Registered number: 09233754 (England and Wales)

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Soldo Ltd

Annual Report and Financial Statements

for the Period from 24 September 2014 to 31 December 2015

SOLDO

Contents

Company Information

Directors

Carlo Gualandri

Andrea Gerosa

Roberto Bonanzinga

Registered office

Charles House
108-110 Finchley Road
London
NW3 5JJ

Registered number

09233754 (England and Wales)

Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Strategic Report
for the period from 24 September 2014 to 31 December 2015

The directors present their strategic report for the period from 24 September 2014 to 31 December 2015.

Fair review of the business
Soldo Ltd is a FinTech software company developing a modern technological, regulatory and operational platform for real time transactional banking supporting multiple jurisdictions, languages and currencies allowing customers in its target markets (being individuals, families and SMEs) to better control their day to day spending both on and offline.

Business review
In early 2015, the Company secured a Seed Round investment from the founder, Carlo Gualandri, management, individuals, family offices and Institutional Investors.

Highlights
The Company completed the first 15 months of operations with the building of a solid technology foundation for the business that allowed it to progress and learn a lot in the live testing phase. This technology will be the pillar of the future developments either in the business to consumer market and in the business to business across Europe.

Future developments

- With its Seed Round Funding, Soldo will invest in:
  Hiring leading talent to develop the business and improve its technology
- Scale up operations & marketing
- Start its international expansion

Financial KPIs
The Company does not use complex KPIs in monitoring the business. License fees for the use of the technology platform and its related operating expenses are the principal components of the company's operations.

The board of directors monitors a number of key performance indicators such as the financial risks - liquidity risk and market risk.

Liquidity risk is the risk that the company's cash and committed facilities may be insufficient to meet its obligations as and when they fall due. In considering the performance of the business before its commercial launch cash flow measurements and projections as well as sources of liquidity are reviewed regularly to ensure availability of adequate funds.

The marketing department is working rigorously to ensure the market viability of the product once it is commercially launch.

Principal risks and uncertainties
The company's activities expose it to a number of risks. The principal risk is that the company will be unable to meet its obligations should shareholders cut their investments before commercial launch. However, the board of directors continues to raise funds through loan stock to have sufficient funds to mitigate any of such circumstances.

The board of directors also monitors the financial risks of the company and has a responsibility of ensuring effective risk management and control. To this end, the board believe that there is no cause for concern to the company.

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Strategic Report
for the period from 24 September 2014 to 31 December 2015 (continued)

Going Concern

The directors have prepared forecasts which cover a period of at least twelve months from the date of approval of these financial statements. These forecasts indicate that the company will have sufficient financial resource to enable it to settle its liabilities as and when they fall due. Accordingly, the directors have prepared these financial statements on a going concern basis.

Approved by the Board on 23 June 2016 and signed on its behalf by:

....
Andrea Gerosa
Director

Directors' Report
for the Period from 24 September 2014 to 31 December 2015

The directors present their report and the financial statements for the period from 24 September 2014 to 31 December 2015.

Incorporation
The company was incorporated on 24 September 2014 in England.

Directors of the Company
The directors who held office during the period were as follows:
Carlo Gualandri (appointed 24 September 2014)
Andrea Gerosa (appointed 24 February 2015)
Roberto Bonanzinga (appointed 24 February 2015)

Branches outside the United Kingdom
Soldo Ltd has a branch in Italy located at Via Adolfo Rava 124, Rome 00142, Italy

Charitable Donations
There were no charitable donations made during the period.

Statement as to Disclosure of information to Auditors
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Reappointment of auditors
In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of PricewaterhouseCoopers LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.
Approved by the Board on 23 June 2016 and signed on its behalf by:

....
Andrea Gerosa
Director

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report to the members of Soldo Ltd

Report on the financial statements

Our opinion

In our opinion, Soldo Ltd.'s financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss and cash flows for the 15 month period (the "period") then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Statement of Comprehensive Income for the period then ended;
- the Statement of Cash Flows for the period then ended;
- the Statement of Changes in Equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

S O L D O

Independent Auditor's Report (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of directors

As explained more fully in the Statement of the Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

....
Jonathan Ford (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP,
Chartered Accountants and Statutory Auditors
London

24 June 2016

Statement of Comprehensive Income
for the Period from 24 September 2014 to 31 December 2015

	Note	24 September 2014 to 31 December 2015 £
Salaries		(409,583)
Administrative Expenses		(840,474)
Operating loss		(1,250,057)
Net finance income	4	408
Loss before tax		(1,249,649)
Loss for the period		(1,249,649)

	Note	24 September 2014 to 31 December 2015 £
Loss for the period		(1,249,649)
Total comprehensive income for the period		(1,249,649)

The above results were derived from continuing operations.

