

**TLC Marketing Worldwide Group Limited**  
**Watson House**  
**54 Baker Street**  
**London**  
**W1U 7BU**

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UHY Hacker Young  
Quadrant House  
4 Thomas More Square  
London  
E1W 1YW

Dear Sirs,

**Representations in respect of the financial statements for the year ended 31 December 2022**

We acknowledge as directors, and confirm that we have fulfilled, our responsibility for the preparation of financial statements for the year ended 31 December 2022 that show a true and fair view and are in accordance with United Kingdom generally accepted accounting practice and the Companies Act 2006.

We also acknowledge as directors our responsibility for the design and implementation of internal control to prevent and detect both error and fraud.

We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other directors and officials of the company, the following representations given to you in connection with your audit of the group's and company's financial statements for the year ended 31 December 2022.

**1. Completeness of audit information**

We have provided you with:

- Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- Additional information that you have requested from us for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

Specifically, we confirm that

- All accounting records have been made available to you for the purpose of your audit.
- All other records and related information, including minutes of all shareholders' and board meetings, in the period 1 January 2022 to date have been made available to you.

**2. Completeness of accounting records and financial statements**

All the transactions undertaken by the group have been properly reflected and recorded in the accounting records, and in the financial statements.

We also confirm that all bank accounts held by the group during the year have been properly reflected and recorded in the accounting records and in the financial statements.

**3. Significant assumptions, judgments and intentions**

In preparing the financial statements, the board has made the following significant assumptions relating to amounts included or disclosed in the financial statements:

- By the time each promotion starts, the majority of work has been done and costs incurred. Consequently the revenue and costs relating to each promotion are recognised in the accounting period in which the promotion starts.

In preparing the financial statements, the board has made the following significant judgements relating to amounts included in or disclosed in the financial statements:

- development costs incurred by the subsidiary TLC Marketing Worldwide HQ Limited have been correctly capitalised and are being amortised over 10 years on a straight line basis.

We have no plans or intentions that would, if taken into account, materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

Aside from normal commercial constraints, we are not aware of any factor that will significantly reduce the likelihood of the company achieving those of its plans or intentions that are material to the determination of the carrying value or classification of assets and liabilities reflected in the financial statements.

We confirm that the above representations are our assumptions and judgements on these matters and we consider them reasonable.

**4. Unadjusted errors in the financial statements**

We consider that the errors identified by you are immaterial individually and in aggregate and

accordingly that no adjustment to the financial statements is required.

**5. Compliance with statutory or regulatory obligations, including tax legislation**

We are not aware of any instances of possible non-compliance with statutory or regulatory obligations or tax legislation which could have a material effect on the financial statements.

**6. Significant agreements**

We have disclosed to you all the agreements and commitments (and any related side letters) that the company has entered into that could have a material impact on the amounts or disclosures included in the financial statements, or are relevant to an assessment of whether the group remains a going concern.

We are not aware of any instances of non-compliance with our contractual obligations which could have a material effect on the financial statements.

**7. Going Concern**

In our opinion the group will have sufficient resources to meet its liabilities as they fall due for the reasonably foreseeable future, and is therefore a going concern. In forming this conclusion, we have expressly considered the period from the date of approval of the financial statements to 31 December 2024. In addition, we are not aware of any likely events, conditions or business risks beyond this period that may cast significant doubt on the group's ability to continue as a going concern.

**8. Contingent liabilities (including litigation or claims against the company) and events arising subsequent to the balance sheet date**

All material contingencies (including all known, actual or potential litigation or claims against the company) that are more likely than not to result in a loss to the group have been provided for in the financial statements.

Except for matters for which there is only a remote possibility of occurrence, the group is not affected by any contingency which existed at the balance sheet date and which could possibly result in material loss to the group.

There have been no events since the balance sheet date which necessitate revision of the figures included in the financial statements or inclusion of a note thereto. Should any such events occur, we will advise you accordingly.

**9. Transactions and interests of the directors**

We acknowledge that the company's financial statements are required by the Companies Act

2006 and the applicable accounting standard to include specified disclosure of the nature, extent and amount of its transactions that are with, or for the benefit of, any of its directors (or, in certain circumstances, members of their families and trusts, partnerships and other companies in which they have an interest).

We have identified and discussed with you all the transactions of the group with the parent company directors and their connected persons. Consequent upon these procedures, we are able to make the following representation.

The group has at no time during the year granted any advances or credits to, nor entered into any guarantees of any kind on behalf of, the parent company directors or persons connected with them, except as disclosed in note 27 to the financial statements.

Apart from remuneration arrangements, the group has had at no time during the year entered into any other transactions with the parent company directors or persons connected with them except as disclosed in note 27 to the financial statements and except for transactions that are immaterial to both the directors (and any relevant connected person) and the group's financial statements.

#### **10. Related parties other than the directors**

We acknowledge that, subject to certain specific exemptions, the group's financial statements are required to disclose comprehensive details of transactions and relationships with its "related parties" in order to give a true and fair view. Accordingly, we confirm that

- a) We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware; and
- b) We have properly accounted for and disclosed all such relationships and transactions in the financial statements.

In making that confirmation we acknowledge:

- a) the following broad definition of related parties, being those individuals, companies and other entities connected or linked with the group or its directors in such a way as to make feasible the negotiation of mutual contracts on a non-arm's length basis; and
- b) the formal definition of "related parties" given in the applicable accounting standard.

#### **11. Non-controlling interests**

We confirm that the group's non-controlling interest shareholdings as at 31 December 2022 were as follows:

<b>Company</b>	<b>Minority interest shareholding</b>
TLC Marketing Iberica Unipessoal LDA	5%
TLC Italia SRL	5%
TLC Marketing France SARL	10%
TLC Marketing Worldwide Iberia	2.5%
TLC Marketing Worldwide Do Brasil Ltda	5%
TLC Marketing Worldwide Asia Pacific Pty Limited	5%
TLC Rewards (Pty) Limited	45%
TLC Rewards Company Proprietary Limited	45%

## 12. Control of the company

So far as we are aware, the ultimate control of the group rests with Nick True, who is one of the directors.


