VEMANTI GROUP, INC.

ANNUAL REPORT

December 31, 2017

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1) NAME OF THE ISSUER AND ITS PREDECESSORS

Exact name of the Issuer is Vemanti Group Inc. The Company was incorporated in the State of Nevada on April 3, 2014.

2) ADDRESS OF THE ISSUER'S PRINCIPAL EXECUTIVE OFFICES

5000 Birch Street
West Tower – 3rd Floor
Newport Beach, CA 92660

Email: info@vemanti.com
Website: http://www.vemanti.com

3) SECURITIES INFORMATION

Trading Symbol:	VMNT
CUSIP:	92259A 102
Par or Stated Value:	$0.0001

PREFERRED STOCK

Shares Authorized:	50,000,000	Preferred Class A
Shares Outstanding:	40,000,000	As of December 31, 2017

COMMON STOCK

Shares Authorized:	500,000,000	
Shares Outstanding:	57,482,000	As of December 31, 2017
Non-Restricted:	5,980,000	As of December 31, 2017
Shareholder of Record:	395	

Transfer Agent
Globex Transfer, LLC.
780 Deltona Blvd, Suite 202
Deltona, FL. 32725
386-206-1133

The transfer agent is registered under the Exchange Act.

There are no restrictions on the transfer of securities.

There are no trading suspension orders issued by the SEC in the past 12 months.

4) ISSUANCE HISTORY

- On April 3, 2014, 40,000,000 Common and Preferred shares were issued in connection with the exchange for 100% of the membership interest in VoiceStep Telecom, LLC.

- On April 19, 2014, 1,000,000 Common shares were issued for cash proceeds of $100;

- On August 31, 2014, 1,000,000 Common shares were offered through 506(b) Form D and 370,000 Common shares were sold and issued for cash proceeds of $37,000;

- On December 09, 2015, 600,000 Common shares were issued for services rendered valued at $60;
- On March 25, 2016, 500,000 Common shares were issued for services rendered valued at $50,000;
- On June 24, 2016 2,000,000 Common shares were issued for debt conversion valued at $2,000;
- On July 26, 2016, 500,000 Common shares were issued for services rendered valued at $65,000;
- On August 26, 2016, 50,000 Common shares were issued for acquisition rendered valued at $10,000;
- On November 30, 2016, 250,000 Common shares were issued for services rendered valued at $25,000;
- On February 06, 2017, 100,000 Common shares were issued for services rendered valued at $24,000;
- On August 15, 2017, 6,000,000 Common shares were issued for services rendered valued at $300,000;
- On August 15, 2017, 1,000,000 Common shares were sold for total proceeds of $50,000;
- On November 28, 2017, 400,000 Common shares were sold for total proceeds of $40,000;
- On December 20, 2017, 4,262,000 Common shares were sold for total proceeds of $426,200;
- On December 26, 2017, 150,000 Common shares were sold for total proceeds of $15,000;
- On December 29, 2017, 300,000 Common shares were sold for total proceeds of $30,000

5) FINANCIAL STATEMENTS

The financial statements are incorporated herein of this annual report.

Vemanti Group, Inc. and Subsidiary
Consolidated Financial Statements
December 31, 2017 and 2016

Contents

Financial Statements:

Vemanti Group, Inc. and Subsidiary
Consolidated Balance Sheets
(Unaudited)

		December 31, 2017		December 31, 2016
ASSETS				
Current Assets:				
Cash	$	489,266	$	47,964
Accounts receivable		5,571		1,797
Other current assets		4,742		20,028
Digital assets, at fair value		17,149		-
Total Current Assets		516,728		69,789
Equipment, net		3,596		-
Intangible asset, net		-		8,891
TOTAL ASSETS		520,324		78,680
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current Liabilities:				
Accounts payable	$	9,810	$	4,287
Accrued expenses		14,838		18,562
Advance from stockholder		500		1,340
Note payable, current portion		33,531		50,558
Total current liabilities		58,679		74,747
Note payable, net of current portion		-		51,683
TOTAL LIABILITIES		58,679		126,430
STOCKHOLDERS' EQUITY:				
Preferred stock, $0.0001 par value, 50,000,000 shares authorized, 40,000,000 and 40,000,000 shares issued and outstanding, respectively		4,000		4,000
Common stock, $0.0001 par value, 500,000,000 shares authorized, 57,482,000 and 45,270,000 shares issued and outstanding, respectively		5,748		4,527
Additional paid-in capital		1,182,612		293,633
Accumulated deficit		(730,715)		(349,910)
Total stockholders' equity (deficit)		461,645		(47,750)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$	520,324	$	78,680

