

# **Curve OS Group Limited**

Registered number: 13619624

## **Annual report and consolidated financial statements**

**For the year ended 31 December 2023**

# **CURVE OS GROUP LIMITED**

## **CONTENTS**

<b>Section</b>	<b>Page</b>
.	
Directors & Advisors	3
Strategic Report	4
Directors' Report	23
Consolidated Statement of Comprehensive Income	28
Consolidated and Company Statements of Financial Position	29
Consolidated and Company Statements of Changes in Equity	31
Consolidated Statement of Cash Flows	34
Notes to the Financial Statements	35
Independent auditors' report	64

## **CURVE OS GROUP LIMITED**

### **Directors and advisers**

#### **Directors**

Roberto Aitkenhead

Shachar Bialick

Daniel Bradley

Cuong Do

Lord Stanley Fink (appointed 16 December 2024)

Tomer Jacob (appointed 16 December 2024)

Michael Burns (resigned 16 December 2024)

Reeta Holmes (appointed 5 October 2023, resigned on 20 September 2024)

Anju Patwardhan (resigned 10 July 2023)

#### **Registered Office**

1-10 Praed Mews

Tyburnia

London

W2 1QY

#### **Registered Number**

13619624

#### **Independent Auditors**

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

2 Glass Wharf Temple Quay,

Bristol,

BS2 0FR,

United Kingdom

# CURVE OS GROUP LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

## Introduction

The directors present their Strategic Report together with the audited consolidated financial statements for Curve OS Group Limited and its subsidiaries (the “Group” or “Curve”) for the year ended 31 December 2023.

Curve OS Group Limited (the “Company”) which was incorporated on 14 September 2021, became the ultimate parent company following a group reorganisation on the 16th December 2021. The Company and all its subsidiaries are collectively known as “Curve”. For the purpose of these consolidated financial statements, Curve OS Group Limited, Curve OS Holding Limited, Curve UK Limited (“Curve UK”), Curve Europe UAB, Curve Credit Limited, Curve US, Inc., Thackeray DAC, and Curve Greece (together, the “Group”) are considered. Thackeray DAC was incorporated on 10 August 2023 in Ireland. Curve Greece was incorporated on 24 August 2023.

For the year ended 31 December 2023, some of the Company’s subsidiaries are entitled to exemption from audit under section 479a of the Companies Act 2006 (the “Act”) relating to subsidiary companies. The subsidiaries that are entitled for this exemption are Curve OS Holding Limited (13619916) and Curve Credit Limited (12464458).

## Curve’s Mission

Curve is on a mission to empower its customers to achieve financial freedom by continually enhancing the customer experience through superior selection, price, and convenience.

Founded in 2015, Curve addresses two key trends in personal financial services:

1. **Product Fragmentation and Complexity:** The influx of new fintech entrants and the proliferation of personal finance products have led to increased complexity and opacity, often overwhelming consumers who need a mechanism to navigate and choose among a myriad of options.
2. **Demand for Simplification:** In response to this complexity, consumers increasingly desire a single, highly-personalised entry point into the fragmented financial market—a phenomenon known as the “Amazon effect”.

Curve’s core product is a sophisticated Wallet, backed by cutting-edge proprietary and patented wallet technology, that empowers customers to manage all their financial needs seamlessly from a single, personalised interface. The Wallet enables customers to link multiple credit and debit cards, bank accounts, wallets, and loyalty accounts. Curve provides a unified platform accessible through a single application and a single physical and digital Curve card which operates across numerous channels - online, offline and mobile. This empowers customers to control their financial lives, save money, optimise their borrowing costs and cash flows, and earn more rewards, with the Curve Wallet serving as a control centre for customer finances, or as we like to call it - an Operating System for Money.

Since launch in 2018, Curve has added several complementary products underpinned by our patented payment technology (“PayTech”). Curve has real time insight into its customers’ activities across multiple financial products and this in turn creates positive momentum which allows us to launch an even wider range of products to support our customers needs.

First, our unique **Killer FX (“Foreign exchange”)** capability eliminates hidden foreign transaction fees that banks would otherwise charge, and offers better rates compared to what many banks and traditional card issuers provide, making Curve the ‘only mobile wallet that saves you money when you spend abroad’. Our revolutionary **Go Back In Time®** capability lets customers seamlessly switch past purchases from one card to another. Leveraging on this technology, we began to offer lending products to customers, providing opportunities to reduce their borrowing costs, which is our **Curve Flex** offering. Curve Flex is Curve’s credit solution that allows users to split past transactions into manageable monthly installments but with the added flexibility of applying it retroactively to transactions already made with any card connected to Curve.

**Curve Fronted**, enables our customers to pay their bills, such as tax payments, rent and other bills, with a credit card, helping them manage their cashflow and reduce their borrowing costs.

**CURVE OS GROUP LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Curve's Mission (Continued)**

Curve also provides customers a host of other financial products, such as **"Double Dip" cashback** with Curve cash, **Smart Rules**, and **360 insights** on their spend, which provides customers with an all-around view of their spending across various accounts and funding sources.

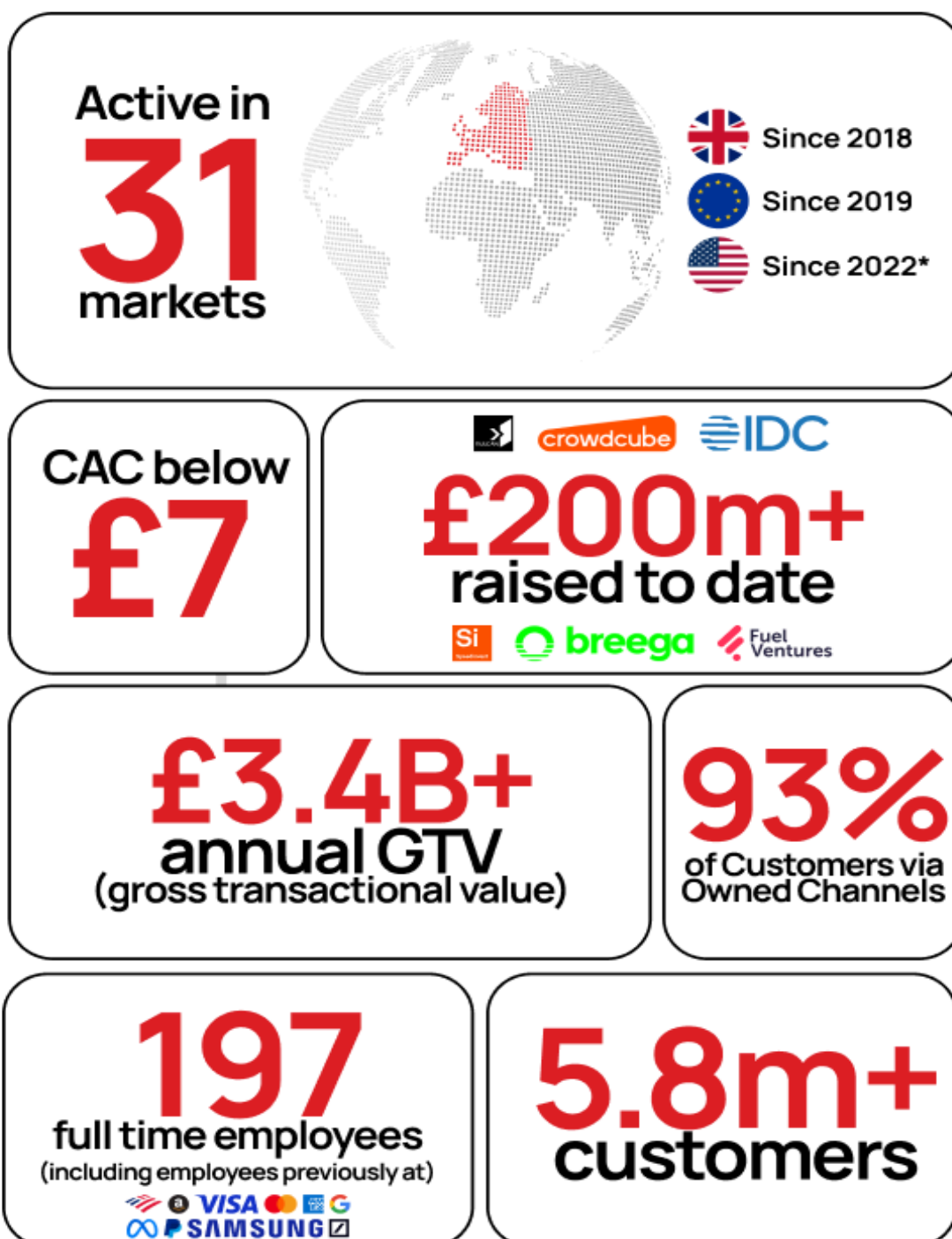
We also benefit from robust barriers to entry: Curve has proprietary PayTech capabilities that embed Curve in the end-to-end payment flow: this gives Curve unique data and technological advantages. Curve's model itself is highly defensible and it continues to enjoy a distinct first-mover advantage with no direct competitors, despite several attempts.

Throughout 2023, Curve was primarily focused on our goal of profitability. We made significant progress in the monetisation of our customer base and launched major new partnerships including an initiative with PayPal that allows customers to link their PayPal accounts to Curve, enabling usage at any merchant, both online and in-store.

As we look ahead, Curve seeks to win the current fervent "Wallet Wars". Apple's recent concessions to allow third-party developers access to the NFC chip ("Near Field Communication chip") and APIs ("Application Programming Interface") for mobile payments, has intensified an already heated market, and enables Curve to offer Apple customers the ultimate Wallet technology.

We will directly compete with digital wallets, such as Apple Pay, combining direct in-app payments with Curve's suite of differentiated product offerings to create the ultimate mobile wallet - Curve Pay.

## Curve at a glance



*\*In July 2024, our US operations were put on pause as we work to secure a new sponsor bank.*

# **CURVE OS GROUP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Our Board of Directors<sup>1</sup>**

*Roberto Aitkenhead (Bobby) - Investor Non-Executive Director* - Bobby is co-founder and Managing Partner at IDC Ventures and is a successful entrepreneur with a proven track record launching, growing, and exiting technology ventures. He is a seasoned tech investor, and a pioneer in the international money transfer and payments technology industry. Bobby has over 16 years of experience in financial services.

*Shachar Bialick – Chair, Founder and CEO* - Shachar is a serial entrepreneur who has built and led multiple companies across several verticals, including finance, e-commerce, healthcare and mobile telecommunications.

*Daniel Thomas Bradley (Tom) - Investor Non-Executive Director* - Tom is a partner at Salica Investments primarily focused on early-stage investments. Tom's prior roles include: Partner at Hambro Perks, CEO and Managing Partner at Oxford Capital, Partner at DN Capital and Draper Esprit, Chairman at Push Doctor and non-executive director at Moneybox and Oxford Biotherapeutics.

*Cuong Do - Independent Non-Executive Director* - Cuong is President and CEO of BioVie Inc. He was formerly President of Samsung Global Strategy Group and Chief Strategy Officer for Merck, TE Connectivity and Lenovo. He was also a Senior Partner at McKinsey and Company.

*Lord Stanley Fink - Investor Non-Executive Director* - Lord Stanley Fink was appointed to the House of Lords in 2011. Lord Fink began his career at Arthur Andersen before moving to Mars Inc and Citibank. He was the CEO of Man Group, leading Man Group to the FTSE 100 and pole position for a traded hedge fund at the time. Lord Fink later became Chairman of International Standard Asset Management and has held board positions at Marex Spectron and Zenith Hygiene Group. A seasoned investor, Lord Fink has also supported sustainability-focused ventures such as Ecometrica and the New Forests Company, a market leader in sustainable forestry in East Africa.

*Tomer Jacob - Investor Non-Executive Director* - Tomer serves as a Managing Partner at Hanaco VC. Previously Managing Director at UBS, he holds a B.A. degree in Economics & Management and a B.Sc degree in Computer Science from the academic college of Tel Aviv–Jaffa.

#### **Our Executive Team**

*Shachar Bialick*: Chief Executive Officer

*Norberto Alvarez Vitale*: Chief Operating Officer

*Darren Hackett*: Chief Financial Officer (appointed July 2024)

*Sarah Cox*: SVP of People

*Eric Molitor*: Chief Product and Technology Officer

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<sup>1</sup> Reeta Holmes served as a director on the Board from 5 October 2023 - 20 September 2024. Anju Patwardhan served as a director on the Board from 16 December 2021 to 10 July 2023. Michael Burns served as a director on the Board from 16 December 2021 to 16 December 2024.

