UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: **May 31, 2018**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____________ to ________________

Commission File No. **000-52669**

MONAKER GROUP, INC.
(Exact name of registrant as specified in its charter)

Nevada	**26-3509845**
(State or other jurisdiction of incorporation or formation)	(I.R.S. Employer Identification Number)

2690 Weston Road, Suite 200
Weston, FL 33331
(Address of principal executive offices)

(954) 888-9779
(Registrant's telephone number)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☒
Emerging growth ☐	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of July 11, 2018, there were 8,012,656 shares outstanding of the registrant's common stock.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Monaker Group, Inc. and Subsidiaries
Consolidated Balance Sheet
(Unaudited)

	May 31, 2018	February 28, 2018
Assets		
Current Assets		
Cash	$ 659,120	$ 1,604,414
Notes receivable, net	4,500,000	—
Prepaid expenses and other current assets	111,922	37,857
Security deposits	33,529	15,000
Total current assets	5,304,571	1,657,271
Note receivable, net	—	2,900,000
Website Development costs and intangible assets, net	1,534,861	1,274,453
Total assets	$ 6,839,432	$ 5,831,724
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities		
Line of Credit	$ 1,193,000	$ 1,193,000
Accounts payable and accrued expenses	230,353	428,120
Other current liabilities	223,390	106,204
Deferred gain	4,500,000	
Total current liabilities	6,146,743	1,727,324
Deferred gain	—	2,900,000
Total liabilities	6,146,743	4,627,324
Commitments and contingencies		
Stockholders' equity (deficit)		
Common stock, $.00001 par value; 500,000,000 shares authorized; 8,152,656 and 8,001,266 shares issued and outstanding at May 31, 2018 and February 28, 2018, respectively	81	80
Additional paid-in-capital	112,286,868	111,901,094
Accumulated equity (deficit)	(111,594,260)	(110,696,774)
Total stockholders' equity (deficit)	692,689	1,204,400
Total liabilities and stockholders' equity (deficit)	$ 6,839,432	$ 5,831,724

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

Monaker Group, Inc. and Subsidiaries
Consolidated Statements of Operations
(Unaudited)

	May 31, 2018	May 31, 2017
Revenues		
Travel and commission revenues	$ 74,732	$ 156,046
Total revenues	74,732	156,046
Operating expenses		
General and administrative	486,215	159,664
Salaries and benefits	361,016	608,189
Cost of revenues	57,111	110,917
Selling and promotions expense	38,804	16,356
Technology and development	12,403	—
Total operating expenses	955,549	895,126
Operating loss	(880,817)	(739,080)
Other income (expense)		
Interest expense	(16,669)	(59,507)
Total other income (expense)	(16,669)	(59,507)
Net loss	$ (897,486)	$ (798,587)
Weighted average number of common shares outstanding		
Basic	8,152,463	4,522,120
Diluted	8,152,463	4,522,120
Basic net loss per share	$ (0.11)	$ (0.18)
Diluted net loss per share	$ (0.11)	$ (0.18)

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

Monaker Group, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
For the three months ended
(Unaudited)

	May 31, 2018	May 31, 2017
Cash flows from operating activities:		
Net loss	$ (897,486)	$ (798,587)
Adjustments to reconcile net loss to net cash from operating activities:		
Amortization and depreciation	70,385	—
Stock based compensation and consulting fees	—	386,480
Cancellation of common stock of Company issued as compensation	—	(450,945)
Changes in operating assets and liabilities:		
Increase (Decrease) in other current liabilities	117,186	(25,201)
Decrease in accounts payable and accrued expenses	(197,767)	(79,994)
Increase in prepaid expenses and other current assets	(74,065)	(10,944)
Increase in deposits	(18,529)	—
Net cash used in operating activities	(1,000,276)	(979,191)
Cash flows from investing activities:		
Website development costs	(330,793)	(76,500)
Net cash used in investing activities	(330,793)	(76,500)
Cash flows from financing activities:		
Proceeds from exercise of common stock warrants	385,775	129,888
Proceeds from issuance of common stock and warrants	—	360,000
Net cash provided by financing activities	385,775	489,888
Net decrease in cash	(945,294)	(565,803)
Cash at beginning of period	1,604,414	1,007,065
Cash at end of period	$ 659,120	$ 441,262
Supplemental disclosure:		
Cash paid for interest	$ 16,669	$ 59,506
Cash paid for taxes	$ —	$ —

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

Notes to the Consolidated Financial Statements
(Unaudited)

Note 1 – Summary of Business Operations and Significant Accounting Policies

Nature of Operations and Business Organization

Monaker Group, Inc. and its subsidiaries ("Monaker", "we", "our", "us", or "Company") operate online marketplaces (described in greater detail below). We believe the most promising part of our business plan is the plan to incorporate alternative lodging rental units into our marketplaces while facilitating access to alternative lodging rentals to other distributors. Alternative lodging rentals (ALRs) are whole unit vacation homes or timeshare resort units that are fully furnished, privately owned residential properties, including homes, condominiums, apartments, villas and cabins that property owners and managers rent to the public on a nightly, weekly or monthly basis. NextTrip.com, one of our marketplaces, provides access to airline, car rental, lodgings and activities products and, it will soon (planned to be completed in or around July 2018) include our ALR offering which will unite travelers seeking ALRs located in countries around the world. Another one of our other marketplaces, Maupintour, provides concierge tours and activities at destinations. Currently our Maupintour and NextTrip online marketplaces (each as discussed in greater detail below) are operational, provided that such marketplaces do not currently allow for the booking of ALRs, which capability we plan to have in place in or around the end of July 2018.

Our ambition is to become the largest instantly bookable vacation rental platform in the world, providing large travel distributors via a business-to-business model (B2B), our ALR inventory, as well as providing both ALR products and auxiliary services direct to consumers, so travelers can purchase vacations through NextTrip.com, NextTrip.biz, Maupintour.com or EXVG.com. Additionally, we plan to provide the most qualified platform to assist property owners and managers the means to broaden their distribution for booking their homes. The Company serves three major constituents: (1) property owners and managers, (2) travelers and (3) other travel/lodging distributors. Once operational, which is planned to be completed in or around the end of July 2018, property owners and managers will provide detailed listings of their properties to the Company with the goal of reaching a broad audience of travelers seeking ALRs. The property owners and managers will provide us their properties, at a preferential rate for each booking and, in return, their properties will be listed for free as an available ALR on NextTrip.com, NextTrip.biz, Maupintour.com or EXVG.com (as well as with distributors). Travelers will be able to visit NextTrip.com, Maupintour.com or EXVG.com (and distributors) and search and compare our large and detailed inventory of listings to find ALRs meeting their needs.

Monaker is a technology driven travel company which has identified and sourced ALR products and plans to convert them into instantly bookable products as its distinguishing niche. The ALRs are owned and leased by third parties and will be available to rent through Monaker's websites as well as other distributors in or around the end of July 2018. Monaker's services include critical elements such as technology, an extensive film library, trusted brands and established partnerships that enhance product offerings and reach. We believe that consumers are quickly adopting video for researching and educating themselves prior to purchases, and Monaker has carefully amassed video content, key industry relationships and a prestigious travel brand as cornerstones for the development and planned deployment of core-technology on both proprietary and partnership platforms.

Monaker sells travel services to leisure and corporate customers around the world. Our primary focus is to incorporate ALR options into our current offerings of scheduling, pricing and availability information for booking reservations for airlines, hotels, rental cars, cruises and other travel products such as sightseeing tours, shows and event tickets and theme park passes. The Company sells these travel services both individually and as components of dynamically-assembled packaged travel vacations and trips. In addition, the Company provides content that presents travelers with information about travel destinations, maps and other travel details. In February 2018, the Company introduced its new travel platform under the NextTrip brand. This platform continues to be improved with a focus on maximizing the consumer's experience and assisting them in the decision and purchasing process.

The platform is a licensed technology (described below) that through our proprietary technology, will allow our users to search large travel suppliers of alternative lodging inventories and present consumers comprehensive and optimal alternatives at the most inexpensive rates to choose from.

In March 2018, the Company introduced Travelmagazine.com, an online travel publication with the aim of giving travelers around the world inspiration for future travel destinations and trips. The publication offers written articles, videos, and podcasts. Moving forward, we plan for Travelmagazine.com to become a central hub of information for travelers who are looking to get detailed information on destinations all around the world. We also plan to move Travelmagazine.com from having content created by a team of staff writers, to a team of worldwide writers who will contribute content to the page for publication. The website is planned to be supported by advertising and allow for promotion of both ALR and Maupintour vacation products.

The Company plans to sell its travel services through various distribution channels. The primary distribution channel will be through its B2B channel partners which includes sales via (i) other travel companies' websites and (ii) networks of third-party travel agents. Secondary distribution will occur through the Company's own website at NextTrip.com, the NextTrip mobile application ("app") and Nexttrip.Biz. Additionally we plan to offer specialty travel services via EXVG.com and Maupintour, targeting high touch inventory to customers through a toll- free telephone number designed to assist customers with complex or high-priced offerings.

Monaker's core holdings include NextTrip.com, NextTrip.Biz, Maupintour.com and EXVG.com. NextTrip.com is the primary consumer website, where travel services and products are booked. The travel services and products include tours; activities/attractions; airline; hotel; and car rentals and where ALRs will be booked. Maupintour complements the Nextrip.com offering by providing high-end tour packages and activities/attractions. EXVG.com is planned to be a specialized secondary website devoted to those ALRs that cannot be booked on a real-time basis. These ALRs tend to be sourced from owners and managers who have not invested in a reservation management system and/or the owner or manager prefers to personally vet the customer before accepting a booking; typically because the ALR is a high value property. EXVG.com travel services and products will only include the aforementioned ALRs as well as tours and activities from Maupintour. NextTrip.Biz is targeted at small to midsized businesses offering them a customized travel solution for staff business travel to meetings, conferences, conventions or even vacation travel and gives the companies lower costs, better expense control and the option for a "self-branded" website.

Interim Financial Statements

These unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("US GAAP") for interim financial information and with the instructions to Form 10-Q and Regulation S-X. Accordingly, the consolidated financial statements do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been included and such adjustments are of a normal recurring nature. These consolidated financial statements should be read in conjunction with the financial statements for the fiscal year ended February 28, 2018 and notes thereto and other pertinent information contained in our Form 10-K the Company has filed with the Securities and Exchange Commission (the "SEC") on June 13, 2018.

The results of operations for the three months ended May 31, 2018, are not necessarily indicative of the results to be expected for the full fiscal year ending February 28, 2019.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All material inter-company transactions and accounts have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates. These differences could have a material effect on the Company's future results of operations and financial position. Significant items subject to estimates and assumptions include certain revenues, the allowance for doubtful accounts, the fair value of short-term investments, the carrying amounts of goodwill and other indefinite-lived intangible assets, depreciation and amortization, the valuation of stock options, deferred income taxes and the fair value of non-controlling interests.

Cash and Cash Equivalents

For purposes of balance sheet presentation and reporting of cash flows, the Company considers all unrestricted demand deposits, money market funds and highly liquid debt instruments with an original maturity of less than 90 days to be cash and cash equivalents. The Company had no cash equivalents at May 31, 2018 and February 28, 2018.