## 13. Risks, occurrences and allegations of fraud

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We are not aware of any fraud (or suspected fraud) affecting the group involving:

- the directors; or
- senior management and other employees that have significant roles in internal control; or
- others where the fraud (or suspected fraud) could have a material effect on the financial statements.

We are not aware of any allegations of fraud (or suspected fraud) affecting the group's financial statements communicated by employees, former employees, regulators or others.

Yours faithfully

DocuSigned by:  
  
 F10BAF01194D40A...

(Signed on behalf of the board of directors)

Date:

8/1/2023

**Company registration number 03416307 (England and Wales)**

**TLC MARKETING WORLDWIDE GROUP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

## **TLC MARKETING WORLDWIDE GROUP LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	Alec Johnson Nicholas True
<b>Secretary</b>	Phillip Markham
<b>Company number</b>	03416307
<b>Registered office</b>	Watson House 54 Baker Street London W1U 7BU
<b>Auditor</b>	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

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# TLC MARKETING WORLDWIDE GROUP LIMITED

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## **TLC MARKETING WORLDWIDE GROUP LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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

#### **Section 172 statement**

The Directors insist on high operating standards and fiscal discipline and routinely engage with management and employees of the company to understand the underlying issues within the organization. Additionally, the Board looks outside the organization at macro factors affecting the business. The Directors consider all known facts when developing strategic decisions and long-term plans, taking into account their likely consequences for the Company.

The Directors and management are committed to the interests and well-being of its employees. TLC is committed to the highest levels of integrity and transparency possible with employees and other stakeholders. Safety initiatives, consistent training, strong benefit packages and open dialogue between all employees are just a few of the ways the Company ensures its employees improve skill sets and work hand-in-hand with management to improve all aspects of the Group's performance.

Other stakeholders include, customers, suppliers, debt holders, industry associations, government and regulatory agencies, media, local communities and shareholders. The Board, both individually and together, consider that they have acted in the way they consider would be most likely to promote the success of the Company as a whole. In order to do this, there is a process of dialogue with stakeholders to understand the issues that they might have. TLC believes that any supplier/customer relationship must be mutually beneficial and the Company is known for its commitment to its customers. Communications with debt holders and shareholders occur on an ongoing basis and as questions arise. The company also communicates through various other digital channels, such as LinkedIn.

The Directors are committed to positive involvement in the local communities. Part of this commitment is a program called "TLC Gives Back", where the business supports a children's charity by providing experiences to support families of children with a life threatening illness. Additionally, TLC strictly follows environmental regulations at its sites and supports sustainability practices where possible, which includes effective recycling protocols and leveraging digital communications to minimise air travel where possible.

Integrity is a key tenet for TLC's Directors and employees. The board believes that any partnership must benefit both parties. TLC strive to provide stakeholders with timely and informative responses and are always striving to meet or exceed customers' needs.

The Board recognises its responsibilities under section 172 as outlined above and has acted at all times in a way consistent with promoting the success of the Company with regard to all stakeholders.

## **TLC MARKETING WORLDWIDE GROUP LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **Review of the business and position at the year end**

TLC Marketing Worldwide Group Limited is the holding company for the TLC Marketing Group of companies, a global, data led, content rich, rewards platform. The strategy of the business is to grow its worldwide operations through the expansion of market share and geographical reach with both new and existing blue-chip customers.

Turnover for the year was €50.1m (2021: €41.8m) and operating profit was €10.3m (2021: €7.0m).

The directors consider Earnings before Interest, Tax, Depreciation and Amortisation, "EBITDA", to be a more meaningful indicator of the performance of the group. EBITDA (on an unadjusted basis), before exceptional items, for the year was €10.7m (2021: €7.5m).

The Group is operationally cash generative, and cash at the year end was €6.1m (2021: €7.9m).

Net liabilities at 31 December 2022 were €5.4m (2021: €11.9m).

##### **Principal risks and uncertainties**

###### *Foreign currency risk*

The Group's activities expose it to changes in foreign currency exchange rates arising from fluctuations in the value of Euro versus other currencies, mainly Sterling, South African Rand and US Dollar. The Group's exposure to foreign currency is partially hedged by its holding in overseas subsidiaries.

###### *Credit risk*

The Group has implemented policies that require appropriate credit checks on potential customers before sales are made and payments are made to partners only after receipts from customers.

###### *Financial instruments*

The Group's principal financial instruments comprise bank balances, trade creditors, trade debtors, and finance lease agreements. The main purpose of these instruments is to raise funds for the Group's operations and to finance the Group's operations.

Due to the nature of the financial instruments used by the group, there is no exposure to price risk. The Group's approach to managing other risks applicable to the financial instruments concerned is shown below.

###### *Liquidity risk*

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The group makes the use of money market facilities where funds are available.

## TLC MARKETING WORLDWIDE GROUP LIMITED

### STRATEGIC REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### **Key performance indicators**

The Group's key performance indicators are turnover (19.8% increase), EBITDA (42.7% increase) and gross profit margin which is 74.4% for the year (2021: 72.6%).

#### **Business model**

TLC Marketing Worldwide is a global marketing technology group, leveraging proprietary digital reward platforms to connect people with experiences, via the marketing and loyalty programs of blue-chip consumer brands.

Over the past 30 years TLC has created networks that empower leisure, entertainment and travel businesses to distribute their excess experience capacity to people. TLC sets strategy and sells access to these networks to blue-chip customers who want to include TLC rewards within their marketing and loyalty programs.

#### **Building value**

##### *People*

TLC invests heavily in regular management and personal development initiatives throughout the Group. TLC's people directly create the success for our customers and other stakeholders through clear understanding of Group strategy, and collaborative teamwork in delivery.

