Monevium Ltd (In Special Administration) (“Monevium”)

Explanatory Statement for the Distribution Plan

21 August 2026

This document explains the Distribution Plan for the return of Relevant Funds to Customers to be approved by the Court.

This document is being provided to you electronically. You can view it or download it at **www.swgroup.com/advisory-services/restructuring-services/monevium.** You can also ask the Joint Special Administrators to send you a printed copy by contacting them in one of the ways set out in this report.

If you are in any doubt about the meaning and effect of this document, you should consult with your financial advisor, solicitor and / or other appropriate professional without delay.

Contents

1. This Explanatory Statement

This explanatory statement is a guide to the Distribution Plan being proposed by the Joint Special Administrators ("JSAs") of Monevium. It explains:

- the background to the Distribution Plan, which explains how the JSAs will return Relevant Funds to Customers;
- how the costs of returning the Relevant Funds will be paid under the Distribution Plan;
- the things you need to do so the JSAs can transfer any Relevant Funds due to you, including how to submit your claim;
- what happens if you are late submitting a claim;
- what happens if the JSAs reject your claim; and
- what happens if your Relevant Funds are Blocked.

Definitions for terms not defined in this Explanatory Statement can be found in the Distribution Plan.

This Explanatory Statement is intended to be read in conjunction with the Distribution Plan. This is because, although this Explanatory Statement is designed to assist Customers in understanding the purpose and effect of the Distribution Plan, it is only the Distribution Plan which will be submitted to the Court for approval and only the Distribution Plan will have legal effect (if and once approved by the Court).

Important Notice

In preparing this Explanatory Statement, the JSAs have relied upon their own investigations and information obtained from Monevium's books and records. Unless otherwise indicated, the statements, opinions and information contained in this Explanatory Statement are made as at the date of this Explanatory Statement and reflect the circumstances existing and the information which the JSAs were aware of at the time of producing this Explanatory Statement.

None of the JSAs or their firm, members, partners, directors, officers, employees, agents, advisors or representatives have authorised any person to make any representations concerning the Distribution Plan which are inconsistent with the statements contained in this Explanatory Statement and if any such representations are made they should not be relied upon.

Nothing in this Explanatory Statement is intended to constitute legal, tax, financial or other professional advice given to Customers. Customers should take advice from their own professional advisers before taking any action in connection with the Distribution Plan.

You are encouraged to read and consider the Distribution Plan, this Explanatory Statement and any other communications you have received from the JSAs in full and, if necessary, seek professional advice as to their terms and their legal, tax and financial implications for you.

Further information

Further information can be found on the JSAs' website: **www.swgroup.com/advisory-services/restructuring-services/monevium**. If you require more information or have any questions, please contact S&W by:

Telephone: **+44 (0) 204 617 5500**

Email: **monevium@swgroup.com**

Post: **C/O Restructuring Services, 45 Gresham Street, London EC2V 7BG**

2. Background

Monevium was placed into Special Administration on 18 June 2026 by the Court, with Adam Stephens and Christopher Allen being appointed JSAs. Since then, the JSAs have worked to identify the Relevant Funds and make a plan to return them to Monevium's Customers. This is the plan which is referred to in this Explanatory Statement as the Distribution Plan.

What are Relevant Funds?

As an authorised payment institution, Monevium was legally required to safeguard sums received from, or on behalf of, Customers when providing payment services. Such sums held by authorised payment institutions constitute 'relevant funds' under the applicable legislation, and the 'relevant funds' held by Monevium are referred to as the Relevant Funds in this Explanatory Statement.

Relevant Funds were held separately from Monevium's own funds, in segregated accounts held with authorised credit institutions. When Monevium entered Special Administration, the Relevant Funds held in those segregated accounts formed a pool of money, referred to in this Explanatory Statement as Monevium's "Asset Pool". The JSAs are required to:

- reconcile the Asset Pool by identifying any shortfall or excess between the amount of Relevant Funds Monevium was required to safeguard and the amount actually held; and
- constitute the Asset Pool by taking steps to ensure all Relevant Funds are identified and collected into the appropriate accounts.

Since our appointment, the JSAs have reviewed Monevium's assets, including identifying Relevant Funds and commencing the process to distribute Relevant Funds in the Asset Pool to eligible Customers.

What is the Purpose of the Distribution Plan and what does it do?

The Distribution Plan has been prepared to set out the basis on which Relevant Funds held by Monevium in the Asset Pool will be distributed to eligible Customers.

