

Western Union Processing Limited

Directors' report and financial statements for the year
ended 31 December 2024

WESTERN UNION PROCESSING LIMITED

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WESTERN UNION PROCESSING LIMITED

COMPANY INFORMATION

DIRECTORS

Alan Kealy (resigned 23rd February 2024)
Feidhlimidh Wrafter
Tim Keane (appointed 23rd February 2024)
Kajsa Svensson (appointed 26th May 2025)

SECRETARY

Eamon Stewart – (resigned 21 Jun 2024)
Laura Dunne – (appointed 14 June 2024)
Kate Scanlon – (appointed 14 June 2024)

REGISTERED OFFICE

Level 02, “The Loft”, Building 13,
Pembroke District, Dundrum Town Centre,
Sandyford Road, Dundrum,
Dublin 16
Ireland

SOLICITORS

Matheson,
Sir John Rogerson’s Quay,
Dublin 2,
Ireland.

BANKERS

Citibank,
IFSC House,
Custom House,
North Wall Quay,
Dublin 1,
Ireland.

AUDITORS

Ernst & Young,
Chartered Accountants,
Ernst & Young Building,
Harcourt Centre,
Harcourt Street,
Dublin 2,
Ireland.

REGISTERED NUMBER

372424

WESTERN UNION PROCESSING LIMITED

DIRECTORS' REPORT for the year ended 31 December 2024

The directors present their annual report which includes the audited financial statements for the year ended 31 December 2024.

PRINCIPAL ACTIVITIES AND REVIEW OF THE DEVELOPMENT OF THE BUSINESS

Western Union is engaged in the money transfer and business payments industry. Consumers can transfer money locations in over 200 countries and territories worldwide. Western Union Processing Limited ('the Company') operates as a holding Company, holding subsidiaries globally.

In 2024, the company acquired Maccorp Italiana S.P.a, Maccorp Financial Services S.r.l and Maccorp Czech s.r.o for USD 31,723,044 and Global Collection Services S.A. and to Servicio Electronico de Pago S.A. ("SEP"), in return a promissory note was issued by the company for the fair market value of USD 25,603,083 and International Payment Services Holding LLC for USD 1,725.

RESULTS FOR THE YEAR AND STATE OF AFFAIRS AS AT 31 DECEMBER 2024

The profit and loss account for the year ended 31 December 2024 and the balance sheet at that date are set out on pages 12 and 13 respectively. The loss on ordinary activities for the year before taxation amounted to USD 4,867,456 (2023: profit USD 30,229,759). After taxation of USD 451,576 (2023: USD 124,204) a loss of USD 5,319,032 (2023: profit USD 30,105,555) is transferred to reserves.

GOING CONCERN

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least for 12 months from the approval of the financial statements. The Company continues to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements (Note 2).

DIVIDENDS AND RETENTION

The directors proposed and paid dividends of USD 3,944,088 during the year (2023: USD 61,679,876).

FUTURE DEVELOPMENTS IN THE BUSINESS

The Company expects to continue holding its investments in the future.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties arise from the potential impairment of the investments held by the Company. The risks outlined below could impact impairment of subsidiaries which is the risk to the Company.

The principal risks and uncertainties which are applicable to the subsidiaries are as follows:

Regulatory risk

The Company's payment services are subject to increasingly strict legal and regulatory requirements globally, including those intended to help detect and prevent money laundering, terrorist financing, fraud, and other illicit activity. The interpretation of those requirements by judges, regulatory bodies and enforcement agencies is changing, often quickly and could require changes in our business model and increase our costs of operations.

DIRECTORS' REPORT for the year ended 31 December 2024

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Economic and political risk

Migration levels have a direct impact on the money transfer business. People's mobility can be impacted by economic factors affecting levels of disposable income, political instability, the threat of terrorism and global diseases. Such risks are outside the control of the Company.

People risk

Retention of staff is a critical part of the Company's subsidiaries businesses. In today's world, quality of life is an important consideration by all working people and in this regard, there is an obligation on organisations to ensure that they can meet these needs. Social habits are ever changing, education is more readily available, and globally the world has become much smaller. The Company's subsidiaries strive to retain staff through various talent developments, compensation and other programs.