# **CURVE OS GROUP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **CEO Review**

Curve's focus in 2023 was to transform our business by improving execution capabilities, refining our business model, tightening cost controls and preparing our operations for scalability. I am proud of our accomplishments and where we stand today thanks to the incredible dedication of our team.

#### **Reducing our Burn**

In 2023, we achieved a notable reduction in our cost base by concentrating on key areas of operational efficiency. This involved strategic efforts to streamline and renegotiate major vendor contracts, along with right-sizing organisational costs. Additionally, we focused on optimising transaction costs, leading to further savings and an improvement to our cost structure going forward.

#### **Setting the Stage for Growth**

We have also focused on preparing for our next challenge - growth. We have doubled down on our business to business to customer ("B2B2C") growth strategy - adding new partners and expanding existing relationships, whilst improving the quality and offering of our product. Some highlights:

#### **PayPal**

In October 2023, we launched a pivotal partnership with one of the most popular e-commerce wallets in the world - PayPal. Leveraging Curve's unique paytech solutions, we addressed PayPal's biggest challenge: becoming integrated more seamlessly into customers' daily financial lives. One of their biggest barriers to this was enabling real-world point-of-sale transactions, an area where their competitors had excelled.

As a result of this partnership, customers can now link their PayPal wallets to Curve and spend with PayPal in the "real-world". This enables PayPal customers to continue using one of the world's most trusted brands along with all their embedded payment cards and PayPal's own funding sources, such as PayPal Credit. This innovation not only allows PayPal customers to make in-store purchases, or pay with PayPal online in places that do not accept PayPal, but also to enjoy benefits such as earning cashback on their transactions, which can be accumulated in their Curve Cash balance for immediate use or future savings.

This partnership effectively eliminates the barriers to using PayPal across various merchant platforms, and is a revolutionary milestone in expanding PayPal's reach across all point-of-sale and contactless transactions, and all online merchants. We have observed strong growth on launch and received positive feedback from customers.

This collaboration not only cements Curve's position as a consumer-centric financial product but also showcases our ability to drive significant innovation in the digital payments landscape, reinforcing our commitment to enhancing customer experiences and expanding our service offerings.

#### **Samsung**

In 2023, Curve strengthened its relationship with Samsung by launching a premium product for Samsung Pay+ users in December 2022, deepening our collaboration throughout 2023.

The expansion of this partnership was further strengthened by a strategic investment from Samsung Next in 2024, building on Curve's role in supporting Samsung Pay+ in the UK since 2020. Samsung's investment supports Curve's enhancement of its digital wallet and smart card offerings, in response to growing demand for streamlined digital payment solutions across Europe.

This alignment reflects Samsung's commitment to providing users with a seamless financial experience that does not require switching banks or altering payment routines. Curve's platform enables users to manage multiple cards and accounts while integrating with Samsung's technology, further embedding financial functionality into Samsung's tech ecosystem.

By leveraging Curve's expertise, Samsung aims to broaden its fintech reach, supporting Curve's European expansion and bringing advanced wallet functionality to a larger customer base.



# **CURVE OS GROUP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **CEO Review (Continued)**

##### **Product Enhancements**

As mentioned previously, improving our product quality and expanding our consumer offering was at the forefront of our objectives for 2023. In September 2023, we introduced Launchpad, an interface designed to enhance customers' financial experience by making it easier to discover and onboard new services and products directly through the Curve Wallet. This streamlined access allows users to explore and adopt tools that optimise their financial management with greater ease and flexibility. This is the first phase of Curve Marketplace 2.0, transforming Curve into the ultimate financial marketplace and making it easier to explore and discover everything the Curve Wallet has to offer. We also introduced Curve Credit Cards to our business customers in October 2023, offering them the ability to pay in instalments wherever they shop, before or after the transaction took place, and being the first Wallet in the world to offer Section 75 protection on all linked cards and accounts.

##### **Brand and Marketing**

We shifted focus toward optimising spend on external brand and marketing, launching a multi-channel advertising campaign across London to celebrate the introduction of our new wearable payment capabilities, accessed via the Curve website.

##### **Fundraising**

In June 2023, we successfully raised approximately £17 million in additional funding from both new and existing investors as part of our Series C round. This brought the total value of shares issued during the year to £25.1 million, increasing the total Series C funding to around £130 million. This capital will support the execution of our ambitious roadmap, which we detail further in the "Our Business Model and Strategy" section.

##### **Summary**

2023 marked a pivotal year for Curve, signifying a key moment in our journey. While our core Vision and Mission remained unchanged, we adapted our strategy to better navigate the evolving landscape. This shift in approach allowed us to build on our strengths and achieve significant milestones, highlighted by the following key developments:

- **Strategic Shift:** Focused internally to refine existing products, key metrics, and build a sustainable business model instead of pursuing new customer acquisition and geographic expansion.
- **Positive Momentum:** Operational changes have set the stage for growth, with a strong focus on product quality and expanding into European markets.
- **Operational Excellence:** Continued investment in product improvement and internal processes to ensure agility and long-term success.
- **Product Growth:** Ongoing investment in the product engine and the upcoming Curve Pay launch opens new growth opportunities, including co-marketing with issuers to reduce third-party transaction fees, while reinforcing our strategy to position Curve as the Global Wallet across diverse financial products and currencies, driving growth and market presence.
- **Culture of Excellence:** Our ambitious plan, driven by collaboration, urgency, and merit-based compensation, has fostered a high-performance culture and accountability within the team, positioning us for future success and maximising shareholder value.
- **Future Focus:** We have rigorously tested our plans, and while challenges are expected, our team is committed to delivery. Our strategy is supported by detailed planning and a strong understanding of market dynamics, ensuring we stay resilient and adaptable.

**S Bialick**  
**Founder & CEO**

# CURVE OS GROUP LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2023

## Our Business Model and Strategy

### Our proposition?

Curve is building towards the inevitable outcome in the personal finance industry of rebundling of financial products. Our mission is to shape the future of personal finance by unifying and simplifying these products into one single platform: an Operating System for Money ("**OS For Money**").

Our strategy is to first develop a compelling business model and product suite that creates high engagement with our customers and offers us a unique access to customers' financial lives. Then, as we expand the use of smart rules, we create an OS For Money that is attractive to our customers and providers of retail financial services - a marketplace with constant real-time engagement. This is how we rebundle the financial space - by providing a mechanism to access and optimise the fragmented financial world.

Our Wallet has several unique features:

- **The Global Wallet:** Unlike other digital wallets, Curve's cutting-edge Wallet technology and product proposition enables Curve to offer customers a host of benefits other wallets cannot provide. Amongst those benefits are: the ability to connect almost any card or account to Curve Pay without the need of the Issuer to integrate to Curve; support across all xPays (Apple Pay, Google Pay and Samsung Pay) as well as wearables (e.g. Fitbit, Garmin, Sony Wena, Swatch), and all mobile operating systems allowing for a greater choice of payments. The customer can pay using any funding source added to the wallet, thus enabling their cards / banks to support any of the innovative xPays.
- **Killer FX ("Foreign exchange"):** Thanks to Curve's unique technology, Curve customers are able to use their credit cards abroad as if they are at home, eliminating the FX fees they would otherwise be charged by their banks. With Curve, customers do not need to choose between accessing their credit card's benefits and saving money on FX using an alternative FX card or need to pre-buy currencies and expose themselves to currency fluctuations. Curve premium customers can enjoy worry-free spending abroad, avoiding currency conversion costs or bank fees (subject to terms and conditions). This allows them to continue earning benefits like rewards and credit lines from their credit cards, without incurring the foreign transaction fees typically charged by issuers.
- **Go Back In Time®:** With our trademarked and patented technology (registered patent in the US, patent pending with the European Patent Office), our customers can switch past purchases from one card to another 30-120 days after the payment was made, managing their finances more flexibly and with much greater control.
- **Flex:** Customers are able to Go Back In Time® up to a year ago and split past purchases into future instalments. While this product is similar to existing buy-now-pay-later products on the market, it will not be restricted to the online channel or a selection of brands and retailers but can be applied to any transaction made using Curve, at any merchant that accepts Mastercard, anywhere in the world. This in turn drives more engagement with Curve, as customers then have the option to Flex past purchases into instalments.
- **Fronted:** Customers can pay their bills (including rent and taxes) with their credit cards thanks to the Curve card. This provides customers with a benefit to manage their cashflow better, and reduce their borrowing costs.
- **Double Dip Cashback:** With Curve, customers can earn cashback when shopping from selected retailers, and that is on top of any cashback they would otherwise get from their own bank / credit card.

# CURVE OS GROUP LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2023

## Our Business Model and Strategy (Continued)

### Our proposition? (Continued)

- **Anti-Embarrassment:** Customers can enable Anti-Embarrassment Mode whereby they would never experience a decline. Curve is able to stand in and approve transactions with another card, even if the card chosen to pay with is declined by the underlying funding bank. This in turn reduces customer friction at checkout and increases authorisations.
- **Smart Rules:** Customers can create spending rules that automatically apply to underlying funding cards to maximise rewards, reduce borrowing costs and create simplified spending without manual intervention.

While Curve aims to maintain a free product for core services, it provides three premium tiers of Curve Pay (X, Pro and Pro+) on a subscription basis which unlock further benefits. Each subscription tier has a different price point and benefits.

### How does Curve currently make money?

Curve generates revenue from the following three channels:

1. **Card Transactions (Curve Wallet):** Curve earns interchange income from each card transaction it executes as an issuer (at the purchase stage of a Curve transaction). Curve incurs interchange costs in its role as a merchant retrieving funds from underlying funding sources (typically payment cards). Subject to UK and EEA regulations on interchange fees, interchange income varies per transaction, depending on where and how the Curve card is used. Additionally, there are payments we make to payment schemes, to our issuer processor and our merchant acquirers. Curve has been and continues to be highly efficient in optimising this revenue and cost relationship. Curve earns fees from ATM withdrawals and purchasing in a foreign currency (e.g. treasury activity and surcharges above fee-free-thresholds), although customers enjoy certain limits where these fees are waived. We also offer a Fronted service, which some customers pay for, whereby they can pay bills with their Curve debit card funded by a credit card where such transactions are not payable with a credit card directly.
2. **Premium Subscription Income:** Curve collects subscriptions on its paid plans on a monthly or annual basis. These premium tiers allow increasing limits of fee-free use of our product, but also greater availability of enhanced features, such as Go Back In Time® and Smart Rules.
3. **Platform Services:** Curve also generates revenues through its operating platform. This is an exciting revenue opportunity for Curve: as a platform, Curve offers and looks to add products and services, generating additional revenue streams through an improved and seamless customer experience. Examples include platform fees from partners, such as merchants offering rewards, lending activities (e.g. Curve Flex) and other revenue streams not related to card revenues and/or subscriptions fees.

### The Strategy

The core payment capabilities we have developed allow us to embed our product and brand into customers' lives. We are currently focused on scaling Curve's operating system through new user experiences and functionality to help customers manage their end-to-end finances as well as cementing robust economics to ensure profitable growth. As we enhance our value proposition, we aim to grow customer engagement and attract new customers from new acquisition sources. We are on a journey to become the "Operating System for Money", allowing customers to access a host of financial products and services with a tap, whilst enabling our partners to match, originate and onboard customers with speed and efficiency.

# **CURVE OS GROUP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **The Strategy (Continued)**

Our current strategic focus is to:

- Rapidly grow through our 3P Strategy - Product-Led-Growth, Partnerships and PR Outreach. We will also begin to explore Paid acquisition, adding to our proven 3P growth strategy.
- Solidify and improve upon our unit economics by optimising revenue and costs.
- Improve the overall value and quality of the customer experience, from user interface through to benefits available and customer service.

#### **Premium uptake**

The free Curve plan offer is important to our customers, and we have continued to offer this option despite the market backdrop. Following customer feedback, we introduced a low-cost subscription tier named Curve Pay X (previously Curve X), which maximises the core benefits of Curve. In addition we have revised our Curve Pay Pro (previously Curve Black) and Curve Pay Pro+ (previously Curve Metal) offerings including several benefit changes to offer more value to our premium customers.

#### **Curve Smart Rules**

Curve Smart Rules are the next step in making sure Curve is the easiest and most convenient way for customers to spend across all their accounts within one wallet with access to new financial propositions from our marketplace. Customers can now define a set of rules based on the category of spending or amounts which drive the funding card used for payment. Always choosing the right card to reduce borrowing costs, increase rewards without having to think about it anymore.

