

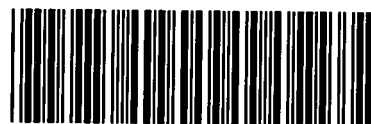
Registered number: 10416468

TAPTAP SEND UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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TAPTAP SEND UK LIMITED

COMPANY INFORMATION

Directors	Michael Darren Faye Thomas Frederick Arnold Stenhouse
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Registered number	10416468
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Registered office	Epworth House 25 City Road London EC1Y 1AA
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Independent auditors	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus Canary Wharf London E14 4HD
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TAPTAP SEND UK LIMITED

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TAPTAP SEND UK LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The Directors present their strategic report for the year ended 31 December 2022.

Business review

During the period, the Company expanded its digital international money services to new markets across Africa and Asia.

The Company is authorised by the Financial Conduct Authority (the "FCA") under the Electronic Money Regulations 2011 with permission to provide payment services.

Mobile distribution networks have dramatically expanded the reach of digital finance. The Company has licensed a mobile-based product from its parent, Taptap Send Inc, to take advantage of this shift that is simple, convenient and a low-cost alternative to traditional methods of international money transfer.

Revenue of £14.5m (2021 restated: £8.2m) was generated by this service offering in the year, demonstrating significant year on year growth. The Company has recorded a loss for the year whilst continuing expansion into new markets.

The Company continued to provide services to intra-group entities, generating a revenue of £6.2m (2021 restated: £6m).

Principal risks and uncertainties

The Company faces operational and financial risks in the normal course of business. The key risks, and the Company's approach to mitigating those risks, are outlined below.

Competitive risk

The markets in which the Company operates are highly competitive, with many large established businesses. To compete successfully, the Company will continue to enhance its product and monitor competitors' offering and performance in its markets.

Regulatory compliance risk

The Company is regulated by the FCA, and is subject to extensive regulatory requirements such as the Payment Services Regulations 2017, the Electronic Money Regulations 2011 and the Money Laundering Regulations 2017. Failure to meet these requirements could restrict the ability of the Company to operate.

The Company is committed to a strong compliance culture throughout the business, with controls and systems in place to ensure that the Company remains compliant with all required legislation.

Operational risk

The Company's competitive service offering is providing fast global remittances. A significant operational risk exists when partner outages or delays occur, as the Company is unable to provide its service offering and risk reputational and financial damage.

The Company looks to mitigate this risk through careful selection of partners and through working with multiple partners in regions in which we operate.

TAPTAP SEND UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Foreign currency risk

The Company typically receives funds from senders in a different currency to that which it distributes to recipients. As the remittance occurs in a matter of seconds, this requires prefunding the majority of partners with the expected remittance volumes. The Company is sometimes exposed to exchange risk during this process due to the advanced funding of the remittances.

To mitigate the foreign currency exposure, the Company has developed efficient volume forecasting, and timely, regular funding of partners. The Company additionally monitors its exposure to foreign currencies to ensure it is managed appropriately.

Liquidity risk

Maintaining sufficient levels of working capital to support ongoing operations and future growth are critical to the performance of the Company. The Company utilises active cash management strategies, including raising additional shareholder funds and use of third-party debt facilities, to ensure sufficient levels of liquidity.

Financial key performance indicators

The Board monitors activities and performance on a regular basis through frequent review of KPIs and metrics including budget versus actual performance. Indicators used by the Board to assess performance during the period included remittance volume, revenue, and net operating profit.

TAPTAP SEND UK LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172 statement

The Directors have complied with their responsibilities under Section 172 of the Companies Act 2006 which requires them to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members.

The Board is committed to ensuring the Company's business remains sustainable, not only from the shareholder's perspective, but also for the environment, customers, suppliers and others affected by our activities. In so doing, the Board have regard to the following matters:

(a) The likely consequences of any decision in the long term

By complying with Section 172, the Directors have had regard to the interests of stakeholders affected by the company's activities and to the likely consequences of decisions in the long-term. The Board regularly review the Company's position and strategies at the Board meetings. The decisions of the Board reflect the need to consider the interests of our staff and the need to continue to develop a technological advantage versus incumbents, so the business is appropriately positioned to take best advantage of market conditions. The strategic priorities are cascaded down by the Executive Directors through direct communication with those responsible for putting measures in place and taking action to achieve them.