Website Development Costs

The Company accounts for website development costs in accordance with Accounting Standards Codification 350-50 "Website Development Costs". Accordingly, all costs incurred in the planning stage are expensed as incurred, costs incurred in the website application and infrastructure development stage that meet specific criteria are capitalized and costs incurred in the day to day operation of the website are expensed as incurred. All costs associated with the websites are subject to straight-line amortization over a three-year period.

Software Development Costs

The Company capitalizes internal software development costs subsequent to establishing technological feasibility of a software application in accordance with guidelines established by "ASC 985-20-25" Accounting for the Costs of Software to Be Sold, Leased, or Otherwise Marketed, requiring certain software development costs to be capitalized upon the establishment of technological feasibility. The establishment of technological feasibility and the ongoing assessment of the recoverability of these costs require considerable judgment by management with respect to certain external factors such as anticipated future revenue, estimated economic life, and changes in software and hardware technologies. Amortization of the capitalized software development costs begins when the product is available for general release to customers. Capitalized costs are amortized based on the greater of (a) the ratio of current gross revenues to the total current and anticipated future gross revenues, or (b) the straight-line method over the remaining estimated economic life of the product.

Impairment of Intangible Assets

In accordance with ASC 350-30-65 "Goodwill and Other Intangible Assets", the Company assesses the impairment of identifiable intangible assets whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors the Company considers important, which could trigger an impairment review include the following:

1. Significant underperformance compared to historical or projected future operating results;
2. Significant changes in the manner or use of the acquired assets or the strategy for the overall business; and
3. Significant negative industry or economic trends.

When the Company determines that the carrying value of an intangible asset may not be recoverable based upon the existence of one or more of the above indicators of impairment and the carrying value of the asset cannot be recovered from projected undiscounted cash flows, the Company records an impairment charge. The Company measures any impairment based on a projected discounted cash flow method using a discount rate determined by management to be commensurate with the risk inherent to the current business model. Significant management judgment is required in determining whether an indicator of impairment exists and in projecting cash flows. The Company did not record an impairment charge on its intangible assets during the three months ended May 31, 2018 and May 31, 2017. Intangible assets that have finite useful lives are amortized over their useful lives. The Company incurred amortization expense of $70,385 and $0 during the three months ended May 31, 2018 and 2017, respectively. Also, $1,485,000 of website development costs and $600,000 of rights to purchase land were impaired as of February 28, 2018. As of May 31, 2018, the Company's right to purchase land was sold for a promissory note in the amount of $1,600,000. The Company maintains a deferred gain of $1,600,000. On July 2, 2018, this promissory note was exchanged for 2,133,333 shares of Bettwork's common stock at $0.75 per share.

Convertible Debt Instruments

The Company records debt net of debt discount for beneficial conversion features and warrants, on a relative fair value basis. Beneficial conversion features are recorded pursuant to the Beneficial Conversion and Debt Topics of the Financial Accounting Standards Board (FASB) Accounting Standards Codification. The amounts allocated to warrants and beneficial conversion rights are recorded as debt discount and as additional paid-in-capital. Debt discount is amortized to interest expense over the life of the debt.

Derivative Instruments

The Company enters into financing arrangements that consist of freestanding derivative instruments or are hybrid instruments that contain embedded derivative features. The Company accounts for these arrangements in accordance with Accounting Standards Codification topic 815, Accounting for Derivative Instruments and Hedging Activities ("ASC 815") as well as related interpretations of this standard. In accordance with this standard, derivative instruments are recognized as either assets or liabilities in the balance sheet and are measured at fair values with gains or losses recognized in earnings. Embedded derivatives that are not clearly and closely related to the host contract are bifurcated and are recognized at fair value with changes in fair value recognized as either a gain or loss in earnings. The Company determines the fair value of derivative instruments and hybrid instruments based on available market data using appropriate valuation models, considering all of the rights and obligations of each instrument.

The Company estimates fair values of derivative financial instruments using various techniques (and combinations thereof) that are considered consistent with the objective measuring fair values. In selecting the appropriate technique, the Company considers, among other factors, the nature of the instrument, the market risks that it embodies and the expected means of settlement. For less complex derivative instruments, such as freestanding warrants, the Company generally uses the Black-Scholes model, adjusted for the effect of dilution, because it embodies all of the requisite assumptions (including trading volatility, estimated terms, dilution and risk free rates) necessary to determine the fair value of these instruments. Estimating fair values of derivative financial instruments requires the development of significant and subjective estimates that may, and are likely to, change over the duration of the instrument with related changes in internal and external market factors. In addition, option-based techniques (such as Black-Scholes model) are highly volatile and sensitive to changes in the trading market price of our common stock. Since derivative financial instruments are initially and subsequently carried at fair values, our income (expense) going forward will reflect the volatility in these estimates and assumption changes. Under the terms of this accounting standard, increases in the trading price of the Company's common stock and increases in fair value during a given financial quarter result in the application of non-cash derivative expense. Conversely, decreases in the trading price of the Company's common stock and decreases in trading fair value during a given financial quarter result in the application of non-cash derivative income.

Based upon ASC 815-25 the Company has adopted a sequencing approach regarding the application of ASC 815-40 to its outstanding convertible debentures. Pursuant to the sequencing approach, the Company evaluates its contracts based upon earliest issuance date.

In July 2017, the FASB issued Accounting Standards Update ("ASU") 2017-11, Earnings Per Share (Topic 260) Distinguishing Liabilities from Equity (Topic 480) Derivatives and Hedging (Topic 815): I. Accounting for Certain Financial Instruments with Down Round Features, II. Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception. ASU 2017-11 intends to reduce the complexity associated with the issuer's accounting for certain financial instruments with characteristics of liabilities and equity. Specifically, the FASB determined that a down round feature (as defined) would no longer cause a freestanding equity-linked financial instrument (or an embedded conversion option) to be accounted for as a derivative liability at fair value with changes in fair value recognized in current earnings and is effective in fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. The Company adopted the new standard during 2017, preventing the need to account for several outstanding warrants that contain down round features as derivative instruments.

Reclassification

For comparability, certain prior year amounts have been reclassified, where appropriate, to conform to the financial statement presentation used in 2018. The reclassifications have no impact on net loss.

Earnings per Share

Basic earnings per share are computed by dividing net income or loss by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed by dividing net income (loss) by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during each period. On February 12, 2018, we effected a 1:2.5 reverse stock-split of all of our outstanding shares of common stock, which has been retroactively reflected herein.

Fair Value of Financial Instruments

The Company has adopted the provisions of ASC Topic 820, Fair Value Measurements, which defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosures about fair value measurements. ASC 820 does not require any new fair value measurements, but provides guidance on how to measure fair value by providing a fair value hierarchy used to classify the source of the information. The fair value hierarchy distinguishes between assumptions based on market data (observable inputs) and an entity's own assumptions (unobservable inputs).

The hierarchy consists of three levels:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets of liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

The Company analyzes all financial instruments with features of both liabilities and equity under ASC 480, "Distinguishing Liabilities from Equity" and ASC 815, "Derivatives and Hedging". Derivative liabilities are adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as adjustments to fair value of derivatives. The effects of interactions between embedded derivatives are calculated and accounted for in arriving at the overall fair value of the financial instruments. In addition, the fair values of freestanding derivative instruments such as warrant and option derivatives are valued using the Black-Scholes model.

The Company uses Level 3 inputs for its valuation methodology for the warrant derivative liabilities and embedded conversion option liabilities as their fair values were determined by using the Black-Scholes option-pricing model based on various assumptions. The Company's derivative liabilities are adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as adjustments to fair value of derivatives.

The Company did not have exposure to derivative liabilities and the Company did not have exposure to embedded conversion options as those instruments were converted to equity positions by the note-holder. There are not derivative liabilities as of May 31, 2018 and February 28, 2018.

The Company has $-0- convertible promissory notes that include embedded conversion options at May 31, 2018 and February 28, 2018.

Going Concern

As of May 31, 2018, and February 28, 2018, the Company had an accumulated deficit of $111,594,260 and $110,696,774, respectively. The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As of May 31, 2018, the Company had negative working capital of $842,172, and for the three months ended May 31, 2018, a net loss of $897,486 and cash used in operations of $1,000,276.

We have very limited financial resources. We will need to raise substantial additional capital to support the on-going operation and increased market penetration of our products including the development of national advertising relationships, increases in operating costs resulting from additional staff and office space until such time as we generate revenues sufficient to support current operations. We believe that in the aggregate, we could require several millions of dollars to support and expand the marketing and development of our travel products, repay debt obligations, provide capital expenditures for additional equipment and development costs, payment obligations, office space and systems for managing the business, and cover other operating costs until our planned revenue streams from travel products are fully-implemented and begin to offset our operating costs. Our failure to obtain additional capital to finance our working capital needs on acceptable terms, or at all, will negatively impact our business, financial condition and liquidity. As of May 31, 2018, we had $6,146,743 of current liabilities. We currently do not have the resources to satisfy these obligations, and our inability to do so could have a material adverse effect on our business and ability to continue as a going concern.

Management's plans with regard to this going concern are as follows: the Company will continue to raise funds with third parties by way of public or private offerings, and management and members of the Board are working aggressively to increase the viewership of our products by promoting it across other mediums which we anticipate will result in higher revenues. The ability of the Company to continue as a going concern is dependent on the Company's ability to further implement its business plan and generate greater revenues. Management believes that the actions presently being taken to further implement its business plan and generate additional revenues provide the opportunity for the Company to continue as a going concern.

Revenue from Contracts with Customers

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-9, "Revenue from Contracts with Customers." The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Under the new guidance, an entity is required to perform the following five 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; and (5) recognize revenue when (or as) the entity satisfies a performance obligation. In August 2015, the FASB issued ASU 2015-14 which deferred the effective date of ASU 2014-9 by one year. As a result, the amendments in ASU 2014-9 are effective for public companies for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. Additional ASUs have been issued that are part of the overall new revenue guidance, including: ASU No. 2016-8, "Principal versus Agent Considerations (Reporting Revenue Gross versus Net)," ASU No. 2016-10, "Identifying Performance Obligations and Licensing," and ASU 2016-12, "Narrow Scope Improvements and Practical Expedients."

The new revenue recognition standard prescribes a five-step model that focuses on transfer of control and entitlement to payment when determining the amount of revenue to be recognized. The new model requires companies to identify contractual performance obligations and determine whether revenue should be recognized at a point in time or over time for each of these obligations. We adopted the requirements of the new standard effective March 1, 2018 and used modified retrospective adoption approach.

The impact to our results is not material because the analysis of our contracts under the new revenue recognition standard supports the recognition of revenue at a point in time since control over the asset passes to our customer and there are no more outstanding performance obligations to be satisfied for our travel or tour products or services we distribute to our customers, which is consistent with our current revenue recognition model. In addition, the number of performance obligations under the new standard is not materially different from our contract segments under the existing standard. Lastly, the accounting for the estimate of variable consideration is not materially different compared to our current practice.

Performance Obligations and Revenue Recognition

We account for revenue in accordance with ASC 606. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer, and is the unit of account in ASC 606. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services. The contract transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. We do not have any significant payment terms, as payment is received shortly after goods are delivered or services are provided.

Contract Balances

Accounts receivable, net

The timing of revenue recognition may differ from the timing of invoicing to customers. Accounts receivable are recorded at the invoiced amount, net of any necessary allowance for doubtful accounts. A receivable is recognized in the period the Company provides the underlying services or when the right to consideration is unconditional. The balance of accounts receivable, net of the allowance for doubtful accounts, as of May 31, 2018 and February 28, 2018 is presented in the accompanying condensed consolidated balance sheets.