Financial Risks

Principal financial risks consist of:

- *Market Risk*
Market risk is the risk that the value of an investment or portfolio decreases. Standard market risk factors requiring assessment include interest rates, foreign exchange rates, stock prices, and commodity prices.
The Company's objective is not to have any material exposure to market risks.
- *Credit Risk*
Credit risk is the risk of financial loss arising from an obligor, borrower, issuer, surety, guarantor or counterparty who fails to meet its obligations in accordance with agreed terms. The Company's subsidiaries manage credit risk inherent to the business as they grow their agent network. Credit Policy is defined in the Western Union Global Agent Credit Risk Management Policy. This policy provides a framework for assessing, measuring, monitoring and reviewing credit risk. Key credit risk management processes consist of credit initiation, risk management, and collections. The Company's subsidiaries employ a combination of credit and analytical tools to mitigate exposure and control losses throughout the agent network.
- In relation to banking counterparty exposures, the Company's subsidiaries maintain relationships with key banking partners and credit providers of TWUC. As part of the Western Union Group, the Company's subsidiaries' exposures are managed according to the same policies, procedures, guidelines and practices by Western Union Treasury, which closely monitors this counterparty risk.
- Western Union maintains relationships with a large number of banks and therefore has the capability to open accounts and procure banking services from other financial institutions when required.
- *Liquidity risk*
Liquidity risk is the risk that a firm will not be able to fund its cash outflows as they fall due. The Company's objective is not to have any material liquidity gaps and there are no material liquidity gaps on the Company balance sheet.

WESTERN UNION PROCESSING LIMITED

DIRECTORS' REPORT for the year ended 31 December 2024

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Information technology risk and Cyber security

The electronic transfer of money is dependent on information technology systems. The Company's ability to provide reliable service largely depends on the efficient and uninterrupted operation of our computer information systems and those of our service providers (including other Western Union Group entities). Any significant interruptions could harm our business and reputation and result in a loss of business. Western Union's systems have been and continue to be the subject of cyber attacks, primarily aimed at interrupting the business, exposing Western Union to financial losses, or exploiting information security vulnerabilities. Historically, none of these attacks or breaches has resulted in any material cost to the Company. The Company has appropriate policies and procedures in place, including business continuity planning, to address information technology challenges that may arise.

Outsourcing risk

The Company's subsidiaries outsource certain arrangements relating to their activities to other Western Union group companies. The Company's subsidiaries mitigate any risk arising under these arrangements through documented service agreements and oversight of outsourcing arrangements by their management.

FINANCIAL INSTRUMENTS

The Company finances its activities with cash and short-term deposits. Overdrafts are used to satisfy short term cash flow requirements, if required. Other financial assets and liabilities, such as intercompany receivables and payables, trade debtors and trade creditors, arise directly from the Company's operating activities. The Company does not enter into derivative transactions.

Financial instruments give rise to credit, market and liquidity risk. Information on how these risks arise is set out above, as are the objectives, policies and processes for their management and the methods used to measure each risk.

DIRECTORS AND SECRETARY AND THEIR INTERESTS

The directors and secretary of the Company during the year are listed on page 2.

Neither the directors, nor the secretary, who held office at 31 December 2024 had direct or beneficial interests in shares in, or debentures of, the Company, or other group undertakings, at 31 December 2024 or 31 December 2023 requiring disclosure in the Directors' report pursuant to section 329 of the Companies Act 2014.

POST BALANCE SHEET EVENTS

On 31st March 2025, the Company's immediate parent MT International Operations Srl ("MTIOS") changed to Western Union International Operations FZ-LLC ("WUIOL").

DIRECTORS' REPORT
for the year ended 31 December 2024

BOOKS AND ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014, with regard to the keeping of accounting records, include the provision of appropriate resources to maintain adequate accounting records throughout the group, including the appointment of personnel with appropriate qualifications, experience and expertise.

