounting policy in respect of revenue recognition is set out in note 1(j) 'Revenue Recognition' on page 42. There is a risk of fraud in revenue recognition due to the potential to inappropriately shift the timing and basis of revenue recognition as well as the potential to record fictitious revenues or fail to record actual revenues. For the group, we consider this significant risk to arise as follows: the group records revenue immediately for the initial premium arising on the sale of certain domain names, while recurring fees are recognised over the period covered by the fee. There is a risk that inappropriate allocation of fees between the initial premium and recurring leading to inappropriate revenue recognition; the group recognises domain registry service revenue evenly over the relevant registration period. There is a risk that revenue relating to future periods is not appropriately deferred; and for the new brand protection service released during the year, the group has exercised judgement in establishing a policy for the recognition of revenue, as set out in note 2 on page 49, under which a proportion of revenue is recognised immediately, with the remainder recognised over the period covered by the contract. There is a risk that the revenue recognition policy for the new product is not compliant with IFRS 15, and a further risk that the policy is not correctly applied.	**Our response:** Our principal audit procedures were: on a sample basis, testing the split of revenue between the initial premium arising on sale of the domain name and the ongoing registry service; on a sample basis, testing domain registry service revenue recognised in the period and revenue deferred at the year-end by reference to the registration period covered by the contractual terms of service; reviewing the recognition policy for the new brand protection service to assess whether it is appropriate and compliant with IFRS 15; and on a sample basis, testing whether brand protection services revenue has been recognised in accordance with the stated accounting policy. **Key observations:** We consider the group's revenue recognition policy to be appropriate and revenue has been recognised correctly in line with the stated accounting policy.
Valuation of intangible assets Included on the group statement of financial position is goodwill of $2.8m and intangible assets of $81.5m. The group's accounting policies in respect of intangible assets are set out in note 1(h) 'Goodwill' on page 40, note 1(m) 'Intangible assets' on page 43 note 1(n) 'De-recognition of intangible assets' on page 44 and note 1(p) Impairment of fixtures & equipment and intangible assets excluding goodwill' on page 44. The Directors are required to perform an impairment review in respect of intangible assets on an annual basis. In performing their review, the Directors are required to assess the fair value of the intangible assets, being the higher of their market value and their value in use, within each identified Cash Generating Unit (CGU). In the absence of a readily available indicator of market value, the Directors have based their impairment review on calculations of the value in use of each CGU, based on projected future cash flows. The significance of the judgements and estimates made in calculating the value in use of each CGU gives rise to a risk that the value in use is overstated, and that intangible assets may be impaired below their carrying value in the financial statements. The Directors' commentary on the judgements and estimates involved in the value in use calculations is set out in note 2 on page 48. Key estimates in the value in use calculations include projected revenue growth and the discount rate used to calculate the present value of projected future cash flows. In addition to these estimates, a key judgement made by the Directors is the determination of CGUs, being the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The group has determined that it is appropriate to include multiple gTLDs within certain CGUs.	**Our response:** Our principal audit procedures were: reviewing and evaluating management's basis for the inclusion of multiple gTLDs within CGUs; considering the appropriateness of the key estimates of revenue growth and discount rate used in the value in use calculations; and performing sensitivity analysis to assess the impact of reasonable variations in the estimates of projected revenue growth and the discount rate used. **Key observations:** We consider that the: group's inclusion of multiple gTLDs into certain CGUs is appropriate; estimates used in the value in use calculations are reasonable; and Directors' conclusion that there is no requirement for further impairment of intangible assets is reasonable.

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.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group and parent company materiality	$1.3m
How we determined materiality The group's strategy is to generate increasing revenues through exploitation of its asset base, which largely comprises intangible assets in the form of gTLDs. We therefore consider the group total asset value to be an appropriate basis for determining materiality.	
Rationale for benchmark applied Having considered factors such as the group's AIM listing and the absence of external debt at the year end, we determined materiality at 1.25% of the group total asset value.	
Performance materiality – group and parent company We performed our audit procedures using a lower level of materiality - termed 'performance materiality' - which is set to reduce to an appropriate level the probability that the aggregate of uncorrected misstatements in the financial statements exceeds materiality for the financial statements as a whole. Having considered factors such as the group's control environment, we set performance materiality at 65% of overall materiality.	$0.8m
Reporting threshold – group and parent company We agreed with the Audit Committee that we would report to that committee all identified corrected and uncorrected misstatements in excess of this level, together with differences below that level that, in our view, warranted reporting on qualitative grounds.	$0.04m

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements such as making assumptions on significant accounting estimates.

We gained an understanding of the legal and regulatory framework applicable to the group and parent company, the structure of the group and the parent company and the industry in which they operate. We considered the risk of acts by the group and parent company which were contrary to the applicable laws and regulations including fraud. We designed our audit procedures to respond to those identified risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements.

We tailored the scope of our group audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the group's and parent company's accounting processes and controls and its environment, and considered qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our tests included, but were not limited to, obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by irregularities including fraud or error, review of minutes of Directors' meetings in the year and enquiries of management. As a result of our procedures, we did not identify any key audit matters relating to irregularities, including fraud (other than the key audit matter on revenue recognition outlined above).

independent auditor's report

(continued)

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are discussed under "Key audit matters" within this report.

Our group audit scope included an audit of the group and parent financial statements of Minds + Machines Group Limited. Based on our risk assessment, all entities within the group were subject to full scope audit performed by the group audit team. The group was considered to be a single component for the purposes of determining materiality, as all of the entities are engaged in the same business and use the same systems, processes and controls. All group entities, including the parent company, were therefore audited to the group materiality thresholds set out in "Our application of materiality" above. The group engagement team also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of the audit report

This report is made solely to the company's members as a body in accordance with our engagement letter. 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.

Mazars LLP
Chartered Accountants

Tower Bridge House
St Katharine's Way
London
E1W 1DD

Date: 23 March 2020

group statement of comprehensive income

for the year ended 31 December 2019

	Notes	Year Ended 31 Dec 2019 $ 000's	Year Ended 31 Dec 2018 $ 000's
Revenue		18,942	15,094
Less: Partner payments	4	(2,882)	(2,520)
Revenue less partner payments		**16,060**	**12,574**
Cost of sales	5	(3,637)	(3,481)
Gross Profit		**12,423**	**9,093**
Gross Profit Margin %		**77%**	**72%**
Profit on contested gTLD applications	18	588	480
Operating expenses		(6,040)	(5,526)
Operating earnings before interest, taxation, depreciation and amortisation (Operating EBITDA)		**6,971**	**4,047**
Bad debt Expense	20	(1,433)	(2,112)
Onerous contract provision credit / (charge)	22	1,351	(7,154)
Foreign exchange Gain / (loss)		378	(342)
Gain on termination of lease (IFRS 16)	23	299	-
Profit on disposal of reseller (join.law)	16	383	-
Loss on disposal of fixed assets		-	(12)
Share based payments	25	(1,272)	(1,153)
Strategic review costs		-	(110)
Acquisition costs		-	(595)
Restructuring costs		-	(743)
Impairment loss on intangible assets	14	-	(4,145)
Share of results of joint ventures	17	48	4
Earnings / (Loss) before interest, taxation, depreciation, and amortisation (EBITDA)	6	**6,725**	**(12,315)**
Depreciation and amortisation charge	14/15/23	(1,207)	(211)
Finance revenue		9	16
Finance costs	8	(649)	(180)
Profit / (Loss) before taxation		**4,878**	**(12,690)**
Income tax (charge) / credit	9	(140)	54
Profit / (Loss) for the year		**4,738**	**(12,636)**

	Notes	Year Ended 31 Dec 2019 $ 000's	Year Ended 31 Dec 2018 $ 000's
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences		(680)	387
Items that will not be reclassified to profit or loss:			
Loss on fair value through other comprehensive income financial assets		(57)	(443)
Other comprehensive income for the year net of taxation		**(737)**	**(56)**
Total comprehensive income / (loss) for the year		**4,001**	**(12,692)**
Retained profit / (loss) for the year attributable to:			
Equity holders of the parent		4,738	(12,652)
Non-controlling interests		-	16
		4,738	**(12,636)**
Total comprehensive income/(loss) for the year attributable to:			
Equity holders of the parent		4,001	(12,708)
Non-controlling interests		-	16
		4,001	**(12,692)**
Earnings / (Loss) / per share (cents)			
From continuing operations			
Basic	11	0.51	(1.68)
Diluted	11	0.49	(1.68)

All operations are considered to be continuing.

The notes set out on pages 38 to 76 form an integral part of these financial statements.

company statement of comprehensive income

for the year ended 31 December 2019

	Notes	Year Ended 31 Dec 2019 $ 000's	Year Ended 31 Dec 2018 $ 000's
Revenue		7,788	8,395
Less: Partner payments	4	(1,505)	(1,013)
Revenue less partner payments		**6,283**	**7,382**
Cost of sales	5	(2,585)	(2,274)
Gross Profit		**3,698**	**5,108**
Gross Profit Margin %		**59%**	**69%**
Profit on contested gTLD applications	18	588	480
Operating expenses		(3,502)	(4,404)
Operating earnings before interest, taxation, depreciation and amortisation (Operating EBITDA)		**784**	**1,184**
Bad debt expense – trade receivables	20	(1,433)	(1,821)
Impairment of investment in subsidiaries/inter-company balance	16	(10,757)	(25,883)
Foreign exchange gain /(loss)		230	(391)
Gain on termination of Lease (IFRS 16)	23	59	-
Strategic review costs		-	(110)
Acquisition costs		-	(595)
Restructuring costs		-	(743)
Share based payments		(969)	(1,090)
Loss before interest, taxation, depreciation, and amortisation (EBITDA)	6	**(12,086)**	**(29,449)**
Depreciation and amortisation charge	14/15/23	(287)	(17)
Finance revenue		9	16
Finance costs	8	(250)	(180)
Loss before taxation		**(12,614)**	**(29,630)**
Income tax	9	-	-
Loss for the year		**(12,614)**	**(29,630)**
Other comprehensive income			
Loss on fair value through other comprehensive income financial assets		(57)	(443)
Other comprehensive loss for the year net of taxation		**(57)**	**(443)**
Total comprehensive loss for the year		**(12,671)**	**(30,073)**

All operations are considered to be continuing.