As at 31 December 2022 the headcount of the business was 330 including full time, part time and temporary staff members based across UK and Ireland, North America, Africa, Italy, South America, France and Benelux, DACH, Spain, Portugal, Middle East, South East Asia and Australasia.

##### *Customers*

TLC is extremely business development focused in every market in which it operates. It has developed a robust, data and KPI driven sales process over 30 years, with key metrics tracked and analysed in real time.

TLC's customer base includes most of the world's largest consumer brands who engage with TLC to either deliver a single targeted campaign or a series of experience led initiatives over a number of years. Over 70% of TLC's 2022 revenue was repeat business with clients who had done business with TLC in the previous two years.

Through the automation of tasks, simplification of complex operations using TLC's proprietary technology and more effective management of information, TLC helps its customers harness the power of being digital, so that more can be achieved.

##### *Suppliers and Partners*

When on-boarding, every supplier is subject to a due diligence exercise in line with our supply chain management policies in order to enable a strong, mutually beneficial relationship for each of our suppliers and partners.

##### *Financing*

During the year TLC refinanced its existing debt which expired on 30 June 2022 at a significantly lower rate of interest. The new debt facility comprises both bullet and amortization payments and is repayable in June 2027.

##### *Shareholders*

TLC operates a wide share incentive scheme, known as "The TLC Owners Club" with access available to all employees who have been employed for over one year. Shareholder value continues to increase as the Company focuses on high quality revenues with high gross margins and strong cash generation. Most earnings are reinvested in the Group to fund further growth and drive content and technology capabilities.

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# TLC MARKETING WORLDWIDE GROUP LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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
#### Looking ahead

Having achieved significant growth in all areas of the business in 2022, the Directors of TLC look forward to delivering a strategy of further investment into people and technology to continue TLC's growth trajectory. A number of new people based initiatives have been launched and the Group's continued investment into technology focuses on driving increased operational leverage, facilitating deeper data analysis, stronger partner retention, speed to market, automation of campaign creation and building more online deliverables for customers.

The focus on high quality work will continue with an emphasis on each of TLC's regions achieving revenue growth. In its strive for operational excellence TLC is constantly reviewing its business drivers and adapting accordingly.

TLC has entered the 2023 financial year on plan to achieve double digit growth rates and strong gross and profit margins and the Board continue to look forward, with cautious optimism, to delivering another very positive year.

On behalf of the board

DocuSigned by:  
  
.....F40BAF01104D40A.....  
Nicholas True  
**Director**  
8/1/2023  
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## **TLC MARKETING WORLDWIDE GROUP LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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

#### **Principal activities**

TLC Marketing Worldwide Group Limited is the holding company for the TLC Marketing Worldwide Group of companies, a promotional marketing group.

#### **Results and dividends**

The results for the year are set out on page 11.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Alec Johnson

Nicholas True

Theo Dickens

(Resigned 25 July 2022)

#### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### **Employee involvement**

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group and Company. This is achieved through formal and informal meetings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests. The employee share scheme has been running successfully since its inception in January 2014. It is open to all employees.

#### **Going concern**

The Group balance sheet shows net liabilities at the balance sheet date of €5.4m (2021: €11.9m) and net current assets of €10.1m (2021: net current liabilities of €13.3m). In order to continue trading, the group is dependent on long term loans. As these loans were refinanced for 5 years on 30 June 2022, the directors are confident that the loans will continue to be available for the foreseeable future. On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis.

#### **Auditor**

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Energy and carbon report**

As no component in the group has consumed more than 40,000 kWh of UK energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

# TLC MARKETING WORLDWIDE GROUP LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are 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. They are also 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.

#### Strategic report

The Group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of the review of the business and the principal risks and uncertainties it faces.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

DocuSigned by:  
  
F10B9F01194D40A1

Nicholas True

**Director**

Date: 8/1/2023

**TLC MARKETING WORLDWIDE GROUP LIMITED  
INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF TLC MARKETING WORLDWIDE GROUP LIMITED**

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**Opinion**

We have audited the financial statements of TLC Marketing Worldwide Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**TLC MARKETING WORLDWIDE GROUP LIMITED  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)****TO THE MEMBERS OF TLC MARKETING WORLDWIDE GROUP LIMITED**

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**Other information**

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

**TLC MARKETING WORLDWIDE GROUP LIMITED  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)****TO THE MEMBERS OF TLC MARKETING WORLDWIDE GROUP LIMITED**

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**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 (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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and group and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related primarily to marketing and advertising laws and GDPR compliance by the company and group, which were contrary to applicable laws and regulations including fraud, 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 preparation of 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 the recognition of turnover and costs.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, completion of a disclosure checklist, review of correspondence and related management reports, enquiries of management and testing of journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud. We also reviewed a sample of contracts to ensure that the income and related costs had been recognised according to the period in which the promotion started.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**TLC MARKETING WORLDWIDE GROUP LIMITED  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF TLC MARKETING WORLDWIDE GROUP LIMITED**

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**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

**Marc Waterman (Senior Statutory Auditor)**  
**For and on behalf of UHY Hacker Young**

Date: .....