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

Vemanti Group, Inc. and Subsidiary
Consolidated Statements of Operations
(Unaudited)

	For the Years Ended December 31,			
		2017		**2016**
Sales	$	455,122	$	499,710
Cost of sales		107,189		127,607
Gross margin		347,933		372,103
Operating expenses:				
General & administrative expenses		730,027		535,407
Total operating expenses		730,027		535,407
Loss from operations		(382,094)		(163,304)
Other income (expense):				
Interest expense		(4,898)		(9,277)
Other income		4,038		1,258
Unrealized gain		2,149		-
Total other income (expense)		1,289		(8,019)
Loss before provision for income taxes		(380,805)		(171,323)
Provision for income taxes		-		-
Net loss	$	(380,805)	$	(171,323)
Loss per share:				
Basic & Diluted	$	(0.01)	$	(0.00)
Weighted average shares outstanding:				
Basic & Diluted		48,173,512		44,106,202

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

Vemanti Group, Inc. and Subsidiary
Consolidated Statement of Stockholders' Equity

(unaudited)

	Preferred Stock		Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Equity
Balance, December 31, 2015	40,000,000	$ 4,000	$ 41,970,000	$ 4,197	$ 79,463	$ (178,587)	$ (90,927)
Stock-based compensation	-	-	1,250,000	125	202,375	-	202,500
Stock issued for conversion of convertible note	-	-	2,000,000	200	1,800	-	2,000
Shares issued for acquisition	-	-	50,000	5	9,995	-	10,000
Net loss	-	-	-	-	-	(171,323)	(171,323)
Balance, December 31, 2016	40,000,000	4,000	45,270,000	4,527	293,633	(349,910)	(47,750)
Stock issued for cash	-	-	6,112,000	611	560,589	-	561,200
Stock-based compensation	-	-	6,100,000	610	328,390	-	329,000
Net loss	-	-	-	-	-	(380,805)	(380,805)
Balance, December 31, 2017	40,000,000	$ 4,000	57,482,000	$ 5,748	$ 1,182,612	$ (730,715)	$ 461,645

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

Vemanti Group, Inc. and Subsidiary
Consolidated Statements of Cash Flows
(Unaudited)

	For the Years Ended December 31,	
	2017	**2016**
Cash flows from operating activities:		
Net loss	$ (380,805)	$ (171,323)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	995	1,818
Stock-based compensation	329,000	202,500
Amortization of debt discount	-	1,257
Write off of assets	7,217	-
Unrealized gain	(2,149)	-
Gain on forgiveness of notes payable	(3,000)	-
Changes in assets and liabilities:		
Accounts receivable	(3,774)	5,915
Other current assets	15,286	(28)
Accounts payable	5,523	383
Accrued expenses	(3,724)	4,392
Net cash provided by (used in) operating activities	(35,431)	44,914
Cash flows from investing activities:		
Purchase of equipment	(3,757)	-
Purchase of digital assets	(15,000)	-
Net cash used in investing activities	(18,757)	-
Cash flows from financing activities:		
Repayment of notes payable	(65,710)	(44,818)
Advances from related party	-	840
Issuance of common stock	561,200	-
Net cash provided by (used in) financing activities	495,490	(43,978)
Net increase in cash	441,302	936
Cash, beginning of the year	47,964	47,028
Cash, end of the year	$ 489,266	$ 47,964
Cash paid for:		
Interest	$ 4,898	$ 9,277
Income taxes	$ -	$ -
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Conversion of notes payable for common stock	$ -	$ 2,000

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

NOTE 1 - Organization and Basis of Presentation

Organization and Line of Business

Vemanti Group, Inc., ("Vemanti") was incorporated on April 3, 2014 under the laws of the state of Nevada. VoiceStep Telecom, LLC, a California limited liability company, was formed on January 27, 2005 and originally founded in 2002 ("VoiceStep"). On April 3, 2014, the sole member of VoiceStep exchanged 100% of his membership interest in VoiceStep for 40,000,000 shares of Vemanti's common stock and 40,000,000 shares of Vemanti's preferred stock. Vemanti and its wholly-owned subsidiaries, VoiceStep, and MedicatedOne, are hereafter referred to as the "Company." The Company closed MedicatedOne during the second quarter of 2017.