The notes set out on pages 38 to 76 form an integral part of these financial statements.

group statement of financial position

as at 31 December 2019

	Notes	31 Dec 2019 $ 000's	31 Dec 2018 $ 000's
ASSETS			
Non-current assets			
Goodwill	13	2,828	2,828
Intangible assets	14	81,494	81,458
Fixtures and equipment	15	68	59
Right-of-use assets	23	2,673	-
Investments		-	57
Interest in joint ventures	17	480	432
Other long-term assets	18	185	435
Total non-current assets		87,728	85,269
Current assets			
Trade receivables	20	3,864	4,614
Prepayments and other receivables	20	3,626	4,515
Cash and cash equivalents	19	6,583	10,367
Total current assets		14,073	19,496
TOTAL ASSETS		101,801	104,765
LIABILITIES			
Current liabilities			
Trade and other payables	21	(5,835)	(9,629)
Deferred revenue	21	(13,662)	(14,761)
Onerous contract provision	22	-	(2,914)
Lease liabilities	23	(907)	-
Total current liabilities		(20,404)	(27,304)
Net current liabilities		(6,331)	(7,808)
Non-current liabilities			
Onerous contract provision	22	-	(2,860)
Lease liability	23	(3,040)	-
Total non-current liabilities		(3,040)	(2,860)
Total liabilities		(23,444)	(30,164)
NET ASSETS		78,357	74,601

group statement of financial position

as at 31 December 2019

(continued)

	Notes	31 Dec 2019 $ 000's	31 Dec 2018 $ 000's
EQUITY			
Share capital		-	-
Share premium	24	80,217	68,912
Shares to be issued	12	-	11,745
Other reserves		(500)	(443)
Foreign exchange reserve		904	1,584
Retained earnings		(2,264)	(6,871)
		78,357	74,927
Non-controlling interests		-	(326)
TOTAL EQUITY		78,357	74,601

The notes set out on pages 38 to 76 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 23 March 2020 and signed on its behalf by:

Toby Hall
Chief Executive Officer

Michael Salazar
Chief Financial Officer

company statement of financial position

as at 31 December 2019

	Notes	Year Ended 31 Dec 2019 $ 000's	Year Ended 31 Dec 2018 $ 000's
ASSETS			
Non-current assets			
Intangible assets	14	39,543	39,407
Investment in subsidiaries	16	41,697	44,269
Right-of-use assets	23	672	-
Investments		-	57
Interest in joint ventures	17	520	520
Other-long term assets	18	185	435
Total non-current assets		82,617	84,688
Current assets			
Trade and other receivables	20	1,136	3,131
Prepayments and other receivables	20	6,408	8,761
Cash and cash equivalents	19	3,589	5,397
Total current assets		11,133	17,289
TOTAL ASSETS		93,750	101,977
LIABILITIES			
Current liabilities			
Trade and other payables	21	(14,861)	(12,730)
Deferred revenue	21	(5,094)	(4,222)
Lease liability	23	(197)	-
Total current liabilities		(20,152)	(16,952)
Net current (liabilities) / assets		(9,019)	337
Non-current liabilities			
Lease liability	23	(797)	-
Total non-current liabilities		(797)	-
Total Liability		20,949	16,952
NET ASSETS		72,801	85,025
EQUITY			
Share capital		-	-
Share premium	24	80,217	68,912
Shares to be issued	12	-	11,745
Other reserves		(500)	(443)
Retained earnings		(6,916)	4,811
TOTAL EQUITY		72,801	85,025

The notes set out on pages 38 to 76 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 23 March 2020 and signed on its behalf by:

Toby Hall
Chief Executive Officer

Michael Salazar
Chief Financial Officer

group cash flow statement

for the year ended 31 December 2019

	Notes	Year Ended 31 Dec 2019 $ 000's	Year Ended 31 Dec 2018 $ 000's
Cash flows from operations			
Operating EBITDA		6,971	4,047
Adjustments for:			
Restructuring costs		-	(743)
Strategic review costs		-	(110)
Decrease in trade and other receivables and reclassification of restricted cash from other long-term assets		407	97
Decrease in trade and other payables		(220)	(1,241)
Payments towards Onerous contracts	22	(1,396)	-
Onerous contract final settlement	22	(5,280)	-
Withdrawal of gTLD applications		148	120
Foreign exchange loss		101	152
Net cash flow from operating activities		731	2,322
Cash flows from investing activities			
Sale of reseller (join.law)	16	383	-
Payments to acquire intangible assets	14	(193)	(99)
Payments to acquire fixtures & equipment	15	(38)	(20)
Interest received		9	16
Payments towards restructuring of contracts		-	(811)
Receipts from the disposal of tangible assets		-	2
Acquisition of subsidiary, net of cash acquired	12	-	(9,136)
Acquisition costs		-	(595)
Net cash flow from investing activities		161	(10,643)
Cash flows from financing activities			
Interest paid	8	(137)	(180)
Proceeds from / (repayment of) borrowings	21	(3,000)	3,000
Share buyback	25	(440)	-
Principal elements of lease payments	23	(1,099)	-
Net cash flow from financing activities		(4,676)	2,820
Net decrease in cash and cash equivalents		(3,784)	(5,501)
Cash and cash equivalents at beginning of period		10,367	15,868
Cash and cash equivalents at end of period	19	6,583	10,367

The notes set out on pages 38 to 76 form an integral part of these financial statements

company cash flow statement

for the year ended 31 December 2019

	Notes	Year Ended 31 Dec 2019 $ 000's	Year Ended 31 Dec 2018 $ 000's
Cash flows from operations			
Operating EBITDA		784	1,184
Adjustments for:			
Restructuring costs		-	(743)
Strategic review costs		-	(110)
Decrease in trade and other receivables and reclassification of restricted cash from other long-term assets		1,815	1,341
Decrease in trade and other payables		(359)	(1,105)
Withdrawal of gTLD applications		148	120
Foreign exchange loss		(86)	(75)
Net cash flow from operating activities		**2,302**	**612**
Cash flow from investing activities			
Interest received		9	16
Payments to acquire intangible assets	14	(159)	-
Acquisition of subsidiary	16	-	(10,000)
Acquisition Costs		-	(595)
Net cash flow from investing activities		**(150)**	**(10,579)**
Cash flows from financing activities			
Proceeds from / (repayment of) borrowings	21	(3,000)	3,000
Interest paid	8	(137)	(180)
Share buyback		(440)	-
Principal elements of lease payments	23	(383)	-
Net cash flow from financing activities		**(3,960)**	**2,820**
Net (decrease) / increase in cash and cash equivalents		(1,808)	(7,057)
Cash and cash equivalents at beginning of period		**5,397**	**12,454**
Cash and cash equivalents at end of period	19	**3,589**	**5,397**

The notes set out on pages 38 to 76 form an integral part of these financial statements

group statement of changes in equity

for the year ended 31 December 2019

	Share Capital $ 000's	Share premium reserve $ 000's	Shares to be issued $ 000's	Other Reserves $ 000's	Foreign currency translation reserve $ 000's	Retained earnings $ 000's	Total $ 000's	Non-controlling interest $ 000's	Total equity $ 000's
At 1 January 2018	-	60,060	-	-	1,197	4,367	65,624	(70)	65,554
Profit / (loss) for the period	-	-	-	-	-	(12,652)	(12,652)	16	(12,636)
Other comprehensive income	-	-	-	(443)	387	-	(56)	-	(56)
Total comprehensive (loss) / income	-	-	-	(443)	387	(12,652)	(12,708)	16	(12,692)
Additions to share premium	-	8,852	-	-	-	-	8,852	-	8,852
Shares to be issued	-	-	11,745	-	-	-	11,745	-	11,745
Credit to equity for equity-settled share-based payments	-	-	-	-	-	1,150	1,150	-	1,150
Adjustments arising from change in non-controlling interest	-	-	-	-	-	264	264	(272)	(8)
As at 31 December 2018	-	68,912	11,745	(443)	1,584	(6,871)	74,927	(326)	74,601
Change in accounting policy (Note 23)	-	-	-	-	-	(1,406)	(1,406)	-	(1,406)
Restated as at 1 January 2019	-	68,912	11,745	(443)	1,584	(8,277)	73,521	(326)	73,195
Profit for the period	-	-	-	-	-	4,738	4,738	-	4,738
Other comprehensive income	-	-	-	(57)	(680)	-	(737)	-	(737)
Total comprehensive (loss) / income	-	-	-	(57)	(680)	4,738	4,001		4,001
Additions to share premium	-	11,745	(11,745)	-	-	-	-	-	-
Share buy back	-	(440)	-	-	-	-	(440)	-	(440)
Credit to equity for equity-settled share-based payments	-	-	-	-	-	1,275	1,275	-	1,275
Adjustments arising from change in non-controlling interest	-	-	-	-	-	-	-	326	326
As at 31 December 2019	-	80,217	-	(500)	904	(2,264)	78,357	-	78,357

- Share premium – This reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issue of shares are deducted from share premium
- Shares to be issued – This reserve represents shares to issued arising from the acquisition of ICM Registry, LLC. The share were issued in January 2019 (Note 24)
- Other reserves – This reserve represents the gain and losses arising from assets designated as held for sale and marked at fair value through OCI.
- Foreign currency reserve – This reserve represents gains and losses arising on the translation of foreign operations into the Group's presentation currency.
- Retained earnings – This reserve represents the cumulative profits and losses of the Group.
- Non-controlling interests reserve – This reserve represents the share of the interest held by the non-controlling shareholders of the subsidiary undertakings.

The notes set out on pages 38 to 76 form an integral part of these financial statements.

company statement of changes in equity

for the year ended 31 December 2019

	Share Capital $ 000's	Share premium reserve $ 000's	Shares to be issued $ 000's	Other Reserves $ 000's	Retained earnings $ 000's	Total $ 000's
At 1 January 2018	-	60,060	-	-	33,299	93,359
Loss for the period	-	-	-	-	(29,630)	(29,630)
Other comprehensive loss	-	-	-	(443)	-	(443)
Total comprehensive loss	-	-	-	(443)	(29,630)	(30,073)
Additions to share premium	-	8,852	-	-	-	8,852
Shares to be issued	-	-	11,745	-	-	11,745
Credit to equity for equity-settled share based payments	-	-	-	-	1,142	1,142
As at 31 December 2018	-	68,912	11,745	(443)	4,811	85,025
Change in accounting policy (Note 23)	-	-	-	-	(387)	(387)
Restated as at 1 January 2019	-	-	-	-	4,424	84,638
Loss for the period	-	-	-	-	(12,614)	(12,614)
Other comprehensive income / (loss)	-	-	-	(57)	-	(57)
Total comprehensive loss	-	-	-	(57)	(12,614)	(12,671)
Additions to share premium	-	11,745	(11,745)	-	-	-
Share buyback	-	(440)	-	-	-	(440)
Credit to equity for equity-settled share based payments	-	-	-	-	1,274	1,274
As at 31 December 2019	-	80,217	-	(500)	(6,916)	72,801

- Share premium – This reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issue of shares are deducted from share premium
- Shares to be issued – This reserve represents shares to issued arising from the acquisition of ICM Registry, LLC. The share were issued in January 2019 (Note 24).
- Other reserves – This reserve represents the gain and losses arising from assets designated as held for sale and marked at fair value through OCI.
- Retained earnings – This reserve represents the cumulative profits and losses of the Company.