The accounting records are maintained at 7001 East Belleview Avenue, Denver, Colorado 80237 and Level 02, "The Loft", Building 13, Pembroke District, Dundrum Town Centre, Sandyford Road, Dundrum, Dublin 16, Ireland. Although the accounting records are kept at a place outside the State, such information and returns relating to the business dealt with in the accounting records as will (a) disclose with reasonable accuracy the assets, liabilities, financial position and profit or loss of that business at intervals not exceeding 6 months, and (b) enable to be prepared in accordance with Part 6 of the Companies Act 2014 the Company's statutory financial statements required by section 290 and the Directors' report required by section 325 are sent to and maintained at the Company's registered office.

POLITICAL DONATIONS

The Company made no political donations (2023: Nil) during the year.

CHARITABLE CONTRIBUTIONS

The Company made no charitable contributions (2023: Nil) during the year.

RESEARCH AND DEVELOPMENT

The Company did not incur any expenditure in research and development during the year (2023: Nil).

AUDITORS

The auditors, Ernst & Young, Chartered Accountants, have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

RELEVANT AUDIT INFORMATION

In the case of persons who are directors at the time this report is approved in accordance with Section 332 of the Companies Act, 2014:

- the directors hereby individually and collectively acknowledge, that so far as each director is aware, there is no relevant material audit information of which the Company's statutory auditors are unaware; and
- that he/she has taken all the steps that he/she ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

WESTERN UNION PROCESSING LIMITED

DIRECTORS' REPORT for the year ended 31 December 2024

DIRECTORS' COMPLIANCE STATEMENT

The directors are responsible for securing compliance by the Company with its relevant obligations (as defined in Section 225 of the Companies Act 2014 ("Section 225")).

In accordance with Section 225, the directors thereby confirm they have completed the following:

- (a) drafted and reviewed a Compliance Policy Statement setting out the Company's policies (that, in the directors' opinion, are appropriate to the Company) respecting compliance by the Company with its relevant obligations;
- (b) put in place appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the Company's relevant obligations; and
- (c) have conducted a review of the aforementioned arrangements or structures in place to secure material compliance with the Company's relevant obligations.

Approved and authorised for issue on behalf of the board on 22 December 2025.

On behalf of the Board



Tim Keane
Director



Kajsa Svensson
Director

**DIRECTORS' RESPONSIBILITIES STATEMENT
for the year ended 31 December 2024**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Financial Reporting Standards 101 Reduced Disclosure Framework ('FRS 101'). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards and note the effect and the reasons for any material departure from those standards.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board



Tim Keane
Director



Kajsa Svensson
Director

Date: 22 December 2025



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTERN UNION PROCESSING LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Western Union Processing Limited ('the Company') for the year ended 31 December 2024, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including the material accounting policy information set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 101 Reduced Disclosure Framework issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTERN UNION PROCESSING LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Directors' Responsibilities Statement other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year ended for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, other than those parts relating to sustainability reporting where required by Part 28 of the Companies Act 2014, has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTERN UNION PROCESSING LIMITED (CONTINUED)

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 8, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and 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 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's 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 auditor's 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'Helen Kerr', is written over a light blue horizontal line.

Helen Kerr
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin

Date: 23 December 2025

WESTERN UNION PROCESSING LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2024

		2024	2023
		USD	USD
TURNOVER	3	4,983,881	23,980,480
Operating costs	4	(293,106)	(104,058)
(Loss)/Reversal on impairment	5	(10,572,456)	5,741,009
Foreign Exchange (loss)/gain		(793,196)	5,510
OPERATING (LOSS)/PROFIT		(6,674,877)	29,622,941
Gain on Divestiture	9	-	110,000
Interest receivable and similar income	7	1,807,421	496,818
(Loss)/Profit on ordinary activities before taxation	6	(4,867,456)	30,229,759
Tax charge on profit on ordinary activities	8	(451,576)	(124,204)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(5,319,032)	30,105,555

The Company has no recognised gains or losses other than those included in the profit and loss account above, and therefore no separate statement of other comprehensive income has been prepared.

All activities relate to continuing operations.