The company measures its performance based on KPI's which can be found in this Strategic Report on page 2 above.

(b) Interests of the Company's employees

Engaged, enabled, empowered employees who contribute to the best of their potential are fundamental to the long-term success of the business. In 2022 the Company had an average of 71 employees. The Company actively seeks to hire employees who share and who live our values in the way that they operate, train them well and look after them so that they provide the best possible service for our customers and remain with us for the long term. In all instances, two-way communication is actively sought and encouraged.

There are "town hall" sessions with staff to discuss what's happening in the business, provide staff with information on new developments, show a spotlight on different departments and encourage employees to ask questions. Regular "demo sessions" are held whereby staff from different departments can showcase any new products or features from their departments.

Employees are actively urged to share their feedback, be it positive or negative, which is then reviewed by direct line management and the leadership team to ensure that staff are fully satisfied and engaged with the Company.

(c) Fostering business relationships with customers, suppliers and others

Throughout the period, the Company has continued to keep customers, suppliers and other stakeholders aware of progress, with the aim to maintain strong relationships in a difficult and challenging period.

All relationships with partners and others engaged to supply services to the Company are formally recorded in written contracts, engagement letters, service level agreements and terms of business. The Executive Directors monitor performance under these arrangements and pay our suppliers in accordance with the Company's agreed payment policy. Again, transparent two-way communication with our suppliers is actively sought and encouraged.

(d) The impact of the Company's operations on the community and the environment

The Board is committed to ensuring the Company's business remains sustainable for the community, environment and others affected by the Company's activities. It considers collaboration with quality partners important in ensuring the Company's long-term success and sustainability. Our performance in this respect is periodically reported to and reviewed by the Company's Executive Directors.

(e) Maintaining a reputation for high standards of business conduct

TAPTAP SEND UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Board recognises the importance of the Company building a reputation for high standards of business conduct to ensure the business remains sustainable, maximises its competitive advantage over the longer term and builds value for the shareholder.

Our employees must comply with Company's values as well as requirements of the Financial Conduct Authority ('FCA'), which sets a high bar for conduct and how relationships and business are managed. This includes a comprehensive suite of Policies and Procedures.

The Company provides our staff with relevant training as appropriate. As the Company is regulated by the Financial Conduct Authority these include the full range of anti-bribery and corruption and antimoney laundering requirements.

(f) Acting fairly with the shareholder of the Company

The support and engagement of the shareholder is imperative to the future success of the Company and the Board is committed to communicating effectively with the shareholder and understanding their needs and expectations. To achieve this, the Board encourages two-way communication with the shareholder and responds appropriately to ensure all questions or issues received from them are addressed in a timely manner. The directors have regular, direct contact with the shareholder and make sure that their opinions are communicated to the Board as needed. There have been regular dialogues with the shareholder during the year.

There is also an on-going dialogue with the shareholder through formal communication of financial results and providing periodic updates in this respect.

This report was approved by the board on 22 December 2023 | 3:51 PM GMT and signed on its behalf.

DocuSigned by:

Tom Stenhouse

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Thomas Frederick Arnold Stenhouse
Director

TAPTAP SEND UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

Results and dividends

The loss for the year, after taxation, amounted to £3,341,469 (*2021 restated - profit £1,719,965*).

Directors

The Directors who served during the year were:

Michael Darren Faye
Mitchell James Riley (resigned 5 September 2022)
Thomas Frederick Arnold Stenhouse (appointed 2 September 2022)

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

Details of post balance sheet events can be found in note 25 of the notes to the financial statements.

Change in reporting currency

The comparatives were previously presented in USD. In accordance with section 30 of FRS102, the functional currency of the entity has been updated to GBP, for further details of the change in policy see note 2.9.

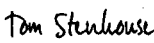
The Balance Sheet has been converted at a foreign exchange rate as at the 31 December 2021 of 1.34973 .

The Statement of Comprehensive Income has been converted at an average foreign exchange rate for 2021 of 1.37436.

Auditors

The auditors, PKF Littlejohn LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 22 December 2023 | 3:51 PM GMT and signed on its behalf.

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Thomas Frederick Arnold Stenhouse
Director

TAPTAP SEND UK LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 to 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.