Deferred revenue and deferred cost of sales

Deferred revenue consists primarily of the transaction price allocated to performance obligations that are recognized on a point in time basis. Billings associated with such items are typically completed upon the transfer of control of promised products or services has been transferred to the customer at the earliest of the customer travel date or the expiration of a cancellation date. Deferred costs primarily refer to fees for the purchase of travel or tours from other travel vendors. Deferred revenue also consists of advance payments from customers for uncompleted contracts.

Practical Expedients and Exemptions

The Company does not disclose the value of unsatisfied performance obligations since its contracts generally have an original expected term of one year or less and the Company recognizes revenues at the amount to which it has the right to invoice for services performed.

The Company applies a practical expedient, as permitted within ASC 340, to expense as incurred the incremental costs to obtain a contract when the amortization period of the asset that would have otherwise been recognized is one year or less.

Recent Accounting Pronouncements

Leases. In February 2016, the FASB issued new guidance related to accounting and reporting guidelines for leasing arrangements. The new guidance requires entities that lease assets to recognize assets and liabilities on the balance sheet related to the rights and obligations created by those leases regardless of whether they are classified as finance or operating leases. Consistent with current guidance, the recognition, measurement, and presentation of expenses and cash flows arising from a lease primarily will depend on its classification as a finance or operating lease. The guidance also requires new disclosures to help financial statement users better understand the amount, timing and uncertainty of cash flows arising from leases. This guidance is effective for annual and interim reporting periods beginning after December 15, 2018. Early adoption is permitted and should be applied using a modified retrospective approach. We are in the process of evaluating the impact of adopting this new guidance on our consolidated financial statements.

Hedge Accounting. In August 2017, the FASB amended the existing accounting guidance for hedge accounting. The amendments require expanded hedge accounting for both non-financial and financial risk components and refine the measurement of hedge results to better reflect an entity's hedging strategies. The new guidance also amends the presentation and disclosure requirements and changes how entities assess hedge effectiveness. The new guidance is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2018 with early adoption permitted. The new guidance must be adopted using a modified retrospective transition with a cumulative effect adjustment recorded to opening retained earnings as of the initial adoption date. We are in the process of evaluating the impact of adopting this new guidance on our consolidated financial statements.

Measurement of Credit Losses on Financial Instruments. In June 2016, the FASB issued new guidance on the measurement of credit losses for financial assets measured at amortized cost, which includes accounts receivable, and available-for-sale debt securities. The new guidance replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. This update is effective for annual periods beginning after December 15, 2019, including interim periods within those annual periods. Early adoption is permitted for annual periods beginning after December 15, 2018, including interim periods within those annual periods. We are in the process of evaluating the impact of adopting this new guidance on our consolidated financial statements.

Note 2 – Note Receivable

Current

On May 16, 2016, the Company entered into a Membership Interest Purchase Agreement with Crystal Falls Investments, LLC ("Crystal Falls"), for the sale of its 51% membership interest in Name Your Fee, LLC, in exchange for a Promissory Note, maturing on May 15, 2018, in the amount of $750,000 (the "Name Your Fee Note"). The Name Your Fee Note does not accrue interest, is secured by the 51% membership interest in Name Your Fee, LLC and was to be repaid through 20% of the net earnings received in NameYourFee.com through maturity. The Name Your Fee Note contains standard and customary events of default. The principal amount of the note was due on May 15, 2018 and is in default.

On August 31, 2017, we entered into an Assignment and Novation Agreement (the "Assignment") with Bettwork Industries, Inc. ("Bettwork") and Crystal Falls. Pursuant to the Assignment, the Name Your Fee Note, which had a principal balance of $750,000 as of the date of the Assignment, was assigned from Crystal Falls to Bettwork, we agreed to only look to Bettwork for the repayment of the Name Your Fee Note, Bettwork agreed to repay the Name Your Fee Note pursuant to its terms, and we provided Crystal Falls a novation of amounts owed thereunder. Crystal Falls also released us from any and all claims in connection with such Name Your Fee Note and any other claims which Crystal Falls then had. The Assignment also amended the Name Your Fee Note to include an option which allows us to convert the amount owed under the Name Your Fee Note into shares of Bettwork's common stock at a conversion price of $1.00 per share. The outstanding principal balance of the Name Your Fee Note as of May 31, 2018 and February 28, 2018 is $750,000 and $750,000, respectively, and, an allowance for bad debt of $750,000 (i.e., 100%) has been reserved against the Name Your Fee Note as of May 31, 2018 and February 28, 2018; this amount has been recognized as a bad debt expense included in general and administrative expenses during the fiscal year ended February 28, 2018. As described below under Note 11, Subsequent Events, on July 2, 2018, this promissory note was exchanged for 2,133,333 shares of Bettwork's common stock at $0.75 per share.

On November 21, 2017, we entered into a Purchase Agreement and an addendum thereto (the "Purchase Addendum") with A-Tech LLC ("A-Tech") on behalf of its wholly-owned subsidiary Parula Village Ltd. ("Parula") whereby we purchased from A-Tech, through Parula, ownership of 12 parcels of land on Long Caye, Lighthouse Reef, Belize (the "Property") for 240,000 shares of restricted common stock valued at a total of $1,500,000. As part of the same consideration, A-Tech agreed to construct 12 vacation rental residences on the Property within 270 days of closing of the transaction (the "Construction Obligation"); and the agreement provided that if the vacation rental residences were not completed within the 270 days, Monaker would cancel 12,000 shares, valued at $75,000 (of the previously issued 240,000 shares of restricted common stock) for each residence not completed. Additionally, in the event the average closing price of Monaker's common stock for the 10 trading days prior to the 90th day after the closing of the transaction was less than $6.25 per share, Monaker was required to issue additional shares of restricted common stock such that the value of the shares issued to A-Tech totaled $1.5 million. On February 20, 2018 (the first business day following the 90th day after the closing), Monaker issued an additional 66,632 shares of common stock at $4.80 for a total of $319,834, to meet the 90-day look-back provision for a guaranteed purchase price of $1.5 million.

On May 31, 2018, Monaker and Bettwork entered into an agreement whereby Bettwork acquired the 'right to own' the Property from the Company in consideration for a Secured Convertible Promissory Note in the amount of $1.6 million (the "Secured Note"). The amount owed under the Secured Note accrues interest at a fluctuating interest rate, based on the prime rate, and is due and payable on May 31, 2020. The repayment of the Secured Note is secured by a first priority security interest in the 'right to own' and subsequent to the exercise thereof, the Property. Bettwork may prepay the Secured Note at any time, subject to its obligation to provide the Company 15 days prior written notice prior to any prepayment. The Secured Note is convertible into shares of Bettwork's common stock, at our option, subject to a 9.99% beneficial ownership limitation. The conversion price of the Secured Note is $1.00 per share, unless, prior to the Secured Note being paid in full, Bettwork completes a capital raise or acquisition and issues common stock or common stock equivalents (including, but not limited to convertible securities) with a price per share (as determined in our reasonable discretion) less than the Conversion Price then in effect (each a "Transaction"), at which time the Conversion Price will be adjusted to match such lower pricing structure associated with the Transaction (provided such repricing shall continue to apply to subsequent Transactions which occur prior to the Secured Note being paid in full as well). The outstanding principal balance of the Secured Note as of May 31, 2018 and February 28, 2018 is $1,600,000 and $0, respectively, and this amount has been recognized as a deferred liability of $1.6 million as of May 31, 2018. On July 2, 2018, this promissory note was exchanged for 2,133,333 shares of Bettwork's common stock at $0.75 per share.

Effective on August 31, 2017, we entered into a Purchase Agreement (the "Purchase Agreement") with Bettwork. Bettwork's common stock is quoted on the OTC Pink market under the symbol "BETW". Pursuant to the Purchase Agreement, we sold Bettwork:

(a) our 71.5% membership interest in Voyages North America, LLC, a Delaware limited liability company ("Voyages"), including the voyage.tv website and 16,000 hours of destination and promotional videos;
(b) our 10% ownership in Launch360 Media, Inc., a Nevada corporation ("Launch360");
(c) Rights to broadcast television commercials for 60 minutes every day on R&R TV network stations which rights remain in place until the earlier of (i) the date the shares of Launch360 are no longer held by Bettwork; and (ii) the date that Launch360 no longer has rights to broadcast television commercials on R&R TV network stations, for whatever reason; and
(d) Our Technology Platform for Home & Away Club and supporting I.C.E. partnership (collectively (a) through (d), the "Assets").

Bettwork agreed to pay $2.9 million for the assets, payable in the form of a Secured Convertible Promissory Note (the "$2.9 Million Secured Note"). The amount owed under the $2.9 Million Secured Note accrues interest at the rate of (a) six percent per annum until the end of the last day of the month in which the sale occurred; and (b) the greater of (i) six percent per annum and (ii) the prime rate plus 3 3/4% per annum, thereafter through maturity, which maturity date is August 31, 2020, provided that the interest rate increases to twelve percent upon the occurrence of an event of default. As of May 31, 2018 and February 28, 2018, no interest income has been accrued.

Bettwork may prepay the $2.9 Million Secured Note at any time, subject to its obligation to provide us 15 days prior written notice prior to any prepayment. The $2.9 Million Secured Note is convertible into shares of Bettwork's common stock, at our option, subject to a 4.99% beneficial ownership limitation (which may be waived by us with at least 61 days prior written notice). The conversion price of the $2.9 Million Secured Note is $1.00 per share (the "Conversion Price"), unless, prior to the $2.9 Million Secured Note being paid in full, Bettwork completes a capital raise or acquisition and issues common stock or common stock equivalents (including, but not limited to convertible securities) with a price per share (as determined in our reasonable discretion) less than the Conversion Price then in effect (each a "Transaction"), at which time the Conversion Price will be adjusted to match such lower pricing structure associated with the Transaction (provided such repricing shall continue to apply to subsequent Transactions which occur prior to the Secured Note being paid in full as well). The outstanding principal balance of the $2.9 Million Secured Note as of May 31, 2018 and February 28, 2018 is $2,900,000 and $2,900,000, respectively, and, an allowance of $2,900,000 (i.e., 100%) has been reserved against the $2.9 Million Secured Note as of May 31, 2018 and February 28, 2018; this amount has been recognized as a deferred gain liability as of May 31, 2018 and February 28, 2018. The repayment of the $2.9 Million Secured Note is secured by a first priority security interest in all of the Assets. As described below under Note 11, Subsequent Events, on July 2, 2018, this promissory note was exchanged for 3,866,667 shares of Bettwork's common stock at $0.75 per share.

Note 3 – Investment in Equity Instruments and Deconsolidation

We assess the potential impairment of our equity method investments when indicators such as a history of operating losses, negative earnings and cash flow outlook, and the financial condition and prospects for the investee's business segment might indicate a loss in value. We have recognized an impairment loss on investment in unconsolidated affiliate. As of February 28, 2018, Monaker owned 44,470,101 shares of RealBiz Media Group, Inc. (RealBiz) Series A Preferred Stock and, as of February 28, 2017, Monaker owned 44,470,101 shares of RealBiz Series A Preferred Stock and 10,359,890 shares of RealBiz common stock. This interest was been written down to zero ($0) as of February 28, 2015.

