

25 September 2019

Immotion Group PLC ("Immotion Group"; the "Company" or the "Group")

Interim Statement

Immotion Group PLC (AIM: IMMO.L), the provider of 'Out of Home' virtual reality ("VR") experiences, is pleased to announce its Interim Results for the six months to 30 June 2019.

Highlights

- Revenue for 6 months to 30 June 2019: £1.3m
- Strong summer trading - July/August aggregate revenue £0.9m (VR £0.8m)
- 256 installed headsets; 33 further contracted installs expected in next 3 weeks
- Overall average revenue per headset: £320 (8 months to 31 August 2019)
- Partner average revenue per headset very encouraging: £381 per headset for 8 months to 31 August 2019
- Monthly underlying EBITDA breakeven expected in Q1 2020
- Partner model gaining considerable traction – high quality signings
- Most recent partners signed: Dubai Aquarium; San Antonio Aquarium and Austin's Aquarium (Texas)
- Aquarium sector outperforming – strong pipeline of interest
- Placing completed July 2019 raising £2.4m gross
- Cash on hand £2.3m

Robin Miller, Chairman of Immotion Group said: *"We are now beyond the half way stage of what looks like a very promising year. We have, through a journey of discovery, honed our business model and are now focused on growing this model rapidly.*

Our partnerships with entertainment giants are not only minimising risk but providing huge opportunity on a global basis. We are therefore confident in our target of not only reaching monthly breakeven in Q1 2020, but in delivering 1000 installed headsets by the end of 2020."

We are particularly encouraged by our early success in the USA, with our aquarium offering. Our wide range of experiences are proving popular both in the 'edutainment' and 'entertainment' sectors. Our partnership model is a winning formula and whilst there is much to be done, we look forward with considerable confidence."

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

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Overview

We are pleased to report solid progress in the first half of 2019. We have continued to add a number of high-quality partners to our roster, especially in the Aquarium sector, which has strongly out-performed the overall estate and will be the focus of our efforts over the coming months.

Trading in the overall Partner estate has been excellent. For the year to date, average gross revenue per headset per week was £320 across our current estate and averaged at the significantly higher figure of £402 during the six-week school holiday period, further underpinning our decision to focus all our efforts on our partnership model. Our current partnership estate averaged £381 per headset per week in the 8 months to 31 August 2019.

Total revenue during the peak-trading months of July and August 2019 was in excess of £0.9m (with Commercial work comprising £0.1m).

Our simple offering makes life very easy for our Partners. We provide the hardware; the content; training and support, all at our cost. The Partner provides the staff; space and the footfall at their cost, with revenues being shared.

This model allows the Partner to offer a sector relevant immersive VR experience to their visitors at an affordable price. The small footprint, valuable ancillary revenue, and no upfront capital investment is proving compelling for Partners and provides us with the opportunity to work with high quality partners with significant established footfall.

We have divided the market into four sectors: Aquariums, Zoos, and Science Centres (“Edutainment”) and Entertainment. To date our focus has been on both the Entertainment and the Aquarium destinations within the Edutainment sector.

In the Entertainment vertical, we have secured partnerships with a number of leading players, including The O2, Blackpool Tower and Madame Tussauds to name but a few.

The response both in terms of Partner and visitor uptake in the Aquaria sector has exceeded our expectations. This along with a wider interest in educational VR experiences, has spurred us on to begin development of tailored offerings for the Zoo and Science Centre markets.

We currently have a total installed base of 256 headsets with a further 33 installs due in next 3 weeks and remain confident of reaching the 400+ installed headsets necessary to meet our short-term objective of monthly EBITDA breakeven in Q1 2020.

We have set ourselves the challenging target of a total of 1,000 headsets installed by the end of 2020. To achieve this goal, we will continue to focus our efforts on signing new partners, especially in the 'Edutainment' sector, in both the USA and in Europe. Given the initial outperformance of and further interest in our Aquarium offering this will be the main focus of our marketing efforts for the remainder of 2019.

In addition, we recently exhibited at the annual conferences of both the Association of Zoos and Aquaria (AZA) in New Orleans, USA, and the European Association of Zoos and Aquariums (EAZA) in Valencia, Spain, where we received a very positive reception and a large number of enquiries from major aquariums and zoos. In addition, we are in advanced discussions with a number of major new leisure partners.