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Statement of Financial Position
as at 31 December 2015

	Note	31 December 2015 £
Assets		
Non-current assets		
Property, plant and equipment	8	11,203
Intangible assets	9	622,854
		634,057
Current assets		
Trade and other receivables	10	115,117
Cash and cash equivalents	11	2,219,892
		2,335,009
Total assets		2,969,066
Equity and liabilities		
Equity		
Share capital	12	1,429
Share premium		3,999,738
Retained earnings		(1,249,649)
Total equity		2,751,518
Current liabilities		
Trade and other payables	13	217,548
Total equity and liabilities		2,969,066

Approved by the Board on 23 June 2016 and signed on its behalf by:

....

Andrea Gerosa

Director

Soldo Ltd, Registered No. 09233754

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Statement of Changes in Equity
for the Period from 24 September 2014 to 31 December 2015

	Share capital £	Share premium £	Retained earnings £	Total £
Loss for the period	-	-	(1,249,649)	(1,249,649)
Total comprehensive income	-	-	(1,249,649)	(1,249,649)
New share capital subscribed	1,000	-	-	1,000
Other preference share capital movements	429	-	-	429
Other share premium reserve movements	-	3,999,738	-	3,999,738
At 31 December 2015	1,429	3,999,738	(1,249,649)	2,751,518

The accompanying notes on pages 12 to 18 form an integral part of these financial statements.

Statement of Cash Flows
for the Period from 24 September 2014 to 31 December 2015

	Note	24 September 2014 to 31 December 2015 £
Cash flows from operating activities		
Loss for the period		(1,249,649)
Adjustments to cash flows from non-cash items		
Depreciation and amortisation	3	1,808
Finance income/(costs)	5	(408)
		(1,248,249)
Working capital adjustments		
Increase in trade and other receivables	10	(115,117)
Increase in trade and other payables	13	217,548
Net cash flow from operating activities		(1,145,818)
Cash flows from investing activities		
Interest received	4	2,469
Acquisitions of property plant and equipment		(13,018)
Acquisition of intangible assets	9	(622,854)
Net cash flows from investing activities		(633,403)
Cash flows from financing activities		
Interest paid	4	(227)
Proceeds from issue of ordinary shares, net of issue costs		1,000
Proceeds from issue of preferred shares, net of issue costs		4,000,167
Foreign exchange (gains) / losses	4	(1,834)
Net cash flows from financing activities		3,999,106
Net increase in cash and cash equivalents		2,219,885
Cash and cash equivalents at 24 September		-
Effect of exchange rate fluctuations on cash held		7
Cash and cash equivalents at 31 December		2,219,892

The accompanying notes on pages 12 to 18 form an integral part of these financial statements.

Notes to the Financial Statements for the Period from 24 September 2014 to 31 December 2015

1 General Information

The company is a private company limited by share capital incorporated in England and Wales and domiciled in England.

The address of its registered office is Charles House, 108-110 Finchley Road, London, NW3 5JJ.

The principal place of business is Melcombe Place, Marylebone Station, 12 Melcombe Place, London, NW1 6JJ.

These financial statements were authorised for issue by the Board on 23 June 2016.

2 Accounting policies

Statement of compliance

The company financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations adopted by the EU ("adopted IFRS's").

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

The financial statements have been prepared in accordance with IFRSs as adopted by the European Union, IFRS Interpretations Committee ("IFRS IC") interpretations and the Companies Act 2006 applicable to the companies reporting under IFRSs. The financial statements are presented in Pounds Sterling and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 24 September 2014 have had a material effect on the financial statements as this is the first year in which financial statements have been presented.

None of the standards, interpretations and amendments which are effective for periods beginning after 24 September 2014 and which have not been adopted early, are expected to have a material effect on the financial statements.

Going concern

The financial statements presented within have been prepared on a going concern basis. The directors have prepared forecasts which cover a period of at least twelve months from the date of approval of these financial statements. These forecasts indicate that the company will have sufficient financial resource to enable it to settle its liabilities as and when they fall due. Accordingly, the directors have prepared these financial statements on a going concern basis.

Taxation

The company does not have current or deferred tax balances for the current and prior year.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company activities.

Notes to the Financial Statements
for the Period from 24 September 2014 to 31 December 2015 (continued)

2 Accounting policies (continued)

Property, plant and equipment
Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation
Depreciation is charged so as to write off the cost of assets in their entirety, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Computer equipment	straight line over 3 years
Office furniture and equipment	straight line over 5 years

Intangibles
Intangible assets relate to website development, software developments and licence costs. These are capitalised where the benefit from the expenditure extends into future accounting periods. Capitalised development assets are amortised over five years in line with the forecasted revenue generated by the company. All other intangible assets are amortised are amortised over 36 months.