On November 16, 2016, RealBiz notified Monaker that the Board of Directors of RealBiz voted to cancel and retire all issued and outstanding shares of RealBiz Preferred Stock and all but 1,341,533 shares of common stock of RealBiz held by Monaker. On January 18, 2017, RealBiz unilaterally cancelled all shares of common stock of RealBiz held by Monaker. RealBiz's announced cancellation and retirement was without Monaker's consent, and done in violation of Delaware law, federal law and the terms of RealBiz's preferred and common stock. We filed a complaint on November 30, 2016 (Monaker Group, Inc., f/k/a Next 1 Interactive, Inc. v. RealBiz Media Group, Inc., f/k/a Webdigs, Inc. and American Stock Transfer & Trust Company, LLC Case No.: 1:16-cv-24978-DLG), seeking damages and injunctive and declaratory relief, arising from RealBiz's declared cancellation and retirement of the shares.

On December 22, 2017, we entered into a Settlement Agreement with RealBiz, NestBuilder.com Corp. ("Nestbuilder") and American Stock Transfer& Trust Company, LLC ("AST") relating to the dismissal with prejudice of certain pending lawsuits with RealBiz, including Case No.: 1:16-cv-24978-DLG, as described in greater detail below under "Note 9 - Commitments and Contingencies" – "Legal Matters". As part of the Settlement Agreement, Monaker agreed to pay NestBuilder $100,000 and to issue 20,000 shares of Monaker's restricted common stock to person(s) to be designated by NestBuilder; RealBiz reinstated to Monaker 44,470,101 shares of RealBiz Series A Convertible Preferred Stock and ratified all rights under the Certificate of Designation as reformed and amended (to provide for a conversion ratio of 1 share of RealBiz common stock for each 1 share of RealBiz Series A preferred stock converted) and remove any dividend obligations. The RealBiz designation was also amended to provide us with anti-dilution protection below $0.05 per share. The agreement further provided for each party to dismiss the above referenced lawsuits with prejudice and for general releases from each party. As a result of the settlement, the investment in equity securities, representing 44,470,101 shares of RealBiz Series A Preferred Stock, is recorded at $0 as of May 31, 2018 and February 28, 2018.

Note 4 – Acquisitions and Dispositions

On October 23, 2017, Monaker entered into a Platform Purchase Agreement with Exponential, Inc. ("XPO"), which offers a white-label e-commerce platform. Pursuant to the Platform Purchase Agreement, XPO agreed to provide us software development services in connection with the development of an e-commerce platform (the Monaker Booking Engine (MBE)) and related application program interfaces (APIs), and to further manage all merchant relationships sold on the platform and reporting and accounting thereof. Monaker issued XPO 200,000 shares of restricted common stock at $7.425 per share for a total acquisition price of $1,485,000. Additional consideration for the issuance of the shares included Monaker becoming the exclusive provider of alternative lodging rentals (ALRs) for all travel sales on XPO's platforms.

On November 14, 2017, Monaker entered into a Purchase Agreement with Michael Heinze, Michael Kistner and Rebecca Dernbach whereby Monaker purchased the source code owned in connection with an alternative lodging platform for $75,000 in cash and 34,783 shares of restricted common stock with a market value of $5.75 per share and an aggregate value of $200,000 for a total acquisition price of $275,000. Michael Heinze, Michael Kistner and Rebecca Dernbach (the "Put Option Holders") have the right to put the Shares back to Monaker after six months from the date of the Purchase Agreement for $125,000 in cash (i.e., May 13, 2018). On June 21, 2018, Monaker and the Put Option Holders entered into a Put Option Termination Agreement, whereby the Put Option Holders agreed to terminate the put option in consideration for $48,738, thus the common stock will not be put back to the Company.

Note 5 – Line of Credit

On June 15, 2016, we entered into a revolving line of credit agreement with Republic Bank, Inc. of Duluth, Minnesota ("Republic"), in the maximum amount of $1,000,000. Amounts borrowed under the line of credit accrue interest at the Wall Street Journal U.S. Prime Rate plus 1% (updated daily until maturity), payable monthly in arrears beginning on July 15, 2016. Any amounts borrowed under the line of credit are originally due on June 15, 2017; however, on June 12, 2017, the line of credit was extended for 90 days through September 13, 2017. On December 22, 2016, the revolving line of credit was increased to $1,200,000; all other terms of the revolving line of credit remained unchanged. On September 15, 2017, we entered into a replacement revolving line of credit agreement with Republic, which replaced and superseded the prior line of credit with Republic. The Line of Credit is now in an amount of up to $1.2 million, which borrowed amount is due and payable by us on September 15, 2018. Amounts borrowed under the Line of Credit accrue interest at the Wall Street Journal U.S. Prime Rate plus 1% (updated daily until maturity), payable monthly in arrears beginning on October 15, 2017. The loan contains standard and customary events of default and no financial covenants. As of May 31, 2018 and February 28, 2018, $1,193,000 is outstanding under the line of credit.

Interest expense charged to operations relating to this line of credit was $0 and $14,507, respectively, for the three months ended May 31, 2018 and 2017.

As of May 31, 2018 and February 28, 2017, accrued interest is $0 and $0, respectively. Interest obligations on the line of credit are current.

Note 6 – Convertible Promissory Notes

The Company had a convertible promissory note totaling $0 as of May 31, 2018 and February 28, 2017, respectively, with an interest rate of 6% per annum, maturing December 17, 2017 and with a fixed conversion rate of $5.00 per share.

Interest expense charged to operations relating to this convertible promissory note was $0 and $45,000, respectively, for the three months ended May 31, 2018 and 2017.

As of May 31, 2018 and February 28, 2017, accrued interest is $0 and $0, respectively.

On August 24, 2017, and effective on August 22, 2017, we entered into a Debt Conversion and Voting Agreement with Mark A. Wilton, a significant stockholder of the Company (the "Debt Conversion Agreement"). Pursuant to the Debt Conversion Agreement, we converted various promissory notes which Mr. Wilton held in the Company, which had an aggregate principal balance of $1,409,326 and were due and payable on December 17, 2017 (the "Wilton Notes", which includes the note referenced in the paragraph above), into 281,866 shares of our restricted common stock. The conversion was undertaken pursuant to the forced conversion terms of the Wilton Notes, which allowed us to force the conversion of the Wilton Notes into common stock at a conversion price equal to 80% of the 5 day trailing average closing price of our common stock prior to conversion. Additionally, pursuant to the Debt Conversion Agreement, we agreed to pay Mr. Wilton $45,000 in cash, payable at the rate of $15,000 per month in September, October and November, 2017, and Mr. Wilton agreed (a) to vote (and provided William Kerby, our Chief Executive Officer, and any other individual who is designated by us in the future, a proxy to vote), all of the voting shares held by him, in favor of any proposals recommended by the Board of Directors of the Company; and (b) to not transfer any of the voting shares which he held, subject to certain exceptions, until the earlier of August 22, 2020 and the date the Company provides Mr. Wilton notice of the termination of such voting proxy. We and Mr. Wilton also provided each other general releases pursuant to the Debt Conversion Agreement.

In August 2017, the Company issued 281,866 shares of common stock upon conversion of the $1,409,326 of principal amount of notes held by Mr. Wilton.

Note 7 – Deferred Gain

On August 31, 2017, we sold non-core assets for $2,900,000 (with a net book value of $0) which included our 71.5% membership interest in Voyages North America, LLC, our 10% ownership in Launch360 Media, Inc., rights to broadcast television commercials for 60 minutes every day on R&R TV network stations and our technology platform for Home & Away Club (as described in Note 2 and Note 4).

On May 31, 2018, Monaker and Bettwork entered into an agreement whereby Bettwork acquired the 'right to own' the Property from the Company in consideration for a Secured Convertible Promissory Note in the amount of $1.6 million (see Note 2). This amount has been recognized as a deferred gain of $1.6 million as of May 31, 2018.

The gain on the sale of the non-core assets and the sale of the right to own property (described above) is a deferred gain until it is probable that the note receivable will be collected. On July 2, 2018, the $2,900,000 promissory note was exchanged for 3,866,667 shares of Bettwork's common stock at $0.75 per share. Also, on July 2, 2018, the $1,600,000 promissory note was exchanged for 2,133,333 shares of Bettwork's common stock at $0.75 per share.

Note 8 – Stockholders' Equity (Deficit)

Preferred stock

The aggregate number of shares of preferred stock that the Company is authorized to issue is up to One Hundred Million (100,000,000), with a par value of $0.00001 per share (the "Preferred Stock") with the exception of Series A Preferred Stock shares having a $0.01 par value per share. The Preferred Stock may be divided into and issued in series. The Board of Directors of the Company is authorized to divide the authorized shares of Preferred Stock into one or more series, each of which shall be so designated as to distinguish the shares thereof from the shares of all other series and classes. The Board of Directors of the Company is authorized, within any limitations prescribed by law and the articles of incorporation, to fix and determine the designations, rights, qualifications, preferences, limitations and terms of the shares of any series of Preferred Stock.

On August 26, 2016, we converted all of our then outstanding Series B (110,200 shares), Series C (13,100 shares) and Series D (110,156 shares) Preferred Stock, into an aggregate of 444,712 shares of our common stock, pursuant to certain special conversion terms offered in connection therewith and the mandatory conversion terms thereof.

On September 22, 2017, we filed Certificate of Withdrawal of Certificate of Designations relating to our Series B, Series C and Series D Preferred Stock and terminated the designation of our Series B, Series C and Series D Preferred Stock. The designations previously included (a) 3,000,000 shares of preferred stock designated as Non-Voting Series B 10% Cumulative Convertible Preferred Stock; (b) 3,000,000 shares of preferred stock designated as Non-Voting Series C 10% Cumulative Convertible Preferred Stock; and (c) 3,000,000 shares of preferred stock designated as Non-Voting Series D 10% Cumulative Convertible Preferred Stock. The Certificate of Withdrawal of Certificate of Designations did not affect the Company's previously designated shares of Series A 10% Cumulative Convertible Preferred Stock.

All Series A, B, C and D Preferred Stock shares have been retired. There are no outstanding Series A, B, C, and D Preferred Stock shares.

Common Stock

On February 6, 2018, the Board of Directors of the Company, approved a 1-for-2.5 reverse stock split of the Company's outstanding common stock (the "Reverse Split"). The Company's majority stockholders, effective on September 13, 2017, via a written consent to action without a meeting, provided the Board of Directors authority to affect a reverse stock split of the Company's outstanding common stock in a ratio of between one-for-one and one-for-four, in their sole discretion, without further stockholder approval, by amending the Company's Articles of Incorporation, at any time prior to the earlier of (a) September 13, 2018; and (b) the date of the Company's 2018 annual meeting of stockholders (the "Stockholder Authority"). The Reverse Split was affected and approved by the Board of Directors pursuant to the Stockholder Authority. Effective on February 8, 2018, the Company filed a Certificate of Amendment to the Company's Articles of Incorporation with the Secretary of State of Nevada to effect the 1-for-2.5 Reverse Split, which was effective on February 12, 2018.