Financial Review

Revenue for the 6 months from continuing operations was £1.3m with very strong growth seen in our key Partner segment. VR revenues, excluding hardware sales, increased to £1.0m in H1 2019, up 55% and 854% compared with H2 2018 and H1 2018 respectively.

Trading was particularly strong in July and August 2019 driven by the summer holiday season; the out-performance of our aquarium sites; and a larger installed base. Un-audited aggregate revenue for July and August 2019 was in excess of £0.9m (with Commercial activities comprising £0.1m).

Revenue for the period includes income of £0.1m from Commercial and licensing activities, mainly the contract with IP2. We have exited low margin agency work across the group but will look strategically at projects that provide us with content and other IP that can be used in the core business at minimal net cost or indeed which are self-funding.

Our overall EBITDA loss from continuing operations (before one-offs and share based payments) was £1.4m, which was in line with our expectations. We would expect the loss to reduce in H2 as our installed Partner sites and associated revenue continue to grow. We continue to expect monthly underlying EBITDA breakeven to be achieved during Q1 2020.

Our cash position has been bolstered by the equity placing completed in early August 2019 which raised circa £2.4m gross. Cash on hand is currently £2.3m.

Outlook

We are now starting to reap the benefits of our decision to focus our efforts on our unique Partnership model, and with increased investment in our Partner Sales team, we are seeing strong demand from prospective Partners for our offering.

We are focused on delivering EBITDA breakeven in Q1 2020, and from this base to continue our growth into a highly profitable business in this emerging market.

IMMOTION GROUP PLC
INTERIM CONSOLIDATED INCOME STATEMENT
for the six months ended 30 June 2019

	Notes	Unaudited Six months to 30 June 19 £'000	Unaudited Six months to 30 June 18 £'000	Audited 12 months to 31 December 18 £'000
Continuing Operations				
Revenue		1,280	547	1,948
Cost of sales		(1,154)	(502)	(1,436)
Gross profit		<u>126</u>	<u>45</u>	<u>512</u>
Administrative expenses		(2,629)	(1,496)	(4,264)
Operating loss		<u>(2,503)</u>	<u>(1,451)</u>	<u>(3,752)</u>
<p>“Adjusted operating loss” being operating loss before exceptional charges, depreciation and amortisation and share based payments</p>				
		(1,443)	(1,162)	(2,360)
Amortisation		(236)	(40)	(178)
Depreciation		(569)	(135)	(405)
Share based payments		(131)	-	(137)
Acquisition & listing costs		-	(114)	(672)
Restructuring and outlet closure costs		(124)	-	-
Operating loss		<u>(2,503)</u>	<u>(1,451)</u>	<u>(3,752)</u>
Finance costs		(74)	(27)	(57)
Finance income		2	-	2
Loss before taxation		<u>(2,575)</u>	<u>(1,478)</u>	<u>(3,807)</u>
Tax (charge)/credit		137	84	159
Loss for the period from continuing operations		<u>(2,438)</u>	<u>(1,394)</u>	<u>(3,648)</u>
Profit/ (loss) from discontinued operations	10	44	(196)	(175)
TOTAL EXPENSE FOR THE PERIOD		<u>(2,394)</u>	<u>(1,590)</u>	<u>(3,823)</u>
Profit/ (loss) on translation of subsidiary		4	(13)	(16)
OTHER COMPREHENSIVE EXPENSE FOR THE PERIOD		<u>4</u>	<u>(13)</u>	<u>(16)</u>
TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD		<u>(2,390)</u>	<u>(1,603)</u>	<u>(3,839)</u>
Earnings per share	4			
		£	£	£
Basic EPS from continuing operations		(1.06)	(0.14)	(2.31)
Basic EPS from discontinued operations		0.02	(0.02)	(0.11)
Basic EPS from loss for the period		<u>(1.04)</u>	<u>(0.16)</u>	<u>(2.42)</u>
Diluted EPS from continuing operations		(1.06)	(0.14)	(2.31)
Diluted EPS from discontinued operations		0.02	(0.02)	(0.11)
Diluted EPS from loss for the period		<u>(1.04)</u>	<u>(0.16)</u>	<u>(2.42)</u>

IMMOTION GROUP PLC
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 June 2019
(unaudited)