At each reporting date, the company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount (higher of an asset's fair value less costs to sell and value in use) of the asset is estimated in order to determine the extent of the impairment loss. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the consolidated income statement. Assets are stated at cost less accumulated amortisation and any recognised impairment.

Financial instruments
Financial assets and liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument. The company's financial instruments comprise cash, trade receivables and trade and other payables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Loans and receivables
Loans and receivables are initially stated at their fair value plus transaction costs, then subsequently at amortised cost using the effective interest method, if applicable, less impairment losses.

Trade receivables
Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Notes to the Financial Statements for the Period from 24 September 2014 to 31 December 2015 (continued)

2 Accounting policies (continued)

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Foreign currency

The financial statements are presented in 'Pounds Sterling' (£), which is the company's functional presentation currency.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares and seed preferred shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Loss for the period

Arrived at after charging

	24 September 2014 to 31 December 2015 £
Depreciation expense	1,808
Operating lease expense - property	124,362

4 Finance income and costs

	24 September 2014 to 31 December 2015 £
Finance income	
Interest income on bank deposits	2,469
Finance costs	
Interest on bank overdrafts and borrowings	(227)
Foreign exchange losses	(1,834)
Total finance costs	(2,061)
Net finance income	408

Notes to the Financial Statements for the Period from 24 September 2014 to 31 December 2015 (continued)

5 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	24 September 2014 to 31 December 2015 £
Wages and salaries	354,496
Social security costs	39,335
Other short-term employee benefits	15,752
	409,583

The above costs exclude the costs of the software development team which have been capitalized (refer note 9).

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows:

	24 September 2014 to 31 December 2015 No.
Administration and support	2
Research and development	10
Sales, marketing and distribution	2
	14

6 Directors' remuneration

The directors' remuneration for the period was as follows:

	24 September 2014 to 31 December 2015 £
Remuneration	92,530

7 Auditors' remuneration

	24 September 2014 to 31 December 2015 £
Audit of the financial statements	15,000

Notes to the Financial Statements for the Period from 24 September 2014 to 31 December 2015 (continued)

8 Property, plant and equipment

	Furniture, fittings and equipment £	Total £
Cost or valuation		
Additions	13,011	13,011
At 31 December 2015	13,011	13,011
Depreciation		
Charge for the period	1,808	1,808
At 31 December 2015	1,808	1,808
Carrying amount		
At 31 December 2015	11,203	11,203

9 Intangible assets

	Internally generated software development costs £	Total £
Cost or valuation		
Additions	622,854	622,854
At 31 December 2015	622,854	622,854
Carrying amount		
At 31 December 2015	622,854	622,854

10 Trade and other receivables

	31 December 2015 £
Trade receivables	17,016
Prepayments	16,498
Other receivables	81,603
	115,117

The fair value of the trade and other receivables are classified as financial instruments. There is no difference in the carrying value.

Notes to the Financial Statements
for the Period from 24 September 2014 to 31 December 2015 (continued)

11 Cash and cash equivalents

	31 December 2015 £
Cash on hand	2,756
Cash at bank	2,217,136
	2,219,892

Included in cash at bank is an amount of £15,222 which relates to prefunding amounts for trade customers.

12 Share capital

Allotted, called up and fully paid shares

	31 December 2015 No.	31 December 2015 £
Ordinary Shares of £0.01 each	100,000	1,000
Seed Preferred Shares of £0.01 each	42,858	429
	142,858	1,429

New shares allotted

During the period, 42,858 newly issued Seed Preferred Shares having an aggregate nominal value of £0.01 were allotted for an aggregate consideration of £4,000,065. The new preference shares have liquidation preference over the ordinary shares.

13 Trade and other payables

	31 December 2015 £
Trade payables	54,733
Accrued expenses	52,077
Social security and other taxes	89,674
Outstanding employee benefit costs	19,877
Other payables	1,187
	217,548

The fair value of the trade and other payables are classified as financial instruments. There is no difference in the carrying value.

14 Operating lease commitments

The total future value of minimum lease payments is as follows:

Operating leases which expire	31 December 2015 Italy - £	31 December 2015 UK - £
Within one year	58,378	188,500
Within two to five years	192,783	32,500
Within more than five years	17,907	-
	269,068	221,000

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Notes to the Financial Statements for the Period from 24 September 2014 to 31 December 2015 (continued)

15 Ultimate controlling party

The majority shareholder was Carlo Gualandri, a director of the company.

16 Post balance sheet events

The company has issued convertible debt in the amount of £1,650,000, subscribed by current shareholders and new investors, which ensures the funding of the company for the whole of 2016. The first release of the product has been put to the market, both in the UK and Italy.

17 Related party transactions

There were no significant related party transactions during the period.