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

WESTERN UNION PROCESSING LIMITED

BALANCE SHEET

As at 31 December 2024

		2024	2023
	<i>Note</i>	<i>USD</i>	<i>USD</i>
FIXED ASSETS			
Financial fixed assets	9	131,849,035	85,093,639
		<u>131,849,035</u>	<u>85,093,639</u>
CURRENT ASSETS			
Debtors	10	43,718,934	73,560,723
Cash at bank and in hand	11	326,686	591,459
		<u>44,045,620</u>	<u>74,152,182</u>
CREDITORS: amounts falling due			
within one year	12	(26,429,908)	(517,954)
		<u>17,615,712</u>	<u>73,634,228</u>
NET CURRENT ASSETS		<u>17,615,712</u>	<u>73,634,228</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>149,464,747</u>	<u>158,727,867</u>
CAPITAL AND RESERVES			
Called up share capital	13	2,477,648	2,477,648
Capital contribution	14	137,503,753	137,503,753
Retained earnings		9,483,346	18,746,466
SHAREHOLDERS' FUND		<u>149,464,747</u>	<u>158,727,867</u>

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

Approved and authorized for issue by the Board on 22 December 2025.



Tim Keane
Director



Kajsa Svensson
Director

WESTERN UNION PROCESSING LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Called up Share Capital	Capital Contribution	Retained Earnings	Total Shareholders Funds
	<i>USD</i>	<i>USD</i>	<i>USD</i>	<i>USD</i>
At 31 December 2022 (restated)	2,477,648	129,779,262	50,320,787	182,577,697
Profit for the year	-	-	30,105,555	30,105,555
Capital Contribution (note 14)	-	7,724,491	-	7,724,491
Dividends paid	-	-	(61,679,876)	(61,679,876)
At 31 December 2023	2,477,648	137,503,753	18,746,466	158,727,867
Loss for the year	-	-	(5,319,032)	(5,319,032)
Capital Contribution (note 14)	-	-	-	-
Dividends paid	-	-	(3,944,088)	(3,944,088)
At 31 December 2024	2,477,648	137,503,753	9,483,346	149,464,747

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

1. GENERAL INFORMATION

The Company is incorporated in Ireland under the Companies Act 2014. The address of the registered office is given on Page 2.

These financial statements are presented in USD because that is the currency of the primary economic environment in which the Company operates (functional currency).

2. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation

The financial statements provide comparative information in respect of the previous period. The financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') as issued by the Financial Reporting Council and Irish Statute comprising the Companies Act 2014. The comparative financial statements are restated for the correction of an error in prior year. See Note 2 (b).

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, fair value measurements, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of TWUC. The group accounts of TWUC are available to the public and can be obtained as set out in Note 16.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2024.

(b) Basis of Measurement

The financial statements are prepared under the historical cost convention.

(c) Going Concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Directors' Report on pages 3 to 7.

The Company is expected to continue to generate positive cash flows on its own account for at least for 12 months from the approval of the financial statements. The Company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of its ultimate parent TWUC, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

(d) Turnover

Turnover represents dividend income from underlying investments in subsidiaries held by the Company. Dividends are recognised when approved by the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

(e) Foreign currencies

The financial statements are expressed in USD (\$). Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. The resulting profits or losses are dealt with in the profit and loss account.

(f) Use of Estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosures of contingent assets and liabilities. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Since management's judgement involves making assumptions concerning the likelihood of future events, the actual results could differ from those estimates. Estimates and underlying assumptions are continually evaluated and revisions to accounting estimates are recognised in period in which the estimate is revised and in any future periods affected. Management also makes certain judgements, apart from those involving estimates in the process of applying accounting policies. The key area of estimate and judgement for the Company is determining the provision of impairment.

(g) Financial fixed assets

Investments in subsidiaries are stated at cost unless in the opinion of the directors there has been impairment in value, in which case an appropriate adjustment is made. The directors review this valuation on an annual basis for the indicators of impairment. If any impairment indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. In assessing value in use, the estimated future cash flows are discounted to their present value. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised as an expense in the profit or loss account immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, though the increased carrying amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. A reversal of an impairment loss is recognised as an income in the profit or loss account immediately.