During the three months ended May 31, 2018, the Company:

- Issued 4,390 shares of common stock value at $21,248 in connection with the anti-dilution provisions of the July 31, 2017, Common Stock and Warrant Purchase Agreement, pursuant to which the Company sold certain accredited investors an aggregate of 613,000 shares of our common stock and 613,000 warrants to purchase one share of common stock for $5.00 per unit.
- Sold 147,000 shares of restricted common stock for $385,875 in proceeds in connection with the exercise of warrants.

The Company had 8,152,656 and 8,001,266 shares of common stock issued and outstanding as of May 31, 2018 and February 28, 2018, respectively.

Common Stock Warrants

The following table sets forth common stock purchase warrants outstanding as of May 31, 2018 and February 28, 2018, and changes in such warrants outstanding for the three months ended May 31, 2018:

	Warrants		**Weighted Average Exercise Price**
Outstanding, February 28, 2018	1,118,941	$	5.27
Warrants granted	—	$	—
Warrants exercised/forfeited/expired	(147,000)	$	(2.625)
Outstanding, May 31, 2018	971,941	$	5.29
Common stock issuable upon exercise of warrants	971,941	$	5.29

As of May 31, 2018, there were warrants to purchase 971,941 shares of common stock outstanding with a weighted average exercise price of $5.29 per share and weighted average life of 3.76 years. During the three months ended May 31, 2018, the Company did not grant any warrants.

Note 9 – Commitments and Contingencies

The Company leases its office space under non-cancellable operating leases. In accordance with the terms of the office space lease agreement, the Company is renting the commercial office space, for a term of three years from January 1, 2016 through December 31, 2018. Monthly rental costs for calendar years 2016, 2017 and 2018 are $6,500, $6,695 and $6,896, respectively. The rent for the years ended February 28, 2018 and February 28, 2017 was $79,864 and $79,665, respectively.

The current office lease terminated early on March 31, 2018, at the request of the landlord, without penalties to the Company. The Company has entered into a new contract for new office space, for a term of three years from April 15, 2018 through April 14, 2021. Monthly average rental costs for the periods ending February 28, 2019, 2020 and 2021 are $6,243, $6,461 and $6,744, respectively.

The rent for the three months ended May 31, 2018 and 2017 was $15,683 and $20,385, respectively.

Our future minimum rental payments through February 28, 2019 amount to $56,184.

The following schedule represents obligations under written commitments on the part of the Company that are not included in liabilities:

	Current	Long Term		
	February 28, 2019	**February 28, 2020**	**February 28, 2021 and thereafter**	**Totals**
Leases	$ 56,184	$ 77,534	$ 10,171	$ 143,889
Other	51,167	3,150	—	54,317
Totals	$ 107,351	$ 80,684	$ 10,171	$ 198,206

The Company is committed to pay three to six months' severance in the case of termination or death to certain key officers.

Legal Matters

The Company is involved, from time to time, in litigation, other legal claims and proceedings involving matters associated with or incidental to our business, including, among other things, matters involving breach of contract claims, intellectual property, employment issues, and other related claims and vendor matters. The Company believes that the resolution of currently pending matters will not individually or in the aggregate have a material adverse effect on our financial condition or results of operations. However, assessment of the current litigation or other legal claims could change in light of the discovery of facts not presently known to the Company or by judges, juries or other finders of fact, which are not in accord with management's evaluation of the possible liability or outcome of such litigation or claims.

On March 28, 2016, the Company was presented with a Demand for Arbitration, pursuant to Rule 4(a) of the American Arbitration Association Commercial Rules of Arbitration, whereby Acknew Investments, Inc. and Vice Regal Developments Inc. (Claimants) are arguing that $700,000 is due to them, even though they have already been paid said amounts through preferred shares that were issued as a guarantee and which Claimants converted into shares of common stock. In connection with the purchase of the stock of the entity that eventually became RealBiz Media Group, Inc., the Company issued 380,000 shares of Monaker Series D Preferred Stock shares with a value of $1,900,000, which was considered the $1,200,000 value of the stock portion of the purchase price, and was also meant to guaranty the payment of the balance of $700,000. The Company contends that the obligation to pay the $700,000 was extinguished with the conversion of the Monaker Series D Preferred Stock shares into shares of common stock. The date for arbitration has not been set and the Company will vehemently defend its position.

On December 9, 2016, a class action lawsuit McLeod v. Monaker Group, Inc. et al (Case No.: 0:16-cv-62902-WJZ) was filed against us, William Kerby, our Chief Executive Officer and Chairman, Donald Monaco, our director, and D'Arelli Pruzansky, P.A., our former auditor, in the U.S. District Court for the Southern District of Florida on behalf of persons who purchased our common stock and exercised options between April 6, 2012 and June 23, 2016 (the "Class Period"). The lawsuit focuses on whether the Company and its executives violated federal securities laws and whether the Company's former auditor was negligent and makes allegations regarding the activities of certain Company executives. The lawsuit alleges and estimates total shareholders losses totaling approximately $20,000,000. The lawsuit stems from the Company's announcement in June 2016 that it would have to restate its financial statements due to issues related to the Company's investment in RealBiz. On February 16, 2017, we filed a Motion to Dismiss the lawsuit and on March 3, 2017, the Court entered an order staying discovery and all other proceedings pending resolution of the Motion to Dismiss. On March 16, 2017, the plaintiffs responded to the Motion to Dismiss, and on March 30, 2017, we filed a Reply memorandum in support of our Motion to Dismiss. On January 24, 2018, the Court granted our Motion to Dismiss and dismissed Plaintiff's complaint and gave Plaintiff leave to file an amended complaint. On February 23, 2018, Mcleod, joined by new plaintiff, Ronald Mims, filed an Amended Complaint with the same allegations of security fraud as alleged in the original complaint. On March 29, 2018, we filed a Motion to Dismiss Plaintiffs' Amended Complaint, which the Plaintiffs have since filed a response to. We believe the claims asserted in the lawsuit are without merit and intend to vigorously defend ourselves against the claims made in the lawsuit. The Company has no basis for determining whether there is any likelihood of material loss associated with the claims and/or the potential and/or the outcome of the litigation.

The Company is unable to determine the estimate of the probable or reasonable possible loss or range of losses arising from the above legal proceedings.

On December 22, 2017, we entered into a Settlement Agreement with RealBiz, NestBuilder and AST as described in greater detail above in Note 3.

Note 10 – Business Segment Reporting

Accounting Standards Codification 280-16 "Segment Reporting", established standards for reporting information about operating segments in annual consolidated financial statements and required selected information about operating segments in interim financial reports issued to stockholders. It also established standards for related disclosures about products, services, and geographic areas. Operating segments are defined as components of the enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Company has one operating segment consisting of various products and services related to its online marketplace of travel and related logistics including destination tours / activities, accommodation rental listings, hotel listings, air and car rental. The Company's chief operating decision maker is considered to be the Chief Executive Officer. The chief operating decision maker allocates resources and assesses performance of the business and other activities at the single operating segment level.

Note 11 – Subsequent Events

The Company has evaluated subsequent events occurring after the balance sheet date and has identified the following:

On November 14, 2017, Monaker entered into a Purchase Agreement with Michael Heinze, Michael Kistner and Rebecca Dernbach whereby Monaker purchased the source code owned in connection with an alternative lodging platform for $75,000 in cash and 34,783 shares of restricted common stock with a market value of $5.75 per share and an aggregate value of $200,000 for a total acquisition price of $275,000. Michael Heinze, Michael Kistner and Rebecca Dernbach (the "Put Option Holders") have the right to put the Shares back to Monaker after six months from the date of the Purchase Agreement for $125,000 in cash (i.e., May 13, 2018). On June 21, 2018, Monaker and the Put Option Holders entered into a Put Option Termination Agreement, whereby the Put Option Holders agreed to terminate the put option in consideration for $48,738.

As previously disclosed, the Company held various outstanding convertible promissory notes representing amounts owed to us by Bettwork, which totaled $5.25 million in principal amount due and payable.

Specifically, Bettwork owed the Company:

- $750,000 representing amounts owed under a $750,000 promissory note originally provided to the Company by Crystal Falls Investments, LLC ("Crystal Falls" and the "$750,000 Note"), which debt was assumed by Bettwork on August 31, 2017, pursuant to an Assignment and Novation Agreement, which amount was due and payable pursuant to its terms on May 15, 2018, and was in default as of July 2, 2018;

- $2.9 million under a Secured Convertible Promissory Note (the "$2.9 Million Secured Note") entered into on August 31, 2017, in connection with the acquisition by Bettwork of certain technology and assets from the Company. The amount owed under the $2.9 Million Secured Note accrues interest at the rate of (a) six percent per annum until the end of the last day of the month in which the sale occurred; and (b) the greater of (i) six percent per annum and (ii) the prime rate plus 3 3/4% per annum, thereafter through maturity, which maturity date is August 31, 2020, provided that the interest rate increases to twelve percent upon the occurrence of an event of default; and

- $1.6 million under a Secured Promissory Note (the "$1.6 Million Secured Note" and collectively with the $750,000 Note and $2.9 Million Secured Note, the "Bettwork Notes"), representing amounts Bettwork agreed to pay the Company in consideration for the acquisition, on May 31, 2018, of the 'right to own' 12 parcels of land on Long Caye, Lighthouse Reef, Belize.

All of the Bettwork Notes described above were convertible into shares of Bettwork's common stock, at the Company's option at a conversion price of $1.00 per share (the "Conversion Price"), unless, prior to the notes being paid in full, Bettwork completed a capital raise or acquisition and issued common stock or common stock equivalents (including, but not limited to convertible securities) with a price per share (as determined in our reasonable discretion) less than the Conversion Price then in effect (each a "Transaction"), at which time the Conversion Price will be adjusted to match such lower pricing structure associated with the Transaction.

Subsequent to May 31, 2018, the Company determined that the platform provided by XPO pursuant to the terms of the October 23, 2017 Platform Purchase Agreement (see Note 4 above) did not perform as represented by XPO and Monaker notified XPO of its intent to cancel the travel exclusivity shares (i.e., 140,000 shares) and cancelled those shares on June 27, 2018 with a value of $1,039,500 for non-performance. The Company maintained exclusivity with XPO and its clients in the ALR category as agreed in the Platform Purchase Agreement in consideration for 60,000 shares, which were not cancelled.

On July 3, 2018, and effective as of July 2, 2018, the Company and Bettwork entered into a Debt Conversion Agreement (the "Debt Conversion Agreement"), whereby the Company converted the $5,250,000 of principal amount owed under the Bettwork Notes into 7,000,000 shares of common stock of Bettwork at $0.75 per share. The Debt Conversion Agreement provided that the Bettwork Shares were issued in exchange for the Bettwork Notes and in consideration for the full retirement and payment in full thereof, with the Company forgiving any accrued and unpaid interest thereon, and not in connection with the conversion of the Bettwork Notes pursuant to their terms.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward Looking Statements

The following discussion should be read in conjunction with the attached consolidated unaudited financial statements and notes thereto, and our consolidated audited financial statements and related notes for our fiscal year ended February 28, 2018 found in our Annual Report on Form 10-K. In addition to historical information, the following discussion contains forward-looking statements that involve risks, uncertainties and assumptions. Where possible, we have tried to identify these forward-looking statements by using words such as "anticipate," "believe," "intends," or similar expressions. Our actual results could differ materially from those anticipated by the forward-looking statements due to important factors and risks including, but not limited to, those set forth in our Annual Report on Form 10-K.