**Chartered Accountants**  
**Statutory Auditor**

**TLC MARKETING WORLDWIDE GROUP LIMITED****GROUP PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 €	2021 €
<b>Turnover</b>	<b>3</b>	50,064,069	41,795,098
Cost of sales		(12,820,196)	(11,459,653)
<b>Gross profit</b>		37,243,873	30,335,445
Distribution costs		(15,114,689)	(11,736,183)
Administrative expenses		(11,879,510)	(12,459,452)
Other operating income	<b>3</b>	1,269	882,607
<b>Operating profit</b>	<b>4</b>	10,250,943	7,022,417
Interest receivable and similar income	<b>8</b>	152,825	16,485
Interest payable and similar expenses	<b>9</b>	(3,226,073)	(3,017,148)
<b>Profit before taxation</b>		7,177,695	4,021,754
Tax on profit	<b>10</b>	(1,070,913)	(790,442)
<b>Profit for the financial year</b>		6,106,782	3,231,312
Profit for the financial year is attributable to:			
- Owners of the parent company		6,319,111	3,310,223
- Non-controlling interests		(212,329)	(78,911)
		6,106,782	3,231,312

**TLC MARKETING WORLDWIDE GROUP LIMITED**  
**GROUP STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	€	€
<b>Profit for the year</b>	6,106,782	3,231,312
<b>Other comprehensive income</b>		
Currency translation difference	345,674	(1,183,380)
<b>Total comprehensive income for the year</b>	<u>6,452,456</u>	<u>2,047,932</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	6,667,082	2,151,338
- Non-controlling interests	(214,626)	(103,406)
	<u>6,452,456</u>	<u>2,047,932</u>

# TLC MARKETING WORLDWIDE GROUP LIMITED

## GROUP BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		€	€	€	€
<b>Fixed assets</b>					
Goodwill	11		160,885		321,767
Other intangible assets	11		2,088,652		867,685
			<u>2,249,537</u>		<u>1,189,452</u>
Total intangible assets			2,249,537		1,189,452
Tangible assets	12		489,555		323,313
			<u>2,739,092</u>		<u>1,512,765</u>
<b>Current assets</b>					
Debtors	15	24,764,828		18,109,726	
Cash at bank and in hand		6,145,227		7,907,329	
		<u>30,910,055</u>		<u>26,017,055</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(20,810,194)</u>		<u>(39,327,266)</u>	
<b>Net current assets/(liabilities)</b>			<u>10,099,861</u>		<u>(13,310,211)</u>
<b>Total assets less current liabilities</b>			12,838,953		(11,797,446)
<b>Creditors: amounts falling due after more than one year</b>	17		(18,239,869)		(48,201)
<b>Provisions for liabilities</b>					
Deferred tax liability	19	-		7,725	
		<u>-</u>		<u>7,725</u>	
<b>Net liabilities</b>			<u>(5,400,916)</u>		<u>(11,853,372)</u>
<b>Capital and reserves</b>					
Called up share capital	21		123		123
Other reserves			1,426		1,426
Profit and loss reserves			(5,086,092)		(11,994,933)
			<u>(5,084,543)</u>		<u>(11,993,384)</u>
<b>Equity attributable to owners of the parent company</b>			(5,084,543)		(11,993,384)
<b>Non-controlling interests</b>			(316,373)		140,012
			<u>(5,400,916)</u>		<u>(11,853,372)</u>


**TLC MARKETING WORLDWIDE GROUP LIMITED**

**GROUP BALANCE SHEET (CONTINUED)**

**AS AT 31 DECEMBER 2022**

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The financial statements were approved by the board of directors and authorised for issue on ..... **8/1/2023**  
and are signed on its behalf by:

DocuSigned by:  
  
.....F10BAF01194D40A.....  
Nicholas True  
**Director**

Company registration number 03416307 (England and Wales)


**TLC MARKETING WORLDWIDE GROUP LIMITED****COMPANY BALANCE SHEET****AS AT 31 DECEMBER 2022**

	Notes	2022		2021	
		€	€	€	€
<b>Fixed assets</b>					
Tangible assets	12		5,311		8,952
Investments	13		290,794		261,733
			<u>296,105</u>		<u>270,685</u>
<b>Current assets</b>					
Debtors falling due after more than one year	15	74,297		16,023,946	
Debtors falling due within one year	15	806,199		760,939	
Cash at bank and in hand		1,068,275		50,731	
		<u>1,948,771</u>		<u>16,835,616</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(1,013,257)</u>		<u>(17,789,159)</u>	
<b>Net current assets/(liabilities)</b>			<u>935,514</u>		<u>(953,543)</u>
<b>Net assets/(liabilities)</b>			<u><u>1,231,619</u></u>		<u><u>(682,858)</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		123		123
Profit and loss reserves			1,231,496		(682,981)
<b>Total equity</b>			<u><u>1,231,619</u></u>		<u><u>(682,858)</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was €1,900,149 (2021: €912,937 loss).

8/1/2023

The financial statements were approved by the board of directors and authorised for issue on .....  
and are signed on its behalf by:

DocuSigned by:  
  
 .....F10BAFD1194D40A.....  
 Nicholas True  
**Director**

Company registration number 03416307 (England and Wales)

**TLC MARKETING WORLDWIDE GROUP LIMITED**

**GROUP STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital	Other reserves	Profit and loss reserves	Total controlling interest	Non- controlling interest	Total
	€	€	€	€	€	€
<b>Balance at 1 January 2021</b>	123	1,426	(14,146,271)	(14,144,722)	243,418	(13,901,304)
<b>Year ended 31 December 2021:</b>						
Profit for the year	-	-	3,310,223	3,310,223	(78,911)	3,231,312
Other comprehensive income:						
Currency translation differences	-	-	(1,183,380)	(1,183,380)	-	(1,183,380)
Amounts attributable to non-controlling interests	-	-	24,495	24,495	(24,495)	-
Total comprehensive income for the year	-	-	2,151,338	2,151,338	(103,406)	2,047,932
<b>Balance at 31 December 2021</b>	123	1,426	(11,994,933)	(11,993,384)	140,012	(11,853,372)
<b>Year ended 31 December 2022:</b>						
Profit for the year	-	-	6,319,111	6,319,111	(212,329)	6,106,782
Other comprehensive income:						
Currency translation differences	-	-	345,674	345,674	-	345,674
Amounts attributable to non-controlling interests	-	-	2,297	2,297	(2,297)	-
Total comprehensive income for the year	-	-	6,667,082	6,667,082	(214,626)	6,452,456
Purchase of shares in subsidiary from non-controlling interest	-	-	241,759	241,759	(241,759)	-
<b>Balance at 31 December 2022</b>	123	1,426	(5,086,092)	(5,084,543)	(316,373)	(5,400,916)

