



Masabi Group Limited (Formerly Blue Technologies Limited)
Annual Report and Accounts

For the year ended 31 December 2018

Group Registration No. 04260927 (England and Wales)

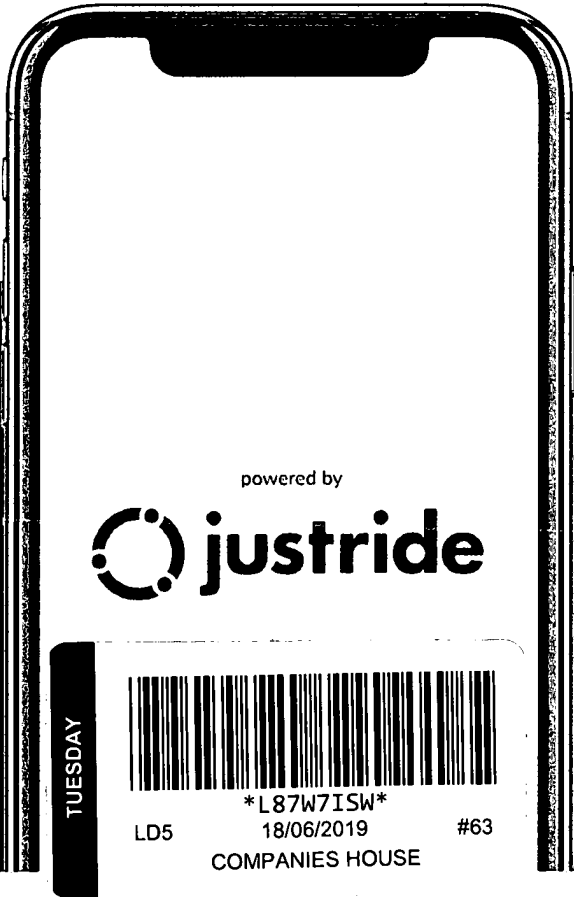




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GROUP INFORMATION

Directors	B Zanghi M A Jones J Lerner B J Whitaker S J Menashy E J Talbot
Group number	04260927
Registered office	37 Beviden Street London N1 6BH
Auditors	BDO LLP 55 Baker Street London W1 7EU



STRATEGIC REPORT

Principal activities

The principal activity of the group continued to be that of the development and application SaaS ('Software-as-a-service') based fare collection solutions. The principal activity of the company continued to be that of a holding company. No change in the nature of the group and company's activities are expected in the foreseeable future.

Business review

Masabi continues to make significant strides in the development and deployment of its Justride fare collection platform - offering a cloud-native, mobility-enabled service to public transit customers big and small across the globe. During the year ended 31 December 2018, Masabi completed ten new deployments across three countries while having secured new business for sixteen deployments including two new countries. Notable new wins during the year included securing the group's first major account-based ticketing customer in the City of Rochester, New York; and a large mobile ticketing contract for the City of Calgary, Canada.

The group has experienced high market demand for its ticketing Software Development Kit ("SDK") which enhances the accessibility of public transit to the general public by making tickets available in third party mobile applications. To this end, Masabi signed a partnership agreement during the year with Uber and Masabi's first deployment of tickets within Uber's app was launched in the city of Denver in the United States in May 2019.

Financial review

The group made a loss for the year ended 31 December 2018 of £7,041k (2017: £4,250k loss) and cashflow used in operations was £3,853k (2017: £6,178k). This result is analysed in more detail below and the directors have also chosen to include a number of non-GAAP measures of performance.

The revenue for the year decreased to £5,976k (2017: £6,738k), a decline of 11% year on year, due to a reduction of lower margin non-recurring or "custom" development revenues. Revenues from such non-recurring activities were £787k (2017: £2,694k), a decline of 71% year on year. Several one-time major development projects were completed during 2017 most notably for the cities of New York and Los Angeles which were not repeated in 2018. Development and deployment revenues are inherently variable from year to year and the focus of the group is on the higher margin recurring revenues generated by the JustRide SaaS platform. As such recurring platform revenues grew year-on-year by 64% to £4,915k (2017: £2,992k)..

Admin costs were £12,609k in the year (2017: £10,979k), an increase of 15%, this increase was solely due to continued investment in new product R&D and business development activities.