	Share Capital	Share Premium reserve	Retained earnings	Foreign exchange reserve	Other reserves	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 December 2017	-	3,704	(175)	-	-	3,529
Total comprehensive expense for the period	-	-	(1,590)	-	-	(1,590)
Currency translation expense	-	-	-	(13)	-	(13)
Issue of new shares	-	571	-	-	-	571
Bonus Issue	52	(52)	-	-	-	-
Issue costs deducted from equity	-	(68)	-	-	-	(68)
Equity element of convertible loan	-	-	-	-	126	126
Balance at 30 June 2018	<u>52</u>	<u>4,155</u>	<u>(1,765)</u>	<u>(13)</u>	<u>126</u>	<u>2,555</u>
Total comprehensive expense for the period	-	-	(2,233)	-	-	(2,233)
Issue of new shares	26	6,215	-	-	(126)	6,115
Issue costs deducted from equity	-	(371)	-	-	-	(371)
Share based payment expense	-	-	137	-	-	137
Currency translation of overseas subsidiary	-	-	-	(3)	-	(3)
Balance at 31 December 2018	<u>78</u>	<u>9,999</u>	<u>(3,861)</u>	<u>(16)</u>	<u>-</u>	<u>6,200</u>
Total comprehensive expense for the period	-	-	(2,394)	-	-	(2,394)
Currency translation expense	-	-	-	4	-	4
Issue of new shares	22	3,278	-	-	-	3,300
Issue costs deducted from equity	-	(219)	-	-	-	(219)
Share based payment expense	-	-	131	-	-	131
Balance at 30 June 2019	<u>100</u>	<u>13,058</u>	<u>(6,124)</u>	<u>(12)</u>	<u>-</u>	<u>7,022</u>

IMMOTION GROUP PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2019

	Notes	Unaudited 30 June 19 £'000	Unaudited 30 June 18 £'000	Audited 31 December 18 £'000
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment		1,838	749	1,574
Right of use asset		914	-	-
Intangible assets	5	4,517	3,048	4,038
TOTAL NON-CURRENT ASSETS		<u>7,269</u>	<u>3,797</u>	<u>5,612</u>
CURRENT ASSETS				
Inventories		147	-	133
Trade and other receivables		1,139	987	1,410
Deferred tax asset		-	9	-
Cash and cash equivalents		737	109	711
TOTAL CURRENT ASSETS		<u>2,023</u>	<u>1,105</u>	<u>2,254</u>
TOTAL ASSETS		<u>9,292</u>	<u>4,902</u>	<u>7,866</u>
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables		(864)	(1,321)	(886)
Finance Leases		(559)	(60)	(52)
Bank overdraft and loans		(156)	(666)	(177)
Deferred tax		(38)	-	(26)
Contract liabilities		(113)	(135)	(189)
TOTAL CURRENT LIABILITIES		<u>(1,730)</u>	<u>(2,182)</u>	<u>(1,330)</u>
TOTAL CURRENT NET ASSETS		<u>293</u>	<u>(1,077)</u>	<u>924</u>
NON-CURRENT LIABILITIES				
Bank loans		(88)	(61)	(147)
Finance leases		(435)	(104)	(71)
Other payables		(17)	-	(54)
Deferred tax liability		-	-	(64)
TOTAL NON-CURRENT LIABILITIES		<u>(540)</u>	<u>(165)</u>	<u>(336)</u>
TOTAL NET ASSETS		<u>7,022</u>	<u>2,555</u>	<u>6,200</u>
CAPITAL AND RESERVES				
ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT				
Issued Share capital	6	100	52	78
Share premium account	6	13,058	4,155	9,999
Other reserves		-	126	-
Foreign exchange reserve		(12)	(13)	(16)
Retained earnings		(6,124)	(1,765)	(3,861)
		<u>7,022</u>	<u>2,555</u>	<u>6,200</u>

IMMOTION GROUP PLC
CONSOLIDATED CASH FLOW STATEMENT
for the six months ended 30 June 2019