**TLC MARKETING WORLDWIDE GROUP LIMITED**  
**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	€	€	€
<b>Balance at 1 January 2021</b>	123	295,179	295,302
<b>Year ended 31 December 2021:</b>			
Loss for the year	-	(912,937)	(912,937)
Other comprehensive income:			
Currency translation differences	-	(65,223)	(65,223)
Total comprehensive income for the year	-	(978,160)	(978,160)
<b>Balance at 31 December 2021</b>	123	(682,981)	(682,858)
<b>Year ended 31 December 2022:</b>			
Profit for the year	-	1,990,149	1,990,149
Other comprehensive income:			
Currency translation differences	-	(75,672)	(75,672)
Total comprehensive income for the year	-	1,914,477	1,914,477
<b>Balance at 31 December 2022</b>	123	1,231,496	1,231,619

**TLC MARKETING WORLDWIDE GROUP LIMITED**

**GROUP STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 €	€	2021 €	€
<b>Cash flows from operating activities</b>					
Cash generated from operations	25	4,182,826		3,836,712	
Interest paid		(2,928,576)		(436,741)	
Income taxes paid		(1,412,989)		(151,656)	
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(158,739)</b>		<b>3,248,315</b>	
<b>Investing activities</b>					
Purchase of intangible assets		(1,299,455)		(510,388)	
Purchase of tangible fixed assets		(383,493)		(85,355)	
Proceeds on disposal of tangible fixed assets		-		2,131	
Purchase of shares in subsidiaries from non-controlling interest		(1,976)		-	
Interest received		152,825		16,485	
<b>Net cash used in investing activities</b>		<b>(1,532,099)</b>		<b>(577,127)</b>	
<b>Financing activities</b>					
Proceeds from borrowings		17,998,135		399,461	
Repayment of borrowings		(18,015,627)		(2,403,758)	
Repayment of bank loans		-		(58,704)	
Payment of finance leases obligations		-		(111,320)	
<b>Net cash used in financing activities</b>		<b>(17,492)</b>		<b>(2,174,321)</b>	
<b>Net (decrease)/increase in cash and cash equivalents</b>					
		<b>(1,708,330)</b>		<b>496,867</b>	
Cash and cash equivalents at beginning of year		7,905,631		7,141,945	
Effect of foreign exchange rates		(52,074)		266,819	
<b>Cash and cash equivalents at end of year</b>		<b>6,145,227</b>		<b>7,905,631</b>	
<b>Relating to:</b>					
Cash at bank and in hand		6,145,227		7,907,329	
Bank overdrafts included in creditors payable within one year		-		(1,698)	

# TLC MARKETING WORLDWIDE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

##### Company information

TLC Marketing Worldwide Group Limited (“the Company”) is a private limited company domiciled and incorporated in England and Wales. The registered office is Watson House, 54 Baker Street, London, W1U 7BU.

The Group consists of TLC Marketing Worldwide Group Limited and all of its subsidiaries.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006.

The financial statements are prepared in euros, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 ‘Statement of Cash Flows’: Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 ‘Share based Payment’: Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 ‘Related Party Disclosures’: Compensation for key management personnel.

## TLC MARKETING WORLDWIDE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### 1.2 Basis of consolidation

In the Company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated group financial statements consist of the financial statements of the company TLC Marketing Worldwide Group Limited together with all entities controlled by the Company (its subsidiaries) and the Group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

##### 1.3 Going concern

The Group balance sheet shows net liabilities at the balance sheet date of €5.4m (2021: €11.9m) and net current assets of €10.1m (2021: net current liabilities of €13.3m). In order to continue trading, the group is dependent on long term loans. As these loans were refinanced for 5 years on 30 June 2022, the directors are confident that the loans will continue to be available for the foreseeable future. On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis.

##### 1.4 Turnover

Turnover comprises revenue recognised by the Group in respect of goods and services supplied, exclusive of VAT and trade discounts. Revenue is recognised on the date on which promotions start. Revenue not billed to clients for promotions which started before the balance sheet date is included in accrued income. Revenue billed during the year for promotions starting after the balance sheet date is included in deferred income.

##### 1.5 Product development costs

Product development costs and sales commissions related to promotions are allocated to each promotion and expensed in the period in which the promotion starts.

## TLC MARKETING WORLDWIDE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1 Accounting policies

(Continued)

##### 1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is between 5 and 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

##### 1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

The Group has developed software for internal use. The internal salary costs of development are capitalised as intangible assets. They are amortised to the profit and loss account over the software's estimated economic life of 4 years.

In addition, the Group has developed an app and capitalised the associated costs as intangible assets. They are amortised to the profit and loss account at either 5 or 10 years.

##### 1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Short-term leasehold property	over the term of the lease
Fixtures, fittings and equipment	20% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

# TLC MARKETING WORLDWIDE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### 1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the Company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

##### 1.10 Impairment of fixed assets

At each reporting period end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. 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, but so that the increased carrying amount does not 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 immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1 Accounting policies****(Continued)****1.11 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.12 Financial instruments**

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Other financial assets***

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1 Accounting policies****(Continued)*****Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1 Accounting policies****(Continued)****1.13 Equity instruments**

Equity instruments issued by the Group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Group.

**1.14 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.15 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.16 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

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**1 Accounting policies****(Continued)****1.17 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**1.18 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**1.19 Foreign exchange**

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

**1.20 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 probably 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 life of 5 or 10 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.

**1.21 Finance costs**

Finance costs 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.

## TLC MARKETING WORLDWIDE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 3 Turnover and other revenue

All of the group's turnover is attributable to marketing, sales promotion and incentives business.