The notes set out on pages 38 to 76 form an integral part of these financial statements.

notes to the financial statements

for the year ended 31 December 2019

1 Summary of Significant Accounting Policies

(a) General information

Minds + Machines Group Limited is a company registered in the British Virgin Islands under the BVI Business Companies Act 2004 with registered number 1412814. The Company's ordinary shares are traded on the AIM market operated by the London Stock Exchange. The nature of the Group's operations and its principal activities are set out in note 3.

(b) Basis of preparation

The Group's and Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB). These financial statements are presented in US Dollars and rounded to the nearest thousand. Foreign operations are included in accordance with the policies set out in note 1(l).

(c) Basis of consolidation

The consolidated financial information incorporates the results of the Company and entities controlled by the Company (its subsidiaries) (the "Group") made up to 31 December each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amounts by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributable to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between the aggregate of the fair value of the consideration received and the fair value of any retained interest and the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified / permitted by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 7 Financial Instruments: Recognition and Measurement or, when applicable, the costs on initial recognition of an investment in an associate or jointly controlled entity.

When a separate identifiable segment meets the definition of Discontinued Operations (i.e. when agreement has either been reached to sell a component of the Group's business or the sale has taken place in the reporting period), results of that segment are accounted for, in line with those applicable accounting standards, as discontinued operations on the Group Statement of Total Comprehensive Income. Prior period results are also disclosed on a like for like basis. Any assets in still held by the Group at the end of the reporting period are in respect of these discontinued operations are classified as held for sale in the Group Statement of Financial Position.

(d) Statement of compliance with IFRS

The Group's and Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

New and amended standards adopted by the group

i) The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2019:

IFRS 16 *Leases*

The group had to change its accounting policies as a result of adopting IFRS 16. The group elected to adopt IFRS 16 using the modified retrospective approach. Under this approach comparative information is not restated. This is disclosed in note 23.

The other amendments not listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

ii) New standards and interpretations not yet adopted

At the date of authorization of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Group. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

(e) Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. At the year end, the Group had current assets of $14.1m and current liabilities (excluding deferred revenue) of $6.8m and therefore net current assets (excluding deferred revenue) of $7.3m including $6.6 million held as cash and cash equivalents.

In making this assessment the Directors have prepared cash flow forecasts taking into account current trading levels. The Directors have also considered the impact of the coronavirus to the business and has performed a sensitivity analysis to the cash flow forecasts. Performing such sensitivity analysis shows that the Group still has adequate resources to continue in operational existence for the foreseeable future and therefore as a going concern.

Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements. The group actively manages the working capital requirements and has enough funds to meet the cash flow requirements.

(f) Business combinations

Acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquire. Acquisition-related costs are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- deferred tax assets of liabilities and assets or liabilities related to employee benefits arrangement are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed.

(g) Joint ventures

A joint venture is an entity where the Group has joint control and has rights to the net assets of the arrangement. The Group has interests in joint ventures, which are jointly controlled entities, whereby the ventures have a contractual arrangement that establishes joint control over the economic activities of the entity. The contractual agreement requires unanimous agreement for financial and operating decisions among ventures.

The Group's interests in jointly controlled entities are accounted for by using the equity method. Under the equity method, the investment in the joint ventures is carried in the statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the joint venture. The income statement reflects the share of the results of operations of the joint venture. The financial statements of the joint venture are prepared for the same reporting period as the Group. Adjustments are made where necessary to bring the accounting policies in line with those of the Group.

Losses on transactions are recognized immediately if the loss provides evidence of a reduction in the net realizable value of current assets or an impairment loss. The joint venture is accounted for using the equity method until the date on which the Group ceases to have joint control over the joint venture.

Upon loss of joint control, the Group measures and recognizes its remaining investment at its fair value. Any difference between the carrying amount of the former jointly controlled entity upon loss of joint control and the fair value of the remaining investment and proceeds on disposal are recognized in profit or loss. When the remaining investment constitutes significant influence, it is accounted for as investment in an associate.

(h) Goodwill

Goodwill is initially recognized and measured as set out in note 1(f).

Goodwill is not amortized but is reviewed for impairment at least annually. 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 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 other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) Leases (the group as a lessee) (effective 1 January 2019)

The Group has applied IFRS 16 using the modified retrospective approach and therefore comparative information has not been restated. This means comparative information is still reported under IAS 17 and IFRIC 4.

The Group as a lessee

For any new contracts entered into on or after 1 January 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

notes to the financial statements

for the year ended 31 December 2019

(continued)

(j) Revenue recognition

The Group and Company recognize revenue to depict the transfer of promised goods or services to customers an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group and Company follow these steps;

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

Registry revenue

Registry revenue arise from the sale of domain names (fixed fees charged to registrars for the initial registration or renewals of the domain name) and from the sale of brand protection services (i.e. AdultBlock).

- *Revenue from the sale of domain names*
  Revenue from the sale of domain names arise from fixed fees charged to registrars for the initial registration and renewal.

  Where the fee from the initial registration matches the fee from the renewal, the fee from both the initial registration and renewal is recognized on a straight-line basis over the registration term.

  Where the fee from the initial registration is higher than the renewal fee (arising mainly from 'premium names'), the 'premium' (the difference between the first-year fee and ongoing renewal fee) is recognized as revenue immediately with the balance recognized on a straight-line basis over the registration period. The renewal fee carries on being recognized on a straight-line basis as well.

  Fees from renewals are deferred until the new incremental period commences.

- *Revenue from the sale of brand protection services*
  Revenue from the sale of brand protection services arises from fixed fees charged to registrars both for the initial registration and renewal. The fee from the initial registration typically matches the fee from the renewal, subject to promotional discounts.

  Revenue for such fees is recognised using the output method as prescribed by IFRS 15. Revenue is recognised on the basis of direct measurement of the value provided to the underlying customer by considering the identified milestones achieved, as follows:

  - verification – occurs at the initial registration and renewals thereafter to ensure that the customer has the right to the label being protected;
  - variants – where purchased, this is a one-time event at the time of registration to create the complete list of confusingly similar labels being protected; and
  - blocking – an ongoing service to ensure that the label (and where applicable, its variants) is blocked from being registered as a domain name over the registration and renewal period.

  A percentage of the registration or renewal fee is allocated to each milestone and recognised as revenue when the milestone is reached either at a point in time (verification and creation of variants) or over time (blocking) on a straight-line basis.

Rendering of services (Registry service provider ("RSP") revenue and consultancy services)

Revenue is generated by providing RSP and consultancy services over a period of time. Fees for these services are deferred and/or accrued and recognized as performance occurs, typically on a straight-line basis over that period.

(k) Partner payments

Partner payments represents the expense relating to certain TLDs where royalty and similar payments are required to be made, including any minimum revenue guarantees.

Such payments are based on the Group's and Company's billing and are deferred in line with accounting revenue.

(l) Foreign currencies

Functional and presentation currency

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 results and financial position of each Group company is expressed in US Dollars, which is the presentation currency for the consolidated financial statements. The Company's functional currency is US Dollars.

Transactions and balances

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing on the dates of transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured at historical cost in foreign currencies are not retranslated.

Exchange differences are recognized in profit and loss in the period in which they arise.

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 balance sheet 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 the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognized in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(m) Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment loss.

Internally generated intangible assets – research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally generated intangible asset arising from the development (or from the development phase) of an internal project is recognized if, and only if all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;

- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Useful live and amortisation

Amortization is recognized so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method, on the following basis.

- Generic Top Level Domains – indefinite life (not amortized)
- Contractual based intangible assets – indefinite life (not amortized)
- Software and development costs – over 3 years or over its useful life (as below)

Software and development costs are amortized over their useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed when circumstances indicate a change to its useful life. Changes in the expected useful life are accounted for by charging the amortization period and treated as a change in accounting estimate.

(n) De-recognition of intangible assets

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

(o) Fixtures and equipment

Fixtures and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight line method, on the following basis.

- Fixtures and equipment – over 3 to 5 years

(p) Impairment of fixtures and equipment and intangible assets excluding goodwill

At each balance sheet 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less cost 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 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 that its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is being recognized immediately in profit or loss.

(q) Finance costs/revenue

Interest expenses are recognized using the effective interest method.

Finance revenue is recognized using the effective interest method.

(r) Financial instruments

Financial assets and financial liabilities are recognized in the Group's balance sheet when the Group becomes party to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit of loss are recognized immediately in profit or loss.

Financial assets

All financial assets are recognized and derecognized on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial assets within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: 'investments in equity instruments designated at FVTOCI' and 'financial assets at amortized cost'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimates future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instrument.

Financial assets at amortized cost

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'financial assets at amortized cost'. These assets are measured at amortized cost using the effective interest method, less Impairment. Interest income is recognized by applying the effective interest rate, except for short-term receivables when recognition of interest would not be material.

Financial assets at amortized cost include cash and cash equivalents. Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Investments in equity instruments designated as FVTOCI

Investments in equity instruments designated as FVTOCI are non-derivatives that are designated as FVTOCI. Changes to the value of investments in equity instruments are accounted for through OCI.

Listed shares held by the Group that are traded in an active market are classified as being investments in equity instruments and are stated at fair value. Gains and losses arising from changes in fair value are recognized in OCI and accumulated in the other reserve. Dividends from investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default of delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankrupt or financial re-organization.

For financial assets carried at amortized cost, the amount of the impairment is based on expected credit losses assessed on the management's historic experience of losses and factoring in any macro-economic factors.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit and loss.

With the exception of investments in equity instruments designated at FVTOCI, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received net of direct issue costs.

Financial liabilities

Financial liabilities are classified as trade and other payables.

Trade and other payables

Trade and other payables, including borrowings, are initially measured at fair value, net of transaction costs.

Trade and other payables are subsequently measured at amortized costs using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized costs of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Group de-recognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

(s) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. 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 the current year is calculated using jurisdictional tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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 tax computations and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

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 realized. 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 it is also dealt with in equity.

Current and deferred tax for the year

Current and deferred tax are recognized in profit of loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized on other comprehensive income or directly inequity respectively.