(h) Financial Instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (*continued*)

(i) Recognition and Classification:

Financial assets are recognised in the Company's balance sheet as at the trade date when the Company becomes a party to the contractual provisions of the instrument.

Financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income ('OCI') or fair value through profit or loss. The classification of financial assets depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ('SPPI.')

 on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Company measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company measures financial assets at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company measures financial asset at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

(j) Initial measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient in accordance with paragraph 63 of IFRS 15 ('practical expedient'), the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs directly attributable to the acquisition of the financial asset. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (*continued*)

(k) Subsequent measurement

After initial recognition, the financial assets are measured at:

- (a) amortised cost;
- (b) fair value through other comprehensive income; or
- (c) fair value through profit or loss.

Financial assets at amortised cost are subsequently measured using the effective interest ('EIR') method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost are debtors and cash at bank and in hand ('cash balance'). The Company has no financial assets designated at fair value through OCI or fair value through profit or loss.

(l) Impairment of financial assets

The Company recognises a loss allowance for expected credit losses ('ECLs') for all financial assets at amortised cost. The Company's financial assets comprise of trade receivables and cash balance, which are either receivable on demand or within 30 days of the invoice date and hence considered as not containing a significant financing component. Accordingly, the Company has applied the Simplified approach to measure the loss allowance per para 5.5.15 of IFRS 9.

Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The carrying amount of the financial asset is reduced by the loss allowance for ECL. Changes in the carrying amount of the allowance for ECL is recognised in the profit or loss account. When the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof, the same is reduced directly from the gross carrying amount of the financial asset with a corresponding release from the allowance for ECL.

(m) Derecognition

A financial asset is derecognised when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(n) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (*continued*)

(o) Financial guarantee contract liabilities

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at Fair Value Through Profit & Loss ('FVTPL'), are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

(p) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'. The Company has no at FVTPL liabilities.

(q) Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The Company does not enter into derivative financial instruments.

(r) Transactions under common control

The Company accounts for transactions under common control at cost, being the consideration paid.

(s) Cash flow statement

The Company has availed of the exemption under FRS 101 not to prepare a cashflow statement.

(t) Consolidation

The Company has availed of the exemption in Section 300 of the Companies Act 2014 from preparing and delivering consolidated accounts. The results of the Company and all of its subsidiaries are included in the consolidated accounts of The Western Union Company and are the smallest and largest group in which the financial statements of the Company are consolidated and are available for public inspection. These may be obtained 7001 E. Belleview Avenue, Denver, Colorado 80237.

(u) Cash at bank and in hand

Cash at bank comprises bank balances and bank overdrafts, including short term highly liquid investments with original maturities of three months or less.

(v) Expenses

Expenses are accounted for on an accrual basis.

(w) Taxation

Current tax on profits is recognised on an expense basis on the applicable tax rates enacted and substantively enacted at the balance sheet date, and any adjustments to tax payable in respect of previous years. The current rate of tax enacted is 12.5%. However, a global minimum effective tax rate of 15% will apply to multinationals with annual revenue is in excess of €750m.

WESTERN UNION PROCESSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

Deferred taxation is recognised in respect of all temporary differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax. The exception is when deferred tax assets are recognised only to the extent that the directors consider it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted.

Provision is made at the rates expected to apply when the temporary differences reverse based on legislation substantively enacted at the balance sheet date. Temporary differences are differences between the Company taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognized.

3. TURNOVER

	2024	2023
	USD	USD
Dividend income	4,983,881	23,980,480

Turnover consists of dividends received in the year by the Company from its subsidiary undertakings.

4. OPERATING COSTS

	2024	2023
	USD	USD
Professional Fees	290,696	102,027
Bank Fees	2,410	2,031
	<u>293,106</u>	<u>104,058</u>

5. IMPAIRMENT

	2024	2023
	USD	USD
(Loss)/Reversal on Impairment of investment (Note 9)	(10,572,456)	5,741,009

During the year, the impairment on investments was USD 10,572,456, USD 10,231,286 impairment of Western Union Financial Services Eastern Europe LLC and USD 341,170 impairment in Western Union South Africa (PTY) Limited (2023: USD 5,741,009 due to the recovery of assets from the dissolution of Western Union Luxembourg Holdings 1 Sarl).