The Company is a technology-driven holding company that seeks to be active in high-growth and emerging markets. Its core strengths are in technology development and investment. It drives growth through acquisition and investment in disruptive and foundational technologies by targeting early-stage companies that have market viable products or by starting a new subsidiary of its own. Strategically, it focuses mainly on blockchain projects and applications combined with other emerging technologies, including machine learning/AI, security and internet of things (IoT).

Currently, through VoiceStep, the Company provides a one-stop resource for IP (Internet Protocal) communication needs. VoiceStep's network offers availability, coverage and flexibility, and enables the following technology solutions: unified communications, data center services, content delivery, voice over IP (VoIP) and cloud computing.

NOTE 2 – Summary of Significant Accounting Policies

Basis of Presentation

The annual consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Principles of Consolidation

The accompanying unaudited consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries VoiceStep, and MedicatedOne. All significant intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions 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 revenues and expenses during the reporting period. Significant estimates made by management include, among others, revenue recognition. Actual results could differ from those estimates. It is possible that accounting estimates and assumptions may be material to the Company due to the levels of subjectivity and judgment involved.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and cash in time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less. As of December 31, 2017 and 2016, the Company had no cash equivalents.

Accounts Receivable

The Company regularly reviews collectability and establishes an allowance for doubtful accounts as necessary using the allowance method. The receivables are not collateralized.

The Company estimates the ability to collect receivables by performing ongoing credit evaluations of its customers' financial condition. Estimates are based on assumptions and other considerations, including payment history, credit ratings, customer financial performance, industry financial performance and aging analysis. The Company reviews its accounts receivable by aging category and to identify customers with known disputes or collection issues. In determining the allowance, the Company makes judgments about the creditworthiness of a majority of its customers based on ongoing credit evaluations. The Company also considers its historical level of credit losses and current economic trends that might impact the level of future credit losses. Accounts receivable are written-off when they are deemed uncollectible.

Equipment

Equipment is stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When equipment is retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of equipment is provided using the straight-line method for substantially all assets with estimated lives as follows:

Software licenses	5 years
Computer equipment	5 years

Long-Lived Assets

The Company applies the provisions of ASC Topic 360, *Property, Plant, and Equipment*, which addresses financial accounting and reporting for the impairment or disposal of long-lived assets. ASC 360 requires impairment losses to be recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amounts. In that event, a loss is recognized based on the amount by which the carrying amount exceeds the fair value of the long-lived assets. Loss on long-lived assets to be disposed of is determined in a similar manner, except that fair values are reduced for the cost of disposal. Based on its review at December 31, 2017 and 2016, the Company believes there was no impairment of its long-lived assets.

Revenue Recognition

The Company recognizes revenues derived from sub-leasing telecommunications infrastructure and the provision of telecommunications and colocation services when the service has been provided and when there is persuasive evidence of an arrangement, the fee is fixed or determinable, and collection of the receivable is reasonably assured. Taxes collected from customers and remitted to a governmental authority are reported on a net basis and are excluded from revenue. Most revenue is billed in advance on a fixed-rate basis. The remainder of revenue is billed in arrears on a transactional basis determined by customer usage.

The Company often bills customers for upfront charges. These charges relate to down payments or prepayments for future services or equipment and are influenced by various business factors including how the Company and customer agree to structure the payment terms. These payments are recognized as deferred revenue until the service is provided or equipment is delivered and installed. All ongoing fees are billed and recognized as revenue on a monthly basis as service is provided.

Stock-Based Compensation

The Company records stock-based compensation in accordance with FASB ASC Topic 718, *Compensation – Stock Compensation*. FASB ASC Topic 718 requires companies to measure compensation cost for stock-based employee compensation at FV at the grant date and recognize the expense over the employee's requisite service period. The Company recognizes in the statement of operations the grant-date FV of stock options and other equity-based compensation issued to employees and non-employees.

Income Taxes

The Company accounts for income taxes in accordance with ASC Topic 740, *Income Taxes*. ASC 740 requires a company to use the asset and liability method of accounting for income taxes, whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion, or all of, the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Under ASC 740, a tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. The adoption had no effect on the Company's consolidated financial statements.