#### **Partnerships**

Curve has integrated with Samsung Pay in the UK and Huawei Wallet in 31 markets across Europe, significantly increasing the number of customers who can benefit from contactless payments, even if their bank does not support this functionality. We have also developed partnerships with a number of wearable brands including Fitbit, Garmin, Sony Wena, Swatch that recognise the value Curve offers by enabling customers to add any card to their watch, ring, key chain and more.

#### **United States Market**

Since launching Curve in Beta in early 2022 from our office in New York, we have made some progress. Customer engagement and feedback have been invaluable in refining our products. However, in July 2024, we decided to pause Curve in the US to transition to a new sponsor bank, replacing Hatch Bank. We aim to re-launch in the future with a refreshed product offering.

# **CURVE OS GROUP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Financial Highlights**

In 2023, we continued to see positive momentum attributable to the transformative changes that were implemented in the business model and operations in 2022. This shift set the stage for our company's target to achieve profitability in the near future supported by further growth and a passionate focus on the quality of our services. This has been demonstrated as we look at our key performance indicators of loss before tax, revenue and cost of sales as discussed in the below.

We achieved a 48% reduction in loss before tax, bringing it down to £36m, highlighting our commitment to sustainable growth, operational efficiency, and strategic execution.

This was achieved by a 21% increase in revenue to £26.7m for full year 2023, and a more than 21% reduction in cost of sales, significantly improving unit economics. Comparing 2023 to 2022, we are doing more with less, as each monthly active customer has lower costs while generating higher revenue.

In 2023, we achieved a significant milestone by transitioning our transaction margin to positive territory. This marks an important achievement for Curve, as transaction margin is a key metric that reflects the profitability of each transaction we process.

Looking to 2024, profitability continues to remain a strategic focus, building on 2023, where we maintained strict cost discipline whilst also prioritising revenue growth and overall profitability. This ongoing discipline will enable us to significantly scale our customer base through automation without adding to our cost structure, further improving key operational metrics and positioning the business for continued success.

#### **Our plans for the next 12 months**

We have bold plans for 2024-2025 and a lot of intensive work ahead of us. The road ahead is not without risks, but with a strong leadership team, the dedication of our people, and the remarkable support from shareholders, we have confidence in our future success, despite the challenging market environment. We plan to continue our growth trajectory with a number of transformational product opportunities like Curve Pay and several partnership opportunities in the pipeline.

By focusing on our core competencies and product differentiators we will increase high margin revenues. We aim to scale our lending offerings and deliver a strong product roadmap to drive premium subscription uptake. We will launch Curve Pay as a wallet proposition across both Android and iOS devices. We will remain focused on improving key operating metrics to ensure that we continue to bring value to our customers and reduce friction and negative experiences. Lastly, we will continue to listen to our customers and bring to life new innovations in the Wallet and payments space.

# **CURVE OS GROUP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Our approach to Risk Management**

##### **Who regulates us?**

Curve UK Limited is authorised and regulated by the Financial Conduct Authority (FCA) as a payment institution that carries out electronic money issuance activities as part of its business model. Curve Credit Limited is authorised and regulated by the FCA as a mainstream consumer credit lender and, in this capacity, enters into regulated consumer credit agreements as a lender and exercises the rights and duties of a lender under the agreements it originates. In the European Economic Area (EEA), Curve Europe UAB (a Curve UK Limited subsidiary) is authorised and regulated by the Bank of Lithuania (BoL) as a payment institution and carries out electronic money issuance activities. Curve Europe UAB exercises passporting rights under the relevant single market directives (Electronic Money Directive & Payment Services Directive Individual) to provide cross border services throughout the EEA. Curve Europe UAB carried out ancillary credit activities which enabled it to offer credit products to the EEA customer base that it serves, replicating the payments and consumer credit offering that is provided to UK customers. During the period, Curve US Inc. (also a Curve UK Limited subsidiary) served the US market as a consumer credit card provider that operated under a bank sponsorship program with Hatch Bank, a California-chartered industrial bank (a FDIC member). In July 2024, Curve's US operations were put on pause, as it ended its partnership with Hatch Bank, as it works to secure a new sponsor bank.

##### **Control as we grow at pace**

Curve understands that effective risk and compliance controls are fundamental for a regulated business. We recognise reliance on critical resources, i.e. our key systems, people and third party relationships and processes, and the points of failure these can create and the critical need to build, assess, and iterate our controls infrastructure to manage this, consistent with regulatory expectations and norms. Operational resilience remains of high importance to Curve and our regulators.

##### **Managing risk across multiple jurisdictions**

Throughout 2023, we have continued to develop the Risk and Compliance function under leaders with regulated financial services experience. Expertise exists across Risk and Compliance within the UK and Lithuania, and also with the US whilst it had active business operations in 2023. All while working under a harmonised risk and compliance management strategy with provision for local variances to ensure comprehensive coverage of Curve's relevant risks across the Group. We have implemented our Risk Appetite Statement with associated Key Risk Indicators and tolerances which act as early warning of changes in our risk environment such that we act preemptively rather than in reaction to unacceptable risks.

Curve believes in compliance by design, a proactive approach to enterprise risk management and in staff training and awareness. Curve's systems and controls relating to compliance and enterprise risk management comprise documented risk management frameworks that are used to identify and measure inherent risk exposures to inform the design of controls and maintain residual risks within defined risk appetite. Curve's risk controls are reflected in its documented compliance and risk policies and procedures that cover conduct risk throughout the customer lifecycle as well as associated risks set out below. Supervision of the operation and effectiveness of our risk controls in the operating environment is carried out by way of the operation of end-to-end outcomes testing and thematic compliance monitoring conducted by the Compliance function. The focus on outcomes in relation to compliance monitoring aligns with the evolution of the UK regulatory landscape from principles-based to outcomes-focused as cemented by the introduction of the Consumer Duty during the period. Our Compliance teams lead Curve's liaison with the respective regulators in each of the jurisdictions in which it operates.

**CURVE OS GROUP LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Principal risks and control strategies in place**

The Curve Group operates a risk and control system on a group level as demonstrated below.

Principal risks	Mitigation Strategy
Strategic Risk	
<ul style="list-style-type: none"> <li>The risk that Curve's business model becomes uncompetitive and/or unattractive to investors and customers, leading to uncontrolled burn rate, volume decline or margin shrink relative to the cost base affecting the sustainability of the business and the ability to deliver the strategy due to macro-economic, geopolitical, industry, regulatory and other external events.</li> <li>Curve has developed a unique and innovative business model that relies on access to payment networks and is subject to their rules. Payment networks could adopt new operating rules, or reinterpret existing rules, which would hamper Curve's business model.</li> <li>Strategic execution and performance where Curve does not achieve its strategic road map or does not hit growth or diversification commitments.</li> </ul>	<ul style="list-style-type: none"> <li>Curve has an experienced Board, Executive team and Senior Leadership Team to oversee strategic issues as they arise.</li> <li>Curve maintains a close and proactive relationship with payment networks and schemes and has appropriate business processes and controls to ensure compliance with payment card network rules.</li> <li>Curve has in place proactive monitoring of the regulatory and competitive landscape that may potentially impact a key income or cost line or ability to execute strategy.</li> <li>Curve has a clearly defined Board approved strategy which is formally agreed annually, and is reviewed and updated regularly throughout the year due to the pace of growth and changes in markets. Performance against that strategy is closely monitored as Curve sets ambitious goals for itself, and all staff understand that delivering results is critical for Curve's success.</li> <li>Curve has established a set of key management actions to mitigate strategic risk and refine its strategy for better outcomes, which can be quickly implemented if necessary.</li> <li>Change control and project management processes have been embedded which ensure that strategic plans are prioritised and resourced appropriately.</li> </ul>
Financial Risk	
<ul style="list-style-type: none"> <li>The risk that Curve has insufficient financial resources to meet its financial obligations as they fall due and/or capital requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Liquidity positions are monitored intra-day, and daily. Key metrics are also regularly reviewed by the Executive team and the Board.</li> <li>Funding and liquidity triggers are reflected in the approved Wind-Down Plan which has been previously provided to FCA as part of industry-wide requirements for an orderly wind-down. Wind-down plans have been maintained to ensure that they continue to be reflective of the current status of Curve's business operations and the current expectations under the regulatory systems.</li> <li>Customer funds are safeguarded as per the requirements under the regulatory system. Our safeguarding arrangements were subject to an annual independent safeguarding compliance review during the reporting period.</li> </ul>

**CURVE OS GROUP LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Principal risks and control strategies in place (Continued)**

<b>Conduct, Compliance and Product Risks (including Reputational Risk)</b>	
<ul style="list-style-type: none"> <li>• The risk of Curve's products, services, behaviours or operating landscape causing customer harm or otherwise not complying with the relevant regulatory requirements.</li> <li>• The risk of failure in processes, people and/or systems could lead to a service disruption or financial losses or poor outcomes for customers. Curve is growing quickly and diversifying its products and services. There is a corresponding need for the controls, governance infrastructure and expertise of senior staff to keep pace with the development. Failure to do so could lead to operational failures, additional stress on its employees, systems and/or create poor outcomes for customers.</li> <li>• There is a risk that Curve's products/services are used to commit or further financial crime resulting in associated impact, for example, for victims and for Curve (e.g., financial loss resulting from fraud).</li> </ul>	<ul style="list-style-type: none"> <li>• Curve has clear policies and procedures covering governance, training, financial crime and customer servicing. The operation and effectiveness of these are tested through an annual Compliance Monitoring testing programme and end-to-end outcomes testing.</li> <li>• Business continuity and disaster recovery plans are in place and are regularly reassessed and updated including for operational risks from outsourcing service providers.</li> <li>• Testing is in place to independently test and monitor the quality of customer outcomes and compliance with regulatory standards and internal service level agreements (SLAs).</li> <li>• Monitoring is in place for qualitative and quantitative customer outcomes MI such as customer feedback, social media reviews and Trustpilot scores.</li> <li>• Financial crime policies and controls are in place and are regularly reviewed and tested for quality assurance supplementing the financial crime prevention systems and controls undertaken by the financial institutions that issue the funding cards added to the Curve wallet. Our financial crime prevention techniques are continuously evolving in accordance with financial industry best practice.</li> <li>• Curve has several transaction and customer behaviour monitoring methodologies in place to identify and prevent financial crime, including fraud and AML.</li> <li>• Curve employees undergo regular training in financial crime and fraud prevention which includes assessments to test the application of knowledge.</li> </ul>
<b>Data and Systems Risk</b>	
<ul style="list-style-type: none"> <li>• Information security breaches and system outages can pose significant risk to our business. Curve has a complex and interrelated set of systems on which it relies. Curve accepts that occasional outages or data unavailability will be inevitable but that this needs to be a priority in terms of its risk management.</li> </ul>	<ul style="list-style-type: none"> <li>• Cyber and information security risk, as well as compliance with wider data privacy requirements, have been an area of focus. Specialist expertise exists within the CTO office which continues to enhance the standards and controls in place to keep pace with external threats.</li> <li>• Curve has enhanced its capabilities in terms of identification of vulnerabilities (through automated code scanning and penetration testing) such that it can respond more quickly to threat developments.</li> <li>• Curve has strengthened its access controls over the last year and continues to maintain its compliance with the Payment Card Industry Data Security Standard (PCI DSS) certification.</li> </ul>



**CURVE OS GROUP LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Principal risks and control strategies in place (Continued)**

<b>Legal and Third-Party Risk</b>	
<ul style="list-style-type: none"> <li>• Curve endeavours to conduct its operations in accordance with the relevant laws and regulations that apply in the relevant jurisdiction within which we operate. This commitment extends to the management of our third-party risks in that we endeavour to enter and maintain partnership relationships with third parties that are legally able to provide the relevant services (e.g., possess the requisite regulatory permissions where those services are regulated) and are in good standing in relation to their regulatory obligations.</li> <li>• There is a risk of competitors copying our model and winning market share.</li> <li>• There is risk associated with third parties or ourselves being in breach of contract or associated SLAs.</li> </ul>	<ul style="list-style-type: none"> <li>• Curve maintains a portfolio of its registered intellectual property rights, including trademarks over its brand name and key features, as well as a patent over its Go Back In Time® technology. Curve monitors potential and actual breaches of its IP rights.</li> <li>• Curve maintains a list of all its vendors and partnerships, and standards relating to its service providers are enforced where necessary.</li> <li>• Curve has maintained risk-based systems and controls during the period to adequately manage risks associated with third party and outsourcing relationships.</li> </ul>
<b>People, Health and Safety Risks</b>	
<ul style="list-style-type: none"> <li>• Risks that arise from but are not limited to: employment and contract law, reliance on key persons, attrition and availability of key skills or training needs.</li> <li>• Risks arising from negligence with regard to health and safety resulting in personal injury.</li> </ul>	<ul style="list-style-type: none"> <li>• Curve maintains a list of key personnel and has cross training and succession plans in place. Curve prioritises recruitment according to the availability of alternative capable resources in place.</li> <li>• Curve is aware that there is competition to attract and retain talented individuals with rare skill sets and it benchmarks its remuneration and benefits to remain competitive.</li> <li>• Curve continuously monitors staff satisfaction on a number of dimensions and actively addresses situations where specific teams or the business in general is showing signs of notable attrition.</li> <li>• Curve has SLAs in place to address staff complaints as well as performance issues and training needs.</li> <li>• Health and safety assessments are in place for both home working and the office environment.</li> </ul>

**CURVE OS GROUP LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Principal risks and control strategies in place (Continued)**

Credit Risk	
<ul style="list-style-type: none"> <li>• Risk of default on consumer loans by borrowers.</li> </ul>	<ul style="list-style-type: none"> <li>• Curve Credit Limited operates a data-led credit risk management strategy leveraging credit reference agency and open banking data.</li> <li>• Regular monitoring of credit performance was in operation throughout the period.</li> </ul>

**Macroeconomic and Market Environment**

While monitoring the macroeconomic environment is crucial, given the current volatility in the markets in which we operate, we understand the importance of exercising caution in our decision-making processes. Our commitment to prudence ensures that we are well-prepared to face economic and market uncertainties.