WESTERN UNION PROCESSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging

	2024	2023
	USD	USD
Auditors' remuneration	47,438	31,639

The Company is administered on behalf of its directors by Western Union Payment Services Ireland Limited. Auditors' remuneration arises on fees incurred for the statutory audit and for tax advisory services. There were no employees of the Company during the year (2023: Nil).

7. INTEREST RECEIVABLE AND SIMILAR INCOME

Interest income arises on certain receivables from group undertakings (see note 10) and cash at bank. Rising interest in 2024 is mainly due to receivables from group undertakings in the year.

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2024	2023
	USD	USD
<i>(a) Analysis of profit and loss account charge:</i>		
Republic of Ireland corporation tax on profits of the year	451,856	124,204
Adjustments for previous years	(280)	-
Total current tax charge (see reconciliation below)	451,576	124,204

(b) Factors affecting current tax charge

The current tax assessed on the profit for the year is lower (2023: lower) than the standard rate of corporation tax in Ireland of 12.5% (2023: 12.5%). A reconciliation of the current tax charge at the standard tax rate to the current tax charge at the effective rate is as follows:

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

8. TAX ON PROFIT ON ORDINARY ACTIVITIES (Continued)

	2024	2023
	USD	USD
(Loss)/Profit on ordinary activities before tax	(4,564,598)	30,229,759
(Loss)/Profit on ordinary activities multiplied by standard rate of corporation tax in the Republic of Ireland of 12.5% (2023: 12.5%)	(570,575)	3,778,720
<i>Effects of:</i>		
Higher tax rates on passive income	93,670	2,997,560
Higher tax rate on interest income	225,928	62,102
Loss/(release) on impairment	1,283,700	(732,065)
Non-deductible Expenses	99,728	13,007
Foreign tax relief	(680,595)	(5,995,120)
Adjustment with respect to prior years	(280)	-
Current tax charge for year	<u>451,576</u>	<u>124,204</u>

(c) *Circumstances affecting current and future tax charges*

The signing of the Finance (No. 2) Act 2023 on 18 December 2023 results in the OECD's Inclusive Framework on Base Erosion and Profit Shifting (Pillar Two) legislation being enacted in Ireland effective for financial years beginning on or after 31 December 2023. The Company is in scope of the enacted legislation and has performed an assessment of potential exposure to Pillar Two income taxes for the year ending on 31 December 2024.

The assessment of the potential exposure to Pillar Two income taxes is based on the most recent information available regarding the financial performance of Western Union Group Companies. Based on this assessment, the Irish jurisdiction generated a top-up tax liability as the effective rate was below the 15% threshold. However, the impact is not material for the Company.

The Company has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two.

WESTERN UNION PROCESSING LIMITED

31 December 2024

9. FINANCIAL FIXED ASSETS

	2024	2023
	<i>Investment in Subsidiaries</i>	<i>Investment in Subsidiaries</i>
	USD	USD
At 1 January	85,093,639	78,534,978
Additions	57,327,852	1,042,143
Charge)/ Reversal of impairment on investment (Note 5)	(10,572,456)	5,516,518
At 31 December	<u>131,849,035</u>	<u>85,093,639</u>

In 2024, the company acquired Maccorp Italiana S.P.a, Maccorp Financial Services S.r.l and Maccorp Czech s.r.o for USD 31,723,044 and Global Collection Services S.A. and to Servicio Electronico de Pago S.A. ("SEP"), in return a promissory note was issued by the company for the fair market value of USD 25,603,083 and International Payment Services Holding LLC for USD 1,725.

Investment in subsidiaries represents investments in Western Union entities globally which support the Western Union money transfer business.

The Directors are satisfied that the market value of investments is at least equal to the carrying value after the impairment provision calculated as at 31 December 2024.