Basic and Diluted Earnings Per Share

Earnings per share is calculated in accordance with ASC Topic 260, *Earnings Per Share*. Basic earnings per share ("EPS") is based on the weighted average number of common shares outstanding. Diluted EPS is based on the assumption that all dilutive convertible shares and stock warrants were converted or exercised. Dilution is computed by applying the treasury stock method. Under this method, options and warrants are assumed to be exercised at the beginning of the period (or at the time of issuance, if later), and as if funds obtained thereby were used to purchase common stock at the average market price during the period. There are no potentially dilutive securities outstanding during any periods presented.

Fair Value Measurements

The Company applies the provisions of ASC 820-10, *"Fair Value Measurements and Disclosures."* ASC 820-10 defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The three levels of valuation hierarchy are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

For certain financial instruments, the carrying amounts reported in the balance sheets for cash and current liabilities, including convertible notes payable, each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest.

The Company uses Level 2 inputs for its valuation methodology for derivative liabilities as their fair values were determined by using the Black-Scholes-Merton 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.

At December 31, 2017, the Company identified the following liabilities that are required to be presented on the balance sheet at fair value:

Description	Fair Value As of December 31, 2017	Fair Value Measurements at December 31, 2017 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Digital assets	$ 17,149	$ -	$ 17,149	$ -
Total	$ 17,149	$ -	$ 17,149	$ -

The Company did not identify any other non-recurring assets and liabilities that are required to be presented in the consolidated balance sheets at fair value in accordance with ASC 815.

NOTE 3 – Other Current Assets

Other current assets at December 31, 2016 consisted principally of refundable deposits with vendors to establish credit. This deposit was returned to the Company during 2017.

NOTE 4 – Digital Assets

The following represents the change in digital assets and the respective fair value:

	Year Ended December 31, 2017	
	Cryptocurrencies	**Fair Value**
Beginning balance	$ -	$ -
Purchased	15,000	15,000
Unrealized appreciation	-	2,149
Ending balance	$ 15,000	$ 17,149

The Company has designated its investments in digital assets as "trading" therefore, the unrealized gain or loss is recorded in the statement of operations.

NOTE 5 – Equipment

Equipment at December 31, 2017 and 2016 consisted of the following:

	2017	**2016**
Software licenses	$ 32,188	$ 32,188
Computer equipment	17,080	13,323
	49,268	45,511
Less accumulated depreciation	(45,672)	(45,511)
Equipment, net	$ 3,596	$ -

Depreciation expense for the years ended December 31, 2017 and 2016 was $161 and $709, respectively.

NOTE 6 – Intangible Asset

Intangible assets at December 31, 2017 and 2016 consisted of the following:

	2017	**2016**
Technological know-how	$ -	$ 10,000
Less accumulated amortization	-	(1,109)
Intangible asset, net	$ -	$ 8,891

Amortization expense for the years ended December 31, 2017 and 2016 was $834 and $1,109, respectively. During 2017, the Company closed its MedicatedOne subsidiary and wrote off the intangible assets associated with this subsidiary.

NOTE 7 – Notes Payable

Notes payable at December 31, 2017 and 2016 consisted of the following:

		2017		2016
Note payable to bank; interest at 6.35% per annum; monthly principal and interest payments of $4,398; due on January 28, 2019. This note is secured by virtually all the assets of the Company.	$	33,531	$	99,241
Note payable to an individual; non-interest bearing, but if not paid by due date interest accrues at 5% per year; due on April 1, 2016. This note can be converted into shares of common stock at the option of the holder at a rate of $0.001 per shares any time after April 1, 2015 if the note remains unpaid. The holder is limited to holding less than 5% of the outstanding shares. (1)		-		3,000
Total		33,531		102,241
Debt discount		-		-
Total, net of discount		33,531		102,241
Less current portion		(33,531)		(50,558)
Note payable, long-term portion	$	-	$	51,683

(1) As of April 1, 2015, the above note payable for $5,000 was not repaid, therefore, the note became convertible into shares of the Company's common stock at $0.001 per share at the option of the note holder. The Company determined that the note contained a beneficial conversion feature which is limited to the face amount of the note payable. This beneficial conversion feature has been recorded in the financial statements to additional paid-in capital and as a discount to the note payable. The debt discount is being amortized over the remaining term of the note. The Company recognized interest expense of $1,257 during the year ended December 31, 2016 related to the amortization of the debt discount. During 2016, $2,000 of this note was converted into 2,000,000 shares of common stock. During 2017, the note holder forgave the remaining balance of $3,000.