**Scenario Planning:** We engage in scenario planning exercises to assess the potential impact of various macroeconomic and investment-market scenarios on our business.

**Strategic Resilience:** Our company prioritises strategic resilience, which means we aim to build a resilient business model that can adapt to changing economic conditions.

**Capital Allocation:** We carefully allocate our resources, taking into account the macroeconomic environment. The same applies to the funding environment. This involves a balanced approach to investments, cost management, and growth strategies to ensure that we maintain financial stability.

**Customer Obsession:** We remain customer-centric in our approach, understanding that customer needs and preferences may change with economic fluctuations. We strive to provide value and adapt our offerings to meet evolving customer expectations.

By staying informed, adaptable, and prudent, we have positioned ourselves to survive and thrive in a dynamic economic and market landscape while maintaining the trust and confidence of our stakeholders.

# **CURVE OS GROUP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Engaging with Stakeholders**

Curve understands that our long-term success as a business depends on building and maintaining successful relationships with our stakeholders. When making business decisions, the Board is mindful of its responsibilities under Section 172 (1) of the Act to promote the long-term success of the Company having regard to its range of stakeholders, and especially our customers through its consumer duties.

**Our customers:** The customer is at the heart of everything that we do at Curve. We recognise that customers buy experiences, not features, and we work hard to impact our customers' lives, earn their trust, and create delight. Having a customer-led mission means that decisions are made with significant consideration to this stakeholder group. The decision to migrate to a new support system combined with the usage of an outsourcing partner allowed for greater scalability and flexibility which contributed to an enhanced experience for our customers.

Throughout 2023, we continue to offer a product that aims to deliver value to our customers. To this end we looked at the main reasons why customers contacted our customer experience team ("CX") and identified areas for automation within the app, as well as product improvements. By implementing these changes and reducing the number of inbound requests, the CX team has been able to focus on resolving more complex customer requests.

From a product perspective, we improved the process for EEA users who needed to provide KYC ("Know Your Customer") documents after onboarding. We reduced customer confusion around declined payments by enhancing our messaging. We implemented Flex as a funding source to give customers more flexibility around repayments and created further savings for our customers through more reward partners across new categories such as restaurants. We also gave the customers the ability to unblock their PIN numbers through the app.

**Our people:** Curve is focused on attracting, retaining and developing our people (who we refer to as "Curvers") and is committed to their wellbeing.

Curve's organisational culture is underpinned by enabling continuous learning and development, to raise the bar at an individual, team and Company level. By prioritising internal mobility and succession planning, we enhance engagement, support employee growth, enhance morale and better harness knowledge to deliver diverse solutions and Company results, while minimising the cost and risks associated with attrition and over reliance on external hiring.

We support our people in their professional development and growth, and offer each employee 10 days leave for training, conferences and professional courses. Leadership development continues to be a priority including managers' training on a regular basis to support them through key management milestones and the annual performance and feedback cycle.

Curve also continued to utilise an employee assistance programme, YuLife, a resource that provides specific support around professional and personal challenges including working from home, wellbeing and stress management.

On a monthly basis, Curve holds a Company wide "All Hands" meeting to give an update on business performance and new developments. The meeting is also used to recognise and celebrate employees who demonstrate our Leadership Principles, in addition to the use of day-to-day recognition on our Kudos Google Chat channel which fosters an environment of regular recognition and appreciation.

In 2023, our People team ran monthly meetings with the team leads across the business to discuss employee engagement results, performance cycles and hiring plans and rolled this out across the company in early 2024. We also created working groups to review and enhance Curve's onboarding, offboarding, individual upskilling processes, benefits packages and social activities.

In addition, our People team carried out its second annual cycle of "stay" interviews with a broad sample of our people to understand what they enjoy about working at Curve and expectations surrounding their role.

**CURVE OS GROUP LIMITED  
STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Engaging with Stakeholders (continued).**

**Our suppliers:** At Curve we work closely with leading vendors across the payments ecosystem and know the importance of building lasting relationships based on mutual trust and collaboration. Each of our key vendors has an internal relationship manager who is responsible for the day-to-day relationship and our most critical vendors meet regularly with Curve senior management to discuss strategic activities.

**Our regulators:** Curve values the opportunity to engage with governments and regulators and our primary goal is to ensure that we continue to operate responsibly in a stable and supportive regulatory environment. We are committed to building our reputation as a go-to voice in the payments industry and we prioritise our efforts across the UK, EEA and US markets to drive maximum impact for our customers. Curve continued to have direct liaison with the FCA throughout 2023. This has included forming part of the FCA's multi-firm review work into the implementation of the Consumer Duty in the payments portfolio and successfully obtaining credit information services permissions and varying Curve Credit Limited's permission to be able to lend to self-employed individuals.

**Curve is committed to responsible business practices and considers the long term consequences of its decisions.**

**Business conduct:** Curve operates in a regulated environment and as a minimum standard, we comply with all relevant regulations. We hold our employees accountable to these same high standards of ethics and integrity. Employees are required to complete mandatory training appropriate for their role which is refreshed on an annual basis.

**Long term decision making:** Curve's Board of Directors and its committees consider the long-term potential consequence of its decisions and their impact on its stakeholders. Regular Board Reporting, including at designated committees, allows directors to make informed decisions and consider their impact against our key stakeholder groups.

# **CURVE OS GROUP LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Governance at Curve**

##### **Board of Directors**

Our Board is composed of experts in the payment industry and in scaling companies, with wide-ranging connections to help Curve achieve its strategic goals. They have overall responsibility for good risk management and internal controls systems and set the strategy of our business while maintaining appropriate governance standards. The Board makes sure that together they understand, acknowledge, and meet the obligations to all our stakeholders.

At the end of 2023, our Board was composed of three investor non-executive directors (Roberto Aitkenhead, Daniel Thomas Bradley and Michael Burns), two non-executive directors (Cuong Do and Reeta Holmes<sup>2</sup>) and one executive director, Shachar Bialick (CEO).

The Board is responsible for reviewing and approving the Group's strategic business plans and budget twice a year to make sure that Curve remains focused on the right areas as we continue to operate in a rapidly changing environment. Once the budget is approved, at each Board meeting there is close monitoring against the agreed KPIs to ensure that the Board is able to make informed decisions considering the interests of its stakeholders, the long-term consequences of its decisions and the Group's reputation.

##### **Board Meetings**

Our Board aims to meet once a month to review performance, strategy, and risk and each meeting has a defined agenda developed jointly between the CEO and the Executive team. A typical agenda will focus on operating and financial performance and any risk, legal or governance issues. Time will also be dedicated to deep dives into focus areas, such as growth initiatives, business development activities and strategic opportunities with sections led by the respective Executive team member.

The Board aims to hold extended face-to-face meetings at least once a year to allow for in-depth strategic discussions and deep-dive sessions, which include Curve's Executive team. The Board held an in person strategic meeting in October 2023.

During Board meetings, members of the Executive and Leadership teams are invited to present on topics covering all aspects of the business including financial performance, operations, product, people, compliance and technology. This is to ensure that directors have the relevant oversight and information to make informed decisions from the relevant subject matter experts within the business.

Key Board decisions during 2023:

- Approval of our H2 2023 and H1 2024 Budget and strategy;
- Extension to our series C fundraising in June 2023; and
- Pausing operations in the US market to allow more focus on growing and breaking even in the EEA/UK market.

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<sup>2</sup> Reeta Holmes ceased being a director of the Company on 20 September 2024.

**CURVE OS GROUP LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Governance at Curve (continued)**

Going forward, the Board will continue to drive the long-term success of Curve by supporting future fundraising activities, a path to profitability and driving continued operational resilience.

Our Board also delegates some of its authority to three dedicated sub-committees: Audit Committee, Risk Committee and Remuneration Committee, whose responsibilities are set out in their respective Committee's Terms of Reference. The day-to-day running of the business is delegated to the CEO, supported by the Executive Team.

Although Curve is not required to follow the UK Corporate Governance Code 2018, nor the Wates Principles for Private Companies, the Board takes governance seriously. Throughout 2023, we continued to assess and improve the governance framework and subsidiary board structure globally to ensure continuity and cohesion across the Group.

This report was approved by the Board and signed on its behalf by:



**S Bialick**  
**Director**

**Date: 3 March 2025**

**CURVE OS GROUP LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Directors' Report**

The directors present their annual report and the audited consolidated and company financial statements for the Group for the year ended 31 December 2023.

The results of the Company for the year ended 31 December 2023 are presented in the audited consolidated financial statements, and have been prepared under United Kingdom Generally Accepted Accounting Practices (FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"). The consolidated loss for the year after taxation was £35.9m (2022: Loss of £67.1m).

**Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the annual report and consolidated financial statements in accordance with applicable law and regulation.

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

Under company law, 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 Group and company and of the profit or loss of the Group for that year.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and company will continue in business.

The directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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.

# **CURVE OS GROUP LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

## **Directors' Report (Continued)**

### **Directors' confirmations**

In the case of each director in office at the date the Directors' Report is approved:

- So far as the director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

### **Results and dividends**

The loss for the year, after taxation, amounted to £35.9m (2022: Loss of £67.1m).

No dividends have been paid or proposed during the year (2022: £nil).

### **Related party transactions**

As per the Development Agreement, since 17 December 2021 COHL ("Curve OS Holding Limited") owns any new intellectual property ("IP") generated by the Group. Curve UK Limited continues to perform the research, brand and strategy development activities of the Group but is subcontracted by COHL to do so and remunerated for this activity.

As per the agreement, Curve UK Limited received remuneration to the amount of £23.3m (2022: £30.4m) for the services provided as per the Development Agreement.

Alongside the Development Agreement, the Group has established transfer pricing arrangements across several of its entities, including Curve UK Limited, Curve Europe UAB, Curve Credit Limited, and Curve US Inc., in addition to managing intra-group payables and receivables that arise as part of its normal business operations.

### **Directors**

The directors of the company who were in office during the year and up to the date of signing the financial statement were:

Roberto Aitkenhead  
Shachar Bialick  
Daniel Bradley  
Cuong Do  
Lord Stanley Fink (appointed 16 December 2024)  
Tomer Jacob (appointed 16 December 2024)  
Michael Burns (resigned 16 December 2024)  
Reeta Holmes (appointed 5 October 2023, resigned on 20 September 2024)  
Anju Patwardhan (resigned 10 July 2023)

### **Research and development activities**

The Company, with the support of its research and development tax advisers GrantTree Limited, filed a Company Tax Return for the year ended 31 December 2021 to include the research and development tax claim. This resulted in an R&D tax credit of £2.6m which was received in March 2023. We are grateful for the continued support from this incentive program, which enables Curve to create innovative and valuable products for its customers. For 2022, we claimed £1.9m (received in 2024), and for 2023, we will be submitting a filing to HMRC, which is expected to result in an additional R&D tax credit claim of £0.4m.