	Unaudited Six months to 30 June 19 £'000	Unaudited Six months to 30 June 18 £'000	Audited 12 months to 31 December 18 £'000
OPERATING ACTIVITIES			
Loss before tax including discontinued operations	(2,531)	(1,603)	(3,982)
Adjustments for:			
Share based payments	131	-	137
Depreciation	569	135	385
Amortisation	236	200	178
Impairment of intangible assets	-	-	231
Finance costs	74	27	57
Finance income	-	-	(2)
Foreign exchange on retranslation of fixed assets	(11)	8	(28)
Foreign exchange loss	4	-	(16)
Taxation paid	-	84	(13)
Operating loss before changes in working capital and provisions	<u>(1,528)</u>	<u>(1,149)</u>	<u>(3,053)</u>
Increase in stocks	(14)	-	(133)
Decrease/(increase) in trade and other receivables	357	(122)	(458)
(Decrease) in trade and other payables	(117)	406	168
Cash generated by/ (used in) operations	<u>226</u>	<u>284</u>	<u>(423)</u>
Cash flows used in operating activities	<u>(1,302)</u>	<u>(865)</u>	<u>(3,476)</u>
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(1,750)	(407)	(1,524)
Purchase of intangible assets	(715)	(352)	(1,542)
Disposals of PPE	25	-	76
Finance income	2	-	2
Cash consumed by investing activities	<u>(2,438)</u>	<u>(759)</u>	<u>(2,988)</u>
FINANCING ACTIVITIES			
New Loans and finance leases	1,063	-	179
Loan repayments	(91)	-	(89)
Finance lease repayments	(213)	-	-
Issue of ordinary shares	3,300	503	6,324
Costs on issue of shares	(219)	-	(439)
Issue of convertible loan stock	-	488	488
Finance costs	(74)	(27)	(57)
Cash generated by financing activities	<u>3,766</u>	<u>964</u>	<u>6,406</u>
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>26</u>	<u>(660)</u>	<u>(58)</u>
Cash and cash equivalents brought forward	<u>711</u>	<u>769</u>	<u>769</u>
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u>737</u>	<u>109</u>	<u>711</u>

IMMOTION GROUP PLC
NOTES TO THE INTERIM REPORT
for the six months ended 30 June 2019

1. Corporate information

The interim consolidated financial statements of the group for the period ended 30 June 2019 were authorised for issue in accordance with a resolution of the directors on 24 September 2019. Immotion Group Plc (“the company”) is a Public Limited Company quoted on AIM, incorporated in England and Wales. The interim consolidated financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006.

2. Statement of Accounting policies

2.1 Basis of Preparation

The entities consolidated in the half year financial statements of the company for the six months to 30 June 2019 comprise the company and its subsidiaries (together referred to as “the group”).

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements.

The directors are satisfied that, at the time of approving the consolidated interim financial statements, it is appropriate to adopt a going concern basis of accounting and in accordance with the recognition and measurement principles of International Financial Reporting Standards adopted for use in the European Union (“IFRS”).

2.2 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all periods presented, unless otherwise stated.

The interim results announcement has been prepared in accordance with International Financial Reporting Standards (“IFRS”), International Accounting Standards and Interpretations issued by the International Accounting Standards Board as adopted by the European Union (“IFRSs”) and with those parts of the Companies Act 2006 applicable to companies preparing their accounts under IFRSs. The consolidated financial statements have been prepared under the historical cost convention.

The preparation of these consolidated half year financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates in preparing these consolidated half year financial statements.

New, revised or amended Accounting Standards and Interpretations adopted

Effective 1 January 2019, IFRS 16 has replaced IAS 17 Leases and IFRIC 4 Determining Whether an Arrangement Contains a Lease. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value.

The Group adopted IFRS 16 using the modified retrospective approach with recognition from the transitional date (1 January 2019) without restatement of comparative figures.

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities, except whether the lease is low value, or the lease term is 12 months or less. The lease liabilities were measured at the present value of the remaining lease payments, discounted using the Group’s incremental borrowing rate as at 1 January 2019, considered to be 6%.

The following table presents the impact of adopting IFRS 16:

	1 January 2019 £'000
Loss for the period to 30 June 2019:	(2,394)
Add back: notional interest charged on finance leases	27
Add back: depreciation charged on right-of-use asset	160
Less: rent which would have been charged before transition:	(201)
Revised loss for 30 June 2019	(2,408)
Additional profit gained as a result of transition:	14

The following table reconciles the minimum lease commitments disclosed in the Group's 31 December 2018 annual financial statements to the amount of lease liabilities recognised on 1 January 2019:

	1 January 2019 £'000
Minimum operating lease commitment at 31 December 2018:	1,311
Less: short-term leases not recognised under IFRS 16	(88)
Less: leases terminated before 30/06/2019	(53)
Undiscounted lease payments	<u>1,170</u>
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	(107)
Lease liabilities recognised at 1 January 2019	<u>1,063</u>
Interest for 6 months to 30 June 2019	27
Rental payments for 6 months to 30 June 2019	(186)
Foreign exchange losses charge	(7)
Lease liability at 30 June 2019	<u>897</u>

3. Segment Information

The Group's primary reporting format for segment information is business segments which reflect the management reporting structure in the Group.