	2022	2021
	€	€
<b>Other significant revenue</b>		
Government grants - UK: Coronavirus Job Retention Scheme	-	459,530
Covid-19 support from governments outside of the UK	1,269	423,077
	<u>1,269</u>	<u>882,607</u>
	<u>€</u>	<u>€</u>
<b>Turnover analysed by geographical market</b>		
United Kingdom	8,397,220	11,967,959
Rest of Europe	14,392,344	12,575,882
Rest of the world	27,274,505	17,251,257
	<u>50,064,069</u>	<u>41,795,098</u>
	<u>€</u>	<u>€</u>

## TLC MARKETING WORLDWIDE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 4 Operating profit

	2022	2021
	€	€
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	35,528	60,423
Government grants and support	(1,269)	(882,607)
Depreciation of owned tangible fixed assets	229,272	264,644
Profit on disposal of tangible fixed assets	-	(2,131)
Amortisation of intangible assets	230,774	217,184
	<u>                    </u>	<u>                    </u>

#### 5 Auditor's remuneration

	2022	2021
	€	€
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	70,658	71,240
	<u>                    </u>	<u>                    </u>

#### 6 Employees

The average headcount (including directors, full time employed, temporary staff and interns) of the group and company during the year was:

	Group 2022	2021	Company 2022	2021
	Number	Number	Number	Number
	330	282	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

Their aggregate remuneration comprised:

	Group 2022	2021	Company 2022	2021
	€	€	€	€
Wages and salaries	19,384,336	17,015,470	-	-
Social security costs	2,451,301	2,278,626	-	-
Pension costs	458,258	273,140	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	22,293,895	19,567,236	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****7 Directors' remuneration**

	<b>2022</b>	<b>2021</b>
	€	€
Remuneration for qualifying services	994,979	880,678
Company pension contributions to defined contribution schemes	3,111	3,054
	<u>998,090</u>	<u>883,732</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	<b>2022</b>	<b>2021</b>
	€	€
Remuneration for qualifying services	522,461	500,956
Company pension contributions to defined contribution schemes	1,555	1,527
	<u>524,016</u>	<u>502,483</u>

**8 Interest receivable and similar income**

	<b>2022</b>	<b>2021</b>
	€	€
<b>Interest income</b>		
Interest on bank deposits	152,825	16,485
	<u>152,825</u>	<u>16,485</u>

**9 Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	€	€
Other loan interest payable	2,997,852	2,773,292
Other interest	228,221	243,856
	<u>3,226,073</u>	<u>3,017,148</u>
Total finance costs	<u>3,226,073</u>	<u>3,017,148</u>

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****10 Taxation**

	<b>2022</b>	<b>2021</b>
	€	€
<b>Current tax</b>		
Adjustments in respect of prior periods	(116,472)	(114,654)
Other tax	96,901	-
	<u>(19,571)</u>	<u>(114,654)</u>
Total UK current tax	(19,571)	(114,654)
Foreign current tax on profits for the current period	1,205,283	1,124,590
	<u>1,185,712</u>	<u>1,009,936</u>
Total current tax	<u>1,185,712</u>	<u>1,009,936</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(114,799)	(262,084)
Changes in tax rates	-	(52,127)
Adjustment in respect of prior periods	-	138,195
Foreign exchange differences	-	(43,478)
	<u>(114,799)</u>	<u>(219,494)</u>
Total deferred tax	<u>(114,799)</u>	<u>(219,494)</u>
Total tax charge	<u>1,070,913</u>	<u>790,442</u>

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****10 Taxation****(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2022</b>	<b>2021</b>
	€	€
Profit before taxation	7,177,695	4,021,754
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	1,363,762	764,133
Tax effect of expenses that are not deductible in determining taxable profit	34,263	171,426
Tax effect of income not taxable in determining taxable profit	-	(167,695)
Change in unrecognised deferred tax assets	(288,106)	-
Adjustments in respect of prior years	(116,472)	(114,654)
Depreciation on assets not qualifying for tax allowances	30,568	30,568
Deferred tax adjustments in respect of prior years	41,594	138,195
Deferred tax adjustment due to change in future tax rates	-	(31,531)
Others	5,304	-
Taxation charge	1,070,913	790,442

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****11 Intangible fixed assets**

<b>Group</b>	<b>Goodwill</b>	<b>Development costs</b>	<b>Total</b>
	<b>€</b>	<b>€</b>	<b>€</b>
<b>Cost</b>			
At 1 January 2022	1,608,822	1,902,643	3,511,465
Additions	-	1,299,455	1,299,455
Exchange adjustments	-	(11,741)	(11,741)
	<u>1,608,822</u>	<u>3,190,357</u>	<u>4,799,179</u>
<b>Amortisation and impairment</b>			
At 1 January 2022	1,287,055	1,034,958	2,322,013
Amortisation charged for the year	160,882	69,892	230,774
Exchange adjustments	-	(3,145)	(3,145)
	<u>1,447,937</u>	<u>1,101,705</u>	<u>2,549,642</u>
<b>Carrying amount</b>			
At 31 December 2022	<u>160,885</u>	<u>2,088,652</u>	<u>2,249,537</u>
At 31 December 2021	<u>321,767</u>	<u>867,685</u>	<u>1,189,452</u>

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****12 Tangible fixed assets**

<b>Group</b>	<b>Short-term leasehold property €</b>	<b>Fixtures, fittings and equipment €</b>	<b>Total €</b>
<b>Cost</b>			
At 1 January 2022	617,478	1,937,396	2,554,874
Additions	24,106	359,387	383,493
Exchange adjustments	41,505	67,627	109,132
At 31 December 2022	683,089	2,364,410	3,047,499
<b>Depreciation and impairment</b>			
At 1 January 2022	496,372	1,735,189	2,231,561
Depreciation charged in the year	43,331	185,941	229,272
Exchange adjustments	37,088	60,023	97,111
At 31 December 2022	576,791	1,981,153	2,557,944
<b>Carrying amount</b>			
At 31 December 2022	106,298	383,257	489,555
At 31 December 2021	121,106	202,207	323,313