TAPTAP SEND UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TAPTAP SEND UK LIMITED

Opinion

We have audited the financial statements of Taptap Send UK Limited (the 'Company') for the year ended 31 December 2022, which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

TAPTAP SEND UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TAPTAP SEND UK LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

- adequate accounting records have not been kept, 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; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

TAPTAP SEND UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TAPTAP SEND UK LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the Company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the Company in this regard to be those arising from Electronic Money Regulations 2011, Money Laundering Regulations and the Companies Act 2006.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the Company with those laws and regulations. These procedures included, but were not limited to:
 - Enquiries of management for any known, or suspected instances of non-compliance by the Company of those laws and Regulations.
 - Review of legal and regulatory correspondences and returns
 - Review of minutes of the board of directors
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there is potential for management bias in relation to revenue recognition, foreign exchange translation and the impairment of cash advances to pay-out partners. The risk in relation to revenue was addressed by substantive testing to support the completeness and accuracy of revenue. The risk in relation to cash advances to pay-out partners was addressed by challenging the assumptions and judgements made by management when considering impairment of those balances. The risk in relation to the foreign exchange translation was addressed by comparing the exchange rates on the client's system to that of an external source.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business, business that came to our attention and preliminary and final analytical review to identify any unusual or unexpected relationships or variances.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.


TAPTAP SEND UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TAPTAP SEND UK LIMITED (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

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

DocuSigned by:

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Azhar Rana (Senior Statutory Auditor)

for and on behalf of
PKF Littlejohn LLP

Statutory Auditor
15 Westferry Circus
Canary Wharf
London
E14 4HD

Date: 22 December 2023 | 8:11 AM PST

TAPTAP SEND UK LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	20,623,435	14,206,748
Cost of sales		(5,527,772)	(4,506,286)
Gross profit		15,095,663	9,700,462
Administrative expenses		(19,606,104)	(7,590,355)
Other operating income	5	101,492	155,531
Operating (loss)/profit	6	(4,408,949)	2,265,638
Reversal of impairment		1,121,860	-
(Loss)/profit on ordinary activities before interest		(3,287,089)	2,265,638
Amounts written off investments		(304)	-
Interest receivable and similar income		48,574	-
Interest payable and similar expenses	7	(400,874)	(333,981)
(Loss)/profit before tax		(3,639,693)	1,931,657
Tax (charge) / credit for the year	11	298,224	(211,692)
(Loss)/profit for the financial year		(3,341,469)	1,719,965

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 16 to 28 form part of these financial statements.

TAPTAP SEND UK LIMITED
REGISTERED NUMBER: 10416468

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	12	-	304
		<u>-</u>	<u>304</u>
Current assets			
Debtors: amounts due within one year	13	9,486,470	4,515,334
Advances to payout partners	14	41,837,846	15,314,427
Cash at bank and in hand	15	27,384,961	7,139,573
		<u>78,709,277</u>	<u>26,969,334</u>
Creditors: amounts due within one year	16	(71,864,280)	(16,849,067)
Net current assets		<u>6,844,997</u>	<u>10,120,267</u>
Total assets less current liabilities		<u>6,844,997</u>	<u>10,120,571</u>
Net assets		<u>6,844,997</u>	<u>10,120,571</u>
Capital and reserves			
Called up share capital	18	6	6
Share premium account	19	10,822,495	10,822,495
Other reserves	21	134,542	68,295
Profit and loss account		(4,112,046)	(770,225)
		<u>6,844,997</u>	<u>10,120,571</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 December 2023 | 3:51 PM GMT

DocuSigned by:

Tom Stenhouse
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Thomas Frederick Arnold Stenhouse
Director

The notes on pages 16 to 28 form part of these financial statements.

TAPTAP SEND UK LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2022	6	10,822,495	68,295	(770,225)	10,120,571
Comprehensive income for the year					
Loss for the year	-	-	-	(3,341,469)	(3,341,469)
FX movement on conversion	-	-	-	(352)	(352)
Total comprehensive income for the year	-	-	-	(3,341,821)	(3,341,821)
Contributions by and distributions to owners					
Share options issued during the year	-	-	66,247	-	66,247
Total transactions with owners	-	-	66,247	-	66,247
At 31 December 2022	6	10,822,495	134,542	(4,112,046)	6,844,997

The notes on pages 16 to 28 form part of these financial statements.