This Report contains statements that we believe are, or may be considered to be, "forward-looking statements". All statements other than statements of historical fact included in this Report regarding the prospects of our industry or our prospects, plans, financial position or business strategy, may constitute forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking words such as "may," "will," "expect," "intend," "estimate," "foresee," "project," "anticipate," "believe," "plans," "forecasts," "continue" or "could" or the negatives of these terms or variations of them or similar terms. Furthermore, such forward-looking statements may be included in various filings that we make with the Securities and Exchange Commission or press releases or oral statements made by or with the approval of one of our authorized executive officers. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that these expectations will prove to be correct. These forward-looking statements are subject to certain known and unknown risks and uncertainties, as well as assumptions that could cause actual results to differ materially from those reflected in these forward-looking statements. Readers are cautioned not to place undue reliance on any forward-looking statements contained herein, which reflect management's opinions only as of the date hereof. Except as required by law, we undertake no obligation to revise or publicly release the results of any revision to any forward-looking statements. You are advised, however, to consult any additional disclosures we make in our reports to the SEC. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained in this Report.

You should read the matters described in "Risk Factors" and the other cautionary statements made in this Report, and incorporated by reference herein, as being applicable to all related forward-looking statements wherever they appear in this Report. We cannot assure you that the forward-looking statements in this Report will prove to be accurate and therefore prospective investors are encouraged not to place undue reliance on forward-looking statements.

Critical Accounting Policies and Estimates

The discussion and analysis of the Company's financial condition and results of operations are based upon its consolidated unaudited financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these unaudited financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent liabilities. On an on-going basis, management evaluates past judgments and estimates, including those related to bad debts, accrued liabilities, convertible promissory notes and contingencies. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The accounting policies and related risks described in the Company's annual report on Form 10-K as filed with the Securities and Exchange Commission on June 13, 2018 are those that depend most heavily on these judgments and estimates. As of May 31, 2018, there had been no material changes to any of the critical accounting policies contained therein.

Definitions:

Unless the context requires otherwise, references to the "Company," "we," "us," "our," "Monaker" and "Monaker Group, Inc." refer specifically to Monaker Group, Inc. and its consolidated subsidiaries including Extraordinary Vacations USA, Inc. (100% interest) and NextTrip Holdings, Inc. (100% interest).

In addition, unless the context otherwise requires and for the purposes of this report only:

- ”Exchange Act” refers to the Securities Exchange Act of 1934, as amended;
- ”SEC” or the “Commission” refers to the United States Securities and Exchange Commission; and
- ”Securities Act” refers to the Securities Act of 1933, as amended.

This information should be read in conjunction with the interim unaudited financial statements and the notes thereto included in this Quarterly Report on Form 10-Q, and the unaudited financial statements and notes thereto and Part II, Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended February 28, 2018.

Certain capitalized terms used below and otherwise defined below, have the meanings given to such terms in the footnotes to our consolidated financial statements included above under “Part I - Financial Information” - “Item 1. Financial Statements”.

In this Quarterly Report on Form 10-Q, we may rely on and refer to information regarding the global vacation rental industry in general from market research reports, analyst reports and other publicly available information. Although we believe that this information is reliable, we cannot guarantee the accuracy and completeness of this information, and we have not independently verified any of it.

Overview

Monaker Group, Inc. and its subsidiaries (“Monaker”, “we”, “our”, “us”, or “Company”) operate online marketplaces (described in greater detail below). We believe the most promising part of our business plan is the plan to incorporate alternative lodging rental units into our marketplaces while facilitating access to alternative lodging rentals to other distributors. Alternative lodging rentals (ALRs) are whole unit vacation homes or timeshare resort units that are fully furnished, privately owned residential properties, including homes, condominiums, apartments, villas and cabins that property owners and managers rent to the public on a nightly, weekly or monthly basis. NextTrip.com, one of our marketplaces, provides access to airline, car rental, lodgings and activities products and, it will soon (planned to be completed in or around July 2018) include our ALR offering which will unite travelers seeking ALRs located in countries around the world. Another one of our other marketplaces, Maupintour, provides concierge tours and activities at destinations. Currently our Maupintour and NextTrip online marketplaces (each as discussed in greater detail below) are operational, provided that such marketplaces do not currently allow for the booking of ALRs, which capability we plan to have in place in or around the end of July 2018.

Our ambition is to become the largest instantly bookable vacation rental platform in the world, providing large travel distributors via a business-to-business model (B2B), our ALR inventory, as well as providing direct to consumers both ALR products and auxiliary services so travelers can purchase vacations through NextTrip.com, NextTrip.biz, Maupintour.com or EXVG.com. Additionally, we plan to provide the most qualified platform to assist property owners and managers the means to broaden their distribution for booking their homes. The Company serves three major constituents: (1) property owners and managers, (2) travelers, and (3) other travel/lodging distributors. Once operational, which is planned to be completed in or around the end of July 2018, property owners and managers will provide detailed listings of their properties to the Company with the goal of reaching a broad audience of travelers seeking ALRs. The property owners and managers will provide us their properties, at a preferential rate for each booking and, in return, their properties will be listed for free as an available ALR on NextTrip.com, NextTrip.biz, Maupintour.com or EXVG.com (as well as with distributors). Travelers will be able to visit NextTrip.com, Maupintour.com or EXVG.com (and distributors) and search and compare our large and detailed inventory of listings to find ALRs meeting their needs.

Monaker is a technology driven travel company which has identified and sourced ALR products and plans to convert them into instantly bookable products as its distinguishing niche. The ALRs are owned and leased by third parties and will be available to rent through Monaker’s websites as well as other distributors in or around the end of July 2018. Monaker’s services include critical elements such as technology, an extensive film library, trusted brands and established partnerships that enhance product offerings and reach. We believe that consumers are quickly adopting video for researching and educating themselves prior to purchases, and Monaker has carefully amassed video content, key industry relationships and a prestigious travel brand as cornerstones for the development and planned deployment of core-technology on both proprietary and partnership platforms.

Summary

Monaker sells travel services to leisure and corporate customers around the world. Our primary focus is to incorporate ALR options into our current offerings of scheduling, pricing and availability information for booking reservations for airlines, hotels, rental cars, cruises and other travel products such as sightseeing tours, shows and event tickets and theme park passes. The Company sells these travel services both individually and as components of dynamically-assembled packaged travel vacations and trips. In addition, the Company provides content that presents travelers with information about travel destinations, maps and other travel details. In February 2018, the Company introduced its new travel platform under the NextTrip brand. This platform continues to be improved with a focus on maximizing the consumer's experience and assisting them in the decision and purchasing process.

The platform is a licensed technology (described below) that through our proprietary technology, will allow our users to search large travel suppliers of alternative lodging inventories and present consumers comprehensive and optimal alternatives at the most inexpensive rates to choose from.

In March 2018, the Company introduced Travelmagazine.com, an online travel publication with the aim of giving travelers around the world inspiration for future travel destinations and trips. The publication offers written articles, videos, and podcasts. Moving forward, we plan for Travelmagazine.com to become a central hub of information for travelers who are looking to get detailed information on destinations all around the world. We also plan to move Travelmagazine.com from having content created by a team of staff writers, to a team of worldwide writers who will contribute content to the page for publication. The website is planned to be supported by advertising and allow for promotion of both ALR and Maupintour vacation products.

The Company plans to sell its travel services through various distribution channels. The primary distribution channel will be through its B2B channel partners which includes sales via (i) other travel companies' websites and (ii) networks of third-party travel agents. Secondary distribution will occur through the Company's own website at NextTrip.com, the NextTrip mobile application ("app") and Nexttrip.Biz. Additionally we plan to offer specialty travel services via EXVG.com and Maupintour, targeting high touch inventory to customers through a toll-free telephone number designed to assist customers with complex or high- priced offerings.

Monaker's core holdings include NextTrip.com, NextTrip.Biz, Maupintour.com and EXVG.com. NextTrip.com is the primary consumer website, where travel services and products are booked. The travel services and products include tours; activities/attractions; airline; hotel; and car rentals and where ALRs will be booked. Maupintour complements the Nextrip.com offering by providing high-end tour packages and activities/attractions. EXVG.com is planned to be a specialized secondary website devoted to those ALRs that cannot be booked on a real-time basis. These ALRs tend to be sourced from owners and managers who have not invested in a reservation management system and/or the owner or manager prefers to personally vet the customer before accepting a booking; typically because the ALR is a high value property. EXVG.com travel services and products will only include the aforementioned ALRs as well as tours and activities from Maupintour. NextTrip.Biz is targeted at small to midsized businesses offering them a customized travel solution for staff business travel to meetings, conferences, conventions or even vacation travel and gives the companies lower costs, better expense control and the option for a "self-branded" website.

The Company owns an approximately 13% interest in RealBiz Media Group, Inc. ("RealBiz") as of May 31, 2018 and February 28, 2018, which is represented by 44,470,101 RealBiz Series A Preferred Stock shares. This interest has been written down to zero ($0) as of February 28, 2015.

The Company is a Nevada corporation headquartered in Weston, Florida.

Sufficiency of Cash Flows

Because current cash balances and our projected cash generated from operations are not sufficient to meet our cash needs for working capital and capital expenditures, management intends to seek additional equity or obtain additional credit facilities. However, we may be unable to raise additional capital upon terms acceptable to us. The sale of additional equity will result in additional dilution to our shareholders. A portion of our cash may be used to acquire or invest in complementary businesses or products or to obtain the right to use complementary technologies. From time to time, in the ordinary course of business, we evaluate potential acquisitions of such businesses, products or technologies.

RESULTS OF OPERATIONS

For the Three Months Ended May 31, 2018, Compared to the Three Months Ended May 31, 2017

Revenues

Our total revenues decreased 52% to $74,732 for the three months ended May 31, 2018, compared to $156,046 for the three months ended May 31, 2017, a decrease of $81,314. The decrease in sales is mainly due to a decrease in the amount of travel trips being fulfilled for our luxury tour operations in the spring months that were booked prior to the three months ended May 31, 2018. These tour operations provide escorted and independent tours worldwide to upscale travelers.

Operating Expenses

Our operating expenses include salaries and benefits, general and administrative expenses, costs of revenues and selling and promotions expenses. Our operating expenses increased 7% to $955,549 for the three months ended May 31, 2018, compared to $895,126 for the three months ended May 31, 2017, an increase of $60,423. This increase was mainly attributable to the increase in general and administrative expenses, which increased $326,551 or 204.5%, to $486,215 for the three months ended May 31, 2018, compared to $159,664 for the three months ended May 31, 2017. This was due to a significant increase in amortization of website development and related intangibles for platforms that were placed in service as well as increases in investor relations, consultant fees and professional fees. The aforementioned increase was offset mainly by a decrease in cost of sales due to the decrease in tours being fulfilled and a decrease in salaries and benefits mainly due to a non-recurring stock bonus awarded to an officer and director of the Company in the prior period.

Other Income (Expenses)

Interest expense decreased 72% to $16,669 for the three months ended May 31, 2018, compared to $59,507 for the three months ended May 31, 2017, a decrease of $42,838, which is primarily due to the conversion of convertible promissory notes into common stock on August 22, 2017, as described in Note 6 to the consolidated financial statements included above.

Net Loss

We had a net loss $897,486 for the three months ended May 31, 2018, compared to a net loss of $798,587 for the three months ended May 31, 2017, an increase of $98,897 or 12%. The increase in net loss was primarily due to a decrease in revenue.