The group expensed £3,811k research and development activities (2017: £2,400k) and development costs of £179k were capitalised as intangible assets (2017: £nil). All of this spend was qualifying R&D expenditure for tax purposes and consequently tax credits of £1,326k were recognised for the year (2017: £2,051k). It should further be noted that the tax credit in 2017 related to R&D tax claims for the years 2017, 2016 and 2015 combined, hence the reduction in the credit recorded in the income statement in 2018.

The business enjoys low customer churn and multi-year customer relationships together with strong organic revenue growth due to continued consumer adoption of its sales channels. Consequently, a large investment in sales and marketing is not required to sustain existing levels of revenue, rather win new business and hence the business has continued to invest in new business activities in the year.



As the Group is investing heavily in new product R&D and new business development resulting in a statutory loss for the year, the Directors also present the profitability of the Group's deployed accounts ('Deployed Account EBITDA'). Deployed Account EBITDA is measured as Recurring Revenue less the cost of sales, employee costs and other overheads to service these accounts as well as an allocation of shared general and administration overheads on a reasonable basis. It can be seen as a measure of Masabi's underlying profit in the event the Group ceased its investment in new product development and to acquire new customers. On this basis, during the year ended 31 December 2018 the Group delivered a Deployed Account EBITDA profit of £1,148k and a Deployed Account EBITDA operating margin of 23%, illustrating the strong fundamentals of the business.

The Directors also present Adjusted EBITDA, being earnings before interest, tax, depreciation and amortisation less exceptional items. The exceptional items relate in entirety to the legal case referred to in note 17.

To fund the ongoing investment in the business the company raised £1,474k (2017: £4,095k) through the issue of new ordinary B shares in the company and issued two convertible loan notes to existing shareholders for £4,600k (2017: £nil). Post year end, on March 15th 2019 a further fundraising was completed where company issued 69,910 of series C preference shares raising £9.6m, gross of transaction costs. Further details are included in the notes to the accounts.

The Directors of the business remain confident of Masabi's continued market success, revenue growth, leverage of scale and of its plan to achieve full cash flow break even over the shorter term.

Key Performance Indicators

A summary of the key performance indicators the directors use to assess the performance of the business are included as follows:

	2018 £000	2017 £'000	% Change
Annual Recurring Revenue ¹	4,915	2,992	64%
Deployed Accounts	33	26	31%
All Customer Accounts	45	32	34%
Deployed Account EBITDA ²	1,148	n/a	n/a
Deployed Account EBITDA Margin ²	23%	n/a	n/a
Adjusted EBITDA	(7,072)	(4,769)	(48%)
Statutory Loss Before Tax	(8,367)	(6,301)	(33%)

¹ Excludes legacy UK national rail ticket retail operations.

² Deployed Account EBITDA was prepared for the first time in 2018 due to enhancements in the accounting system used by the business, consequently a prior year comparative is not available.

Principal risks and uncertainties

The directors of the group meet at minimum each quarter at scheduled board meetings. The directors may meet more frequently from time to time, depending on the current operational activity of the group. Whilst there is not a formal risk committee, the subject of risk is continually discussed at the above meetings as well as at non board senior management meetings. The principal risks and uncertainties are considered to by the board to be as follows:

<i>Risk</i>	<i>Description</i>	<i>Mitigation Strategy</i>
Liquidity	Masabi is an innovative, growth stage software-as-a-service (SAAS) group that is investing heavily in expanding its core platform capabilities. The company's management, supported by the board of directors, is executing a plan under which new product R&D expenditure exceeds the company's income for a period of time until break-even has been achieved, giving rise to an historical accounting loss and cash burn. This places reliance on the continued ability of the group to access the equity and/or debt markets.	<ul style="list-style-type: none"> The company's high investment in R&D was planned and as such supported by the company's corporate and financial investors who have made a cumulative £32m equity investment in the business to date. Regular cashflow projections are prepared and reviewed by the board. If spending in R&D and business expansion activities were to be eliminated from the financial results, the company would achieve profitability, due the existing operational revenues being greater than the costs of maintaining the platform. The Directors of the business remain confident of Masabi's continued market success, revenue growth, leverage of scale, and of its plan to achieve full cash flow break-even over the shorter term.
Foreign exchange risk	70% of the groups revenues were derived from North America. 75% of the group's costs are payable in sterling. Consequently, a period of substantial strength in sterling may reduce the groups profitability.	<ul style="list-style-type: none"> The net foreign currency exposures are prepared and reviewed by the board from time to time, methods to hedge currency risks may be considered and implemented by the board depending on the net exposures.
IT and Data Protection Risk	Ensuring customer data security and ongoing compliance with the General Data Protection Regulation (GDPR) and the Payment Card Industry (PCI) standards requires significant expertise and expenditure. Fraudulent activity or security breaches in connection with maintaining data and the delivery of our products and services could lead to a loss of PCI accreditation and harm our reputation, business and operating results.	<ul style="list-style-type: none"> Masabi continues to invest in internal resource and IT security infrastructure. The Group's systems are PCI Level approved and undergo continual periodic assessment by third-party security experts.