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>12 Tangible fixed assets</b>	<b>(Continued)</b>
<b>Company</b>	<b>Short-term leasehold property €</b>
<b>Cost</b>	
At 1 January 2022	14,324
Exchange adjustments	(158)
	<hr/>
At 31 December 2022	14,166
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2022	5,372
Depreciation charged in the year	3,592
Exchange adjustments	(109)
	<hr/>
At 31 December 2022	8,855
	<hr/>
<b>Carrying amount</b>	
At 31 December 2022	5,311
	<hr/> <hr/>
At 31 December 2021	8,952
	<hr/> <hr/>

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****13 Fixed asset investments**

	Notes	Group 2022 €	2021 €	Company 2022 €	2021 €
Investments in subsidiaries	14	-	-	290,794	261,733

**Movements in fixed asset investments****Company**

**Shares in  
group  
undertakings  
€**

**Cost or valuation**

At 1 January 2022	849,656
Additions	29,061
Disposals	(52)
At 31 December 2022	878,665

**Impairment**

At 1 January 2022	587,923
Disposals	(52)
At 31 December 2022	587,871

**Carrying amount**

At 31 December 2022	290,794
At 31 December 2021	261,733

During the year the company acquired 5% non-controlling interests in TLC Italia SRL and TLC Marketing Worldwide North America Inc respectively and 55% equity interests in TLC Reward Company Proprietary Limited.

The subsidiary, TLC Marketing Worldwide Limited, which was registered in New Zealand, was dissolved on 23 June 2022.

## TLC MARKETING WORLDWIDE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 14 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Country of Incorporation	% Held	
		Direct	Indirect
TLC Marketing France SARL	France	90.00	-
TLC Marketing, Promotion und Incentive GmbH	Germany	100.00	-
TLC Italia SRL	Italy	100.00	-
TLC Marketing Worldwide Iberica Unipessoal	Portugal	95.00	-
TLC Marketing Worldwide (Pty) Limited	South Africa	100.00	-
TLC Marketing Worldwide Iberia	Spain	97.50	-
TLC Marketing Worldwide (Shanghai) Co. Limited	China	100.00	-
TLC Marketing Worldwide Do Brasil Ltda	Brazil	95.00	-
TLC HQ Limited	UK	100.00	-
TLC Marketing Worldwide UK Limited	UK	100.00	-
TLC Marketing Worldwide Financing Limited	UK	100.00	-
TLC China Holdings Limited	UK	100.00	-
TLC Marketing Worldwide North America, Inc.	USA	100.00	-
TRCo Europe Limited	UK	100.00	-
TLC Loyalty Limited	Ireland	100.00	-
TLC Marketing Worldwide Middle East Holding Limited	UK	100.00	-
TLC Marketing Worldwide HQ Limited	UK	100.00	-
TLC Marketing Worldwide Global Limited	UK	100.00	-
TLC Marketing APAC PTY Limited	Australia	100.00	-
TLC Marketing Worldwide (Singapore) Pte. Ltd.	Singapore	100.00	-
The Reward Company, Inc.	USA	-	100.00
TLC Marketing Worldwide Middle East DMCC	UAE	-	100.00
TLC Marketing Worldwide Asia Pacific Pty Limited	Australia	95.00	-
The Original Reward Company Limited	UK	100.00	-
The Original Reward Company London Limited	UK	100.00	-
TLC Rewards (Pty) Ltd	South Africa	55.00	-
TLC Rewards Company Proprietary Limited	South Africa	55.00	-

TLC China Holdings Limited, TLC Marketing Worldwide North America Inc, TRCo Europe Limited, The Original Reward Company Limited and The Original Reward Company London Limited are dormant. The principal activity of TLC HQ Limited and TLC Marketing Worldwide HQ Limited is the provision of management services to group companies. The principal activity of the other companies listed above is that of marketing, sales promotion and incentives.

## TLC MARKETING WORLDWIDE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 15 Debtors

	Group 2022	2021	Company 2022	2021
Amounts falling due within one year:	€	€	€	€
Trade debtors	5,528,233	4,423,351	-	-
Corporation tax recoverable	1,353,472	298,264	165,558	183,610
Other debtors	1,701,055	1,406,470	621,211	540,388
Prepayments and accrued income	13,238,904	9,178,384	19,430	36,941
	<u>21,821,664</u>	<u>15,306,469</u>	<u>806,199</u>	<u>760,939</u>
Deferred tax asset (note 19)	2,943,164	2,803,257	-	-
	<u>24,764,828</u>	<u>18,109,726</u>	<u>806,199</u>	<u>760,939</u>
 <b>Amounts falling due after more than one year:</b>				
Amounts owed by group undertakings	-	-	74,297	16,023,946
	<u>-</u>	<u>-</u>	<u>74,297</u>	<u>16,023,946</u>
<b>Total debtors</b>	<u>24,764,828</u>	<u>18,109,726</u>	<u>880,496</u>	<u>16,784,885</u>

#### 16 Creditors: amounts falling due within one year

		Group 2022	2021	Company 2022	2021
Notes		€	€	€	€
Bank loans and overdrafts	18	-	1,698	-	1,698
Other loans	18	2,372,769	20,510,510	-	17,027,229
Trade creditors		4,210,020	4,097,943	852,883	581,860
Corporation tax payable		2,939,415	2,086,880	139,768	157,537
Other taxation and social security		2,429,928	3,737,610	-	-
Other creditors		816,330	907,922	20,606	20,835
Accruals and deferred income		8,041,732	7,984,703	-	-
		<u>20,810,194</u>	<u>39,327,266</u>	<u>1,013,257</u>	<u>17,789,159</u>

The other loans of €2,372,769 (2021: €20,510,510) are secured by fixed and floating charges over the assets of the company and several companies within the group.