NOTE 8 – Stockholders' Equity

Members' Interest

VoiceStep is governed by the terms and conditions of the Limited Liability Company Agreement (the Agreement) dated May 3, 2005, as amended on January 27, 2014. VoiceStep shall continue until terminated in accordance with the terms of the Agreement or as provided by law, including events of dissolution. VoiceStep shall be dissolved only upon any of the following events: (i) the vote of Member(s) holding a majority to the dissolution and winding up of VoiceStep, (ii) the entry of a decree of judicial dissolution of VoiceStep and (iii) at any time there are no Member(s), subject to remedy within 90 days of occurrence of termination event by the last remaining Member in writing.

VoiceStep originally consisted of two Members each owning 50% of VoiceStep. On January 27, 2014, one of the members was bought out with the remaining member owning 100% of the membership interest in VoiceStep. On April 3, 2014, the remaining member exchanged his 100% interest in VoiceStep for 40,000,000 shares of Vemanti common stock.

VoiceStep made distributions to its members totaling $314,079 during the year ended December 31, 2014.

Preferred stock

The Company has authorized the issuance of 50,000,000 shares of preferred stock, $0.0001 par value. At December 31, 2017 and 2016, the Company had 40,000,000 and 40,000,000, respectively, shares of preferred stock issued and outstanding. (See Note 1)

Common stock

The Company has authorized the issuance of 500,000,000 shares of common stock, $0.0001 par value. At December 31, 2017 and 2016, the Company had 57,482,000 and 45,270,000, respectively, shares of common stock issued and outstanding.

On May 18, 2016, the Company granted 500,000 shares of restricted stock under the Vemanti Group, Inc. 2015 Stock Incentive Plan to a board member. The value of the restricted stock awards was $100,000 and is based on the fair value of the Company's common stock on the grant date. These shares have not yet been issued in the form of a certificate.

On June 24, 2016, 2,000,000 Common shares were issued for debt conversion valued at $2,000.

On July 26, 2016, the Company granted 500,000 shares of restricted stock to a consultant. The value of the restricted stock awards was $65,000 and is based on the fair value of the Company's common stock on the grant date. This amount is being amortized to compensation expense over the one-year vesting period.

On August 26, 2016, the Company issued 50,000 shares of common stock for the acquisition of MedicatedOne, LLC. The value of the common stock was $10,000 and is based on the fair value of the Company's common stock on August 26, 2016.

On January 2, 2017, the Company granted 300,000 shares of restricted stock under the Vemanti Group, Inc. 2015 Stock Incentive Plan to a consultant. The shares will vest on January 2, 2018 and will be issued to the consultant on that date as long as the consultant still has a relationship with the Company. The value of the restricted stock award was $60,000 and is based on the fair value of the Company's common stock on the grant date. This amount is being amortized to compensation expense over the one-year vesting period.

On February 6, 2017, the Company issued 100,000 shares of restricted stock to a consultant. The value of the restricted stock award was $24,000 and is based on the fair value of the Company's common stock on the grant date. This amount is being amortized to compensation expense over the one-year vesting period.

On March 10, 2017, the Company granted 1,200,000 shares of restricted stock under the Vemanti Group, Inc. 2015 Stock Incentive Plan to two consultants. The shares will vest on March 10, 2018 and will be issued to the consultant on that date as long as the consultant still has a relationship with the Company. The value of the restricted stock award was $120,000 and is based on the fair value of the Company's common stock on the grant date. This amount is being amortized to compensation expense over the one-year vesting period.

On June 20, 2017, the Company granted 1,200,000 shares of restricted stock under the Vemanti Group, Inc. 2015 Stock Incentive Plan to a consultant. The shares will vest on June 20, 2018 and will be issued to the consultant on that date as long as the consultant still has a relationship with the Company. The value of the restricted stock award was $60,000 and is based on the fair value of the Company's common stock on the grant date. This amount is being amortized to compensation expense over the one-year vesting period.

On August 15, 2017, the Company granted an aggregate of 6,000,000 shares of restricted stock under the Vemanti Group, Inc. 2015 Stock Incentive Plan to three consultants. The shares will vest through August 15, 2018. The value of the restricted stock award was $300,000 and is based on the fair value of the Company's common stock on the grant date. This amount is being amortized to compensation expense over the one-year vesting period.

During the year ended December 31, 2017, the Company sold 6,112,000 shares of its common stock to investors for cash proceeds of $561,200.