TAPTAP SEND UK LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	3	3,056,886	36,731	(2,490,190)	603,430
Comprehensive income for the year					
Profit for the year	-	-	-	1,719,965	1,719,965
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,719,965</u>	<u>1,719,965</u>
Contributions by and distributions to owners					
Shares issued during the year	3	7,765,609	-	-	7,765,612
Share options issued during the year	-	-	31,564	-	31,564
Total transactions with owners	<u>3</u>	<u>7,765,609</u>	<u>31,564</u>	<u>-</u>	<u>7,797,176</u>
At 31 December 2021	<u>6</u>	<u>10,822,495</u>	<u>68,295</u>	<u>(770,225)</u>	<u>10,120,571</u>

The notes on pages 16 to 28 form part of these financial statements.

TAPTAP SEND UK LIMITED**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(3,341,469)	1,719,965
Adjustments for:		
Interest paid	400,874	340,076
Interest received	(48,574)	-
Taxation charge	(298,224)	215,556
(Increase) in debtors	(30,688,808)	(9,131,206)
(Increase) in amounts owed by group undertakings	(723,078)	(1,901,519)
Increase in creditors	18,802,984	3,177,785
Increase in amounts owed to group undertakings	36,427,787	2,326,589
Share options charge	66,247	-
Foreign exchange	(355)	-
Net cash generated from operating activities	20,597,384	(3,252,754)
Cash flows from investing activities		
Sale of share in minority shareholding	304	-
Interest received	48,574	-
Purchase of shares in associates	-	31,564
Net cash from investing activities	48,878	31,564
Cash flows from financing activities		
Issue of ordinary shares	-	7,789,385
Interest paid	(400,874)	(340,076)
Net cash used in financing activities	(400,874)	7,449,309
Net Increase in cash and cash equivalents	20,245,388	4,228,119
Cash and cash equivalents at beginning of year	7,139,573	2,911,454
Cash and cash equivalents at the end of year	27,384,961	7,139,573
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	27,384,961	7,139,573
	27,384,961	7,139,573

TAPTAP SEND UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Taptap Send UK Limited is a private company limited by shares and is incorporated and domiciled in England. The address of the registered office is Epworth House, 25 City Road, London, England, EC1Y 1AA.

Taptap Send UK Limited ('the Company') was incorporated on 7 October 2016. On 11 December 2017, the Company was authorised by the Financial Conduct Authority as an Electronic Money Institution to issue electronic money and provide payment services.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

2.2 Going concern

The Directors believe that adequate cash resources will be available to cover the Company's requirements for working capital for the next twelve months and for the foreseeable future to meet its obligations as they fall due. Accordingly, the financial statements have been prepared on the going concern basis.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable.

Income from foreign exchange comprises income from purchase and sale of foreign currencies.

Commission, foreign exchange margin and other incidental income to the remittance transaction are recognised on the completion of each respective transaction. The Company charges a fixed fee as commission income and earns foreign exchange margin on remittance transactions which is the difference between the exchange rate at which company deal with banks and the rate offered to customers.

When the Company provides a service to its customers, consideration is invoiced and generally due immediately upon satisfaction of a service provided at a point in time or at the end of the contract period for a service provided over time.

Intragroup services relates to management recharges for costs incurred by the company on behalf of wholly owned subsidiaries of Taptap Send Inc, the parent company. These costs are recharged at cost plus mark up.

2.4 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

TAPTAP SEND UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (continued)

2.5 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loan receivables are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash and cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

TAPTAP SEND UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (continued)

2.7 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Creditors

Creditors consist of short term creditors which are measured at the transaction price.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

In accordance with section 30 of FRS102, the Company changed the reporting currency from USD to GBP, resulting in the restatement of 2021 comparative to reflect the change in functional currency.

The Company has performed an assessment with the following key factors informing the currency change :

- the currency that mainly influences sales prices.
- the currency in which receipts from operating activities are usually retained.
- whether the activities carried out with a significant degree of autonomy from its foreign parent company.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

TAPTAP SEND UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (continued)

2.11 Share-based payments

The Company has entered an agreement with its parent company, Taptap Send Inc., to award share options in the parent to its own employees. Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.13 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Taxation

Tax is recognised in profit or loss except charges attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity which are recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

TAPTAP SEND UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****2. Significant accounting policies (continued)****2.16 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of debtors and advances to payout partners

The Company makes an estimate of the recoverable value of trade and other debtors and advances made to payout partners. When assessing impairment of debtors, management considers the likely recoverability as well as other factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022	As restated 2021
	£	£
Money remittance services	14,465,340	8,163,738
Intragroup services	6,158,095	6,043,010
	<u>20,623,435</u>	<u>14,206,748</u>