If you are a Customer who might have an entitlement to share in the Relevant Funds held by Monevium, you are entitled to submit a formal claim for those Relevant Funds, which is a Relevant Funds Claim. If approved by the Court, the Distribution Plan will enable the JSAs to make payments / distributions of Relevant Funds from the Asset Pool to Claimants that the JSAs have determined have Admitted Relevant Funds Claims (that is, Relevant Funds Claims that have been reviewed and admitted by the JSAs).

The Court application to approve the Distribution Plan was filed on or about the date of this Explanatory Statement and is anticipated to be heard on [●] 2026.

The Distribution Plan has been prepared by the JSAs to distribute Relevant Funds held by Monevium as soon as reasonably practicable.

The JSAs will accept Relevant Funds Claims in Euros, and all Distributions will be paid in Euros. If your Relevant Funds Claim is submitted in any other currency, the JSAs will convert it into Euros in accordance with the terms of the Distribution Plan.

3. The Bar Dates and distribution of Relevant Funds

The Distribution Plan provides for two key deadlines for the submission of Relevant Funds Claims.

Soft Bar Date

The JSAs set an initial bar date ("**Soft Bar Date**") of 13 August 2026. This is the date by which you must submit your Relevant Funds Claim by email (to monevium@swgroup.com) or by post (to Monevium Ltd (in Special Administration), c/o S&W Restructuring, 45 Gresham Street, London EC2V 7BG), as set out on the JSAs' website. Claims should be submitted by this date to ensure you are included in an initial interim Distribution and to avoid your Relevant Funds Claim potentially being treated as a "Late Claim".

Hard Bar Date

The second key deadline is the Hard Bar Date, which is the final cut-off for submission of Relevant Funds Claims. It is therefore important that you submit your Relevant Funds Claim as soon as reasonably practicable, or at the latest before the **Hard Bar Date.**

If approved by the Court, the JSAs are entitled to set a Hard Bar Date once they have:

- completed their assessment of Relevant Fund Claims;
- reconciled the Relevant Funds; and
- determined how any Blocked Relevant Funds are to be dealt with.

The JSAs anticipate that, as soon as reasonably practicable after the Court has approved the Distribution Plan, but not earlier than 13 November 2026, they will set a Hard Bar Date. Notice of the Hard Bar Date will be sent to all Customers.

Timing of distributions to Customers with Relevant Funds Claims

The JSAs intend to pay one first and final distribution to Customers with Relevant Funds Claims. This distribution will be paid as soon as reasonably practicable once the Hard Bar Date has passed.

However, if for any reason the JSAs are not able to set a Hard Bar Date as soon as reasonably practicable after the Distribution Plan has been approved, they expect to pay an interim distribution to Customers with Relevant Funds Claims. In these circumstances, the JSAs then anticipate paying a final distribution after a Hard Bar Date has been set.

4. Submitting a Relevant Funds Claim

Customers are advised they should submit their Relevant Funds Claim on a Customer Claim Form before the Soft Bar Date, being 13 August 2026.

Relevant Funds Claims submitted after the Soft Bar Date, but before the Hard Bar Date

Any Relevant Funds Claim received after the Soft Bar Date but before the Hard Bar Date will be a Late Claim.

If a Late Claim is admitted and there are sufficient Relevant Funds remaining in the Asset Pool available to be distributed, the JSAs will make a Distribution to the Late Claimant (subject to deductions for Costs and any Reconciliation Shortfall).

If there are insufficient Relevant Funds remaining in the Asset Pool, only such Relevant Funds as can be distributed will be distributed (subject to deductions for Costs and any Reconciliation Shortfall) in respect of such Late Claim, and the balance will be treated as an unsecured claim against Monevium. However, current expectations are that it is unlikely that Monevium will be able to make any distributions in respect of unsecured claims.

No Late Claim will disrupt distributions that have already been made. Claimants who have already received distributions will have acquired good title to those Relevant Funds comprising such distributions.

Relevant Funds Claim submitted after the Hard Bar Date

Any Relevant Funds Claims submitted after the Hard Bar Date will be treated as unsecured claims against Monevium.

As Monevium is insolvent and has very few assets of its own, it is not currently expected that a dividend will be paid in respect of unsecured claims.

Therefore, if you do not submit a Relevant Funds Claim prior to the Hard Bar Date you will significantly prejudice your ability to recover any funds and are effectively forfeiting any right you may have to participate in distributions from the Relevant Funds in the Asset Pool.

Following the Final Distribution, the JSAs will transfer any remaining Relevant Funds in the Asset Pool to Monevium's own bank accounts.

5. The process for admitting and rejecting Relevant Funds Claims

In order to be entitled to a distribution of Relevant Funds, you must submit a Relevant Funds Claim to the JSAs in accordance with the instructions on the JSAs' website (by completing a Customer Claim Form). The JSAs will review your Relevant Funds Claim and will decide whether they can admit your claim based on their review of Monevium's books, systems and records, information provided to them by you, and any other relevant information available to them.