Charitable and political contributions

During the year the group made no charitable or political contributions (2017 - £Nil).

On behalf of the board



B Zanghi
17 June 2019



DIRECTORS' REPORT

The Directors present their report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity is as per the strategic report.

Directors

The directors who held office during the year and up to the date of signature was:

B Zanghi	
M A Jones	(Appointed 3 rd April 2019)
J Lerner	(Appointed 5 th April 2019)
T M Godber	(Resigned 3 rd April 2019)
E J Howson	(Resigned 3 rd April 2019)
B J Whitaker	
S Menashy	
E J Talbot	
J P Goodwin	(Resigned 3 rd April 2019)

Results and Dividends

The group made a loss for the year of 31 December 2018 of £7,041k (2017: £4,250k loss).

During the year a dividend of £nil was paid (2017: £nil). The director does not recommend a payment of a final dividend (2017: £nil).

Major Shareholders

The major shareholders of the company with greater than 3% as the date of this report were:

Shareholder	Number of Shares	Holding in the Company
Smedvig Capital	53,161	24.3%
MMC Ventures	44,011	22.5%
M8 Capital	23,282	10.8%
Ben Whitaker	14,000	7.17%
Tom Godber	14,000	7.17%
Mastercard Europe Services	9,654	5.0%
Lepe Partners	8,957	4.5%
Ed Howson	7,000	3.6%

Post balance sheet events

On March 15th 2019 the company issued 69,910 of series C preference shares and received £9.6m for the issue, gross of transaction costs.



On April 3rd 2019 an agreement was met with the holders of the 'Secured Convertible Loan Notes' to extend the repayment date from May 2019 to January 2022 and while introducing an interest rate of 5.1% per annum.

On April 10th 2019 the company changed its name from Blue Technologies Limited to Masabi Group Limited.

Auditors

BDO LLP were reappointed as auditor to the group during the year. A resolution to reappoint BDO LLP as auditors for the following financial year will be proposed at the next annual general meeting.

Statement of disclosure to auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Additionally, the Directors have taken all the necessary steps that he ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the Company's auditors are aware of that information.

Going concern

The financial statements at 31 December 2018 show that the group generated a loss for the year of £7,041k (2017: loss of £4,250k). The balance sheet showed cash reserves at 31 December 2018 of £1,996k (2017: £1,509k).

As at 30th April 2019 the group had combined cash and cash equivalents of £7,950k, which includes amounts raised by the issue of new Shares in Masabi Group Limited subsequent to year-end.

The Directors have a reasonable expectation that the company together with its subsidiary undertakings ('the Group') have adequate resources to continue in operational existence for at least 12 months from the date of signing these accounts having reviewed the group's going concern position, taking account of its current business activities, budgeted performance, and the factors likely to affect its future development, and include the group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposure to credit and liquidity risks.

Directors responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.



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

On behalf of the board

A handwritten signature in black ink, appearing to be "B Zanghi".

B Zanghi
17 June 2019



INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF MASABI GROUP LIMITED

Opinion

We have audited the financial statements of Masabi Group Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2018 which comprise consolidated income statement and statement of comprehensive income, consolidated balance sheet, company balance sheet, consolidated statement of changes in equity, company statement of changes in equity and consolidated cash flows statement, and the 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice)

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 2018 and of the Group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or 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.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the directors report & strategic 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, 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 at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

BDO LLP

David Butcher (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, United Kingdom

17 June 2019

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



CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

	Notes	2018 £'000	2017 £'000
Revenue	2	5,976	6,738
Cost of sales		(1,438)	(1,784)
Gross profit		4,538	4,954
Administrative expenses		(12,609)	(10,979)
Operating loss	3	(8,071)	(6,025)
Interest receivable and similar income		-	2
Interest payable and similar expenses	5	(296)	(278)
Loss before taxation		(8,367)	(6,301)
Taxation	6	1,326	2,051
Loss for the year		(7,041)	(4,250)
Exchange differences on retranslation of subsidiaries		(124)	107
Total comprehensive loss for the year		(7,165)	(4,143)

The notes on pages 16 to 29 are an integral part of these financial statements.