**CURVE OS GROUP LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Directors' Report (Continued)**

**Employees**

Our People Strategy and Policies are designed to ensure we attract, engage and retain a high performing team. Individuals from all backgrounds are welcomed and have equal opportunity to contribute their personal best and develop their careers at Curve.

Our leaders regularly communicate the purpose, vision, mission and priorities across the organisation so all employees are able to see how their role contributes to the organisation's success. Curve's Leadership Principles ensure that all team members understand our values and how we operate. Our people policies and mandatory annual training gives clear direction across important regulatory and compliance subjects from Anti-Money Laundering and Conflicts of Interest to Safeguarding Vulnerable Customers and Anti-Bribery and ensure that each team member understands how to act and react in specific situations, the support that exists within the organisation, and how to raise any concerns internally or externally.

We value feedback from our employees and invite every team member to provide anonymous feedback via our employee engagement platform every two weeks. We identify themes and develop action plans in conjunction with our teams to address opportunities for improvement.

Our People team regularly review and update for any regulatory changes that may affect employees to ensure compliance with best practice.

**Going Concern**

The Directors have undertaken an assessment of the Group and Company's ability to continue as a going concern for at least 12 months from the approval date of these financial statements. This evaluation includes a base case scenario based on the Group and Company's projected performance and operational forecasts for the 12 months from the approval date of these financial statements, assuming the achievement of revenue and growth targets in line with current business plans and market conditions.

Should these targets not be met, due to slower than expected rates of execution and / or strategic risks in the business, the Group and Company has considered a severe but plausible downside scenario, which anticipates reduced revenues and profitability. In response, the Directors have identified key actions to preserve operational resilience, including:

- Reducing non-essential expenditures.
- Aligning workforce resources with critical business priorities.
- Streamlining vendor agreements and operational costs to enhance financial efficiency while maintaining essential functions.

The Group and Company are loss-making and require further capital injections within twelve months from the date of approval of these financial statements in order to continue realising their assets and discharging their liabilities in the normal course of business, and as such continue as a going concern in both its base case forecast and severe but plausible scenario. The Directors forecast that the additional funding will be forthcoming as has been in the past, however this is not guaranteed.

As a result of the above, the Directors recognise that the uncertainty regarding future fundraising requirements gives rise to the existence of a material uncertainty, which may cast significant doubt on the Group and Company's ability to continue as a going concern.

The directors remain confident in the Group's established track record in securing funding. This confidence is supported by the funding received in 2024, with the last tranche being received in December 2024, and by the Group's demonstrated resilience and agility as an organisation. When this is viewed in conjunction with the actions available, including those set out above, the Directors have concluded that it remains appropriate to continue preparing the Group and Company's financial statements on a going concern basis. The financial statements of the Group and Company do not reflect any adjustments that would be required if the Group and Company were unable to continue as a going concern.

**CURVE OS GROUP LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Directors' Report (Continued)**

**Qualifying third party indemnity provisions**

As permitted in the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Act. The indemnity was in place during the year and at the date of approval of the financial statements. The Group also maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

**Streamlined Energy and Carbon Reporting ("SECR") Statement**

The below statement contains Curve's UK annual energy consumption, associated greenhouse gas emissions, and additional related information as required under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. Curve takes sustainability seriously and welcomes the opportunity to focus on environmental, social and governance initiatives.

	<b>2023</b>	<b>2022</b>
On-site combustion kWh	-	-
Purchased electricity kWh	167,015	214,365
Transport fuel kWh	-	-
<b>Total Energy kWh</b>	<b>167,015</b>	<b>214,365</b>
Scope 1 Emissions (tCO <sub>2</sub> e)	-	-
Scope 2 Emissions (tCO <sub>2</sub> e)	34.58	41.34
Scope 3 Emissions (tCO <sub>2</sub> e)	-	-
<b>Intensity ratios</b>		
tCO <sub>2</sub> e per £m revenue	1.65	1.80

**Methodology**

The emissions and energy data noted above has been collated, calculated and presented using the methodology set out in WRI / WBSCD The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), March 2004, including separate guidance on Scope 2 and Scope 3 emissions.

**Energy efficiency actions taken**

We have reported on scope 2 indirect emissions for the electricity use in our UK-based offices (London and Bristol) and have spent time understanding and analysing our position. As a Company, all of our buildings operate with lighting controls to switch off lighting in non-occupied areas and recycling points are available. We utilise electronic signatures as far as possible to minimise our printing and paper wastage to reduce the impact on the environment. In 2023, Curve also partnered with an electric car scheme to give its employees access to electric vehicles at a discounted rate.

**CURVE OS GROUP LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Directors' Report (Continued)**

**Matters covered in the Group Strategic Report**

The Directors have addressed the following matters in the Strategic Report:

- Financial and business highlights.
- A description of Curve's strategy and plans for the future.
- Financial instruments - Curve enters into basic financial instrument transactions as part of ordinary business operations (see also note 2.21 for more details).
- Engagement with Curvers.
- Engagements with suppliers, customers and others in a business relationship with Curve.
- Information in relation to the Group's principal risks and risk management strategies.

**Post balance sheet events**

The key events that have occurred since the year end are as follows:

- Over 2024 we received an additional ~£29.8m of equity funding from new and existing investors, of which the final tranche was received on 30 December 2024.
- In May 2024, the Group received an additional ~£11.6m of debt funding from existing investors via a convertible loan agreement.
- On 8th July 2024, we temporarily paused our Curve Card offering in the US whilst in the process of appointing a new sponsor bank.
- On 18th December 2024, Curve fully repaid the outstanding Kreos loans, thereby settling its financial obligations in full.
- Between 13 February 2024 and 13 February 2025, Curve OS Group Limited made an investment in Curve OS Holding Limited through the issuance of 4,332,421 Ordinary shares.

The above events are treated as non-adjusting post balance sheet events. There have been no other material post balance sheet events

**Miscellaneous**

The Group has not made any political donations or incurred any political expenses to any registered UK political party.

The Group has no branches in or outside the UK.

**Independent Auditors**

Pursuant to section 487(2) of the Companies Act 2006, the auditors of the Company and Group are deemed appointed for each financial year unless the Directors or the members of the Company and Group resolve to terminate their appointment. The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and, as at the date of these financial statements, the Directors are not aware of any resolution to terminate the appointment of the auditors.

This report was approved by the Board and signed on its behalf by:



**S Bialick**  
**Director**  
**Date: 3 March 2025**

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

		<b>2023</b>	<b>2022</b>
	<b>Note</b>	<b>£000</b>	<b>£000</b>
Revenue	<b>4</b>	26,733	22,133
Cost of sales		<u>(25,750)</u>	<u>(32,722)</u>
<b>Gross profit / (loss)</b>		983	(10,589)
Administrative expenses	<b>5</b>	<u>(36,153)</u>	<u>(57,207)</u>
<b>Operating loss</b>		(35,170)	(67,796)
Interest receivable and similar income	<b>10</b>	117	141
Interest payable and similar expenses	<b>11</b>	<u>(983)</u>	<u>(1,490)</u>
<b>Loss before taxation</b>		(36,036)	(69,145)
Income tax credit	<b>12</b>	<u>167</u>	<u>2,034</u>
<b>Loss for the financial year</b>		<u>(35,869)</u>	<u>(67,111)</u>
Other comprehensive expense		<u>-</u>	<u>-</u>
<b>Total comprehensive expense for the year</b>		<u>(35,869)</u>	<u>(67,111)</u>
<b>Loss for the year attributable to:</b>			
Owners of the parent company		<u>(35,869)</u>	<u>(67,111)</u>
		<u>(35,869)</u>	<u>(67,111)</u>

The Consolidated Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 35 to 63 form part of these financial statements.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**  
**REGISTERED NUMBER: 13619624**

		<b>2023</b>	<b>Restated</b>
	<b>Note</b>	<b>£000</b>	<b>2022</b>
			<b>£000</b>
<b>Fixed assets</b>			
Intangible assets	<b>13</b>	5,608	462
Property, plant and equipment	<b>14</b>	63	15
		<u>5,671</u>	<u>477</u>
<b>Current assets</b>			
Inventories	<b>16</b>	1,904	1,984
Trade and other debtors	<b>17</b>	11,543	10,030
Debtors: amounts falling due after more than one year	<b>17</b>	150	215
Cash and cash equivalents	<b>18</b>	15,258	20,014
		<u>28,855</u>	<u>32,243</u>
Creditors: amounts falling due within one year	<b>19</b>	<u>(50,802)</u>	<u>(33,931)</u>
<b>Net current liabilities</b>		<u>(21,947)</u>	<u>(1,688)</u>
<b>Total assets less current liabilities</b>		(16,276)	(1,211)
Creditors: amounts falling due after more than one year	<b>20</b>	<u>(7,787)</u>	<u>(13,673)</u>
<b>Net liabilities</b>		<u>(24,063)</u>	<u>(14,884)</u>
<b>Capital and reserves</b>			
Called up share capital	<b>23</b>	7	6
Share premium account	<b>24</b>	54,286	29,170
Revaluation reserve	<b>24</b>	(30)	(30)
Capital redemption reserve		103	103
Share option reserve	<b>24</b>	7,996	6,423
Merger reserve	<b>24</b>	144,794	144,794
Profit and loss account	<b>24</b>	<u>(231,219)</u>	<u>(195,350)</u>
<b>Total equity</b>		<u>(24,063)</u>	<u>(14,884)</u>

The financial statements on pages 28 to 63 were approved by the Board of Directors on 3 March 2025 and signed on its' behalf by:



**S Bialick**  
**Director**

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

	Note	2023 £000	Restated 2022 £000
<b>Non-current assets</b>			
Investments	15	52,906	28,653
		<u>52,906</u>	<u>28,653</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	17	12,260	6,593
Cash and cash equivalents	18	1	45
		<u>12,261</u>	<u>6,638</u>
Creditors: amounts falling due within one year	19	(4,190)	(91)
<b>Net current assets</b>		<u>8,071</u>	<u>6,547</u>
<b>Total assets less current liabilities</b>		<u>60,977</u>	<u>35,200</u>
<b>Net assets</b>		<u>60,977</u>	<u>35,200</u>
<b>Capital and reserves</b>			
Called up share capital	24	7	6
Share premium account	24	54,059	29,237
Share option reserve	24	7,996	6,423
Profit and loss account	24	(466)	-
Current year profit and loss account	24	<u>(619)</u>	<u>(466)</u>
<b>Total equity</b>		<u>60,977</u>	<u>35,200</u>

The financial statements on pages 28 to 63 were approved by the Board of Directors on 3 March 2025 and signed on its' behalf by:



**S Bialick**  
**Director**

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £000	Share premium account £000	Warrants reserve £000	Revaluation reserve £000	Share options reserve £000	Merger reserve £000	Profit and loss account £000	Equity attributable to owners of parent Company £000	Total equity £000
<b>At 1 January 2022</b>	6	144,800	103	(30)	2,637	-	(128,239)	19,277	19,277
Comprehensive expense for the year	-	-	-	-	-	-	(67,111)	(67,111)	(67,111)
Loss for the year	-	-	-	-	-	-	(67,111)	(67,111)	(67,111)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Total comprehensive expense for the year	-	-	-	-	-	-	(67,111)	(67,111)	(67,111)
Contributions by and distributions to owners									
Shares issued during the year	6	29,158	-	-	-	-	-	29,164	29,164
Transfer to merger reserve	(6)	(144,788)	-	-	-	144,794	-	-	-
Share-based payments	-	-	-	-	3,786	-	-	3,786	3,786
Total transactions with owners	-	(115,630)	-	-	3,786	144,794	-	32,950	32,950
<b>At 31 December 2022</b>	6	29,170	103	(30)	6,423	144,794	(195,350)	(14,884)	(14,884)