(t) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimates to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

(u) Share-based payment transactions

Equity-settled share-based payments to employees are measured at the fair value of the equity instrument at the grant date. The fair value excludes the effect of non market-based vesting conditions. The fair value is determined by using the Black-Scholes model. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 25.

The fair value determined at the grant date of the equity-settled shared-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non market-based vesting conditions. The impact or the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 11).

(v) Investment in subsidiary undertakings

In the parent company financial statements, fixed asset investment in subsidiaries and joint ventures are shown at cost less provision for impairment.

2 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

• Financial instruments risk management and policies	Note 26
• Sensitivity analysis	Note 26

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Intangible Assets

Within intangible assets are assets classified as gTLD assets and contract based intangible assets.

Under the requirements of IAS 38 Intangible Assets and the Group's assessment thereof, the Group has determined that gTLD assets and contract based intangible assets have an indefinite life as the Group has an automatic right to renew the asset every ten years.

Determining whether intangible assets are impaired requires an estimation of the value in use of the cash-generating units to which those assets have been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

The most significant judgement involved in the impairment review of intangible assets is the determination of cash-generating units, and this judgement has a significant impact on the outcome of the impairment review. The directors have grouped gTLDs with similar characteristics to form a single cash-generating unit. The cash generating units have been identified in note 14.

Goodwill and gTLD assets have not been impaired in the current year. Details of goodwill and intangible assets are set out in note 13 and 14 respectively.

Revenue recognition

Revenue includes revenue from the sale of brand protection services, which arises from fixed fees charged to registrars both for the initial registration and renewal. The fee from the initial registration typically matches the fee from the renewal, subject to promotional discounts.

In considering the revenue recognition policy for revenue generated from the sale of brand protection services, the Group's and Company's existing revenue recognition policy, pursuant to the requirements of IFRS 15 is applied. The policy includes the identification of performance obligations in the contract. Determining whether a single or multiple performance obligations exists requires judgement. The contract with the underlying customer is considered to be a single performance obligation as the benefit of providing contract elements on their own do not provide the intended benefit of brand protection. The entire transaction price as determined is therefore allocated to this performance obligation.

Consideration has been given as to recognise the revenue on a straight-line basis over the period of the contract, on an input (i.e. based on the costs incurred) method or output method (based on direct measurement of the value to the customer of the services transferred to date) as prescribed by IFRS 15.

The output method, including using certain milestones identified (verification, creation of variants and blocking) as the measure of determining the relevant output is considered to best depict the value of the service provided to the end customer. The value of each milestone is estimated based on the information available including third party data.

Revenue is therefore recognised as the milestones are achieved either at a point in time once the milestone is achieved or over a period of time on a straight-line basis where the milestone is provided over a period of time.

Going concern

The Directors have adopted the going concern basis of accounting in preparing the annual financial statements. Determining whether it is appropriate to adopt the going concern basis requires significant judgement. In making this judgement, the Directors have considered the current trading the funding level and external factors such as the impact of the coronavirus as disclosed in the accounting policies (Note 1.e)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future financial years, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. In the absence of available data from similar transactions, the recoverable amount has been assessed by reference to value in use. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for the three years. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognized by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 13 and Note 14.

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The Group has \$31.1m (2018: \$30.6m) of tax losses carried forward. These losses relate to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income elsewhere in the Group. There is uncertainty over the utilization of these tax losses in future periods and on that basis, the Group has determined that it cannot recognize deferred tax assets on the tax losses carried forward. If the Group was able to recognize all unrecognized deferred tax assets, profit and equity would have increased by $5,496k. Further details on taxes are disclosed in Note 9.

Fair value measurement of financial instruments

Financial assets relate to cash and bank balances, loans, receivables and investments in equity instruments designated as at fair value through OCI, financial liabilities relate to trade and other payables. When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 26 for further disclosures.

Credit losses

During 2019, the Group recognized the inherent risk related to long overdue payment plan trade receivables. As a result, during the year the Group booked bad debt expense of $1,433k (2018: $2,112k).

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 bad debt provision consists of individually impaired trade receivables due from companies. The bad debt provision represents the difference between the carrying amount of these trade receivables and the value of the expected proceeds from collection activities.

Revenue recognition

Revenue is primarily driven from fixed fees charged to registrars for initial registrations or renewal of domain names.

Where the fee from the initial registration matches the fee from the renewal, the fee from both the initial registration and renewal is recognized on a straight-line basis over the registration term.

Where the fee from the initial registration is higher than the renewal fee (arising mainly from 'premium name'), the 'premium' (the difference between the first-year fee and ongoing renewal fee) is recognized as revenue immediately with the balance recognized on a straight-line basis over the registration period. The renewal fee carries on to be recognized on a straight line basis as well.

Fees from renewals are deferred until the new incremental period commences.

Any fees charges on a variable basis is not recognized as revenue until each party's performance obligations are met.

Leases

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

3 Operating segments – Group

Information reported to the Group's management and internal reporting structure (including the Group's Chief Executive Officer) for the purpose of resources allocation and assessment of segment performance is focused on the category for each type of activity. The principal categories (and the Group's segments under IFRS 8) are:

- Registry ownership ('Registry') – applicant of top level domain name from ICANN and wholesaler of domain names of those top level domain names
- Registry service provider ('RSP') and consulting services – back end service provider for a registry

Segment revenues and results

2019	Registry $ 000's	RSP $ 000's	Unallocated $ 000's	Total $ 000's
Revenue				
External sales	18,273	669	-	18,942
Total Revenue	**18,273**	**669**	**-**	**18,942**
Operating EBITDA	**7,280**	**(309)**	**-**	**6,971**
Bad debt Expense	(1,433)	-	-	(1,433)
Onerous contract provision release	-	1,351	-	1,351
Gain on disposal of reseller	383	-	-	383
Gain on termination of leases (IFRS 16)	299	-	-	299
Foreign exchange gain	-	-	378	378
Share based payment expense	-	-	(1,272)	(1,272)
Share of profit of joint venture	48	-	-	48
EBITDA	**6,577**	**1,042**	**(894)**	**6,725**
Amortisation and depreciation				(1,207)
Finance revenue				9
Finance costs				(649)
Profit before tax				**4,878**
Income tax				(140)
Profit after tax				**4,738**

2018	Registry $ 000's	RSP $ 000's	Unallocated $ 000's	Total $ 000's
Revenue				
External sales	14,250	844	-	15,094
Total Revenue	**14,250**	**844**	**-**	**15,094**
Operating EBITDA	**4,052**	**(5)**	**-**	**4,047**
Strategic Review costs	-	-	(110)	(110)
Acquisition costs	(595)	-	-	(595)
Restructuring costs	(743)	-	-	(743)
Bad debt provision	(2,112)	-	-	(2,112)
Impairment loss on intangible assets	-	(4,145)	-	(4,145)
Onerous lease provision	-	(7,154)	-	(7,154)
Foreign exchange loss	-	-	(342)	(342)
Profit on disposal of tangible assets	-	-	(12)	(12)
Share based payment expense	-	-	(1,153)	(1,153)
Share of profit of joint venture	-	-	4	4
EBITDA	**602**	**(11,304)**	**(1,613)**	**(12,315)**
Amortisation and depreciation				(211)
Finance revenue				16
Finance costs				(180)
Profit before tax				**(12,690)**
Income tax				54
Profit after tax				**(12,636)**

Other segment information

	Segment assets		Depreciation and amortization*	
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Registry	98,440	103,136	734	144
RSP	3,361	1,629	473	67
Total	101,801	104,765	1,207	211

Depreciation and amortization for 2019 include depreciation cost related to RSP contracts identified under IFRS16 in 2019 (Refer Note 23).

For the purpose of monitoring segment performance and allocating resources between segments, the Group's Chief Executive Officer monitors the tangible, intangible and financial assets attributable to each segment. All assets are allocated to reportable segments with the exception of interest in joint ventures. Goodwill has been allocated to reportable segments as described in note 13.

Geographical information

The Group's information about its segments by geographic location of assets is detailed below.

	Revenue from external customers		Non-current assets		Additions to Non-current assets	
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's	2019 $'000's	2018 $'000's
British Virgin Islands	9,452	8,395	40,186	43,036	-	-
Ireland	-	3	1,558	146	-	98
United Kingdom	735	844	-	-	-	-
Germany	1,074	1,229	385	381	-	-
Hungary	-	-	185	189	-	-
USA	7,681	4,623	45,383	41,514	231	39,625
China	-	-	31	3	-	-
Total	18,942	15,094	87,728	85,269	231	39,723

Included in revenues arising from the Registry segment are revenues of $2,558k (2018: $1,596k), which arose from sales to the Group's largest customer.

The timing of revenue recognition is detailed below:

	Group		Company	
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Timing of revenue recognition				
At a point in time (i.e. 'premium name revenue')	3,485	3,283	2,472	3,037
Over time	15,457	11,811	5,316	5,358
Total	18,942	15,094	7,788	8,395

4 Partner payments

	Group		Company	
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Partner payments	2,882	2,520	1,505	1,013

Partner payments represents the royalty or similar payments for certain TLDs. Such payments are based on the Group's and Company's billings and are deferred in line with accounting revenue.

5 Cost of sales

	Group		Company	
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Third Party Fees	378	736	131	258
ICANN Fees	1,239	967	866	795
Marketing	1,611	1,317	1,519	1,183
Commissions	409	461	69	38
Total	3,637	3,481	2,585	2,274

6 EBITDA

EBITDA is arrived at after charging/(crediting):

	Group		Company	
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Auditors' remuneration – current year auditors				
- Audit of these financial statements	103	83	103	83
- Audit of the financial statements of subsidiaries	5	5	-	-
- Tax compliance	11	11	-	-
- Other services	1	1	-	-
Directors' emoluments – fees and salaries	819	1,027	619	619
Operating lease rentals*	-	818	-	-
Foreign exchange gain/(loss)	379	(342)	230	(391)

* From 1 January 2019, the group applied IFRS 16 Leases and has therefore recognised right-of-use assets and liabilities for these leases (see note 23).

7 Employee information (excluding directors)

	Group		Company	
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Staff costs comprise:				
Wages and salaries	2,453	2,065	-	-
Monthly average number of employees:				
Back office (Operations, Finance/legal and IT)	15	17	-	-
Sales & Marketing	6	6	-	-
Total average	21	23	-	-

8 Finance costs

	Group		Company	
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Finance Cost	137	180	137	180
Interest and finance charges paid/payable for lease liability (refer note 23)	512	-	113	-
	649	180	250	180

Finance costs relate to interest on borrowings on a facility of $3m which was entered in 2018 and was repaid in 2019 (see note 21 for further details).