	2022	As restated 2021
	£	£
Analysis of turnover by geographic location		
Europe	4,047,275	5,387,132
Africa	14,085,421	8,163,738
North America	2,110,822	655,878
Asia	379,917	-
	<u>20,623,435</u>	<u>14,206,748</u>

TAPTAP SEND UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****5. Other operating income**

	2022	<i>As restated</i> 2021
	£	£
Other operating income	101,492	124,703
Foreign exchange gain on reporting currency change	-	30,828
	<u>101,492</u>	<u>155,531</u>

Other operating income in 2022 relates to overseas governments issuance of rebates for remittance incentivisation to their country.

6. Operating profit

Operating profit is stated after charging:

	2022	<i>As restated</i> 2021
	£	£
Exchange differences	-	35,303
Other operating lease rentals	-	34,914
	<u>-</u>	<u>70,217</u>

7. Interest payable and similar expenses

	2022	<i>As restated</i> 2021
	£	£
Interest payable	400,874	333,981
	<u>400,874</u>	<u>333,981</u>

Interest payable relates to interest expense and commitment fees paid for facility amounts committed not drawn.

TAPTAP SEND UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****8. Auditors' remuneration**

During the year, the Company obtained the following services from the Company's auditors:

	2022 £	As restated 2021 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	60,000	29,104

9. Employees

Staff costs, including Directors' remuneration, were as follows:

	2022 £	As restated 2021 £
Wages and salaries	4,172,444	2,508,510
Social security costs	499,990	348,970
Pension costs	71,556	31,528
	<u>4,743,990</u>	<u>2,889,008</u>

Within salaries is an amount totalling £65,166 (2021 restated: £88,460) relating to the current value of vested share options in Taptap Send Inc. issued to employees.

The average monthly number of employees, including the Directors, during the year was as follows:

	2022 No.	2021 No.
Number of employees	71	50

10. Directors' remuneration

	2022 £	As restated 2021 £
Directors' emoluments	265,971	219,749
	<u>265,971</u>	<u>219,749</u>

The highest paid Director received remuneration of £173,736 (2021 restated: £170,716).

Within director's emoluments is an amount totalling £1,081 (2021 restated: £14,924) relating to the current value of vested share options in Taptap Send Inc. issued to directors.

TAPTAP SEND UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****11. Taxation**

	2022 £	As restated 2021 £
Corporation tax		
Current tax on profits for the year	(298,224)	211,692
Total current tax	<u>(298,224)</u>	<u>211,692</u>
Taxation on (loss)/profit on ordinary activities	<u>(298,224)</u>	<u>211,692</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £	As restated 2021 £
(Loss)/profit on ordinary activities before tax	<u>(3,639,693)</u>	<u>1,931,657</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(691,542)	355,562
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	31,816	18,714
Income not taxable	(12,823)	-
R&D adjustment in relation to 2019	(83,360)	-
R&D adjustment in relation to 2020	(131,697)	-
Foreign Exchange differences	41,670	-
Fixed asset differences	(10,947)	(3,028)
Non-trade loan relationships carried forward	-	(38,023)
Other permanent differences	-	(2,714)
Current tax exchange difference	-	(4,364)
Deferred tax not recognised	558,659	(114,455)
Total tax charge for the year	<u>(298,224)</u>	<u>211,692</u>

Factors that may affect future tax charges

In the Spring Budget the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021.

TAPTAP SEND UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****12. Fixed asset investments**

	Unlisted investments £
At 1 January 2022	304
Disposals	(304)
	<hr/>
At 31 December 2022	-
	<hr/> <hr/>

This investment reflects a 1% shareholding at cost by Taptap Send UK Ltd in Taptap Send France S.A, purchased for €370 on 16 September 2019. It was written off during the year.

13. Debtors

	2022 £	As restated 2021 £
Amounts due from third party acquirers	3,745,011	2,232,704
Amounts owed by group undertakings	2,759,593	2,036,515
Corporation tax receivable	82,668	-
Other debtors	1,585,460	-
Prepayments and accrued income	1,313,738	246,115
	<hr/>	<hr/>
	9,486,470	4,515,334
	<hr/> <hr/>	<hr/> <hr/>

The Company outsources the collection of cash from customers to third party acquirers. The third party aggregates daily collections and remits to the Company on the next working day.