9. FINANCIAL ASSETS – GAIN/(LOSS) ON DIVESTURE

	2024	2023
	USD	USD
Carrying value	-	-
Realised value on the divestiture	-	110,000
Gain/(Loss) on divestiture	<u>-</u>	<u>110,000</u>

<i>Name of Company</i>	<i>Share Class</i>	<i>Share-holding</i>	<i>Accounting Date</i>	<i>Nature of Business</i>	<i>Country of Incorporation</i>
WU Technology Engineering Services Private Limited	Ordinary	99.99%	31-Mar-25	Technology Consulting services	India
WuPay México, S. de R.L. de C.V.	Ordinary	99.97%	31-Dec-24	Bill Payment	Mexico
Western Union Network (Belgium)	Ordinary	100.00%	31-Dec-24	Network Company	Belgium
PT Western Union Indonesia	Ordinary	99.60%	31-Dec-24	Money Transfer	Indonesia
Union del Oeste de Costa Rica SRL	Ordinary	100.00%	31-Dec-24	Regional Support Services	Costa Rica

WESTERN UNION PROCESSING LIMITED

<i>Name of Company</i>	<i>Share Class</i>	<i>Share-holding</i>	<i>Accounting Date</i>	<i>Nature of Business</i>	<i>Country of Incorporation</i>
Western Union Chile SpA	Ordinary	99.99%	31-Dec-24	Money Transfer	Chile
Western Union Consulting Services (Beijing), Co., Ltd.	Ordinary	100.00%	31-Dec-24	Consulting services	China
Western Union do Brasil Serviços e Participações Ltda	Ordinary	99.87%	31-Dec-24	Regional Support Services	Brazil
Western Union Financial Services (Australia) PTY Ltd.	Ordinary	100.00%	31-Dec-24	Consulting services	Australia
Western Union Financial Services (Korea) Inc.	Ordinary	100.00%	31-Dec-24	Money Transfer	Korea
Western Union Financial Services Argentina S.R.L.	Ordinary	95.59%	31-Dec-24	Money Transfer	Argentina
Western Union Financial Services Eastern Europe LLC	Ordinary	99.00%	31-Dec-24	Holding Company	USA
Western Union Financial Services GmbH	Ordinary	100.00%	31-Dec-24	Support Services	Austria
Western Union Financial Services International (France) SARL	Ordinary	100.00%	31-Dec-24	Support Services	France
Western Union Morocco SARL	Ordinary	100.00%	31-Dec-24	Support Services	Morocco
Western Union Financial Services (Hong Kong) Limited	Ordinary	100.00%	31-Dec-24	Money Transfer	Hong Kong
Western Union Network (Canada) Company	Ordinary	100.00%	31-Dec-24	Network Company	Canada
Western Union Network (France)	Ordinary	99.97%	31-Dec-24	Money Transfer	France
Western Union Network (Ireland) Limited	Ordinary	100.00%	31-Dec-24	Money Transfer	Ireland
Western Union Northern Europe GmbH	Ordinary	100.00%	31-Dec-24	Support Services	Germany
Western Union Online Limited	Ordinary	100.00%	31-Dec-24	Money Transfer	Ireland
Western Union Payments (Malaysia) SDN BHD	Ordinary	100.00%	31-Dec-24	Money Transfer	Malaysia
Western Union Processing Lithuania, UAB	Ordinary	100.00%	31-Dec-24	Consulting services	Lithuania
Western Union Services India Private Limited	Ordinary	99.99%	31-Mar-25	Technology Consulting services	India
Western Union Services Singapore Private Limited	Ordinary	100.00%	31-Dec-24	Money Transfer	Singapore
Western Union South Africa (PTY) Limited	Ordinary	100.00%	31-Dec-24	Dormant Company	South Africa
Western Union Support Services (Nigeria) Limited	Ordinary	99.99%	31-Dec-24	Support Services	Nigeria
Western Union Turkey Ödeme Hizmetleri Anonim Sirketi	Ordinary	100.00%	31-Dec-24	Money Transfer	Turkey