Contractual Obligations

The following schedule represents obligations under written commitments on the part of the Company that are not included in liabilities:

	Current	Long Term		
	February 28, 2019	February 28, 2020	February 28, 2021 and thereafter	Totals
Leases	$ 56,184	$ 77,534	$ 10,171	$ 143,889
Other	51,167	3,150	—	54,317
Totals	$ 107,351	$ 80,684	$ 10,171	$ 198,206

The Company is committed to pay three to six months' severance in the case of termination or death to certain key officers.

Liquidity and Capital Resources

As of May 31, 2018, we had $659,120 of cash on-hand, a decrease of $945,294 from $1,604,414 at the start of fiscal 2018. The decrease in cash was due primarily to the payment of operating expenses and website development costs during the three months ended May 31, 2018.

As of May 31, 2018, the Company had total current liabilities of $6,146,743, consisting of a Line of Credit facility of $1,193,000 from Republic Bank, as described in Note 5 to the consolidated financial statements included above, accounts payable and accrued expenses of $230,353, other current liabilities of $223,390 and a deferred gain of $4,500,000. We anticipate that we will satisfy these amounts from proceeds derived from equity sales, warrant exercises and revenue generated from sales.

We had negative working capital of $842,172 as of May 31, 2018 and an accumulated deficit of $111,594,260.

Net cash used in operating activities was $1,000,276 for the three months ended May 31, 2018, compared to $979,191 for the three months ended May 31, 2017, an increase of $21,085. This increase was primarily due to no stock based compensation and consulting fees versus $386,480 and a decrease in accounts payable and accrued expenses of $117,773 offset by increases in and other current liabilities of $142,387, decreases of the settlement of the advisory agreement of $450,945 in the prior period and a current net loss of $897,486.

Net cash used in investing activities was $330,793 and $76,500 for the three months ended May 31, 2018 and 2017, respectively which was primarily the result of the capitalized website development costs.

Net cash provided by financing activities decreased $104,113 to $385,775 for the three months ended May 31, 2018, compared to $489,888, for the three months ended May 31, 2017. This decrease was primarily due to the net decrease of proceeds from the issuance of common stock and warrants of $360,000, which was offset by an increase of $255,887 from the proceeds of exercise of warrants.

The growth and development of our business will require a significant amount of additional working capital. We currently have limited financial resources and based on our current operating plan, we will need to raise additional capital in order to continue as a going concern. We currently do not have adequate cash to meet our short or long-term objectives. In the event additional capital is raised, it may have a dilutive effect on our existing stockholders.

We are subject to all the substantial risks inherent in the development of a new business enterprise within an extremely competitive industry. Due to the absence of a long standing operating history and the emerging nature of the markets in which we compete, we anticipate operating losses until we can successfully implement our business strategy, which includes all associated revenue streams. Our revenue model is new and evolving, and we cannot be certain that it will be successful. The potential profitability of this business model is unproven. We may never ever achieve profitable operations or generate significant revenues. Our future operating results depend on many factors, including demand for our products, the level of competition, and the ability of our officers to manage our business and growth. As a result of the emerging nature of the market in which we compete, we may incur operating losses until such time as we can develop a substantial and stable revenue base. Additional development expenses may delay or negatively impact the ability of the Company to generate profits. Accordingly, we cannot assure you that our business model will be successful or that we can sustain revenue growth, achieve or sustain profitability, or continue as a going concern.

We have very limited financial resources. We currently have a monthly cash requirement of approximately $180,000, exclusive of capital expenditures. We will need to raise substantial additional capital to support the on-going operation and increased market penetration of our products and services including the development of national advertising relationships, increases in operating costs resulting from additional staff and office space until such time as we generate revenues sufficient to support our operations, if ever. We believe that in the aggregate, we could require several millions of dollars to support and expand the marketing and development of our travel products and services, repay debt obligations, provide capital expenditures for additional equipment and development costs, payment obligations, office space and systems for managing our business, and cover other operating costs until our planned revenue streams from travel products are fully-implemented and begin to offset our operating costs. Our failure to obtain additional capital to finance our working capital needs on acceptable terms, or at all, will negatively impact our business, financial condition and liquidity. As of May 31, 2018, we had approximately $6.1 million of current liabilities. We currently do not have the resources to satisfy these obligations, and our inability to do so could have a material adverse effect on our business, our ability to continue as a going concern, and the value of our securities.

Since our inception, we have funded our operations with the proceeds from the private equity financings. Currently, revenues provide less than 10% of our cash requirements. Our remaining cash needs are derived from debt and equity raises.

Recent Significant Funding Transactions

On March 1, 2018, we received $385,875 in proceeds from Pacific Grove Capital LP, a greater than 10% shareholder of the Company ("Pacific"), and issued 147,000 shares of common stock in connection with the exercise of warrants to purchase 147,000 shares of common stock by Pacific, pursuant to a First Amendment to Warrant.

As a result of the reduction in the exercise price of Pacific warrants which was agreed to pursuant to the First Amendment to Warrant, the anti-dilution provisions of the Common Stock and Warrant Purchase Agreement entered into between the Company and the purchasers named therein dated July 31, 2017 (the "Purchase Agreement") including Pacific, was triggered. The purchasers were issued a total of 4,390 shares of the Company's common stock valued at $21,248 in connection with the anti-dilution rights contained in the Purchase Agreement.

On June 27, 2018, the Company cancelled 140,000 shares of restricted common stock at a value of $1,039,500 for non-performance pursuant to the terms of the Platform Purchase Agreement.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market Risk

This represents the risk of loss that may result from the potential change in value of a financial instrument because of fluctuations in interest rates and market prices. We do not currently have any trading derivatives nor do we expect to have any in the future. We have established policies and internal processes related to the management of market risks, which we use in the normal course of our business operations.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

The Company maintains a set of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In accordance with Rule 13a-15(b) of the Exchange Act, as of the end of the period covered by this report, an evaluation was carried out under the supervision and with the participation of the Company's management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of its disclosure controls and procedures. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures, as of May 31, 2018, the end of the period covered by this Quarterly Report on Form 10-Q, were effective to provide reasonable assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

As of May 31, 2018, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

Our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives as specified above. Management does not expect, however, that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all error and fraud. Any control system, no matter how well designed and operated, is based upon certain assumptions and can provide only reasonable, not absolute, assurance that its objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

The Company is involved, from time to time, in litigation, other legal claims and proceedings involving matters associated with or incidental to our business, including, among other things, matters involving breach of contract claims, intellectual property, employment issues, and other related claims and vendor matters. The Company believes that the resolution of currently pending matters will not individually or in the aggregate have a material adverse effect on our financial condition or results of operations. However, assessment of the current litigation or other legal claims could change in light of the discovery of facts not presently known to the Company or by judges, juries or other finders of fact, which are not in accord with management's evaluation of the possible liability or outcome of such litigation or claims.

On March 28, 2016, the Company was presented with a Demand for Arbitration, pursuant to Rule 4(a) of the American Arbitration Association Commercial Rules of Arbitration, whereby Acknew Investments, Inc. and Vice Regal Developments Inc. (Claimants) are arguing that $700,000 is due to them, even though they have already been paid said amounts through preferred shares that were issued as a guarantee and which Claimants converted into shares of common stock. In connection with the purchase of the stock of the entity that eventually became RealBiz Media Group, Inc., the Company issued 380,000 shares of Monaker Series D Preferred Stock shares with a value of $1,900,000, which was considered the $1,200,000 value of the stock portion of the purchase price, and was also meant to guaranty the payment of the balance of $700,000. The Company contends that the obligation to pay the $700,000 was extinguished with the conversion of the Monaker Series D Preferred Stock shares into shares of common stock. The date for arbitration has not been set and the Company will vehemently defend its position.

On June 2, 2016, the Company paid an arbitration award of $81,572 ($73,959 plus interest of $7,613) to Twelfth Child Entertainment, LLC for a License Agreement settlement for rights to air programs regarding "Foreclosure to Fabulous" television programming on the Company's previously owned media business that was sold on January 21, 2016. The Company absorbed this settlement as part of its partnership commitment with Launch Media 360 which is an investment of the Company.

On December 9, 2016, a class action lawsuit McLeod v. Monaker Group, Inc. et al (Case No.: 0:16-cv-62902-WJZ) was filed against us, William Kerby, our Chief Executive Officer and Chairman, Donald Monaco, our director, and D'Arelli Pruzansky, P.A., our former auditor, in the U.S. District Court for the Southern District of Florida on behalf of persons who purchased our common stock and exercised options between April 6, 2012 and June 23, 2016 (the "Class Period"). The lawsuit focuses on whether the Company and its executives violated federal securities laws and whether the Company's former auditor was negligent and makes allegations regarding the activities of certain Company executives. The lawsuit alleges and estimates total shareholders losses totaling approximately $20,000,000. The lawsuit stems from the Company's announcement in June 2016 that it would have to restate its financial statements due to issues related to the Company's investment in RealBiz. On February 16, 2017, we filed a Motion to Dismiss the lawsuit and on March 3, 2017, the Court entered an order staying discovery and all other proceedings pending resolution of the Motion to Dismiss. On March 16, 2017, the plaintiffs responded to the Motion to Dismiss, and on March 30, 2017, we filed a Reply memorandum in support of our Motion to Dismiss. On January 24, 2018, the Court granted our Motion to Dismiss and dismissed Plaintiff's complaint and gave Plaintiff leave to file an amended complaint. On February 23, 2018, Mcleod, joined by new plaintiff, Ronald Mims, filed an Amended Complaint with the same allegations of security fraud as alleged in the original complaint. On March 29, 2018, we filed a Motion to Dismiss Plaintiffs' Amended Complaint, which the Plaintiffs have since filed a response to. We believe the claims asserted in the lawsuit are without merit and intend to vigorously defend ourselves against the claims made in the lawsuit. The Company has no basis for determining whether there is any likelihood of material loss associated with the claims and/or the potential and/or the outcome of the litigation.

The Company is unable to determine the estimate of the probable or reasonable possible loss or range of losses arising from the above legal proceedings.

On December 22, 2017, we entered into a Settlement Agreement with RealBiz, NestBuilder and AST for the dismissal with prejudice of the following lawsuits: Case Number 1:16- cv-61017-FAM; Case No.: CACE-16-019818; Case No.: 16-24978-CIV- GRAHAM; Case No.: C.A 2017-0189; Case No.: 2017-0351 and Case No.: 2017-0189-JRS. As part of the Settlement Agreement, Monaker agreed to pay NestBuilder $100,000 and to issue 20,000 shares of Monaker's restricted common stock to person(s) to be designated by NestBuilder; RealBiz reinstated to Monaker 44,470,101 shares of RealBiz Series A Convertible Preferred Stock and ratified all rights under the Certificate of Designation as reformed and amended (to provide for a conversion ratio of 1 share of RealBiz common stock for each 1 share of RealBiz Series A preferred stock) and remove any dividend obligations. The RealBiz designation is also amended to provide us with anti-dilution protection below $0.05 per share. The agreement further provided for each party to dismiss the above referenced lawsuits with prejudice and for general releases from each party.

Contractual Settlement

In May 2017, we entered into a settlement with a financial advisory firm who was engaged to raise capital per an agreement signed in October 2016. Based upon the firms inability to meet any of the agreed upon milestones, the firm agreed to return all the consideration paid for the services. The Company recorded a $450,945 credit to stock compensation in May 2017 as a result of the settlement.