6 months to 30 June 2019

	VR experiences	Content	Head Office	Total continuing operations 6 months to 30 June 2019	Discontinued operations 6 months to 30 June 2019	Total 6 months to 30 June 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	1,147	133	-	1,280	18	1,298
Cost of sales	(1,055)	(99)	-	(1,154)	19	(1,135)
Admin expenses*	(639)	-	(930)	(1,569)	-	(1,569)
Operating (loss)/ profit	(547)	34	(930)	(1,443)	37	(1,406)
Amortisation	(52)	(134)	(50)	(236)	-	(236)
Depreciation	(388)	(34)	(147)	(569)	-	(569)
Restructuring and outlet closure costs	-	(53)	(71)	(124)	7	(117)
Finance costs	-	-	(74)	(74)	-	(74)
Finance income	-	-	2	2	-	2
Share based payments	-	-	(131)	(131)	-	(131)
Tax	-	-	137	137	-	137
Loss for the period	(987)	(187)	(1,264)	(2,438)	44	(2,394)

*Admin expenses exclude depreciation, amortisation and acquisition and listing costs.

3. Segment Information (continued)

	External revenue by location of customer			Total asset by location of assets		Net tangible capital expenditure by location of assets	
	30-Jun-19 Continuing £'000	30-Jun-19 Discontinuing £'000	31-Dec-18 £'000	30-Jun-19 £'000	31-Dec-18 £'000	30-Jun-19 £'000	31-Dec-18 £'000
United Kingdom	719	-	1,011	7,392	7,032	213	1,033
United States of America	348	18	636	1,393	834	314	491
Netherlands	77	-	230	-	-	-	-
KSA	56	-	-	60	-	61	-
China	34	-	49	-	-	-	-
Australia	23	-	-	18	-	18	-
Germany	14	-	(6)	34	-	40	-
Spain	12	-	224	-	-	-	-
United Arab Emirates	8	-	136	123	-	141	-
Japan	5	-	498	-	-	-	-
Estonia	1	-	16	-	-	-	-
Portugal	(17)	-	-	-	-	-	-
Saudi Arabia	-	-	48	-	-	-	-
Eire	-	-	8	-	-	-	-
Switzerland	-	-	4	-	-	-	-
Total	1,280	18	2,854	9,020	7,866	787	1,524

More than 10% of revenue was generated revenue from one customer. This has been recognised within VR experiences.

Total revenues for the period to 30 June 2019:

	£'000
USA	210
UK	105
Total	315

4. Earnings per share

The calculation of the group basic and diluted loss per ordinary share is based on the following data:

	Unaudited Six months to 30 June 19 £'000	Unaudited Six months to 30 June 18 £'000	Audited 12 months to 31 December 18 £'000
The earnings per share is based on the following:			
Continuing earnings post tax loss attributable to shareholders	(2,438)	(1,394)	(3,648)
Discontinued earnings post tax profit/ (loss) attributable to shareholders	44	(196)	(175)
	<u> </u>	<u> </u>	<u> </u>
Basic Weighted average number of shares	230,119,542	10,053,557	158,136,544
Diluted Weighted average number of shares	230,119,542	10,053,557	158,136,544
	<u> </u>	<u> </u>	<u> </u>
	£	£	£
Basic earnings per share	(1.04)	(0.16)	(2.42)
Diluted earnings per share	(1.04)	(0.16)	(2.42)
	<u> </u>	<u> </u>	<u> </u>
Continuing earnings per share	(1.06)	(0.14)	(2.31)
Continuing diluted earnings per share	(1.06)	(0.14)	(2.31)
	<u> </u>	<u> </u>	<u> </u>
Discontinued earnings per share	0.02	(0.02)	(0.11)
Discontinued diluted earnings per share	0.02	(0.02)	(0.11)
	<u> </u>	<u> </u>	<u> </u>

Earnings per ordinary share has been calculated using the weighted average number of shares in issue during the year. The weighted average number of equity shares in issue was 230,119,542.

