



## Fair Tax Policy

1. We believe tax is an important contribution to wider society rather than simply another cost to be minimised
2. We will seek to pay the right amount of tax at the right time and in the right place, according to the letter and the spirit of the law in each country in which we operate
3. We will not structure transactions with the intention of reducing our tax liability
4. We will not use tax havens for the purpose of tax avoidance nor will we make use of marketed tax avoidance schemes or arrangements that fall foul of current regulations
5. We will not take an aggressive stance in our interpretation of tax legislation but we will claim the proper statutory reliefs to which we are legally and legitimately entitled
6. We will be open and fair in our negotiations with HM Revenue & Customs and any other tax authorities we deal with, and will seek to discuss with them any significant tax issues affecting our business

All companies in the Group are compliant with the Yoti Fair Tax Policy.

The director responsible for all tax compliance in the Group is Hugh Godsall.

### Group Subsidiaries - all are direct subsidiaries of Yoti Holding Ltd

Name	Country of Incorporation	Tax Residency	Group Ownership	Principal Activity
Yoti Ltd	UK	UK	100%	UK Trading Company
Yoti Biometric Identity Private Limited	India	India	100%	India Trading Company
Yoti Australia Pty Ltd	Australia	Australia	100%	Australia Trading Company
Yoti USA Inc.	USA	USA	100%	USA Trading Company
Yoti New Zealand Ltd	New Zealand	New Zealand	100%	NZ Trading Company
Yoti (Canada) Ltd	Canada	Canada	100%	Dormant
Yoti Holland BV	Netherlands	Netherlands	100%	Dormant

## Tax reconciliation for Yoti Holding Ltd - Year Ended March 2021

	2021 £	2020 £
<b>Corporation tax</b>		
Current tax on profits for the year	(1,636,067)	(2,048,105)
Adjustments in respect of previous periods	-	223,979
<b>Total current tax</b>	<u>(1,636,067)</u>	<u>(1,824,126)</u>

### Factors affecting tax credit for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Loss on ordinary activities before tax	<u>(21,034,902)</u>	<u>(26,336,169)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	<u>(3,996,631)</u>	<u>(5,003,872)</u>
<b>Effects of:</b>		
1 Fixed asset differences	410	-
2 Expenses not deductible for tax purposes	28,984	54,233
3 Additional deduction for R&D expenditure	(1,214,187)	(1,516,895)
4 Surrender of tax losses for R&D tax credit refund	508,779	635,622
5 Adjustments to tax charge in respect of prior periods	-	223,979
6 Deferred tax not recognised	3,036,578	3,782,807
<b>Total tax charge for the year</b>	<u>(1,636,067)</u>	<u>(1,824,126)</u>

### Factors that may affect future tax charges

Increases in the UK Corporation tax rate from 19% to 25% (19% effective from 1 April 2017, and 25% effective from 1 April 2023) have been substantively enacted. This will impact the company's future tax charge accordingly.

The group had carried forward tax losses of £69,057,623 (2020 - £51,414,631). No deferred tax asset has been recognised due to uncertainty over the company's ability to offset against future profits.

### Accompanying Notes

1. This is an amount relating to a loss on disposal of a fixed asset, that does not qualify as a deductible expense for UK corporation tax.
2. This includes categories like Client Entertainment and other group expenditure that is not deductible for UK corporation tax.
3. This is the enhanced tax relief on Qualifying R&D Expenditure that is eligible for tax credits under the BEIS Guidelines.
4. This is the impact of the R&D Tax credit on our tax losses carried forward.
5. This is an amendment in the previous year's tax return, that relates to a correction from the previous year's (YE March 2019) R&D tax credit claim.
6. This relates to taxable losses brought and carried forward. There were no timing differences between taxable losses and Comprehensive Income/Loss.

## Country by country reporting

Tax Jurisdiction	Name	Number of employees	External revenue	Intra-group revenues	Profit/(loss) before tax	Equity / net assets	Current tax charge/(credit)
UK	Yoti Holding Ltd	-	-	£ 143,593	£ (858,116)	£ 30,608,310	-
UK	Yoti Ltd	222	£ 665,197	-	£ (19,783,922)	£ (89,061,294)	£ (1,639,398)
India	Yoti Biometric Identity Private Limited	93	£ 5,229	£ 1,234,195	£ 11,937	£ 410,848	-
Australia	Yoti Australia Pty Ltd	2	£ 8	-	£ (137,658)	£ 2,754	-
USA	Yoti USA Inc.	1	£ 1,040	-	£ (238,968)	£ 11,485	-
New Zealand	Yoti New Zealand Ltd	1	-	-	£ (28,178)	£ 2,491	-
Canada	Yoti (Canada) Ltd	-	-	-	-	-	-
Netherlands	Yoti Holland BV	-	-	-	-	-	-
		<b>338</b>	<b>£ 671,474</b>	<b>£ 1,377,788</b>	<b>£ (21,034,905)</b>	<b>£ (58,025,406)</b>	<b>£ (1,639,398)</b>