WESTERN UNION PROCESSING LIMITED

<i>Name of Company</i>	<i>Share Class</i>	<i>Share-holding</i>	<i>Accounting Date</i>	<i>Nature of Business</i>	<i>Country of Incorporation</i>
Custom House ULC	Ordinary	100.00%	31-Dec-24	Holding Company	Canada
Maccorp Italiana S.r.l	Ordinary	100.00%	31-Dec-24	FX House	Italy
Western Union (Switzerland), LLC	Ordinary	100.00%	31-Dec-24	Money Transfer	Switzerland
Servicio Electronico de Pago S.A.	Ordinary	100.00%	31-Dec-24	Money Transfer	Mexico
Global Collection Services S.A.	Ordinary	99.00%	31-Dec-24	Money Transfer	Mexico
International Payment Services Holding LLC	Ordinary	100.00%	31-Dec-24	Holding Company	USA

10. DEBTORS:

amounts falling due within one year.

	<i>2024</i>	<i>2023</i>
	<i>USD</i>	<i>USD</i>
Intercompany debtors	43,718,934	73,560,723
	<u> </u>	<u> </u>

Debtors disclosed above are classified as Loans and Receivables and are therefore measured at amortised cost.

Intercompany debtors are unsecured, interest bearing, and repayable on demand.

Intercompany debtors arise from the cash pooling and funding activities undertaken by the Company. While "Intercompany debtors" above is subject to the impairment requirements of IFRS 9, the identified impairment ECL was assessed as immaterial. This is due to the Company's use of TWUC's credit risk rating as a proxy for intercompany risk, and other qualitative information used in the assessment of ECLs.

11. CASH AT BANK AND IN HAND

	<i>2024</i>	<i>2023</i>
	<i>USD</i>	<i>USD</i>
Cash at bank and in hand	326,686	591,459
	<u> </u>	<u> </u>

"Cash at bank and in hand" is subject to IFRS 9 and it was determined the associated impairment loss was also immaterial.

WESTERN UNION PROCESSING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. CREDITORS:
amounts falling due within one

	2024	2023
	USD	USD
Accruals	321,654	393,750
Corporation tax liability	196,110	124,204
Intercompany creditors	25,912,144	-
	<u>26,429,908</u>	<u>517,954</u>

Creditors disclosed above are classified as Other Financial Liabilities and are therefore measured at amortised cost.

Intercompany creditors relate to an interest bearing promissory notes related to the acquisition of Global Collection Services S.A. and Servicio Electronico de Pago S.A. in 2024.

13. CALLED UP SHARE CAPITAL

	2024	2023
	USD	USD
<i>Authorised</i>		
4,000,000 ordinary shares of USD 1 each	4,000,000	4,000,000
	<u> </u>	<u> </u>
<i>Allotted, called up and fully paid</i>		
2,477,648 ordinary shares of USD 1 each	2,477,648	2,477,648
	<u> </u>	<u> </u>

14. CAPITAL CONTRIBUTION

Capital contributions were made in 2024 USD Nil (2023: USD 7,724,491). The capital contributions are non-refundable and non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

15. PARENT UNDERTAKINGS, CONTROLLING PARTIES AND RELATED PARTY TRANSACTIONS

The Company's immediate parent undertaking and controlling party is MT International Operations Srl., a Barbados Company, with a registered office at White Park House, White Park Road, Bridgetown, Barbados. The Company's ultimate parent undertaking and controlling party is The Western Union Company. The parent undertaking of the smallest and largest group of undertakings for which group financial statements are drawn up, and of which the Company is a member is The Western Union Company. Copies of its group financial statements are available from the ultimate parent Company's registered office at 7001 E. Belleview Ave, Denver, Colorado 80237.

In common with other companies, which are members of a group of companies, the financial statements reflect the effect of such membership. The Company has availed of the exemption provided in FRS 101, for subsidiary undertakings 100% of whose voting rights are controlled within the group, from the requirement to give details of transactions with entities that are part of the group or investees of the group qualifying as related parties.

16. POST BALANCE SHEET EVENTS

On 31st March 2025, the Company's immediate parent MT International Operations Srl ("MTIOS") changed to Western Union International Operations FZ-LLC ("WUIOL").

17. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements of the Company were approved by its directors on 22 December 2025.