Item 1A. Risk Factors.

There have been no material changes from the risk factors previously disclosed in Part I, Item 1A of the Company's Annual Report on Form 10-K for the year ended February 28, 2018, filed with the Commission on June 13, 2018, under the heading "Risk Factors", except as set forth below, and investors should review the risks provided in the Form 10-K and below, prior to making an investment in the Company. The business, financial condition and operating results of the Company can be affected by a number of factors, whether currently known or unknown, including but not limited to those described in the Form 10-K for the year ended February 28, 2018, under "Risk Factors" and below, any one or more of which could, directly or indirectly, cause the Company's actual financial condition and operating results to vary materially from past, or from anticipated future, financial condition and operating results. Any of these factors, in whole or in part, could materially and adversely affect the Company's business, financial condition, operating results and stock price.

We are not currently in compliance with the Nasdaq Capital Market's continued listing standards.

On June 19, 2018, we received a letter from The Nasdaq Stock Market ("Nasdaq") notifying the Company that it was not in compliance with the minimum stockholders' equity requirement for continued listing on the Nasdaq Capital Market. Nasdaq Listing Rule 5550(b)(1) requires companies listed on the Nasdaq Capital Market to maintain stockholders' equity of at least $2,500,000. In the Company's Annual Report on Form 10-K for the period ended February 28, 2018, the Company reported stockholders' equity of $1,204,400, which is below the minimum stockholders' equity required for continued listing pursuant to Nasdaq Listing Rule 5550(b)(1). Additionally, as of the date of this Report, the Company does not meet the alternative Nasdaq continued listing standards under Nasdaq Listing Rule 5550(b) requiring either (i) a market value of listed securities of at least $35,000,000; or (ii) net income from continuing operations of $500,000 during the last completed fiscal year or in two of the last three fiscal years. This notice of noncompliance has had no immediate impact on the continued listing or trading of the Company's common stock on The Nasdaq Capital Market.

Nasdaq gave the Company until July 3, 2018 (subsequently extended to July 11, 2018) to submit to Nasdaq a plan to regain compliance, which letter was timely submitted. If our plan is accepted, Nasdaq may grant an extension of up to 180 calendar days from the date of Nasdaq's letter to evidence compliance.

The Company is currently evaluating various courses of action to regain compliance with the minimum stockholders' equity requirement. The Company is confident that it can regain compliance with Nasdaq's minimum stockholders' equity standard within the compliance period. However, there can be no assurance that the Company's plan will be accepted or that if it is, the Company will be able to regain compliance. If the Company's plan to regain compliance is not accepted, or if it is and the Company does not regain compliance within 180 days from the date of Nasdaq's letter, or if the Company fails to satisfy another Nasdaq requirement for continued listing, Nasdaq could provide notice that the Company's common stock will become subject to delisting. In such event, Nasdaq rules would permit the Company to appeal the decision to reject the Company's proposed compliance plan or any delisting determination to a Nasdaq Hearings Panel.

Delisting from the Nasdaq Capital Market could make trading our common stock more difficult for investors, potentially leading to declines in our share price and liquidity. Without a Nasdaq Capital Market listing, stockholders may have a difficult time getting a quote for the sale or purchase of our stock, the sale or purchase of our stock would likely be made more difficult and the trading volume and liquidity of our stock could decline. Delisting from the Nasdaq Capital Market could also result in negative publicity and could also make it more difficult for us to raise additional capital. The absence of such a listing may adversely affect the acceptance of our common stock as currency or the value accorded by other parties. Upon delisting we would also be ineligible to use Form S-3 for the sale of securities. Further, if we are delisted, we would also incur additional costs under state blue sky laws in connection with any sales of our securities. These requirements could severely limit the market liquidity of our common stock and the ability of our stockholders to sell our common stock in the secondary market. If our common stock is delisted by Nasdaq, our common stock may be eligible to trade on an over-the-counter quotation system, such as the OTCQB market, where an investor may find it more difficult to sell our stock or obtain accurate quotations as to the market value of our common stock. In the event our common stock is delisted from the Nasdaq Capital Market, we may not be able to list our common stock on another national securities exchange or obtain quotation on an over-the counter quotation system.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

During the three months ended May 31, 2018 the Company issued the following unregistered securities:

Warrant Exercise

- On March 1, 2018, we received $385,875 in proceeds and issued Pacific Grove Capital LP, a greater than 10% shareholder of the Company, 147,000 shares of common stock in connection with the exercise of warrants to purchase 147,000 shares of common stock pursuant to the terms of a First Amendment to Warrant.

Other

- As a result of the reduction in the exercise price of Pacific warrants which was agreed to pursuant to the First Amendment to Warrant, the anti-dilution provisions of the Purchase Agreement entered into between the Company and the purchasers named therein dated July 31, 2017 (the "Purchase Agreement") and the Purchaser was triggered. The purchasers were issued a total of 4,390 shares of the Company's common stock valued at $21,247.60, in connection with such anti-dilutive rights.

- On May 31, 2018 effective February 28, 2018, Monaker and A-Tech entered into a First Amendment to the Purchase Agreement, to amend the terms of the Purchase Agreement to (a) provide for the acquisition by Monaker of a 'right to own' the Property instead of the ownership of the Property itself, as the title to the Property had not been legally transferred as of such date, which 'right to own' had an exercise price of $0 and was transferrable and exercisable by the Company at any time, (b) terminate the Construction Obligation, and (c) to correct certain inaccuracies in the original agreement. The First Amendment also required A-Tech to return 210,632 shares of common stock to Monaker for cancellation and were cancelled for non-performance. The First Amendment to the Purchase Agreement had an effective date of November 21, 2017.

Subsequent to May 31, 2018, and through the filing date of this report, the Company issued the following unregistered securities:

Consulting Agreements

- On June 27, 2018, the Company cancelled 140,000 shares of restricted common stock with a value of $1,039,500 for non-performance pursuant to the terms of the Platform Purchase Agreement.

***

We claim an exemption from registration for the issuances and sales described above pursuant to Section 4(a)(2) and/or Rule 506 of Regulation D of the Securities Act, since the foregoing issuances did not involve a public offering, the recipients were (a) "accredited investors"; and/or (b) had access to similar documentation and information as would be required in a Registration Statement under the Securities Act, the recipients acquired the securities for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof. The securities were offered without any general solicitation by us or our representatives. No underwriters or agents were involved in the foregoing issuances and grants and we paid no underwriting discounts or commissions. The securities sold are subject to transfer restrictions, and the certificates evidencing the securities contain an appropriate legend stating that such securities have not been registered under the Securities Act and may not be offered or sold absent registration or pursuant to an exemption therefrom. The securities were not registered under the Securities Act and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws.

Subsequent to May 31, 2018, the Company determined that the platform provided by XPO pursuant to the terms of the October 23, 2017 Platform Purchase Agreement (see Note 4 of the consolidated financial statements above) did not perform as represented by XPO and Monaker notified XPO of its intent to cancel the travel exclusivity shares (i.e., 140,000 shares) and cancelled those shares effective on June 28, 2018. The Company maintained exclusivity with XPO and its clients in the ALR category as agreed in the Platform Purchase Agreement in consideration for 60,000 shares, which were not cancelled.

Item 3. Defaults Upon Senior Securities.

There were no defaults upon senior securities during the quarter ended May 31, 2018.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information.

There is no other information required to be disclosed under this item, which was not previously disclosed.

Item 6. Exhibits.

See the Exhibit Index following the signature page to this Quarterly Report on Form 10-Q for a list of exhibits filed or furnished with this report, which Exhibit Index is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MONAKER GROUP, INC.

Date: July 16, 2018

/s/ William Kerby
William Kerby
Chief Executive Officer
(Principal Executive Officer)

Date: July 16, 2018

/s/ Omar Jimenez
Omar Jimenez
Chief Financial Officer
(Principal Accounting/Financial Officer)

EXHIBIT INDEX

Exhibit No.	Description	Filed or Furnished Herewith	Incorporated By Reference Form	Exhibit	Filing Date/Date of Report	File No.
10.1	First Amendment to Warrant dated March 1, 2018, by and between Monaker Group, Inc. and Pacific Grove Capital LP		8-K	10.1	3/5/2018	000-52669
10.2	First Amendment to Purchase Agreement dated May 31, 2018, by and between Monaker Group, Inc., and A-Tech LLC		8-K	10.3	6/6/2018	000-52669
10.3	Right to Own Acquisition Agreement dated May 31, 2018, by and between Monaker Group, Inc. and Bettwork Industries, Inc.		8-K	10.4	6/6/2018	000-52669
10.4	$1.6 Million Secured Convertible Promissory Note owed by Bettwork Industries, Inc. to Monaker Group, Inc.		8-K	10.5	6/6/2018	000-52669
10.5	Debt Conversion Agreement Between Monaker Group, Inc. and Bettwork Industries Inc. dated July 3, 2018		8-K	10.1	7/6/2018	000-52669
31.1*	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act	X				
31.2*	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act	X				
32.1**	Certification of Principal Executive Officer pursuant to18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X				
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X				
101.INS	XBRL Instance Document	X				
101.SCH	XBRL Schema Document	X				
101.CAL	XBRL Calculation Linkbase Document	X				
101.DEF	XBRL Definition Linkbase Document	X				
101.LAB	XBRL Label Linkbase Document	X				
101.PRE	XBRL Presentation Linkbase Document	X				

* Filed herewith.

** Furnished herewith.

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William Kerby, certify that:

1. I have reviewed this Form 10-Q of Monaker Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report;

4. Along with the Principal Accounting Officer, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13- a-15(f) and 15d-15 (f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financing reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 16, 2018

By: */s/ William Kerby*
William Kerby
Chief Executive Officer
(Principal Executive Officer)
Monaker Group, Inc.

Exhibit 31.2

CERTIFICATION OF PRINCIPAL ACCOUNTING OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Omar Jimenez, certify that:

1. I have reviewed this Form 10-Q of Monaker Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report;

4. Along with the Principal Executive Officer, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15 (f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financing reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 16, 2018

By: */s/ Omar Jimenez*
Omar Jimenez
Chief Financial Officer
(Principal Accounting/Financial Officer)
Monaker Group, Inc.

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report of Monaker Group, Inc. (the "Company"), on Form 10-Q for the quarter ended May 31, 2018, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, William Kerby, Principal Executive Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) Such Quarterly Report on Form 10-Q for the quarter ended May 31, 2018, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Quarterly Report on Form 10-Q for the quarter ended May 31, 2018, fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 16, 2018

By: */s/ William Kerby*
William Kerby
Chief Executive Officer
(Principal Executive Officer)
Monaker Group, Inc.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report of Monaker Group, Inc. (the "Company"), on Form 10-Q for the quarter ended May 31, 2018, as filed with the U.S. Securities and Exchange Commission on the date hereof, I, Omar Jimenez, Principal Accounting Officer of the Company, certify to the best of my knowledge, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) Such Quarterly Report on Form 10-Q for the quarter ended May 31, 2018, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in such Quarterly Report on Form 10-Q for the quarter ended May 31, 2018, fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 16, 2018

By: */s/ Omar Jimenez*
Omar Jimenez
Chief Financial Officer
(Principal Accounting/Financial Officer)
Monaker Group, Inc.