The notes on pages 35 to 63 form part of these financial statements.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share capital £000	Share premium account £000	Warrants reserve £000	Revaluation reserve £000	Share options reserve £000	Merger reserve £000	Profit and loss account £000	Equity attributable to owners of parent Company £000	Total equity £000
<b>At 1 January 2023</b>	6	29,170	103	(30)	6,423	144,794	(195,350)	(14,884)	(14,884)
Comprehensive expense for the year	-	-	-	-	-	-	(35,869)	(35,869)	(35,869)
Loss for the year	-	-	-	-	-	-	(35,869)	(35,869)	(35,869)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Total comprehensive expense for the year	-	-	-	-	-	-	(35,869)	(35,869)	(35,869)
Contributions by and distributions to owners									
Shares issued during the year	1	25,116	-	-	-	-	-	25,117	25,117
Transfer of reserve	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	1,573	-	-	1,573	1,573
Total transactions with owners	1	25,116	-	-	1,573	-	-	26,690	26,690
<b>At 31 December 2023</b>	7	54,286	103	(30)	7,996	144,794	(231,219)	(24,063)	(24,063)



**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Called up share Capital £'000	Share Premium Account £'000	*Restated Share options reserve £'000	Profit and loss account £'000	Total equity £'000
<b>At 14 September 2021</b>	-	-	-	-	-
Comprehensive expense for the year					
Loss for the year	-	-	-	(466)	(466)
Other comprehensive expense for the year	-	-	-	-	-
Total Other comprehensive expense for the year	-	-	-	(466)	(466)
Contributions by and distributions to owners					
Shares issued during the year	6	29,237	-	-	29,243
Total transactions with owners	6	29,237	-	-	29,243
<b>At 31 December 2022</b>	<b>6</b>	<b>29,237</b>	<b>-</b>	<b>(466)</b>	<b>28,777</b>
*Share-based payments	-	-	6,423	-	6,423
<b>Restated at 31 December 2022</b>	<b>6</b>	<b>29,237</b>	<b>6,423</b>	<b>(466)</b>	<b>35,200</b>
<b>At 1 January 2023</b>	<b>6</b>	<b>29,237</b>	<b>6,423</b>	<b>(466)</b>	<b>35,200</b>
Comprehensive expense for the year					-
Loss for the year	-	-	-	(619)	(619)
Other comprehensive expense for the year	-	-	-	-	-
Total Other comprehensive expense for the year	-	-	-	(619)	(619)
Contributions by and distributions to owners					-
Shares issued during the year	1	24,822	-	-	24,823
Share-based payments	-	-	1,573	-	1,573
Total transactions with owners	1	24,822	1,573	-	26,396
<b>At 31 December 2023</b>	<b>7</b>	<b>54,059</b>	<b>7,996</b>	<b>(1,085)</b>	<b>60,977</b>

\*Included in the Share based payment balance is £6.4m, representing the value of share options issued to employees of the Group's subsidiaries (note 32).

The notes on pages 35 to 63 form part of these financial statements.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
<b>Cash flows from operating activities</b>		
Loss for the financial year	(35,869)	(67,111)
<b>Adjustments for:</b>		
Amortisation of intangible assets	1,391	122
Depreciation of property, plant and equipment	29	129
Decrease in inventories	80	375
(Increase) / Decrease in trade and other debtors	(4,032)	9,418
Increase in trade and other creditors	15,493	475
Decrease/ (Increase) in loans to customers	75	(271)
Corporation tax received*	2,443	1,330
Share based payment expense	1,573	3,786
Decrease in non-current other debtors	65	826
Increase in non-current other liabilities	251	1,380
<b>Net cash used in operating activities</b>	<b>(18,501)</b>	<b>(49,541)</b>
<b>Cash flows from investing activities</b>		
Expenditure on development of intangible assets	(6,535)	(19)
Purchase of tangible fixed assets	(77)	(4)
<b>Net cash used in investing activities</b>	<b>(6,612)</b>	<b>(23)</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	25,116	29,164
Net (Decrease) / Increase in debt	(4,759)	12,287
<b>Net cash generated from financing activities</b>	<b>20,357</b>	<b>41,451</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,756)</b>	<b>(8,113)</b>
Cash and cash equivalents at beginning of year	20,014	28,127
<b>Cash and cash equivalents at the end of year</b>	<b>15,258</b>	<b>20,014</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	15,258	20,014
	<b>15,258</b>	<b>20,014</b>

\*Included in Corporate tax received £2.6m (2022: £3.3m), relates to cashflows arising from the tax credits received from the HMRC in the current year. This disclosure was omitted in error from the prior year financial statements.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1. General information**

Curve OS Group Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is 1-10 Praed Mews, London, England, W2 1QY.

Curve OS Group Limited was incorporated on 14 September 2021.

The principal activity of the Company during the year was the provision of payment and other financial services through the issuance of debit card and e-wallet linked mobile applications.

**2. Material accounting policies**

**2.1 Basis of preparation of financial statements**

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

The Group and Company's functional currency is British Pounds. The audited financial statements have been presented in British Pounds as this is the currency of the primary economic environment in which the Group and Company operate in and are rounded to the nearest thousand pound as denoted by £'000 or £k.

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

The Company has taken advantage of the exemption allowed under section 408 of the Act and has not presented its own Statement of Comprehensive Income in these financial statements.

The following material accounting policies have been applied:

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**2. Material accounting policies (continued)**

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

**2.3 Going concern**

The Directors have undertaken an assessment of the Group and Company's ability to continue as a going concern for at least 12 months from the approval date of these financial statements. This evaluation includes a base case scenario based on the Group and Company's projected performance and operational forecasts for the 12 months from the approval date of these financial statements, assuming the achievement of revenue and growth targets in line with current business plans and market conditions.

Should these targets not be met, due to slower than expected rates of execution and / or strategic risks in the business, the Group and Company has considered a severe but plausible downside scenario, which anticipates reduced revenues and profitability. In response, the Directors have identified key actions to preserve operational resilience, including:

- Reducing non-essential expenditures.
- Aligning workforce resources with critical business priorities.
- Streamlining vendor agreements and operational costs to enhance financial efficiency while maintaining essential functions.

The Group and Company are loss-making and require further capital injections within twelve months from the date of approval of these financial statements in order to continue realising their assets and discharging their liabilities in the normal course of business, and as such continue as a going concern in both its base case forecast and severe but plausible scenario. The Directors forecast that the additional funding will be forthcoming as has been in the past, however this is not guaranteed.

As a result of the above, the Directors recognise that the uncertainty regarding future fundraising requirements gives rise to the existence of a material uncertainty, which may cast significant doubt on the Group and Company's ability to continue as a going concern.

The directors remain confident in the Group's established track record in securing funding. This confidence is supported by the funding received in 2024, with the last tranche being received in December 2024, and by the Group's demonstrated resilience and agility as an organisation. When this is viewed in conjunction with the actions available, including those set out above, the Directors have concluded that it remains appropriate to continue preparing the Group and Company's financial statements on a going concern basis. The financial statements of the Group and Company do not reflect any adjustments that would be required if the Group and Company were unable to continue as a going concern.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2. Material accounting policies (continued)**

**2.4 Foreign currency translation Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**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 year 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.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within "finance income or costs".

All other foreign exchange gains and losses are presented in profit or loss within "other operating income".

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2. Material accounting policies (continued)**

**2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenue for the Group consists of card and interchange, subscription fees, interest on customer loans and platform revenue.

*Card and interchange revenue*

Fees are recognised in the Consolidated Statement of Comprehensive Income as services are provided to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. This is typically on a settlement or completed transaction basis.

*Subscription revenue*

Fees are recognised in the Consolidated Statement of Comprehensive Income as services are provided to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. The Group recognises income based on the period to which it relates which is in line with the contractual terms giving rise to that revenue.

*Platform revenue*

Revenue is recognised in the Consolidated Statement of Comprehensive Income to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. The revenue is recognised over the life of the contract when performance obligations are satisfied.

*Interest income*

Interest income is recognised using the effective interest rate method.

**2.6 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2. Material accounting policies (continued)**

**2.7 Research and development**

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**2.8 Interest receivable and similar income**

Interest receivable and similar income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

**2.9 Interest payable and similar expenses**

Interest payable and similar expenses are charged to the Consolidated Statement of Comprehensive Income 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.

**2.10 Borrowing costs**

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

**2.11 Pensions**

**Defined contribution pension plan**

The Group participates in a Group Personal Pension Plan, being a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2. Material Accounting policies (continued)**

**2.12 Share based payments**

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Consolidated Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting 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 Group 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 the Consolidated Statement of Comprehensive Income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the Consolidated Statement of Comprehensive Income is charged with fair value of goods and services received.

**2.13 Taxation**

Tax is recognised in the Consolidated Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.



**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2. Material accounting policies (continued)**

**2.14 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life with the exception of the Website. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

- Website - indefinite
- Card design - 3 years straight line
- Development costs - 3 years straight line

*(i) Internally generated intangible assets*

Costs relating to the development of software are capitalised as intangible assets only when the future economic benefits expected to arise are deemed probable and the costs can be reliably measured. Development costs not meeting these criteria are expensed in the statement of profit and loss as incurred. Capitalised development costs are amortised on a straight-line basis over the period gaining economic benefit from the expenditure once the related product is available for use. Research costs are charged to the Consolidated Statement of Comprehensive Income as incurred.

*(ii) Separately acquired intangible assets*

Intangible assets purchased separately, such as software licences that do not form an integral part of related hardware, are capitalised as intangible assets at cost and amortised over their useful economic life. Costs associated with maintaining software are charged to the Consolidated Statement of Comprehensive Income as incurred.

Beginning in the current financial year, the company has adopted a new accounting policy to capitalise development costs as additions to intangible assets, in line with Section 18 of FRS 102. This change is applied prospectively and recognizes development costs as intangible assets when they meet the criteria of demonstrating probable future economic benefits. This shift reflects our commitment to align asset recognition with the anticipated economic contribution of our ongoing projects. Capitalised development costs will be amortised over their useful economic life, commencing when the assets are available for use, in accordance with our revised accounting policy.

**2.15 Property, plant and equipment**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2. Material Accounting policies (continued)**

**2.15 Property, plant and equipment (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

- Computer equipment - 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

Depreciation is charged to 'administrative expenses' in the Statement of Comprehensive Income.

**2.16 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.17 Inventories**

Inventories are Curve cards held for distribution and are stated at the lower of cost adjusted for the loss of service potential and replacement cost. Inventories are recognised as an expense when the card is shipped to the customer. Where the customer has a contractual relationship with another entity the cost is recognised in the corresponding entity.

At each Statement of Financial Position date, inventories are assessed for impairment. If inventories are impaired any impairment is recognised immediately in the Statement of Comprehensive Income.

**2.18 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable 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.

**2.19 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. 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.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2. Material accounting policies (continued)**

**2.20 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.21 Financial instruments**

The Group 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.

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 Consolidated 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 Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**2. Material accounting policies (continued)**

**2.22 Share capital and reserves**

Share capital represents the value of the shares that have been issued.

Any premiums received on the issue of the share capital has been allocated to share premium under the equity section on the statement of financial position.

The options reserve represents share options issued to the company employees under the group scheme.

The warrants reserves represent issued warrants which give holders the right to buy shares in the future.

The accumulated losses reserve represents cumulative losses.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

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

In applying the Group's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

**3.1 Critical judgements in applying the Company's accounting policies**

The directors have considered the going concern assessment and concluded not to have made any other significant judgements during the year.

**3.2 Key sources of estimation uncertainty**

*(i) Rewards liabilities*

Customers earn reward points as a result of past transactions which can be redeemed on future transactions. There is uncertainty when, and if, the reward points will be converted to currency. The Group makes an estimate of the pound sterling (£) value of reward points based on actual customer spending behaviour which is captured daily. Rewards liabilities are included in accruals and deferred income (note 19).

*(ii) Share based payments expense*

The calculation of the fair value of the options requires significant estimates to be made by management. The Group uses a Black-Scholes option valuation model. Estimates include volatility, risk free interest rate, fair value of ordinary shares at grant date and the probability of options reaching their vesting period. The estimations made are subject to variability that may alter the overall fair value determined. Refer to note 25.

*(iii) R&D tax relief*

The R&D tax relief is based on an analysis of estimated costs of R&D activities in line with HMRC eligibility criteria. It is expected that the 2023 R&D tax relief claim of £0.4m will be submitted in the 2024 financial year.