CONSOLIDATED BALANCE SHEET

	Notes	2018 £'000	2017 £'000
ASSETS			
Non-current assets			
Intangible assets	7	179	-
Property, plant and equipment	8	262	226
Trade and other receivables	9	219	200
		660	426
Current assets			
Trade and other receivables	9	2,895	4,750
Cash at bank and in hand		1,996	1,509
		4,891	6,259
Total Assets		5,551	6,685
LIABILITIES			
Current liabilities			
Trade and other payables	10	3,327	2,272
Borrowings	11	4,431	987
		7,758	3,259
Non-current liabilities			
Borrowings	11	1,043	1,507
		1,043	1,507
Total liabilities		8,801	4,766
Net (liabilities)/assets		(3,250)	1,919
Equity			
Called up share capital	12	1	1
Share premium		22,893	21,419
Equity component of convertible instruments		522	-
Profit and loss reserves		(26,666)	(19,501)
Total Shareholders (Deficit)/Equity		(3,250)	1,919

The notes on pages 16 to 29 are an integral part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 17 June 2019.

On behalf of the board

B Zanghi

Company Registration No. 04260927 (England and Wales)



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Share premium	Equity part Conv. Debt	Profit and loss reserves	Total
		£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2017		1	17,324	-	(15,358)	1,967
Loss for the year		-	-	-	(4,250)	(4,250)
Exchange differences on translation		-	-	-	107	107
Total comprehensive loss for the year		-	-	-	(4,143)	(4,143)
Issue of share capital	12	-	4,095	-	-	4,095
Total contributions recognised directly in equity		-	4,095	-	-	4,095
Balance ended 31 December 2017		1	21,419	-	(19,501)	1,919
Loss for the year		-	-	-	(7,041)	(7,041)
Exchange differences on translation		-	-	-	(124)	(124)
Total comprehensive loss for the year		-	-	-	(7,165)	(7,165)
Issue of share capital	12	-	1,474	-	-	1,474
Issue of convertible loan notes		-	-	522	-	522
Total contributions recognised directly in equity		-	1,474	522	-	1,996
Balance ended 31 December 2018		1	22,893	522	(26,666)	(3,250)

The notes on pages 16 to 29 are an integral part of these financial statements.



CONSOLIDATED CASH FLOW STATEMENT

	Notes	2018 £'000	2017 £'000
Cash flow from operating activities			
Loss for the financial year		(7,041)	(4,250)
<i>Adjustments to reconcile profit for the year to net cash flow from operating activities:</i>			
Amortisation of intangible assets	7	-	1
Depreciation of property, plant and equipment	8	140	135
Net finance costs		296	276
Corporation tax credit		(1,326)	(2,051)
(Increase)/decrease in trade and other debtors		1,242	(671)
Increase in trade and other payables		787	385
		(5,902)	(6,178)
Taxation credit received		2,050	-
Net cash used in operating activities		(3,852)	(6,178)
Cash flow from investing activities			
Interest received		-	2
Acquisition of property, plant and equipment		(177)	(48)
Acquisition of intangible assets		(179)	-
Net cash used in investing activities		(356)	(48)
Cash flow from financing activities			
Interest paid on borrowings		(255)	(289)
Issue of borrowings		4,599	638
Repayment of debt		(1,194)	(401)
Debt transaction costs		(16)	-
Issue of equity		1,509	4,095
Equity transaction costs		(35)	-
Net cash from financing activities		4,608	4,043
Net increase/(decrease) in cash and cash equivalents		400	(2,181)
Cash and cash equivalents at beginning of period		1,509	3,584
Effect of Exchange Rate Differences		87	106
Cash and cash equivalents at end of period		1,996	1,509

The notes on pages 16 to 29 are an integral part of these financial statements.



NOTES TO GROUP ACCOUNTS

1. Accounting Policies

1.1. Company Information

Masabi Group Limited is a private company limited by shares incorporated in England and Wales. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the directors' report.

1.2. Accounting Convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Pounds Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3. Going Concern

The financial statements at 31 December 2018 show that the group generated a loss for the year of £7,041k (2017: loss of £4,250k). The balance sheet showed cash reserves at 31 December 2018 of £1,996k (2017: £1,509k).