NOTE 9 – Income Taxes

A reconciliation of the differences between the effective and statutory income tax rates for year ended December 31, 2017 and 2016 is as follows:

	2017			2016		
		Amount	**Percent**		**Amount**	**Percent**
Federal statutory rates	$	(129,474)	34.0%	$	(58,250)	34.0%

State income taxes		(22,848)	6.0%		(10,279)	6.0%
Permanent differences		677	-0.2%		4,444	-2.6%
Valuation allowance		151,645	-39.8%		64,085	-37.4%
Effective rate	$	-	0.0%	$	-	0.0%

At December 31, 2017 and 2016, there were no significant deferred tax assets, except for a net operating loss carryforward at December 31, 2017 for which a 100% valuation allowance has been provided.

The Company annually conducts an analysis of its tax positions and has concluded that it has no uncertain tax positions as of December 31, 2017 and 2016. The 2015 to 2017 tax years are still subject to audit.

6) ISSUER'S BUSINESS, PRODUCTS, AND SERVICES

A. Description of the issuer's business operations;

Vemanti Group, Inc., ("Vemanti") was incorporated on April 3, 2014 under the laws of the state of Nevada. VoiceStep Telecom, LLC, a California limited liability company, was formed on January 27, 2005 and originally founded in 2002 ("VoiceStep"). On April 3, 2014, the sole member of VoiceStep exchanged 100% of his membership interest in VoiceStep for 40,000,000 shares of Vemanti's common stock and 40,000,000 shares of Vemanti's preferred stock. Vemanti and its wholly-owned subsidiaries, VoiceStep, and MedicatedOne, are hereafter referred to as the "Company." The Company closed MedicatedOne during the second quarter of 2017.

The Company is a technology-driven holding company that seeks to be active in high-growth and emerging markets. Its core strengths are in technology development and investment. It drives growth through acquisition and investment in disruptive and foundational technologies by targeting early-stage companies that have market viable products or by starting a new subsidiary of its own. Strategically, it focuses mainly on blockchain projects and applications combined with other emerging technologies, including machine learning/AI, security and internet of things (IoT).

Currently, through VoiceStep, the Company provides a one-stop resource for IP (Internet Protocal) communication needs. VoiceStep's network offers availability, coverage and flexibility, and enables the following technology solutions: unified communications, data center services, content delivery, voice over IP (VoIP) and cloud computing.

The Company's growth strategy is summarized as follows:

Acquisition & Investment > Development > Integration > Building Valuation

With an experienced and talented management team, the Company is applying this approach in a number of target companies with significant revenue potential.

Going forward, the Company plans to add innovative technology-based businesses to its portfolio. Ultimately, its goal is to be a multi-asset holding and investment company focused on the emerging markets of Vietnam and other ASEAN countries where the economic force is projected to be a strong driver of global growth for the next 50 years.

The Company believes that Vietnam is positioned to be the source of outsized returns based on the following factors:

- Projected to be one of the biggest economies by 2050 in a recent report by PricewaterhouseCoopers, the country continues to be ranked among the world's fastest-growing.
- Helped by low-costs, Vietnam is becoming the 'New China' with global manufacturers. During the last five years, approximately $80 billion of direct investment has flowed into Vietnam, with $15.8 billion in 2016.

- Multinational companies setting up plants in the country are transforming the nation into Asia's manufacturing hotspot for electronics goods, including smartphones.
- Since 1990, its economy has averaged nearly 6% growth per year, 2nd in the world only to China. The Asian Development Bank forecasts Vietnam's economic growth to continue above 6% in 2018. With 94.5 million people (more than California, New York, and Florida combined), 45 million internet users and 30 million smart phone users, Vietnam is fast becoming a regional technology hub, with companies attracted by the combination of low-cost high-tech talent and global visionaries. Indeed, some even claim that Vietnam is on the road to becoming the next Silicon Valley.
- Recent trends also suggest that the U.S-Vietnam relationship has been moving closer on strategic and economic ties, laying the foundation for a more sustainable partnership in the longer term.
- Vietnam and Southeast Asia are riding a global trade and tech boom and with many early-stage FinTech and E-Commerce companies at low-valuation.