9 Income tax expense – Group

The charge for the current year can be reconciled to the loss per the Group statement of comprehensive income as follows:

	2019 $ 000's	2018 $ 000's
Current tax (charge) / credit	(140)	54
Deferred tax	-	-
	(140)	54

	2019 $ 000's	2018 $ 000's
Profit / (loss) before tax	4,878	(12,690)
Tax at the BVI tax rate of 0%	-	-
Research and development tax credit	-	-
Income tax (charge)/credit	(140)	54
	(140)	54

Company

The charge for the current year can be reconciled to the loss per the Company statement of comprehensive income as follows:

	2018 $ 000's	2018 $ 000's
Current tax	-	-
Deferred tax	-	-
	-	-

	2018 $ 000's	2018 $ 000's
Profit / (loss) before tax on continuing operations	(12,614)	(29,630)
Tax at the BVI tax rate of 0%	-	-
	-	-

The British Virgin Islands under the IBC (international business company) imposes no corporate taxes or capital gains. However, the Company may be liable for taxes in the jurisdictions where it is operating. The Group tax charge of $140K (2018: $54k) relates to operations taxed in their local jurisdiction.

No deferred tax asset has been recognized because there is insufficient evidence of the timing of suitable future profits against which they can be recovered. Tax losses carried forward, which may be utilized indefinitely against future taxable profits amount to $12.7m (2018: $12.5m) in the USA, $1.6m (2018: $1.8m) in Germany, $6.5m (2018: $5.7m) in Ireland, $9.8 m (2018: $10.4m) in the United Kingdom, $697k (2018: $122k) in Hungary and $234k (2018: $Nil) in China.

10 Dividends

No dividends were paid or proposed by the Directors in 2019 (2018: $Nil).

11 Earnings per share

The calculation of earnings per share is based on the profit / (loss) after taxation divided by the weighted average number of shares in issue during the period.

	2019 $ 000's	2018 $ 000's
Profit / (Loss) for the purpose of the basic and diluted earnings per share		
Profit / (Loss) from continuing operations - excluding non-controlling interests	4,738	(12,652)
Total profit / (loss) for the year	**4,738**	**(12,652)**

Number of shares	2019 million	2018 million
Weighted average number of ordinary shares used in calculating basic loss per share	922.04	752.58
Effect of dilutive potential ordinary shares – share options and warrants	48.69	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**970.73**	**752.58**

Profit / (Loss) per share from continuing operations	2019 cent	2018 cent
Basic	0.51	(1.68)
Diluted	0.49	(1.68)

In 2018, all potential shares were anti-dilutive due to the losses reported. The number of potential dilutive ordinary shares is 134.19 million.

12 Business Combinations

There was no business combination in 2019. In 2018, MMX acquired the entire membership interest of ICM Registry, LLC ("ICM"). The acquisition was completed on 16 June 2018. The consideration for the acquisition was split into a cash payment of $10m and 225,000,000 new MMX ordinary shares with a value of $20,597k based on the share price of MMX on the date of the acquisition ($.092/6.9p). Of the 225,000,000 new MMX ordinary shares 96,699,235 shares ($8,852k) were issued on the date of the acquisition with the remaining 128,300,765 shares ($11,745k) deferred and were issued in January 2019.

13 Goodwill

Cost	Group $ 000's
31 December 2019 and 31 December 2018	2,828

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units that are expected to benefit from that business combination as a result of expected synergies from combined operations. Goodwill has been allocated to the 'Registry' segment (a single 'CGU').

Impairment review

The Group tests goodwill annually for impairment, or more frequently if there are indicators that goodwill might be impaired.

At 31 December 2019, the Directors have carried out an impairment review and have concluded that no impairment is required.

The recoverable amount of the CGU is determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs. Management estimate discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next three years and extrapolates cash flows into perpetuity based on an estimated growth rate of 5% (2018: 5%) for seven years thereafter and 5% (2018: 4%) into perpetuity. The growth rate is appropriate to the new gTLD market that the Group operates in. The rate used to discount the forecast cash flows is 11.5% (2018: 11.5%).

The Group has carried out sensitivity analysis on the impairment test of the CGU. The Directors believe that any reasonably possible change in the key assumptions on which the recoverable amount of the CGU is determined would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit. A 1% decrease in the growth rate and an increase of 0.5% in the discount rate are considered reasonably possible.

14 Intangible assets

Group

	generic Top Level Domains $ 000's	Software & development costs $ 000's	Contract based intangible assets $ 000's	Other $ 000's	Total $ 000's
Cost					
At 1 January 2018	41,629	2,670	4,206	170	48,675
Additions – acquisition of ICM	39,603	-	-	-	39,603
Additions	-	99	-	-	99
Exchange differences	(22)	(62)	-	-	(84)
At 31 December 2018	**81,210**	**2,707**	**4,206**	**170**	**88,293**
Additions	-	193	-	-	193
Exchange differences	(12)	36	-	-	24
At 31 December 2019	**81,198**	**2,936**	**4,206**	**170**	**88,510**
Accumulated Amortization and Impairment charges					
At 1 January 2018	-	(2,323)	-	(170)	(2,493)
Amortisation charge for the year	-	(185)	-	-	(185)
Impairment charge for the year	-	-	(4,145)	-	(4,145)
Exchange differences	-	49	(61)	-	(12)
At 31 December 2018	**-**	**(2,459)**	**(4,206)**	**(170)**	**(6,835)**
Amortisation charge for the year	-	(209)	-	-	(209)
Exchange differences	-	28	-	-	28
At 31 December 2019	**-**	**(2,640)**	**(4,206)**	**(170)**	**(7,016)**
Carrying amount					
At 31 December 2019	**81,198**	**296**	**-**	**-**	**81,494**
At 31 December 2018	81,210	248	-	-	81,458

Company

	generic Top Level Domains $ 000's	Software & development costs $ 000's	Other $ 000's	Total $ 000's
Cost				
At 1 January 2018	39,379	106	99	39,584
Additions	-	-	-	-
At 31 December 2018	**39,379**	**106**	**99**	**39,584**
Additions	-	159	-	159
At 31 December 2019	**39,379**	**265**	**99**	**39,743**
Accumulated amortization				
At 1 January 2018	-	(61)	(99)	(160)
Amortisation charge for the year	-	(17)	-	(17)
At 31 December 2018	**-**	**(78)**	**(99)**	**(177)**
Amortisation charge for the year	-	(23)	-	(23)
At 31 December 2019	**-**	**(101)**	**(99)**	**(200)**
Carrying amount				
At 31 December 2019	**39,379**	**164**	**-**	**39,543**
At 31 December 2018	39,379	28	-	39,407

generic Top Level Domains

The Group applies for new generic Top Level Domains (gTLDs) to the Internet Corporation for Assigned Names and Numbers (ICANN). Successful applications are transferred from other long-term assets to Intangible assets. The Group capitalizes the full cost incurred to pursue the rights to operate gTLDs including amounts paid at auction to gain this right where there is more than one applicant to ICANN for the same gTLDs.

This class of intangible assets is assessed to have an indefinite life as it is deemed that the application fee and amounts paid at auction give the Group indefinite right to this gTLDs.

Through the acquisition of ICM in 2018 the Group acquired a further four gTLDs onto their portfolio with a value of $39,606k. There have been no further acquisition during 2019.

The Group tests its gTLDs annually for impairment, or more frequently if there are indicators that the asset might be impaired.

Impairment review of intangible assets

In 2018 management determined that a contract entered into in 2017 that contained a minimum revenue guarantee payable by the Group to its Business Partner was an onerous contract (see Note 22). Consequently during 2018 it recorded an onerous contract provision and fully impaired the intangible asset previously recorded related to the contract. The total amount of the impairment recorded in 2018 was $4,057k which was allocated to the RSP CGU. Further in 2019 there was no impairment of intangible assets.

As at 31 December 2019, the directors carried out an impairment review of the other intangible assets in their portfolio and concluded that no further impairments were required. The recoverable amounts of each group of gTLDs, software, and other intangible assets are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to the selling process and direct costs. Management estimate discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risk specific to the asset.

gTLD assets with indefinite lives are allocated to CGUs, which fall under the Registry operating segment. The carrying values of the CGUs are $28,834k (2018:$28,544k) for consumer lifestyle gTLDs, $321k (2018:$321k) for geographic gTLDs, $9,177k (2018:$9,177k) for professional occupations, $39,606 (2018: $39,606) for adult themed gTLDs and $3,556k (2018: $3,556k) for other generic names.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next three years and extrapolates cash flows based on an estimated growth rate of 5% for seven years thereafter and 5% (2018: 4%) into perpetuity. The rate used to discount the forecast cash flow is 11.5% (2018: 11.5%). The assumptions are based on past experiences.

The Group has carried out sensitivity analysis on the impairment test of each CGU. The Directors believe that any reasonable possible change in the key assumptions on which the recoverable amount of Goodwill in the CGUs would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit. A 1% decrease in the growth rate and an increase of 0.5% in the discount rate are considered reasonably possible.

15 Fixtures and equipment – Group

	Fixtures & equipment $000's
Cost	
At 1 January 2018	365
Additions	20
Disposals	(9)
Exchange differences	15
At 31 December 2018	391
Additions	38
Disposals	-
Exchange differences	(2)
At 31 December 2019	427
Depreciation	
At 1 January 2018	(285)
Depreciation charge for the period	(26)
Disposal	11
Exchange differences	(32)
At 31 December 2018	(332)
Depreciation charge for the period	(28)
Disposals	-
Exchange differences	1
At 31 December 2019	(359)
Carrying amount	
At 31 December 2019	68
At 31 December 2018	59

16 Investment in subsidiaries

	Company	
Investments in subsidiary undertakings of the Company	2019 $ 000's	2018 $ 000's
Cost		
At the beginning of the year	44,269	39,503
Movement in the year	290	30,649
Impairment charge	(2,862)	(25,883)
At 31 December	41,697	44,269

During the year Company has attributed $290k (2018: $52k) towards share options expenses to its subsidiaries. The movement in previous year includes investment in ICM Registry, LLC of $30,597k (see business combinations note 12 for further details) .

Of the impairment charge of $2,862k in 2019 (2018: $25,883k), $1,438k (2018: $22,068k) was allocated to the registry CGU and $1,424k (2018: $3,815k) was allocated to RSP CGU. As a result of Group restructuring activities including the outsourcing of back-end services, Minds + Machines Limited (Ireland) and Minds + Machines LLC's operations were reduced therefore the investment in these subsidiaries was impaired to reflect the recoverable amounts (being their net asset positions). Minds and

Machines Limited (UK) has been fully impaired due to the recognition of an onerous contract provision relating to its business, see note 22 for further details.