As at 30th April 2019 the group had combined cash and cash equivalents of £7,950k, which includes amounts raised by the issue of new Shares in Masabi Group Limited.

The directors have a reasonable expectation that the company together with its subsidiary undertakings ('the Group') have adequate resources to continue in operational existence for 12 months from the date of signing these accounts having reviewed the group's going concern position, taking account of its current business activities, budgeted performance, and the factors likely to affect its future development, and include the group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposure to credit and liquidity risks.

1.4. Cash flow statement

The company has taken advantage of the exemption conferred by the financial reporting standard and applicable law not to prepare a cash flow statement for the parent company. A cashflow is prepared for the group.

1.5. Critical estimates and judgements

In preparing these financial statements, the directors have had to make the following judgements:

Property, plant and equipment (note 8)

Property, plant and equipment is depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.



Capitalised development costs (note 7)

The distinction between research and development costs requires the use of management's judgement, in that all research expenditure is required to be expensed through the consolidated income statement. Further, as intangible assets are only recognised from the development phase if and only if certain specific criteria are met (regarding future economic benefits and reliability of measuring costs), management incorporate judgement in determining whether the development expenditure meets these criteria. As the internal costs cannot be reliably measured, only the external contractor costs are capitalised as intangible assets.

1.6. Revenue

Revenue represents amounts receivable for services rendered during the year, excluding value added tax. Revenue in respect of consultancy services is recognised as the contract progresses by reference to the value of work performed. Revenue in respect of ticket sales and deliveries is recognised on the date of sale.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.7. Intangible assets

Externally acquired intangible assets

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. Intangible assets acquired as part of an acquisition are not recognised where they arise from legal or other contractual rights, and where there is no history of exchange transactions. Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Development costs

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured.

Amortisation of intangible assets

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets are as follows:

Development costs	5 years
Other intangibles	5-10 years

As at 31 December 2018, certain costs for development were not available for use, hence no amortisation charge has been recognised.

If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period previous estimates shall be reviewed and, if current expectations differ the residual value, amortisation method or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.



1.8. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Land and buildings Leasehold	Over the remaining term of the lease
Plant and machinery	15%-33.3% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.9 Investments in subsidiaries

In the company's individual accounts, investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

1.10. Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



1.11. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12. Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues of FRS 102' to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statement when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end 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 have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.



Classification of financial liabilities

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

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow company companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Convertible Loan notes

Convertible Loan notes which are basic financial instruments are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently, they are measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.13. Equity Instruments

Equity comprises the following:

- Share capital represents the nominal value of equity shares;
- Profit and loss reserve represents retained profits and losses

1.14. 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 profit and loss account 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.



Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15. Employee benefits

The costs of short-term employee benefits and retirement benefit schemes are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16. Share-based payments

The fair value of equity-settled share-based payments to employees is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the company's estimate of shares or options that will eventually vest.

1.17. Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

Where the company has a legal obligation, a dilapidations provision is created on inception of a lease. These provisions are a best estimate of the cost required to return leased properties to their original condition upon termination of the lease. Where the obligation arises from 'wear and tear', the provision is accrued as the 'wear and tear' occurs.



1.18. Foreign Exchange

Company

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Group

Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The assets and liabilities of overseas subsidiary undertakings are translated into the presentational currency at the rate of exchange ruling at the balance sheet date. Income and expenses for each statement of comprehensive income are translated at exchange rates at the dates of transaction. All resulting exchange differences are recognised in other comprehensive income.

2. Revenue

	2018 £'000	2017 £'000
Revenue by geographical market		
United States of America	4,197	4,664
Rest of World	1,779	2,074
Total revenue by geographical market	5,976	6,738
Revenue by operation		
Recurring revenue – JustRide Platform	4,915	2,992
Recurring revenue – UK Rail Retail Platform	274	1,052
Non-recurring development and deployment	787	2,694
Total revenue by operation	5,976	6,738

3. Operating Loss

Operating loss for the year is stated after charging:

	2018 £'000	2017 £'000
Operating lease rental expenses	610	537
Depreciation and amortisation	140	135
Fees payable to the company's auditors for:		
Audit of the company's financial statements	35	32
Tax compliance and other non-audit services	28	11



4. Employees and Directors remuneration

	2018	2017
	#	#
Average Employees		
Directors	7	7
Other Employees	101	78
	108	85

Their aggregate remuneration comprised:

	2018	2017
	£'000	£'000
Employee remuneration		
Wages and salaries	7,457	5,634
Social security costs	694	481
Pension costs	69	38
	8,220	6,153
Director remuneration		
Wages and salaries	455	503
Social security costs	36	30
Pension costs	15	2
	506	535
Total Staff Remuneration	8,726	6,688

Included under director remuneration are the emoluments of the highest paid director, which was £277k (2017: £286k)

5. Interest payable and similar expenses

	2018	2017
	£'000	£'000
Interest payable on borrowings	282	274
Other bank charges	14	4
Total interest payable	296	278



6. Taxation

	2018 £'000	2017 £'000
UK corporation tax	(1,331)	(800)
Foreign tax	5	3
Adjustments in respect of prior periods	-	(1,254)
Total Taxation Credit	(1,326)	(2,051)

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below.

	2018 £'000	2017 £'000
Loss on ordinary activities before tax	(8,367)	(6,301)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 19% (2017 – 19.25%)	(1,590)	(1,213)
Effects of:		
Fixed asset differences	8	9
Expenses not deductible for tax purposes	10	2
Foreign tax difference	5	3
Additional deduction for R&D expenditure	(985)	(600)
Surrender of tax losses for R&D credit refund	413	262
Adjustments in respect of prior periods	-	(1,254)
Deferred tax not recognised	813	740
Total Taxation Credit	(1,326)	(2,051)

A deferred tax asset relating to trading losses carried forward of £14,682k (2017: £10,498k) has not been recognised in the current or prior period, as there is not sufficient certainty of future profit making operations to demonstrate recoverability of the asset.



7. Intangible Fixed Assets

	Other Intangibles £'000	Development costs £'000	Total £'000
Cost			
As at 1 January 2018	7	-	7
Additions	-	179	179
As at 31 December 2018	7	179	186
Amortisation and impairment			
As at 1 January 2018	(7)	-	(7)
Balance ended 31 December 2018	-	-	-
As at 31 December 2018	(7)	-	(7)
Carrying Amount			
As at 31 December 2018	-	179	179
As at 31 December 2017	-	-	-

8. Property, plant and equipment

	Land and Build. £'000	Plant and Mach. £'000	Total £'000
Cost			
As at 1 January 2018	214	397	611
Additions	47	130	177
As at 31 December 2018	261	527	788
Depreciation and impairment			
As at 1 January 2018	(86)	(300)	(386)
Depreciation charged for the year	(71)	(69)	(140)
As at 31 December 2018	(157)	(369)	(526)
Carrying Amount			
As at 31 December 2018	104	158	262
As at 31 December 2017	128	97	226


9. Trade and other receivables

	2018	2017
	£'000	£'000
Amounts due within one year		
Trade receivables	981	1,762
Prepayments	441	787
Other receivables	1,473	2,201
Total trade and other receivables within one year	2,895	4,750
Amounts due after one year		
Other receivables	219	200
Total trade and other receivables after one year	219	200

10. Trade and other payables

	2018	2017
	£'000	£'000
Trade Payables	1,477	717
Other Taxes and Social Security	212	334
Accruals and Deferred Income	1,566	1,167
Other Payables	72	54
Total trade and other payables	3,327	2,272



11. Borrowings

	2018 £'000	2017 £'000
Amounts due within one year		
Liability component of convertible loan note	3,147	-
Other borrowings	1,284	987
Total borrowings within one year	4,431	987
Amounts due within two to five years		
Liability component of convertible loan note	959	-
Other borrowings	84	1,507
Total borrowings after one year	1,043	1,507
Total borrowings	5,474	2,494

Amounts of £522k in respect of convertible loan notes issued in the year have been classified as equity (2017: £nil). The capital value of the convertible loans notes as at 31 December 2018 was £4,600k (2017: nil) and interest accrued in respect of the loan notes was £41k (2017: nil).

The terms of the loans are summarised and gross amounts repayable are outlined below:

Loan	Repay- ment Date	Rate	Curr- ency	2018 £'000	2017 £'000
Unsecured Loan	2019	10.5%	GBP	300	300
Secured Loan	2020*	11%	USD	1,068	2,194
Secured Convertible Loan Notes	2019*	-	GBP	3,500	-
Unsecured Convertible Loan Notes	2021	5%	GBP	1,100	-
Total Gross borrowings				5,968	2,494
Unamortised transaction costs				(28)	-
Convertible loan notes treated as equity				(522)	-
Total borrowings				5,474	2,494

*The 'Secured Loan' is a capital and interest repayment loan which will be repayable in instalments and will be repaid in full in 2020. On April 3rd, 2019 an agreement was met with the holders of the Secured Convertible Loan Notes to extend the repayment date from May 2019 to January 2022 while introducing an interest rate of 5.1% per annum.