The Company provides operational and administrative services, such as treasury, fraud prevention and customer services, to group undertakings.

During the year, an impairment write back of £1,121,860 was recognised against an outstanding debtor. The Company was successful in a court claim and funds have been recovered post the balance sheet date.

TAPTAP SEND UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****14. Advances to payout partners**

	2022	As restated 2021
	£	£
Advances to payout partners	41,837,846	15,314,427
	<u>41,837,846</u>	<u>15,314,427</u>

To enable settlement to beneficiaries of remittance transactions the Company prefunds overseas institutions which are referred to as pay-out partners.

During the year no impairment charge was recognised against cash advances to payout partners.

15. Cash and cash equivalents

	2022	As restated 2021
	£	£
Cash at bank and in hand	27,384,961	7,139,573
	<u>27,384,961</u>	<u>7,139,573</u>

Included within this balance is amounts held in safeguarding bank accounts totalling to £668,340 (2021 restated: £28,215).

16. Creditors: Amounts falling due within one year

	2022	As restated 2021
	£	£
Amounts owed to group undertakings	47,996,153	11,568,198
Amounts due to payout partners	20,450,993	4,093,574
Trade creditors	578,485	178,361
Corporation tax	-	215,556
Accruals and deferred income	2,491,241	793,378
Other creditors	347,408	-
	<u>71,864,280</u>	<u>16,849,067</u>

To enable settlement to beneficiaries of remittance transactions the Company prefunds overseas institutions which are referred to as payout partners. Amounts owed to group undertakings are repayable on demand and do not accrue interest.

TAPTAP SEND UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****17. Financial instruments**

	2022	<i>As restated</i> 2021
	£	£
Financial assets		
Cash at bank and in hand	27,384,961	7,139,573
Financial assets that are debt instruments measured at amortised cost	44,680,108	19,583,647
	<u>72,065,069</u>	<u>26,723,220</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(69,373,039)</u>	<u>(12,539,935)</u>

18. Share capital

	2022	<i>As restated</i> 2021
	£	£
Allotted, called up and fully paid		
6 (2021 - 6) Ordinary shares of £1.00 each	<u>6</u>	<u>6</u>

19. Share premium account

	2022	<i>As restated</i> 2021
	£	£
Share premium account	10,822,495	10,822,495
	<u>10,822,495</u>	<u>10,822,495</u>

20. Analysis of net debt

	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	7,139,573	20,245,388	27,384,961
	<u>7,139,573</u>	<u>20,245,388</u>	<u>27,384,961</u>

TAPTAP SEND UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****21. Share-based payments**

The Company has entered an agreement with its parent company, Taptap Send Inc., to award share options in the parent to its own employees.

During 2022, the Company granted 582,104 shares to 16 employees, under a share option scheme. The options were exercisable at a price of \$2.10 per share and had a vesting period of 4 years. As at year end, 1,425,790 had vested but not been exercised.

Charges have been made to the profit and loss account during the year in respect of the share options totalling £66,247 (2021 restated: £30,443).

	2022 £	As restated 2021 £
Employees	65,166	15,519
Directors	1,081	14,924
	<u>66,247</u>	<u>30,443</u>

22. Related party transactions

Michael Faye, a director of the Company, is also a director of Cab Tech Holdco Ltd, whose subsidiary provides banking services to Taptap Send UK Limited.

The Company is not required to disclose other related party transactions as they are with other companies that are wholly owned within the group.

23. Contingent liabilities

A charge is registered against the Company's assets in relation to borrowing facilities provided by a financial institution.

The floating charge has since been extinguished post the balance sheet date.

24. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund amounted to £71,556 (2021 restated: £478,228). As at 31 December 2022 the amount owed to the pension fund was £12,051 (2021 restated: £16,501).

TAPTAP SEND UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

25. Post balance sheet events

On 19 November 2023, the Company's borrowing facility was terminated and the associated charge extinguished. On 19 December 2023, a new charge was registered against the Company relating to a new borrowing facility.

In addition, Michael Faye's appointment as director at Cab Tech Holdco Ltd, a related party of the Company's by virtue of this directorship, was terminated on 11 July 2023.

26. Controlling party

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Taptap Send Inc, a Company incorporated in the United States of America.

There is no one ultimate controlling party.