In addition to the impairment charge of $2,862k (2018: $25,883k), the Company also impaired inter-company balances of $7,894k (2018: Nil) giving rise to a total impairment charge of $10,757k (2018: $25,883k).

During the year the Group sold its interest in reseller platform (Dot Law, Inc) at a net gain of $383k.

Details of the Company's subsidiaries are as follows:

Name	Place of Incorporation (or registration) and operation	Principal activity	Proportion of ownership interest (%)	Proportion of voting power (%)
Minds + Machines US, Inc. (DE)	US	Holding company	100	100
Minds + Machines LLC (1)	US	Registry	100	100
Minds + Machines LLC (FL) (1)	US	Registry	100	100
Bayern Connect GmbH	Germany	Registry	100	100
Minds and Machines GmbH	Germany	Registry	100	100
Minds + Machines Ltd (Ireland)	Ireland	RSP	100	100
Minds and Machines Ltd (UK)	England & Wales	RSP	100	100
Minds + Machines Registrar Ltd (IE) (2)	Ireland	Dormant	100	100
Minds and Machines Registrar UK Ltd	England & Wales	Dormant	100	100
Minds + Machines Hungary	Hungary	Registry	100	100
Emerald Names Inc	US	Registry	100	100
Boston TLD Management LLC	US	Registry	99	99
Dot Law Inc	US	Registrar	51	90
LW TLD Ltd	BVI	Registry	100	100
Beijing MMX Tech Co. Ltd	China	Registry	100	100
ICM (BVI) Ltd.	BVI	Registry	100	100
ICM Registry, LLC (3)	US	Registry	100	100
ICM Registry AD, LLC (3)	US	Registry	100	100
ICM Registry PN, LLC (3)	US	Registry	100	100
ICM Registry SX, LLC (3)	US	Registry	100	100

(1) Minds + Machines LLC (CA), Minds + Machines LLC (FL) is direct subsidiaries of Minds + Machines US, Inc (DE). During the year, "Dot law Inc" was dissolved by the Group.

(2) Minds + Machines Registrar Limited (Ireland) is a direct subsidiary of Minds + Machines Ltd (Ireland).

(3) On the 16 June 2018, these subsidiaries were acquired by the parent entity Minds + Machines Group Limited, (see business combinations note 12 for further details)

17 Interest in joint ventures

During 2019, the Group had a 50% interest in two joint ventures; Entertainment Names Inc and Dot Country LLC. These joint ventures were formed to sell second-level domain names to registrars.

	Group	
Share of interest in assets / (liabilities)	**2019 $ 000's**	**2018 $ 000's**
Assets		
- Non-current	96	152
- Current	399	292
	495	444
Liabilities		
- Current	(15)	(12)
Share of interest in net assets	480	432
- Income	66	18
- Cost of sales	(5)	(12)
- Expenses	(13)	(2)
Profit / (loss) after income tax	48	4

There are no commitments arising in the joint ventures.

There are no contingent liabilities relating the Group's interest in the joint ventures, and no contingent liabilities of the venture itself.

Each joint venture is individually immaterial.

The principal place of business for Entertainment Names Inc. is the British Virgin Islands. The principal place of business for Dot Country LLC, is the Cayman Islands.

Company

Interests in joint ventures are accounted for at cost of $520k (2018: $520k) in the Company financial statements.

18 Other long-term assets

	Group and Company	
	2019 $ 000's	**2018 $ 000's**
Other long-term assets	185	435
Total	185	435

During the application process payments for gTLD applications are recorded as other long term receivables. While there is no assurance that MMX will be awarded any gTLDs, long-term assets are receivables and payments will be reclassified as intangible assets once the gTLD strings are available for their intended use, which is expected to occur following the delegation of gTLD strings by ICANN. In general, MMX does not expect to withdraw any of its applications unless the application has not passed the evaluation process and there is no further recourse or there is an agreement to sell or dispose of its interest in certain applications. If MMX withdraws its application, a portion of application fee is refundable with the un-refundable portion accounted for as an expense. If MMX sells or disposes of its interest in an application, the profit, net of the un-refundable application fee is recognized in the profit and loss account. In 2019, the gain on such disposals (gain on gTLDs auction) is $588k (2018: $480k).

19 Cash and cash equivalents

The Group has total cash balances of $6,583k (2018: $10,367k). The Company's cash balance is $3,589k (2018: $5,397k).

Of the Group's total cash balances $1,741k (2018: $3,221k) are restricted funds, of which $1,592k (2018: $1,000k) is held to fund letters of credit required by ICANN.

20 Trade and other receivables

		Group		Company
	2019 $ 000's	2018 $'000's	2019 $ 000's	2018 $'000's
Trade receivables	3,864	6,721	1,136	4,952
Allowance for doubtful debts	-	(2,107)	-	(1,821)
	3,864	**4,614**	**1,136**	**3,131**
Other receivables (including VAT)	1,420	735	187	662
Prepayments (including partner payments and marketing)	2,097	3,621	1,794	2,510
Accrued revenue	59	109	-	109
Balances due from subsidiaries	-	-	4,377	5,430
Due from joint ventures	50	50	50	50
	3,626	4,515	6,408	8,099
Total	**7,490**	**9,129**	**7,544**	**11,892**

Provision for doubtful debt

	2019 $ 000's
At 1 January 2018	-
2018 provision	2,107
At 31 December 2018	2,107
2019 Provision	-
Less: Utilization of Provision	(2,107)
Closing Balance as of 31 December 2019	-
Additional bad debt write-off in 2019	1,433

During 2017 the Group extended credit terms over its standard 30 day payment terms on the sale of certain domain name inventory. Extended terms of 12 months (and in some cases longer) were typically provided in respect of sales of high value "premium" names, after assessment of the counter parties ability to meet such payment terms. In 2018 the Group provisioned $2,107k against aged receivables relating to these extended payment plans from China, USA and Europe. In the current year the Group is utilizing the full amount of the 2018 provision and wrote off a further $1,433k being there remaining debt from the 2017 extended payment plans. The Group has received collateral in privately held businesses and will seek to monetize the collateral in due course.

The loans to subsidiaries are interest free and have no fixed repayment date. The loans have been classified to current receivables in the current year as the directors assess these balances to be recoverable in 2019. The difference between the carrying value and the fair value of the loan at the reporting date is deemed to be immaterial.

Group

Trade receivables disclosed above are measured at amortized cost.

Ageing of receivables:

	2019 $ 000's	2018 $ 000's
0 – 30 days	2,754	1,944
31 – 60 days	756	266
61 – 90 days	89	369
91 days and over	265	4,142
Total	3,864	6,721

Company

Trade receivables disclosed above are measured at amortized cost.

Ageing of receivables:

	2019 $ 000's	2018 $ 000's
0 – 30 days	665	958
31 – 60 days	412	68
61 – 90 days	34	35
91 days and over	26	3,891
Total	1,137	4,952

21 Trade and other payables

		Group		Company
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Trade payables	1,863	92	298	174
Registrar prepayments (payments in advance)	968	1,623	209	484
Other liabilities	524	2,081	35	33
Borrowings	-	3,000	-	3,000
Taxation liabilities	-	8	-	-
Accruals	2,234	2,755	1,132	828
Due to joint ventures	246	70	241	66
Due to subsidiaries	-	-	12,946	8,145
Trade and other payables	5,835	9,629	14,861	12,730
Deferred revenue	13,662	14,761	5,094	4,222
Trade and other payables including deferred revenue	19,497	24,390	19,955	16,952

Included within other liabilities are liabilities incurred in 2016 as a result of the restructuring of a contract deemed to be onerous in 2018. In 2019, the liability was settled (2018: $2,032k) as part of settlement of the onerous contract (see note 22).

MMX entered into a Facility Agreement with London and Capital Assets Management Limited, a shareholder in 2018. The facility provided $3 million of working capital to support future innovation and acquisition orientated activity by the Company. The amount was fully repaid in April 2019.

Deferred revenue references the transactions price allocated to unsatisfied performance obligation. Management expects that 62% of the transaction price allocated to the unsatisfied contract as of the year ended 2019 will be recognized as revenue in the next reporting period ($8.5m, 2018: $9.1m). The remaining 38% ($5.1m, 2018: $5.7m) will be recognized in the year 2021 and beyond.

All trade and other payables (other than deferred revenue as disclosed above) are due within one year and approximate their fair value.

22 Provisions

	2019 $'000's	2018 $'000's
Onerous contract provision	-	5,774
	-	**5,774**
Current	-	2,914
Non-current	-	2,860
	-	**5,774**

	Onerous contract provisions $'000's
At 1 January 2018	
Provision in the year	7,154
Payment during the year	(1,147)
Foreign exchange	(233)
At 31 December 2018	**5,774**
Payment during the year	(1,396)
Foreign exchange	155
Less: Settlement of onerous contract	(4,533)
At 31 December 2019	-

	Settlement of Onerous contract provision $'000's
Onerous contract provision release	**4,533**
Release of liabilities relating to onerous contract	**2,098**
Total liabilities released	**6,631**
Less: Payment to settle onerous contract	**(5,280)**
Gain on settlement of onerous contract settlement	**1,351**

In December 2019, the Group reached a settlement on the onerous contract. The Group paid a full and final settlement of $5.3m in December 2019. The settlement removes any obligations for future minimum revenue guarantees as well as any existing marketing liabilities of $2,032k (see note 21) and marketing commitments. The settlement is expected to save the Group in excess of $3.0m over the remainder of the contract. Further releasing the onerous contract provision has resulted in a 2019 gain of $1.4m.

23 Leases

This note explains the impact of the adoption of IFRS 16 Leases on the group's financial statements.

As Indicated in Note 1(i), the Group has adopted IFRS 16 Leases from 1 January 2019. IFRS 16 introduced a single, on balance sheet accounting model for leases. As a result, the Group, as a lessee has recognised right-of-use assets representing its right to use the assets under lease and lease liabilities representing its obligation to make lease payments.

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4. The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has many assets including registry platform. Before the adoption of IFRS 16, the Group classified each of its leases (as lessee) at the inception date as an operating lease. Prior to IFRS 16, these leases were not capitalised, the lease payments were recognised as an expense in the profit or loss on a straight-line basis over the lease term. Any prepaid amounts were recognised under prepayments.

Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases. The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group has applied IFRS16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated - i.e. it is presented, as previously reported, under IAS 17 and related interpretations.