If your claim is admitted, and subject to the prior completion of KYC Checks, you will receive distribution(s) of Relevant Funds from the Asset Pool (subject to any deduction of Costs and/or any Reconciliation Shortfall).

The JSAs will pay distributions to the account you nominate in your Customer Claim Form, or by cheque if you have not been able to provide bank details.

If the JSAs cannot make a Distribution due to incomplete KYC Checks or incorrect bank details, they will hold your Distribution and try to contact you. If the issue is not resolved by the time the Final Distribution is made, the JSAs will transfer your distribution to the Insolvency Service Account and you may claim directly from the Insolvency Service.

If you receive a distribution (other than a final distribution) by cheque, you will have six months to present the cheque for payment before it is automatically cancelled. If you do not present your cheque for payment within three months of the final distribution, the JSAs will transfer your funds to the Insolvency Service Account and you may claim your Distribution directly from the Insolvency Service.

Rejected Relevant Funds Claims

If the JSAs reject your Relevant Funds Claim, in whole or in part, they will provide you with written reasons for their decision. You will be entitled to challenge this decision by applying to Court, at your own cost (unless the JSAs agree or the Court orders otherwise) within twenty-one days of receiving those reasons.

The process for an application to challenge the JSAs decision is set out in part 11 of the Distribution Plan.

If there is a dispute as to a Customer's entitlement to Relevant Funds the JSAs may need to postpone paying a distribution until the dispute is resolved. However, the JSAs will take a proportionate approach and will try to distribute Relevant Funds as quickly as reasonably practicable.

What happens if I do not submit a Claim?

Potential claimants are Customers the JSAs have identified as being eligible to make a Relevant Funds Claim (based on Monevium's books and records), but who have not submitted one.

The Distribution Plan requires that the JSAs take all reasonable measures to identify and contact any potential claimants prior to the issue of a Hard Bar Date notice. However, if a potential claimant does not respond, and submit a Relevant Funds Claim before the Hard Bar Date, the JSAs will be released from any obligation to make distributions to them.

6. How the costs of distributing Relevant Funds will be met

Relevant Funds Claims do not take priority over the Costs. Costs include (but are not limited to):

- expenses properly incurred by the JSAs in making distributions of Relevant Funds as soon as reasonably practicable; and
- the remuneration of any person employed to perform services for Monevium specific to the objective of making distributions of Relevant Funds as soon as reasonably practicable (including, for example, the JSAs solicitors who drafted the Distribution Plan).

These costs will be settled from the Relevant Funds in the Asset Pool, which will mean that Customers will receive less than 100% of their Relevant Funds Claim.

The Costs Reserve

To meet the Costs, the JSAs have set an initial Costs Reserve of [€●]. The JSAs consider this to be a prudent estimate of the total Costs to be incurred in distributing the Relevant Funds in the Asset Pool.

The JSAs will, on a quarterly basis from the Effective Date, assess whether the Costs Reserve can be reduced and be included in the pool of Relevant Funds available for distribution, in accordance with the Distribution Plan.

Any Costs Reserve remaining by the Hard Bar Date shall be distributed in the final distribution, in accordance with the Distribution Plan. See part 8 of the Distribution Plan for full details.

7. Shortfalls in Relevant Funds in the Asset Pool

If the total Relevant Funds available in the Asset Pool are less than the total of all Admitted Relevant Funds Claims, any shortfall will be shared pro rata by all Claimants.

Similarly, the shortfall due to the Costs exceeding what is available will also be shared pro rata by all Claimants. See part 7 of the Distribution Plan for full details.

Any shortfall attributable to you will automatically be treated as an unsecured debt owed to you by Monevium, without you needing to take any further action in respect of that unsecured debt. However, current expectations are that it is unlikely that there will be sufficient monies in Monevium's house estate to enable a distribution to be paid to unsecured creditors.

8. What happens to Blocked Relevant Funds

If, at the time of any Distribution, the JSAs determine that there are Blocked Relevant Funds (any Relevant Funds subject to a freezing order, sanctions restriction, or other legal restriction preventing their distribution), they will not be obliged to distribute those Relevant Funds unless and until they are lawfully able to do so.

The existence of any Blocked Relevant Funds will not prevent the JSAs from making Distributions of other, unblocked Relevant Funds.

The JSAs may retain Blocked Relevant Funds in their current account, transfer them to the Insolvency Service Account, or otherwise deal with them in any lawful manner they consider appropriate to complete the Special Administration.