*(iv) Unrecognised deferred tax assets*

As disclosed in the current and deferred income tax accounting policy, the Group recognises deferred tax assets relating to temporary differences, capital losses or operating losses when it is probable that they will be utilised in future reporting years. Due to continuing operating losses, the Group has determined it is not appropriate to recognise deferred tax assets until a point where it is probable that future taxable income is going to be available to utilise the assets. Refer to note 12.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**4. Revenue**

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

	<b>Group</b>	<b>Group</b>
	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Card and interchange (Wallet)	14,634	13,414
Subscription	7,170	4,396
Platform	4,925	3,066
Other income	4	1,257
	<u>26,733</u>	<u>22,133</u>

Analysis of revenue by country of destination:

	<b>Group</b>	<b>Group</b>
	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
United Kingdom	16,024	14,188
Rest of Europe	10,257	7,702
Rest of the world	452	243
	<u>26,733</u>	<u>22,133</u>

**5. Administrative expenses**

	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Employee benefit expense	20,454	28,403	-	-
Exchange differences	318	1,833	(13)	322
Occupancy	973	1,118	228	-
Amortisation of intangible assets	1,391	122	-	-
Depreciation of property, plant and equipment	29	129	-	-
Auditors' remuneration	337	376	104	-
Other expenses*	12,651	25,226	224	148
	<u>36,153</u>	<u>57,207</u>	<u>543</u>	<u>470</u>

\*Other expenses materially includes subscriptions of £5.8m, unrecoverable VAT of £2.9m, card related costs of £2.2m, and share based payments of £1.6m.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**6. Auditors' remuneration**

The auditors' liability (including interest) for all claims in respect of any negligence, default, breach of duty or breach of trust is limited to the greater of £5 million or 5 times the total fees payable, and that in any event the auditor's liability for damages should be limited to that part of any loss suffered by the Company as is just and equitable having regard to the extent to which the auditor, the Company and any third parties are responsible for the loss in question. This was approved by a resolution passed by the Company's shareholders on 28 April 2024.

During the year, the Group obtained the following services from the Company's auditors and their associates:

	Group 2023 £000	Group 2022 £000
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements*	475	376

*\*£138k relates to prior year audit fees. £337k relates to current year audit fees.*

The Company did not pay any additional fees to the auditor in respect of non-audit services.

**7. Employees**

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

	Group 2023 £000	Group 2022 £000	Company 2023 £000	Company 2022 £000
Wages and salaries	18,593	25,444	-	50
Social security costs	1,610	2,571	-	-
Other pension costs	251	388	-	-
	<u>20,454</u>	<u>28,403</u>	<u>-</u>	<u>50</u>

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

	Group 2023	Group 2022
No. of staff	208	315

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. Directors' remuneration**

	<b>Group</b>	<b>Group</b>
	<b>2023</b>	<b>*Restated</b>
	<b>£000</b>	<b>2022</b>
		<b>£000</b>
Directors' emoluments	166	203
Group contributions to defined contribution pension schemes	2	1
	<u>168</u>	<u>204</u>

The executive directors' remuneration in this note is included in administrative expenses in the Consolidated Statement of Comprehensive Income.

There was 1 director in the Company's defined contribution pension scheme (2022\*: 1). The highest paid director received £130k (2022\*: £108k) remuneration during the year. Accumulated pension contribution for the year ending 31 December 2023 for highest paid director is £2k (2022\*: £1k).

There were no options exercised by directors during the current and prior years.

The directors holding office during the year were remunerated by Curve UK Limited.

\*For 2022 Restated amount refer to note 32.

**9. Key management personnel**

The key management personnel emoluments were as follows:

	<b>Group</b>	<b>Group</b>
	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Salaries and wages	1,349	1,026
Company contributions to defined contribution pension schemes	8	6
	<u>1,357</u>	<u>1,032</u>

The above information relates to 6 key management personnel in the current year (2022: 7). The key management personnel remuneration in this note is included in administrative expenses in the Consolidated Statement of Comprehensive Income.

There were 5 key management personnel in the Company's defined contribution pension scheme, which is held at Curve UK Limited (2022: 7).

In 2023, nil (2022: nil ) options were exercised by key management personnel during the year.



**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**10. Interest receivable and similar income**

	<b>Group</b>	<b>Group</b>
	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Other interest receivable	117	141

**11. Interest payable and similar expenses**

	<b>Group</b>	<b>Group</b>
	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Bank interest payable	37	25
Other loan interest payable	946	1,465
	983	1,490

**12. Income tax credit**

	<b>Group</b>	<b>Group</b>
	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Corporation tax</b>		
Current tax charge/credit on profits/losses for the year	(385)	(1,882)
Adjustments in respect of previous periods	176	(176)
Foreign tax	42	24
<b>Total current tax</b>	(167)	(2,034)
<b>Deferred tax</b>		
<b>Total deferred tax</b>	-	-
<b>Tax on loss</b>	(167)	(2,034)

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**12. Income tax credit (continued)**

**Factors affecting tax credit for the year**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 23.52% (December 2022: 19%). The differences are explained below:

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Loss before tax	(36,036)	(69,145)
Loss before tax multiplied by standard rate of corporation tax in the UK of 23.52% (2022: 19%)	(8,475)	(13,138)
<b>Effects of:</b>		
Expenses non-deductible for tax purposes	439	747
Surrender of tax losses for R&D expenditure	809	2,434
R&D credits for the year	(386)	(1,858)
Additional deduction for R&D expenditure	(430)	(1,376)
Adjustments to tax charge in respect of previous periods	176	(176)
Overseas taxes (adjustments to prior period)	43	-
Other permanent differences	(2)	(429)
Movement in deferred tax not recognised	8,140	15,476
Remeasurement of deferred tax for changes in tax rates	(481)	(3,714)
<b>Total tax credit for the year</b>	<b>(167)</b>	<b>(2,034)</b>

**Factors that may affect future tax charges**

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the UK has increased from 19% to 25%. For the financial year ended 31 December 2023, the current weighted averaged tax rate was 23.52%

Deferred tax would be recognised at a rate of 25% (December 2022: 25%), being the enacted (and substantively enacted) rate at the balance sheet date at which the timing differences are expected to reverse.

**Unrecognised deferred tax asset**

The Group has unrecognised deferred tax assets totalling £52.4m (2022: £44.3m\*) of which £52.3m (2022: £44.3m\*) relates to unutilised tax losses. Due to uncertainty as to when these assets will reverse, no recognition for these have been made in these financial statements.

\*Restated - refer to note 32

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**13. Intangible assets**

**Group**

	<b>Card Design £000</b>	<b>Development costs £000</b>	<b>Website £000</b>	<b>Total £000</b>
<b>Cost</b>				
At 1 January 2022	522	-	273	795
Additions	19	-	-	19
At 31 December 2022	541	-	273	814
<b>Accumulated amortisation</b>				
At 1 January 2022	230	-	-	230
Charge for the period	122	-	-	122
At 31 December 2022	352	-	-	352
<b>Net book value</b>				
At 31 December 2022	189	-	273	462
At 31 December 2021	292	-	273	565

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**13. Intangible assets (continued)**

	<b>Card Design £000</b>	<b>Development costs £000</b>	<b>Website £000</b>	<b>Total £000</b>
<b>Cost</b>				
At 31 December 2022	541	-	273	814
Opening balance adjustment*	(117)	-	-	(117)
At 1 January 2023 (Restated, note 32)	424	-	273	697
Additions	-	6,596	-	6,596
At 31 December 2023	424	6,596	273	7,293
<b>Accumulated amortisation</b>				
At 31 December 2022	352	-	-	352
Opening balance adjustment*	(58)	-	-	(58)
At 1 January 2023 (Restated, note 32)	294	-	-	294
Charge for the period	118	1,273	-	1,391
At 31 December 2023	412	1,273	-	1,685
<b>Net book value</b>				
At 31 December 2023	12	5,323	273	5,608
At 31 December 2022	189	-	273	462
Opening balance adjustment*	(59)	-	-	(59)
At 1 January 2023 (Restated, note 32)	130	-	273	403

In 2023, the Company adopted a new accounting policy to capitalise development costs as additions to intangible assets, in line with Section 18 of FRS 102 (see note 2.14 Intangible assets). This change is applied prospectively and recognises development costs as intangible assets when they meet the criteria of demonstrating probable future economic benefits.

All of the Group's intangible fixed assets are held in the subsidiary companies.

\*For 31 December 2022 / 1 January 2023 restated amounts refer to note 32.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**14. Property, plant and equipment**

**Group**

	<b>2023</b>	<b>2022</b>
	<b>Computer Equipment £000</b>	<b>Computer Equipment £000</b>
<b>Cost</b>		
At 1 January	562	558
Additions	77	4
At 31 December	639	562
<b>Accumulated depreciation</b>		
At 1 January	547	418
Charge for the year	29	129
At 31 December	576	547
<b>Net book value</b>		
At 1 January	15	140
At 31 December	63	15

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**15. Investments**

**Company**

	<b>Investments in subsidiary companies 2023 £000</b>	<b>Restated 2022 £000</b>
<b>Cost and net book value</b>		
At 1 January 2023	28,653	-
Additions	24,254	28,653
	<u>52,907</u>	<u>28,653</u>
At 31 December 2023	<u>52,907</u>	<u>28,653</u>

The financial statements for the year ended December 2023 for the following subsidiaries have not been audited. These subsidiaries are exempted from audit under section 479A of the Act:

- Curve OS Holding Limited; and
- Curve Credit Limited.

\*For 2022 Restated amount refer to note 32.

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
Curve OS Holding Limited	1-10 Praed Mews, London, England, W2 1QY	Holding company	Ordinary shares	100%
Curve UK Limited	1-10 Praed Mews, London, England, W2 1QY	Financial application and provision of card services	Ordinary shares	100%
Curve Europe UAB	Jogailos g. 9, Vilnius, the Republic of Lithuania	Provision of card services	Ordinary shares	100%
Curve Credit Limited	1-10 Praed Mews, London, England, W2 1QY	Provision of credit services	Ordinary shares	100%
Curve US, Inc.	251 Little Falls Drive, Wilmington, New Castle, Delaware, USA, 19808	Provision of card services	Ordinary shares	100%
Thackeray DAC	3 Dublin Landings, North Wall Quay, Dublin 1, Ireland, D01 C4E0	Merchant on record	Ordinary shares	100%
Curve Greece	116A Alexandra Ave. 11471 Athens	Dormant	Ordinary shares	100%

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**16. Inventories**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>
Curve cards held for distribution	1,904	1,984

Inventory recognised in administrative expenses during the year as an expense, related to cards issued, amounted to £1.1m (2022:£1.5m).

There is no significant difference between the replacement cost of the inventory and its carrying amount, thus no provisions for impairment have been made (2022: £nil).

**17. Debtors**

	<b>Group 2023 £000</b>	<b>*Restated Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
<b>Due after more than one year</b>				
Other debtors	150	215	-	-
	<u>150</u>	<u>215</u>	<u>-</u>	<u>-</u>
<b>Due within one year</b>				
Trade debtors	4,074	739	-	69
Amounts owed by group undertakings	-	-	11,187	6,524
Other debtors	1,701	959	22	-
Called up share capital not paid	1,994	1,146	1,007	-
Loans to customers	817	892	-	-
Prepayments and accrued income	744	1,638	44	-
Tax recoverable	2,213	4,656	-	-
	<u>11,543</u>	<u>10,030</u>	<u>12,260</u>	<u>6,593</u>

Trade debtors are stated after provisions for impairment of £nil (2022: £nil).

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

Tax recoverable of £2.2m (2022: £4.5m) relates to receivables from R&D tax credits claimed but not yet received for 2022 (£1.9m) and 2023 (£0.4m) . The £1.9m tax credit for 2022 was paid by HMRC in January 2024.

\*For 2022 Restated amount refer to note 32.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**18. Cash and cash equivalents**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
Cash and cash equivalents	15,258	20,014	1	45
	<u>15,258</u>	<u>20,014</u>	<u>1</u>	<u>45</u>

**19. Creditors: amounts falling due within one year**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
Other loans (note 21)	5,215	3,837	-	-
Trade creditors	4,469	2,789	304	-
Amounts owed to group undertakings	-	-	3,847	3
Other taxation and social security	1,763	548	23	-
Other creditors	24,624	14,058	-	1
Accruals and deferred revenue	10,581	7,989	16	87
Rewards liability	4,150	4,710	-	-
	<u>50,802</u>	<u>33,931</u>	<u>4,190</u>	<u>91</u>

Amounts owed to group undertakings are interest free and repayable on demand.

Other creditors due within a year primarily include Issuer payables amounting to £24.6m (2022: Other creditors primarily included £9.9m in Issuer payables and a £2.7m Mastercard liability).

**20. Creditors: amounts falling due after more than one year**

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>
Other loans (note 21)	2,313	8,450
Other creditors	4,716	4,555
Accruals and deferred income	758	668
	<u>7,787</u>	<u>13,673</u>

Other creditors due after a year amount to £4.7m (2022: £4.6m) and relate to deferred income recognised in relation to a sign-on bonus paid by Mastercard.