12. Share capital

All classes of share each rank pari passu in all respects, other than rights to distributions as outlined in the company's Articles of Association. The number of shares in issue are:

	2018 No'000	2017 No'000
Number of shares in issue		
Ordinary shares of 1p each	40	40
Ordinary A shares of 1p each	35	35
Ordinary B shares of 1p each	38	34
Total share capital	113	109
	£'000	£'000
Ordinary share capital issued and fully paid	1	1

During the year ended 31 December 2018, 4,382 Ordinary B shares were issued at a price of £344.42 per share, raising £1,474k, net of transaction fees of £35k. On 19 April 2017, the company issued 11,681 Ordinary B shares, and on 14 June 2017, the company issued 220 Ordinary B shares, both issued at a price of £344.42 raising £4,095k. All classes of share each rank pari passu in all respects, other than rights to distributions as outlined in the company's Articles of Association.

13. Share-based payment transactions

The parent company operates a share options scheme for the employees of the company. The Directors believe that, since share options are granted at fair market value there is no charge to be recognised in the profit and loss account, as required under FRS 102.

14. Financial commitments, guarantees and contingent liabilities

Included in the accounts of Masabi LLC are loans totalling \$1,362k (2017: \$2,961k). Under the terms of the loans the borrowers are listed jointly as Masabi LLC, Blue Technologies Limited, and its other subsidiary companies Masabi Limited and Masabi US Limited.

The loans are repayable in instalments within 2 years. The amount repayable within one year is \$1,254k (2017: \$900k). The loan is secured by fixed and floating charge over the assets of these companies. The repayment period is 36 months, and the interest rate is 11% per annum.

Included in the accounts of the parent company, Masabi Group Limited there are convertible loan notes with a carrying value of £3,107k (2017: Nil). Under the terms of this loan a fixed and floating charge has been granted over the assets of the Group undertakings, which includes Masabi Limited.



15. Operating Lease Commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases of land and buildings, which fall due as follows:

	2018 £'000	2017 £'000
Within one year	474	440
Between two and five years	496	807
	970	1,247

16. Post balance sheet events

On March 15th 2019 the company issued 69,910 of series C preference shares and was compensated £9.6m for the issue, gross of transaction costs.

On March 15th 2019 the 'Secured Convertible Loan Notes' were renegotiated, extending the repayment date from May 2019 to January 2022 and introducing an interest rate of 5% per annum.

On April 10th 2019 the company changed its name from Blue Technologies Limited to Masabi Group Limited.

17. Contingent liabilities

A claim for alleged patent infringement was filed in the United States of America against the company in May 2016. As of February 2019, the patent infringement claim has been dismissed with prejudice, and the claimant's subject patents have been held to be invalid. A subsequent action was filed by the Directors with the United States Patent and Trademark Office (USPTO), to contest validity of the claimant's parent patent. This is a common strategy in US patent litigation known as an inter partes review. In December 2018, the Patent Trial and Appeal Board of the USPTO ruled that material components of the claimant's subject parent patent were unpatentable. The claimant has initiated appeals of these decisions to the US Court of Appeals for the Federal Circuit (CAFC), however the company's specialist patent litigation counsel have advised that such appeals are highly unlikely to overturn the existing rulings. As such, the Directors have concluded, together with the company's legal counsel, that the claimant's appeals are highly unlikely to succeed.

The Directors believe that such patent infringement claims are part of the ordinary course of doing business in the United States of America. Given there is no reliable estimate of financial effect or indication on the timing of any potential outflow, no provision has been included in the accounts for damages, as per the requirements of FRS 102 section 21 provisions and contingencies.

18. Related party transactions

The company has taken advantage of the exemption under FRS102 Section 33. to not disclose transactions between members of the company headed by Masabi Group Limited.

The group considers the directors to be those encompassing key management personnel, as they have the authority and responsibility for planning, directing and controlling the activities of the group. Their remuneration is outlined in note 0.

19. Controlling party

There is no one ultimate controlling party.

20. Capital commitments

There were no capital commitments at 31 December 2018 or 31 December 2017.