With political stability, low valuations, low costs, and increasing flows of capital, the list of Vietnam's positives is really quite impressive. While Vietnam's top down, economic picture is good, the trick is to find good opportunities to invest in at the ground level. The Company's investment strategy for Vietnam will be bottom up rather than top down. This will help capture the real vitality of Vietnam's fast growing private enterprises. The company strongly believes the winning formula is a diversified portfolio of early-stage private technology companies, especially in blockchain, that are growing fast and at very attractive valuations as Vietnam is still at the very early stage of the tech boom with plenty of near-term investment opportunities in sectors like Consumer Tech, EdTech, FinTech, SaaS, and E-Commerce where dealflow continues to shine. The Company's CEO has more than 12 years of managing experience in Vietnam on strategy and execution across networking technologies, software development, security, SaaS, mobile banking, e-commerce, payments, telecommunications, etc. and has worked extensively with foreign companies looking to establish a market presence in Vietnam as well as with Vietnam-based companies on U.S. market entry, product deployment, and corporate structuring strategy.

The following are notable corporate developments related to FY2017:

- Q1:
    - The Company signed a Memorandum of Understanding (MOU) with Acquired in the UK, a well-established payment processor whose services mainly target clients with unique and special needs to co-develop a sustainable electronic payment service for the cannabis industry. It also looked to partner with potential acquiring and merchant banks in a closed-loop banking program designed to help both financial institutions and dispensary owners create a legitimate business banking relationship that is fully compliant with current and future governmental regulations.
- Q2:
    - The Company announced to the market that it was turning its focus on serving as a venture capital vehicle where investments will be made into early-stage high-tech companies in the emerging market of Vietnam. One of the Company's objectives, following the announcement, is to work on its first acquisition into Vietnam. In June 2017, it signed an acquisition MOU with Two Group, JSC, an internet technology conglomerate based in HCMC, Vietnam.
    - To fully concentrate on its investment strategy into Vietnam, the Company closed its MedicatedOne subsidiary and wrote off the intangible assets associated with this subsidiary.
    - The Company entered into an agreement with investment bank Plutos Capital Group to bring institutional offerings and investments to and from Vietnam and Southeast Asia.

- Q3:

    - The Company signed a Letter of Intent (LOI) with Two Group, JSC to acquire 100% of the latter's assets and move towards closing the its first strategic investments into Vietnam. It is currently engaging with a third-party professional management consulting firm to assist with the due diligence and discovery process to perform verification for particular assets to ensure all intellectual property (IP) is being held with appropriate protections. Closing terms and conditions will be elaborated once the value of the desired target assets have been properly ascertained. The Company is hoping to wrap up the acquisition by end of Q1 2018.

    - The Company retained the law firm of Snyderburn, Rishoi & Swann, LLP to retrieve the 500,000 Common shares and $2,500 paid in Q3 2016 to StockVest, an IR company based in Celebration, FL. After failed attempts to receive sufficient evidence of compliance by StockVest, through email and a certified letter on August 18, 2017, the Company retracted its offer to pay for any investor relations and promotion services performed by StockVest, as those services were performed in clear violation of Section 17(b) of the Securities Act based on a handful of StockVest's promotional pieces. StockVest never responded to the letter and ceased to communicate with both the Company and Snyderburn, Rishoi & Swann, LLP. Progress reached an impasse at that point, and the Company was left with litigation as possibly the only path forward. The Company is still weighing this option since such action would present the Company with potentially high legal expenses with no guarantee of a positive outcome.

    - The Company started looking more closely at blockchain applications as it came across more and more startups from Vietnam and Asia-Pacific using the technology. On November 13th, the Company announced that it had made a strategic realignment in corporate direction to focus purely on blockchain technology. Fundamentally, the Company's business model as an investor and operator in emerging technologies remained unchanged. However, structurally it would start dedicating resources solely to cryptocurrency and blockchain-linked projects with a particular emphasis on FinTech and E-Commerce applications. With blockchain technology looking to be a sound infrastructure for tomorrow's innovations, the Company is now looking to get involved and actively engaged with the shifting applications and opportunities. As the use of blockchain is evidenced in the increasing adoption of cryptocurrency in developing economies such as Vietnam, the Company feels it is well-positioned to capitalize on the cryptocurrency tech talent and FinTech opportunities there.

- Q4:
    - The Company engaged in high-level M&A discussions with blockchain-focused companies in Vietnam and Southeast Asia. During the same period, it also invested $15,000 in digital assets (i.e. cryptocurrencies) through Coinbase, a digital currency exchange, and signed up for an open-end cryptocurrency mining contract with Genesis Mining for $3,975. The objective was for the Company to gain better insight on blockchain-based digital currency applications

    - The Company signed an LOI to invest in Platinum Energy Recovery Corporation Pte. Ltd. ("PERC"), a Singapore-based company that's developing a blockchain-based platform for the global decentralized energy trading market. It's currently performing due diligence to verify the technology and PERC's management execution ability.