**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**21. Loans**

Analysis of the maturity of loans is given below:

	<b>Group 2023 £000</b>	<b>Group 2022 £000</b>
Amounts falling due within one year	5,215	3,837
Amounts falling due 1-2 years	2,313	3,156
Amounts falling due 2-5 years	-	5,294
	<u>7,528</u>	<u>12,287</u>

Other loans consist of a secured loan between Curve OS Holding Limited and Kreos Capital VI (UK) Limited and Kreos Capital 2020 Opportunity (UK) Limited for a maximum amount of £20m. An interest rate of 8.95% is applicable and the final repayment is due in June 2025.

**22. Financial instruments**

	<b>Group 2023 £000</b>	<b>*Restated Group 2022 £000</b>	<b>Company 2023 £000</b>	<b>Company 2022 £000</b>
<b>Financial assets</b>				
Cash and cash equivalents	15,258	20,014	1	45
Trade and other receivables (2022 *Restated)	7,956	3,123	12,260	6,593
Loans to customers	817	892	-	-
	<u>24,031</u>	<u>24,029</u>	<u>12,261</u>	<u>6,638</u>
<b>Financial liabilities</b>				
Trade and other payables	49,298	34,769	4,190	91
Loan payable (note 21)	7,528	12,287	-	-
	<u>56,826</u>	<u>47,056</u>	<u>4,190</u>	<u>91</u>

Financial risks have been included within principal risks in the Strategic Report.

\*For 2022 restated amounts refer to note 32.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**23. Called up share capital**

<b>Allotted, called up and fully paid</b>	<b>2023 £</b>	<b>2022 £</b>
69,626,964 (2022: 6,170,552) ordinary shares of £0.0001 each	<u>6,963</u>	<u>6,117</u>

On 24 January 2023, the Company issued 1,292 Ordinary shares, the difference between par value and consideration received being credited to share premium.

On 9 February 2023, the Company issued 2,445 Ordinary shares, the difference between par value and consideration received being credited to share premium.

On 7 June 2023, the Company issued 2,400,726 C5 Preferred shares, the difference between par value and consideration received being credited to share premium.

On 7 June 2023, the Company issued 5,889,736 C6 Preferred shares, the difference between par value and consideration received being credited to share premium. These were SAFE (simple agreement for future equity) conversions from prior years.

On 12 June 2023, the Company issued 1,300 Ordinary shares, the difference between par value and consideration received being credited to share premium.

On 18 July 2023, the Company issued 2,728 C5 Preferred shares, the difference between par value and consideration received being credited to share premium.

On 19 July 2023, the Company issued 1,407 Ordinary shares, the difference between par value and consideration received being credited to share premium.

On 21 July 2023, the Company issued 841 C5 Preferred shares, the difference between par value and consideration received being credited to share premium.

On 27 July 2023, the Company issued 4,208 C5 Preferred shares, the difference between par value and consideration received being credited to share premium.

On 28 July 2023, the Company issued 70,639 C5 Preferred shares, the difference between par value and consideration received being credited to share premium.

On 30 July 2023, the Company issued 1,284 C5 Preferred shares, the difference between par value and consideration received being credited to share premium.

On 2 August 2023, the Company issued 2,628 Ordinary shares, the difference between par value and consideration received being credited to share premium.

On 3 August 2023, the Company issued 841 C5 Preferred shares, the difference between par value and consideration received being credited to share premium.

On 10 August 2023, the Company issued 2,300 Ordinary shares, the difference between par value and consideration received being credited to share premium.

On 28 August 2023, the Company issued 36,040 C5 Preferred shares, the difference between par value and consideration received being credited to share premium.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**23. Called up share capital (Continued)**

On 8 September 2023, the Company issued 37,727 C5 Preferred shares, the difference between par value and consideration received being credited to share premium.

**24. Reserves**

**Share premium account**

This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

**Revaluation reserve**

This reserve represents the amount by which an asset's value has been increased in the financial statements to reflect its fair value.

**Share options reserve**

The share options reserve relates to shares issued to employees in the group.

**Merger Reserve**

This reserve represents the components of the shareholders equity resulting from the merger accounting applied in the consolidated financial statements of Curve OS Group Limited.

The effect of the application of merger accounting is that the assets and liabilities of the parties to the combination are not required to be adjusted to fair value.

**Profit and loss account**

This reserve represents the cumulative profits and losses.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**25. Share based payments**

The Group operates an equity-settled share-based remuneration scheme for employees. The Company has a share option scheme for most employees (including directors).

The employee options are subject to continual employment with the Company. The options are exercisable between £0.0075 to £11.37 per share.

If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Options are forfeited if the employee leaves the Group before they vest.

	Weighted average exercise price (pence) 2023	Number 2023	Weighted average exercise price (pence) 2022	*Restated Number 2022
Outstanding at the beginning of the year	0.806	6,703,689	0.395	7,029,677
Granted during the year	1.320	2,534,046	1.870	1,421,183
Forfeited during the year	1.576	(1,257,896)	0.450	(1,503,068)
Exercised during the year	0.497	(11,372)	0.077	(244,103)
<b>Outstanding at the end of the year</b>	<b>0.849</b>	<b>7,968,467</b>	<b>0.806</b>	<b>6,703,689</b>

Of the total number of options outstanding at the end of the year, 5,640,219 (2022: 4,438,042) had vested and were exercisable at the end of the year with a weighted average exercise price of £0.67 (2022: £0.42).

The Black-Scholes option pricing model was used to value the equity-settled share-based payment awards as it was considered that this approach would provide an accurate estimate of the fair value of options granted. The significant inputs to the mode included the following:

- Interest free rate - range from 3.49% to 4.54%
- Expected volatility - 35%
- Exercise price - range from £0.0075 to £11.37
- Expected dividend yield - nil

The total share-based payments charge for the year was £1.6m (2022: £3.8m).

**26. Capital commitments**

At 31 December 2023, the Group and Company had no capital commitments (2022: £nil).

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**27. Pension commitments**

The Group operates a defined contribution retirement benefit scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in funds under control of trustees. The total expense charged in the year ended 31 December 2023 was £0.3m (2022: £0.4m). Contributions outstanding at the year end were £0.01m (2022: £0.03m).

**28. Commitments under operating leases**

The Group and Company have operating leases that extend beyond 31 December 2023 to the amount of £0.2m (2022: £nil).

**29. Related party transactions**

The Group and Company have taken advantage of the exemption permitted by section 33 related party disclosure of the FRS 102 standard not to provide disclosures of transactions entered into with other wholly owned members of the group unless expressly stated otherwise in these financial statements.

**30. Post balance sheet events**

The key events that have occurred since the year end are as follows:

- Over 2024 we received an additional ~£29.7m of equity funding from new and existing investors, of which the final tranche was received on 30 December 2024.
- In May 2024, the Group received an additional ~£11.6m of debt funding from existing investors via a convertible loan agreement.
- On 8th July 2024, we temporarily paused our Curve Card offering in the US whilst in the process of appointing a new sponsor bank.
- On 18th December 2024, Curve fully repaid the outstanding Kreos loans, thereby settling its financial obligations in full.
- Between 13 February 2024 and 13 February 2025, Curve OS Group Limited made an investment in Curve OS Holding Limited through the issuance of 4,332,421 Ordinary shares.

The above events are treated as non-adjusting post balance sheet events. There have been no other material post balance sheet events.

**31. Controlling party**

The Group headed by Curve OS Group Limited is the smallest group and the largest group of subsidiary undertakings for which group consolidated financial statements are drawn up.

There is no ultimate controlling party.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**32. Restatements**

**Investments**

During the year, the parent's investment in its subsidiary has been restated to reflect the increase in investment due to the issue of share options to the employees of the subsidiary "Curve UK Limited". The fair value of these options are recognised as an Investment in subsidiary in the Statement of Financial Position over the vesting period of the options with a corresponding credit included within Retained earnings.

The restatement is in accordance with FRS 102, particularly Section 26.12.1 "Parent entity grants share awards to subsidiary employees". The effect of this restatement has been to increase the carrying value of the investment in the subsidiary in the parent company's balance sheet by £6.4m, with a corresponding increase in the share option reserve by £6.4m, reflecting the consideration provided in the form of share options for the new shares.

This adjustment has no impact on the consolidated financial statements of the Group, as it represents a transaction between entities under common control.

Comparative figures have been restated where applicable to reflect this adjustment. The impact on the financial statements for the year is detailed as follows:

- Increase in investment in subsidiary: £6.4m
- Increase in share option reserve: £6.4m

**Intangible assets**

During the preparation of the financial statements for the year ended 31st December 2023, it was identified that the opening balances for intangible assets as at 1st January 2023 required adjustment.

This adjustment ensures compliance with the recognition and measurement principles of IAS 38: Intangible Assets and better aligns the financial statements with the underlying economic reality of the Group's operations. The restatement affects only note 13.

The cost of intangible assets as at 1st January 2023 has been reduced by £117k, with the corresponding accumulated amortisation as at 1st January 2023 being reduced by £58k.

The restatement arose due to a prior period error in the original capitalisation of certain costs and the amortisation of the Intangible asset, which did not meet the recognition criteria under IAS 38: Intangible Assets.

**Directors' remuneration**

An error was identified in the previously reported directors' remuneration for the year ended 2022. This error related to inclusion of certain non-directors' remuneration that should have not been disclosed.

The restatement affects only the disclosure of directors' remuneration in note 8. There is no impact on the financial position, performance, or cash flows of the Group for the current or comparative periods.

**CURVE OS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**32. Restatements (Continued)**

**Financial instruments**

An error was identified in the 2022 comparative balances of the Financial Instruments disclosure (note 22).

The 2022 Financial Assets were reduced from £25.6m to £24.0m by £1.6m related to a reduction in Trade and Other Receivables, due to an incorrectly accounted balance for prepayments. Under FRS 102, prepayments are not classified as financial assets, as they represent a right to receive goods or services rather than cash or another financial asset.

There has been no effect on the Group's overall financial position or performance as a result of these restatements.

**Debtors**

An error was identified in the Consolidated Statement of Financial Position relating to the 2022 comparative balances for Debtors: amounts due after more than one year. Loans to customers totaling £0.9m were therefore reclassified from Debtors: amounts falling due after more than one year to Trade and other debtors, to reflect the maturity of the loans at the reporting date.

The same restatement was made in note 17 Debtors, where £0.9m was reclassified from Due after more than one year (Other debtors) to Due within one year (Loans to customers).

**Income tax credit**

An error was identified in the previously reported unrecognised deferred tax asset for the year ended 2022.

The restatement affects only the disclosure of unrecognised deferred tax assets in note 12. There is no impact on the financial position, performance, or cash flows of the Group for the current or comparative periods.

**33. Dividends**

No dividends have been paid or proposed during the year (2022: £nil).

# Independent auditors' report to the members of Curve OS Group Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Curve OS Group Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2023 and of the group's and company's loss and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and consolidated financial statements (the "Annual Report"), which comprise: Consolidated and Company Statements of Financial Position as at 31 December 2023; Consolidated Statement of Comprehensive Income, Consolidated and Company Statements of Changes in Equity, and Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the group's and the company's ability to continue as a going concern. The group and company require further capital injections within twelve months from the date of approval and signing of these financial statements to continue realising their assets and discharging their liabilities in the normal course of business. The Directors forecast that the additional funding will be forthcoming, however this is not guaranteed. These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the group's and the company's ability to continue as a going concern. The financial statements of the Group and Company do not reflect any adjustments that would be required if the Group and Company were unable to continue as a 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.

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

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

### **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.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches in regulations such as, but not limited to, the relevant rules of the Financial Conduct Authority, UK tax legislation, UK employment legislation and equivalent local laws and regulations applicable to significant components of the Group, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- We held discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation that could give rise to a material misstatement in the group and company financial statements;
- Reading correspondence with regulatory authorities such as the Financial Conduct Authority in relation to compliance with financial services regulations;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Review of board minutes during the year and to the date of this audit opinion.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

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.

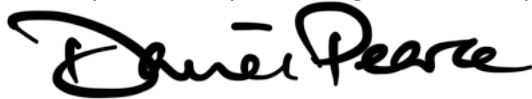
## Other required reporting

### **Companies Act 2006 exception reporting**

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink that reads "Daniel Pearce". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Daniel Pearce (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol  
3 March 2025