5. Intangible Assets

	Other Intangible Assets	Goodwill acquired on acquisition	Development costs	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 January 2019	504	2,438	1,506	4,448
Additions	-	-	715	715
At 30 June 2019	504	2,438	2,221	5,163
Amortisation				
At 1 January 2019	316	-	94	410
Charge	36	-	200	236
At 30 June 2019	352	-	294	646
Net book value				
30 June 2019	152	2,438	1,927	4,517
31 December 2018	188	2,438	1,412	4,038

Development costs are fully amortised on a straight-line basis over 3 years.

For projects which are still underway and are not ready to be used no amortisation has been charged.

Other intangible assets are being amortised over a period of 3 years. Goodwill is not amortised.

Amortisation is charged to administrative costs in the Statement of Comprehensive Income.

6. Share capital

Called up share capital Allotted, issued and fully paid	No.	Value £
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Ordinary shares of 0.00040108663 pence each	250,351,584	100
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Shares issued in the 6 month period to 30 June 2019:

Date	Description	No shares	Price/ share	Gross share value £	Cash received £
06.03.19	Issue of 6p shares	54,999,994	0.06	3,299,999	3,299,999
		<u>54,999,994</u>		<u>3,299,999</u>	<u>3,299,999</u>
As at 31 December 2018		195,351,590		10,517,386	7,403,887
As at 30 June 2019		250,351,584		13,817,385	10,703,886

7. Related party transactions

M J Higginson, R W Miller and D Marks, directors and shareholders of Immotion Group Plc, are also directors and shareholders of M Capital Ventures Ltd. Services to the value of £13,533 were invoiced in the period to 30 June 2019 by M Capital Ventures Ltd to Immotion Group Plc, no services were invoiced by Immotion Group Plc to M Capital Ventures Ltd. At 30 June 2019, Immotion Group Plc owed £5,275 (31 December 2018: £nil) to M Capital Ventures Ltd.

Brand consultancy services to the value of £25,355 (31 December 2018: £37,161) were invoiced in the period to Immotion Group Plc by S Higginson, the adult son of M J Higginson. M J Higginson is a director and shareholder of Immotion Group Plc. There was £nil (31 December 2018: £nil) outstanding at the period end.

M J Higginson is a controlling shareholder of M Capital Investment Properties Limited, and his adult son, S Higginson, and adult step-daughter, E Stanyon, are directors of that company. Services to the value of £24,411 (31 December 2018: £204,972) were invoiced in the period by M Capital Investment Properties to Immotion Group Plc. At 30 June 2019, Immotion Group Plc owed £3,822 (31 December 2018: £nil) to M Capital Investment Properties Limited.

R Miller is a director of Robin Miller Consultants Ltd. In the period, services totalling £8,862 (31 December 2018: £8,750) were billed to Immotion PLC from Robin Miller Consultants Ltd. At 30 June 2019, £3,135 (31 December 2018: £1,250) was owing to Robin Miller Consultants Ltd.

The total amounts paid to key management personnel during the period was £359,571. The key management personnel are considered to be the directors of Immotion Group PLC.

8. Post balance sheet event

On 5th and 7th August there were share issues which raised in aggregate £2.37m gross of fees.

9. Seasonality

The Group's activities are not subject to significant seasonal variation.

10. Discontinued operations

	6 months to 30 June 2019 Continuing operations	6 months to 30 June 2019 Discontinued operations	6 months to 30 June 2019 Total
	£'000	£'000	£'000
Revenue	1,280	18	1,298
Cost of sales	(1,154)	19	(1,135)
Gross profit	126	37	163
Sales general & administration expenses	(1,569)	-	(1,569)
Restructuring and outlet closure costs	(124)	7	(117)
Depreciation	(569)	-	(569)
Amortisation	(236)	-	(236)
Share based payments	(131)	-	(131)
Operating loss	(2,503)	44	(2,459)
Finance costs	(74)	-	(74)
Finance income	2	-	2
Profit/ (loss) before tax	(2,575)	44	(2,531)
Tax	137	-	137
Profit/ loss after tax	(2,438)	44	(2,394)
Other comprehensive expenses	4	-	4
Total Comprehensive expense	(2,434)	44	(2,390)

Cashflows from continuing and discontinued operations are as follows:

	Continuing £'000	Discontinuing £'000	Total £'000
Operating cash flows	(1,366)	64	(1,302)
Investing cash flows	(2,438)	-	(2,438)
Financing cash flows	3,766	-	3,766