New accounting policies of the Group upon adoption of IFRS 16 are laid out in Note 1(i), which have been applied from the date of initial application:

Impact on financial statements on adoption of IFRS 16
On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lease's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 Jan 2019 was 11.5%.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with a lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

The effect of adoption of IFRS 16 as at 1 January 2019 (increase/(decrease)) is as follows

	Group 1 January 2019 $'000's	Company 1 January 2019 $'000's
Assets		
Right-of-use assets	2,447	678
Liabilities		
Interest-bearing loans and borrowings	(3,574)	(1,065)
Total adjustment on equity:		
Retained earnings	(1,127)	(387)
Prepayments	(279)	-
Total adjustment on equity	(1,406)	(387)

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018 as follows:

	Group	Company
	1 January 2019 $'000's	1 January 2019 $'000's
Operating lease commitments as at 31 December 2018	2,369	697
Add:		
Payments in optional extension periods not recognised as at 31 December 2018 and the effect of discounting	1,205	368
Lease liabilities as at 1 January 2019	3,574	1,065

On transition to IFRS 16, the Group and the Company has recognized right-of-use assets and lease liabilities, recognizing the difference in retained earnings. The impact on transition is summarized below.

	Right-of-use Assets*			Lease Liabilities*	Right-of-use Assets*	Lease Liabilities*
				Group		Company
	Registry Platform $ 000's	Property Leases $ 000's	Total $ 000's	Lease Liabilities $ 000's	Registry Platform $ 000's	Lease Liabilities $ 000's
As at 1 January 2019	2,328	119	2,447	3,574	678	1,065
Additions	1,015	244	1,259	1,259	258	258
Depreciation and amortisation expense	(894)	(76)	(970)	-	(264)	-
Gain on termination of lease				(299)		(59)
Interest expense	-	-	-	512		113
Lease Payments	-	-	-	(1,036)		(383)
Foreign exchange	(63)	-	(63)	(63)	-	-
As at 31 December 2019	2,386	287	2,673	3,947	672	994
Current				907		197
Non-current				3,040		797
Total				3,947		994

* The Group and the Company has initially applied IFRS 16 at 1 January 2019, using the modified retrospective approach. Under this approach comparative information is not restated.

notes to the financial statements

for the year ended 31 December 2019

(continued)

24 Share capital and premium

Called up, allotted, issued and fully paid ordinary shares of no par value	Note	Number of shares	Price per share (cents/pence)	Total $ 000
As at 1 January 2018		699,857,562		60,060
Shares issued:				
Issued on the 15 June 2018 for acquisition of ICM Registry, LLC	12	96,699,235	$0.092/6.9p	8,852
31 December 2018		**796,556,797**		**68,912**
Shares issued:				
Issued on the 4 Jan 2019 for acquisition of ICM Registry, LLC	12	128,300,765	$0.092/6.9p	11,745
Share buy back		(5,837,160)	$0.078/6.0p	(440)
31 December 2019		**919,020,402**		**80,217**

During the year Company has bought back 5,837,160 shares ($440k) at an average price of 5.9p. The buyback of ordinary shares was approved by the board in June 2018.

25 Share-based payments

Share-based payment expense	2019 $ 000's	2018 $ 000's
Equity settled share based payments	1,272	1,150
Expense as a result of modification of equity settled share based payments	-	3
Total	**1,272**	**1,153**

In the year, 13,900,000 options and 14,600,000 Restricted Stock Units ("RSU's) were issued to the Executive team and key employees. This resulted in an increase in the share based payment expense (non-cash) in 2019. The valuation of the issued options is based on the Black-Sholes method as described below.

The Company has the following share option schemes in place:

- Directors and Employees Share Option Scheme – Directors and certain senior executives are enrolled in a 'Restricted Share Option' (RSU) scheme (see below).
- Restricted Share Option ('RSU') scheme – new scheme introduced on the 6 August 2018 for Senior Management.

Directors and Employees Share Option Scheme

	2019		2018	
	Number of share options	Weighted average exercise price (cents/pence)	Number of share options	Weighted average exercise price (cents/pence)
Outstanding at the beginning of the year	42,950,000	5.5/4.1	37,150,000	5.5/4.1
Granted during the year	13,900,000	Nil	5,800,000	Nil
Forfeited during the year	(100,000)	N/A	-	N/A
Exercised during the year	-	N/A	-	N/A
Expired during the year	(15,000,000)	N/A	-	N/A
Outstanding at the end of the year	**41,750,000**	**2.3/1.8**	**42,950,000**	**-**
Exercisable at the end of the year	9,150,000	11.8/9.3	14,150,000	11.8/9.3

1. Unexercised share options forfeited during the year 2019 is 100k (2018: Nil).
2. None of the shares were exercised in 2019 (2018: Nil).

The weighted average contractual life of outstanding options at the end of the year is 0.71 years (2018: 0.76 years). There were 13,900,000 options granted in 2019 (2018: 5,800,000). The aggregate of the estimated fair values of the options granted under this scheme during 2019 is $1,035k (2018: $530k). The weighted average fair value of the options granted is $0.08/£0.06 (2018: $0.09/£0.07).

The general terms of the share options, under the company share options scheme, vest over 3 years (quarterly vesting, 1/12th of options vest every quarter) and are exercisable over ten years from the date of grant if the employee remains within the company. The outstanding share options at the year end range from $0.07/£0.05 to $0.17 / £0.12 (2018: $0.07/£0.05 to $0.15/£0.12).

Directors and employee share option scheme – share options granted in the year:

	2019	2018
Weighted average share price (cents/pence)	7.4/6	9.0/7.1
Weighted average exercise price (cents/pence)	Nil	Nil
Expected volatility	NA	NA
Expected life	3 years	3 years
Risk-free rate	2%	2%
Expected dividend yield	Nil	Nil

The expected life used in the model has been adjusted, based on management's best estimate.

Restricted Share Option Scheme

	2019		2018	
	Number of share options	Weighted average exercise price (cents/pence)	Number of share options	Weighted average exercise price (cents/pence)
Outstanding at the beginning of the period	7,750,000	-	166,668	-
Granted during the period	14,600,000	-	7,750,000	-
Forfeited during the period	(200,000)	-	(100,000)	-
Exercised during the period	-	-	(66,668)	-
Expired during the period	-	-	-	-
Outstanding at the end of the period	**22,150,000**	**-**	**7,750,000**	**-**
Exercisable at the end of the period	-	-	-	-

*In 2019, none of share were exercised. All share options exercised during the 2018 were under the Restricted Shared Option Scheme which were settled in cash. This change was treated as a modification of a share based payment from equity settled to cash settled. The amount payable under this settlement amounted to $11k, of which $3k had been recognized as a share based expense in prior years and therefore reduced from equity in the current year as a repurchase of equity instrument. The balance of $8k was expensed.

Restricted Share Option Scheme – share options granted in the year:

Under the restricted share option scheme 14,600,000 were granted in 2019 (2018: 7,750,000).

The market price of the ordinary shares at 31 December 2019 was $0.08/£0.06 (2018: $0.08/£0.06) and the range during the year was $0.0.7/£0.05 to $0.10/£0.77.

The aggregate of the estimate of the fair value of the options granted is $1,087k (2018: $708k). The weighted average fair value of the options granted is $0.09/£0.07 (2018: N/A).

The weighted average contractual life of outstanding options at the end of the year is 2.33 years (2018: 2.25 years).

The general terms of the share options, under the RSU scheme, vest over 3 years (quarterly vesting, 1/12th of options vest every quarter) and are exercisable over three years from the date of grant if the employee remains within the company, at a nil exercise price.

Total warrants outstanding

As at 31 December 2019 the outstanding unexercised warrants in issue were:

Exercise Price	Expiry Date	Number of warrants
15p	18 March 2021	650,000

During the year 10,500,000 shares expired. No warrants were exercised in 2019 (2018: $Nil).

As at the 31 December 2018 the outstanding unexercised warrants in issue were:

Exercise Price	Expiry Date	Number of warrants
10p	06 May 2019	8,000,000
13p	31 October 2019	2,500,000
15p	18 March 2021	650,000

26 Financial instruments

Capital risk management

The Group and Company manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. On the 7 June 2018, the Group drew down on a facility of $3 million in order to support the Group's operations and same was repaid in April 2019.

The capital structure of the Group and Company consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising of issued capital, reserves, and retained earnings.

The Group and Company are not subject to any externally imposed capital requirements.

The Group and Company's strategy is to ensure availability of capital and match the profile of the Group and Company's expenditures. To date the Group has relied upon equity and debt funding to finance operations. The Directors are confident that adequate cash resources exist to finance operations to commercial exploitation, but controls over expenditure are carefully managed.

The Group and Company has a policy of not using derivative financial instruments for hedging purposes and therefore is exposed to changes in market rates in respect of foreign exchange risk, However, it does review its currency exposures on an ad hoc basis. Currency exposures relating to monetary assets held by foreign operations are included within the foreign exchange reserve in the Group Balance Sheet.

Categories of financial instruments

Group

Financial Instruments	2019 $ 000's	2018 $ 000's
Cash and bank balances	6,583	10,367
Financial assets at amortized cost	8,903	7,890
Investments in equity instruments at FVTOCI	-	57
Financial liabilities		
Financial liabilities at amortized cost	3,335	6,783

Company

Financial Instruments	2019 $ 000's	2018 $ 000's
Cash and bank balances	3,589	5,397
Financial assets at amortized cost	7,731	11,476
Investments in equity instruments at FVTOCI	-	57
Financial liabilities		
Financial liabilities at amortized cost	13,456	11,837

There are no material differences between the book values of financial instruments and their market values.

Financial risk management objectives

The Group and Company's Finance function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages financial risks related to the operations of the Group and Company through internal risk reports, which analyses exposures by degree and magnitude of risks.

It is, and has been throughout 2019 and 2018, the policy of both the Group and the Company that no trading derivatives are contracted.

The main risks arising from the Group and the Company's financial instruments are foreign currency risk, credit risk, liquidity risk, interest rate risk and capital risk. Management reviews and agrees policies for mitigating each of these risks, which are summarized below.

Market risk

The Group and Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The risk is managed by the Group and Company by maintaining an appropriate mix of cash and cash equivalents in the foreign currencies it operates in. The Group and Company's management did not set up any financial instruments policy to manage its exposure to interest rates and foreign currency risk.

Foreign currency risk

The Group and Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group and Company evaluates exchange rate fluctuations on a periodic basis to take advantage of favorable rates when transferring funds between accounts denominated in different currencies.