COMPANY BALANCE SHEET

	Notes	2018 £'000	2017 £'000
ASSETS			
Non-current assets			
Investments	a	10	10
		10	10
Current assets			
Trade and other receivables	c	25,806	19,936
Cash at bank and in hand		1	450
		25,807	20,386
Total assets		25,817	20,396
LIABILITIES			
Current liabilities			
Trade and other payables	d	104	560
Borrowings	e	3,447	-
		3,551	560
Non-current liabilities			
Borrowings	e	959	300
		959	300
Total liabilities		4,510	860
Net assets		21,307	19,536
Equity			
Called up share capital	f	1	1
Share premium		22,893	21,419
Equity component of convertible instruments		522	-
Profit and loss reserves		(2,109)	(1,884)
Total equity		21,307	19,536

The notes on the following pages are integral part of these financial statements. The directors of the company have elected not to include a copy of the parent company profit and loss account within the financial statements. The loss for the year was £225k (2016: £88k loss).

The financial statements were approved by the board of directors and authorised for issue on 17 June 2019.

On behalf of the board

B Zanghi
Company Registration No. 04260927 (England and Wales)



COMPANY STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Share premium	Equity part Conv. Debt	Profit and loss reserves	Total
		£'000	£'000	£'000	£'000	£'000
Balance at 01 January 2017		1	17,324	-	(1,796)	15,529
Loss for the year		-	-	-	(88)	(88)
Total comprehensive loss for the year		-	-	-	(88)	(88)
Issue of share capital		-	4,095	-	-	4,095
Total Contributions recognised directly in equity		-	4,095	-	-	4,095
Balance ended 31 December 2017		1	21,419	-	(1,884)	19,536
Loss for the year		-	-	-	(225)	(225)
Total comprehensive loss for the year		-	-	-	(225)	(225)
Issue of share capital		-	1,474	-	-	1,474
Issue of convertible loan notes		-	-	522	-	522
Total Contributions recognised directly in equity		-	1,474	522	-	1,996
Balance ended 31 December 2018		1	22,893	522	(2,109)	21,307



NOTES TO COMPANY ACCOUNTS

a. Accounting Policies

The accounting policies of the company are the same as those adopted by the group and are documented above. Any specific policies relating to the company are referred to accordingly.

b. Investments

	2018 £'000	2017 £'000
Investments in subsidiary undertakings	10	10
Total investments	10	10

These financial statements are separate company financial statements for Masabi Group Limited.

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of Undertaking	Country of Incorporation	Nature of business	Shareholding	% Held
Masabi Limited	England & Wales	Development of Mobile Ticketing and Fare Collection Solutions	Ordinary	100%
Masabi US Limited	England & Wales	Holding Company	Ordinary	100%
Masabi LLC	USA	Sales and maintenance of mobile ticketing solutions	Ordinary	100%

Masabi Limited and Masabi US Limited is registered at 37 Beviden Street, London, N1 6BH. Masabi LLC is registered registered at 1330 Avenue of the Americas, Suite 23A, New York NY 10019.

c. Trade and other receivables

	2018 £'000	2017 £'000
Amounts due within one year		
Amounts due from group undertakings	25,755	19,926
Other receivables	51	10
Total trade and other receivables	25,806	19,936



d. Trade and other payables

	2018 £'000	2017 £'000
Amounts due to group undertakings	3	505
Accruals and deferred Income	88	42
Other payables	13	13
Total trade and other payables	104	560

e. Borrowings

	2018 £'000	2017 £'000
Amounts due within one year		
Liability component of convertible loan note	3,147	-
Other borrowings	300	-
Total borrowings within one year	3,447	-
Amounts due within two to five years		
Liability component of convertible loan note	959	-
Other borrowings	-	300
Total borrowings after one year	959	300
Total borrowings	4,406	300

Amounts of £522k in respect of convertible loan notes issued in the year have been taken to equity (2017: nil). The capital value of the convertible loans notes as at 31 December 2018 was £4,600k (2017: nil) and interest accrued in respect of the loan notes was £41k (2017: nil).

The terms of the loans are summarised as follows:

Loan	Coupon	Currency	2018 £'000	2017 £'000
Unsecured Loan	10.5%	GBP	300	300
2019 Secured Convertible Loan Notes	-	GBP	3,147	-
2021 Unsecured Convertible Loan Notes	5%	GBP	959	-
Total borrowings			4,406	300

f. Share capital

The share capital for the company is summarised in note 12.