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****17 Creditors: amounts falling due after more than one year**

	Notes	Group 2022 €	2021 €	Company 2022 €	2021 €
Other loans	18	18,815,755	48,201	-	-
Unamortised loan arrangement costs		(575,886)	-	-	-
		<u>18,239,869</u>	<u>48,201</u>	<u>-</u>	<u>-</u>

The other loans of €21,327,338 (2021: €48,201) are secured by fixed and floating charges over the assets of the company and several companies within the group.

**18 Loans and overdrafts**

		Group 2022 €	2021 €	Company 2022 €	2021 €
Bank overdrafts		-	1,698	-	1,698
Other loans		18,815,765	20,558,711	-	17,027,229
Unamortised loan arrangement costs		(575,886)	-	-	-
		<u>18,239,879</u>	<u>20,560,409</u>	<u>-</u>	<u>17,028,927</u>
Payable within one year		2,372,769	20,512,208	-	17,028,927
Payable after one year		<u>18,239,869</u>	<u>48,201</u>	<u>-</u>	<u>-</u>

At the year end the company and group had a loan of €Nil (2021: €1,273,456) from Industrial Lending 1 and loans of €Nil (2021: €15,753,773) from Ommirep S.A.R.L. The loans were repayable on 1 July 2022. The loans were secured by fixed and floating charges over the assets of the company and guaranteed by several companies within the group. The loans were repaid through refinancing from TP Leasing Limited in June 2022.

At the year end the group had a loan of €21,315,557 (2021: €3,289,587) from TP Leasing Limited. The group refinanced from TP Leasing Limited in June 2022 with new loans granted and repayable on 30 June 2027. The loan is secured by fixed and floating charges over the assets of the company and several companies within the group and guaranteed by several companies within the group.

## TLC MARKETING WORLDWIDE GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities	Liabilities	Assets	Assets
	2022	2021	2022	2021
	€	€	€	€
Accelerated capital allowances	-	7,725	-	-
Tax losses	-	-	2,943,164	2,803,257
	<u>-</u>	<u>7,725</u>	<u>2,943,164</u>	<u>2,803,257</u>
	<u><u>-</u></u>	<u><u>7,725</u></u>	<u><u>2,943,164</u></u>	<u><u>2,803,257</u></u>

The company has no deferred tax assets or liabilities.

Movements in the year:	Group	Company
	2022	2022
	€	€
Asset at 1 January 2022	(2,795,532)	-
Credit to profit or loss	(147,632)	-
	<u>(2,943,164)</u>	<u>-</u>
Asset at 31 December 2022	<u><u>(2,943,164)</u></u>	<u><u>-</u></u>

#### 20 Retirement benefit schemes

Defined contribution schemes	2022	2021
	€	€
Charge to profit or loss in respect of defined contribution schemes	<u>458,258</u>	<u>273,140</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

**TLC MARKETING WORLDWIDE GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****21 Share capital**

<b>Group and company</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Ordinary share capital</b>	<b>Number</b>	<b>Number</b>	<b>€</b>	<b>€</b>
<b>Issued and fully paid</b>				
Ordinary shares of 0.01p each	1,100,000	1,100,000	123	123
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**22 Financial commitments, guarantee and contingent liabilities**

There is a composite guarantee dated 19 April 2018 and an additional guarantee dated 30 June 2022. The group entered into a refinancing agreement with TP Leasing Limited in June 2022. There is a fixed and floating charge over the undertaking and assets present and future, including goodwill, uncalled capital, plant & machinery, computers, vehicles, office equipment and charged securities. At the year end, the amount owed in respect of this balance within the group was €21,315,557 (2021: €3,371,961).

**23 Operating lease commitments****Lessee**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Within one year	1,776,061	1,537,541	376,316	375,184
Between two and five years	3,430,334	3,733,391	280,433	653,745
In over five years	142,808	174,854	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	5,349,203	5,445,786	656,749	1,028,929
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**24 Controlling party**

The group was under the control of N E True throughout the year.

**TLC MARKETING WORLDWIDE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**25 Cash generated from group operations**

	<b>2022</b>	<b>2021</b>
	€	€
Profit for the year after tax	6,106,782	3,231,312
<b>Adjustments for:</b>		
Taxation charged	1,070,913	790,442
Finance costs	3,226,073	3,017,148
Investment income	(152,825)	(16,485)
Gain on disposal of tangible fixed assets	-	(2,131)
Amortisation and impairment of intangible assets	230,774	217,184
Depreciation and impairment of tangible fixed assets	229,272	264,644
Foreign exchange movements	157,946	(323,824)
<b>Movements in working capital:</b>		
Increase in debtors	(5,577,335)	(2,545,884)
Decrease in creditors	(1,108,774)	(795,694)
<b>Cash generated from operations</b>	<u>4,182,826</u>	<u>3,836,712</u>
Difference	(371)	-
Per cash flow statement page	<u>4,182,455</u>	<u>3,836,712</u>

**26 Analysis of changes in net debt - group**

	<b>1 January 2022</b>	<b>Cash flows</b>	<b>Exchange rate movements</b>	<b>31 December 2022</b>
	€	€	€	€
Cash at bank and in hand	7,907,329	(1,710,009)	(52,093)	6,145,227
Bank overdrafts	(1,698)	1,679	19	-
	<u>7,905,631</u>	<u>(1,708,330)</u>	<u>(52,074)</u>	<u>6,145,227</u>
Borrowings excluding overdrafts	(20,558,711)	17,492	226,078	(20,612,638)
	<u>(12,653,080)</u>	<u>(1,690,838)</u>	<u>174,004</u>	<u>(14,467,411)</u>

**TLC MARKETING WORLDWIDE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**27 Directors' transactions**

N E True received interest free loans from the group during the year. The maximum balance outstanding during the year was €1,061,417 (2021: €877,867) and at the year end amounted to €1,061,417 (2021: €877,867).