    - VoiceStep's core VoIP business continued to be a stable revenue driver for the Company and remained cash positive in FY2017. Its quarter-over-quarter (Q/Q) revenue growth is expected to continue to decline due to the deteriorating nature of the prepaid calling card industry. However, the business has been able to maintain a consistent gross profit margin of over 75% due to its operational efficiency. The Company's goal is to keep VoiceStep operational as a profitable subsidiary while it looks to develop other revenue-generating subsidiaries.

While the Company faces significant competitive, financial, technical, operational and other challenges, the management team continues to try to leverage its tech expertise and management experience to identify and enter an up-and-coming market that brings many potential long-term revenue opportunities.

B. Date and State (or Jurisdiction) of Incorporation;

April 3, 2014 in the State of Nevada

C. The issuer's primary and secondary SIC Codes;

Primary: 3576 Computer Communications Equipment
Secondary: 5045 Wholesale-Computers & Peripheral Equipment & Software

D. The issuer's fiscal year end date;

Dec 31st

E. Principal products or services, and their markets;

Through its wholly-owned subsidiary, VoiceStep Telecom ("VoiceStep"), the Company is currently a fully operational and revenue-generating Voice over IP (VoIP) service provider, providing IP-based communications services to small-to-medium (SMB) business customers based in the US.

VoiceStep's current core products are:

- Business-class VOIP cloud phone system (a/k/a "Hosted PBX") and
- Carrier-class domestic/international origination and termination.
- Essential business communications tools and applications such as fax, SMS (texting), call conferencing, and call center.

VoiceStep operates in a variety of industries including advertising, consulting, finance, healthcare, legal, real estate, retail, and technology industries through its direct sales representatives and resellers. All are on a monthly recurring service plan.

Going forward, the Company plans to expand its holding company strategy by adding innovative technology-based businesses to its portfolio. Ultimately, its goal is to be a multi-asset holding and investment company focused on the emerging markets of Vietnam and other ASEAN countries where the economic force is projected to be a strong driver of global growth for the next 50 years.

7) ISSUER'S FACILITIES

The Company operates under a shared-workspace environment with Regus in Irvine, CA and Newport Beach, CA. Its official mailing address is 5000 Birch Street, West Tower – 3rd Floor, Newport Beach, CA 92660, USA. The Company does not own or have any mortgages on this or any other facilities. All employees, including the officers and directors, are working remotely in a distributed workforce setup via the use of virtual office technologies.

8) OFFICERS, DIRECTORS, AND CONTROL PERSONS

A. Names of Officers, Directors, and Control Persons.

Listed below are the Company's Officers and Directors as of December 31, 2017.

Name	**Tittle**
Tan Tran	Chairman of Board, CEO
Fred Thiel	Director
Rachel Boulds	CFO
Phoebe Pham	Secretary & Treasurer

B. Legal/Disciplinary History.

There is no current or pending legal/disciplinary action against the Company or any of its Officers/Directors as of December 31, 2017.

C. Beneficial Shareholders.

Name	**Shares**	**Percentage**	**Stock**	**Address**
Tan Tran	28,650,000	49.84%	Common	51 Acorn Glen, Irvine, CA 92620
Tan Tran	40,000,000	80.00%	Preferred	51 Acorn Glen, Irvine, CA 92620

9) THIRD PARTY PROVIDERS

Legal Counsel
Name: Matt McMurdo, Esq.
Firm: McMurdo Law Group, LLC
Address 1: 1185 Avenue of the Americas, 3rd Floor
Address 2: New York, NY 10036
Phone: 917-318-2865
Email: matt@nannaronelaw.com

Accountant or Auditor
Name: Kevin Pickard
Firm: Pickard & Company CPAs
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Phone: 661-294-8300
Email: kevin@pickardcpa.com

Investor Relations:
Name: Richard Oravec
Firm: Pivo Associates, Inc.
Address 1: 277 West 11th Street, Suite 2F
Address 2: New York, NY 10014
Phone: 212-924-3548
Email: roravec@mac.com

10) ISSUER CERTIFICATION

I, Tan Tran, certify that:

1. I have reviewed this Annual Report of the Vemanti Group, Inc.

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: February 12, 2018

/s/ TAN TRAN - CEO

/s/ RACHEL BOULDS - CFO