The carrying amount of the Group and Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows

Group		Liabilities		Assets
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Sterling	1,055	2,031	53	1,335
USD	2,216	4,710	13,896	16,045
Euro	64	42	1,509	934
CNY			29	
As at 31 December	3,335	6,783	15,487	18,314

notes to the financial statements

for the year ended 31 December 2019

(continued)

Company	Liabilities		Assets	
	2019 $ 000's	2018 $ 000's	2019 $ 000's	2018 $ 000's
Sterling	-	-	1,180	3,822
USD	12,326	10,176	8,914	11,723
Euro	1,131	1,661	939	1,385
CNY			287	
As at 31 December	13,457	11,837	11,320	16,930

Foreign currency sensitivity analysis

The following table details the Group and Company's sensitivity to a 10% increase and decrease in the functional currency against the relevant foreign currencies. 10% represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated financial instruments and adjusts their translation at the period end for a 10% change in foreign currency rates. The following table sets out the potential exposure, where a positive number below indicates an increase in profit or loss and other equity where the US Dollar strengthens 10% against the relevant currency. For a 10% weakening of the US Dollar against the relevant currency, there would be a comparable impact on the profit or loss and other equity, and the balances below would be positive.

Group	Pound Sterling impact		Euro impact		CNY impact	
	2019 $ 000s	2018 $ 000s	2019 $ 000s	2018 $ 000s	2019 $ 000s	2018 $ 000s
Profit or loss (i)	(111)	(337)	(157)	(98)	(3)	-
Other equity (ii)	-	-	-	-	-	-
	(111)	(337)	(157)	(98)	(3)	-

Company	Pound Sterling impact				Euro impact	
	2019 $ 000s	2018 $ 000s	2019 $ 000s	2018 $ 000s	2019 $ 000s	2018 $ 000s
Profit or loss (i)	(118)	(382)	(207)	(305)	(29)	-
Other equity	-	-	-	-	-	-
	(118)	(382)	(207)	(305)	(29)	-

- The main attributable to the exposure outstanding on Pound Sterling and Euro is receivables and payables at the balance sheet date.
- There is no impact on other equity, as the Group does not hold derivative instruments designated as cash flow hedges and net investments hedges.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year. Whilst the group operates across Europe and North America, operations are managed in US dollar and these financial statements are presented in US Dollars.

Interest rate risk

The Group and Company's exposure to interest rate risk is limited to cash and cash equivalents held in interest-bearing accounts and borrowings at a fixed interest rate.

Interest rate sensitivity analysis

The impact of interest rate fluctuations is not material to the Group and Company accounts.

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 and Company. The Group and the Company's financial assets are comprise of receivables, cash, and cash equivalents, and other long-term assets.

The credit risk on cash and cash equivalents is limited as the counterparties are banks with high credit-ratings as determined by international credit-rating agencies.

The credit risk on other long-term assets is limited as the total amount represents two components: deposits for the right to secure a revenue-generating asset and restricted cash. The deposits for the right to secure revenue-generating assets are maintained by a government sponsored global organization that is contractually required to return a portion of these deposits if requested. Furthermore, the agency, a not-for-profit organization, is well funded by its member organizations and is not a risk to cease operations. The restricted cash is deposited with banks with a high-credit rating as determined by international credit-rating agencies.

The exposure of the Group and the Company to credit risk arises from default of its counterparty, with maximum exposure equal to the carrying amount of receivables (excluding prepaid income), cash and cash equivalents, and other long term assets in the Group and Company statements of financial position.

As at 1 January 2019, the directors of the Company reviewed and assessed the Group's existing financial assets and amounts due from customers for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of IFRS 9 to determine the credit risk of the respective items at the date they were initially recognized. See note 20 for further details on the Group and Company's bad debt provision.

The Group and Company do not hold any collateral as security other than as mentioned in Note 19

Liquidity risk management
Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group and Company's short, medium, and long-term funding and liquidity management requirements. The Group and Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Cash forecasts are regularly produced to identify the liquidity requirement for the Group and Company. To date, the Group has relied on the issuance of stock warrants and shares to finance its operations. The Group borrowed $NIL million in 2019 (2018: $3m).

The Group's and Company's remaining contractual maturity for its non-derivate financial liabilities with agreed repayment periods are:

			Group		Company
31 December 2019	Weighted average effective interest rate	Within 1 year $ 000s	1 – 5 years $ 000s	Within 1 year $ 000s	1 – 5 years $ 000s
Non-interest bearing:					
Trade and other payables		-	-	-	-
		-	-	-	-

			Group		Company
31 December 2018	Weighted average effective interest rate	Within 1 year $ 000s	1 – 5 years $ 000s	Within 1 year $ 000s	1 – 5 years $ 000s
Non-interest bearing:					
Trade and other payables		5,033	-	3,000	-
		5,033	-	3,000	-

Other Group and Company's non-derivative financial liabilities mature within one year.

The Group and Company had no derivative financial instruments as at 31 December 2019 and at 31 December 2018.

27 Commitments

The group as a lessee	2019 $ 000's	2018 $ 000's
Lease payments recognized under operating leases recognized as an expense in the year	-	895

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

	2019 $ 000's	2018 $ 000's
Within one year	-	1,041
In the second to fifth years inclusive	-	1,328
	-	2,369

Operating lease payments represent amounts payable by the Group for its office properties and outsourcing registry operations. Leases in relation to office properties are negotiated for an average period of three years with fixed rentals. Leases in relation to outsourcing registry operations are negotiated for a period of three to five years with fixed commitments. From 1 January 2019, the Group has recognised right-of-use assets for these leases, except for short term and low-value leases, See note 23.

As at 31 December 2019 and 31 December 2018, the Group has no capital commitments.

As at 31 December 2019 and 31 December 2018, the Company had no lease or capital commitments.

28 Related party transactions – Group

Balances and transactions between the company and its wholly owned subsidiaries, which are related parties, have been eliminated on consolidation. Transactions between the Group and its Joint ventures are disclosed below.

Joint ventures

During the year, the Group entered into transactions with its Joint Ventures that resulted in amounts owed to or due from the Joint Ventures. The balances at the year end were due to financial and equity requirements across the Joint Ventures. The balances have no fixed repayment and no interest is received or charged on these balances.

	2019 $ 000's	2018 $ 000's
Due to Entertainment Names Inc	212	45
Due to Dot Country LLC	(32)	(66)

Remuneration of Key Management Personnel

The remuneration of the Executive Directors, who are the key management personnel of the Group, is set out in the Directors' report.

Related party transactions – Company

Transactions between the Company and its subsidiaries and subsidiaries are disclosed below.

Subsidiaries

During the year, the Company's subsidiaries have provided certain services to the Company (RSP services) and recharged certain costs to the Company. Details of these transactions are shown below

Recharged costs and services from	2019 $ 000's	2018 $ 000's
Minds and Machines LLC	2,878	2,949
Minds + Machines Limited (IE)	180	784
Minds and Machines Group limited	134	-

In addition, during the year, the Company has provided financing to its subsidiaries. The net balances due to the Company/(to its subsidiaries) are detailed below. The balances have no fixed repayment terms and no interest is charged on these balances.

Company	2019 $ 000's	2018 $ 000's
Minds and Machines LLC	(4,237)	(5,245)
Bayern Connect GmbH	377	443
Minds and Machines GmbH	560	630
Minds + Machines Limited (IE)	(1,130)	(1,661)
Minds + Machines Registrar Limited (IE)	-	-
Minds and Machines Limited (UK)	1,097	2,155
Minds and Machines Registrar UK Limited	9	9
Emerald Names, Inc	86	86
Minds + Machines (FL)	(682)	(566)
Minds + Machines, Inc.	5	5
Minds + Machines Hungary	329	311
Dot Law, Inc.	-	(673)
Boston TLD Management LLC	1,539	1,557
Beijing MMX Tech Co. Ltd	287	209
ICM Registry, LLC	(6,863)	8
ICM Registry AD, LLC	29	6
ICM Registry PN, LLC	29	6
ICM Registry SX, LLC	29	6

The Company also sold second level domain names to its subsidiary, Dot Law, Inc (DLI). DLI owns and operates join.law, a reseller of second level domain names. Any secondary domain names sold to DLI are to fulfil third-party orders from end users. Second level domain names sales and trade receivable balances outstanding at the year end are:

Company	Second level sale of domains		Trade receivable outstanding	
	2019 $ 000s	2018 $ 000s	2019 $ 000s	2018 $ 000s
Dot Law, Inc.	1,043	785	-	-

Joint ventures

During the year, the Company entered into transactions with its Joint Ventures that resulted in amounts owed to or due from the Joint Ventures. The balances at the year end were due to financial and equity requirements across the joint ventures. The balances have no fixed repayment and no interest is received or charged on these balances.

	2018 $ 000's	2019 $ 000's
Due from Entertainment Names Inc	167	50
Due to Dot Country LLC	(32)	(33)

Remuneration of Key Management Personnel

The remuneration of the Executive Directors, who are the key management personnel of the Group, is set out in Directors' report along with the share options issued.

29 Post Balance Sheet Events

There are no post balance sheet events.

corporate information

Registered number
1412814 registered in
British Virgin Islands

Directors
Toby Hall
Chief Executive Officer

Michael Salazar
Chief Finance Officer

Guy Elliott
Non-Executive Chairman

Henry Turcan
Non-Executive Director

Bryan Disher
Independent Non-Executive Director

Company Secretary
One Advisory
201 Temple Chambers
3-7 Temple Avenue
London EC4Y 0DT
United Kingdom

Registered Office
Craigmuir Chambers
Road Town, Tortola
British Virgin Islands
VG 1110

Website
www.mmx.co/about/overview

Auditor
Mazars LLP
Tower Bridge House
St. Katharine's Way
London E1W 1DD
United Kingdom

Solicitors
Hill Dickinson LLP
The Broadgate Tower
20 Primrose Street
London EC2A 2EW
United Kingdom

Nominated Advisor and Broker
finnCap
60 New Broad Street
London
England
EC2M 1JJ

Registrars
Computershare Investor Services
(Channel Islands) Ltd
PO Box 83
Ordnance House, 31 Pier Road
St Helier JE4 8PW
Channel Islands

Principal Bankers
Silicon Valley Bank
15260 Ventura Blvd #1800
Sherman Oaks, CA 91403
United States of America

Bank of Ireland
40 Mespil Road
Dublin 4
Ireland

Designed and produced by Mediasterling:
www.mediasterling.com

Minds + Machines Group Limited
2505 2nd Ave
Suite 520
Seattle, WA 98121

investors@mmx.co