

# ANNUAL REPORT

**beginning of financial year:** 01.01.2022

**end of the financial year:** 31.12.2022

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## Activity Report

### General

Wallester AS (hereinafter referred to as "Wallester" or the "Company") is a fintech company operating on the basis of a payment institution licence issued by the Estonian Financial Supervisory Authority. The payment services provided to the Company's clients fall within the following services specified in the Payment Institutions and E-money Institutions Act:

- Execution of payment transactions, including transfer of funds to a payment account opened with a payment service provider; and
- Issue of payment instruments and acceptance of payment transactions.

Wallester focuses on serving corporate clients. Wallester's flexible *white-label* solutions and simplified integration enable corporate clients to brand their payment cards and bring their products to market quickly. Wallester also offers corporate clients the ability to use payment cards to efficiently manage their business expenses, including issuing payment cards to their employees for payroll or travel expenses.

Wallester is a payment institution with principal member status at Visa, the international card organisation. Working with Visa is a partnership of strategic importance. For Wallester, Visa is not only a payment intermediary, but also an important marketing channel. For Visa, Wallester is a fast and flexible marketer of Visa payment cards and a promising strategic partner.

Wallester's core business is issuing payment cards and providing card payment solutions. Wallester has developed leading-edge cloud-based payment card issuing technology solutions and card payment infrastructure that clients can use as a "turnkey" solution.

### Ownership, Management Structure and Team

Wallester's shareholder is the limited liability company Placet Smart Solutions OÜ. Placet Smart Solutions OÜ is part of Placet Group OÜ. As the parent company of the group, Placet Group OÜ is a successful, well-capitalised credit and mortgage provider licensed by the Estonian Financial Supervisory Authority.

Wallester has a two-tier management structure. The Company is managed by a three-member Board of Directors: Sergei Astafjev (chairman of the management), Dmitri Logvinenko and Fred Sooläte. The Company's Supervisory Board includes Reimo Hammerberg (chairman of the board), Aleksandr Kostin and Valentina Pungar.

To ensure growth opportunities, the number of employees at Wallester has increased significantly in 2022. New employees have been recruited for various positions in the IT, Customer Service, Marketing, Operations, Project Management, Compliance and HR teams. Wallester has prepared detailed product-specific training material for existing and new employees to enhance the professional knowledge of all employees. Wallester continues to actively recruit talent for various positions.

### Investment Policy

Wallester's new investment policy is based on the shareholder's willingness to capitalise the Company to the extent necessary to ensure that it has sufficient equity and liquidity and meets regulatory requirements. It also ensures that sufficient resources are available to establish an efficient organisational structure for Wallester, to carry out extensive IT development, marketing activities and other important functions of the business, including the prevention of money laundering and terrorist financing.

Wallester's management also decided to begin preparations to raise additional capital from venture capitalists.

### Products and Technologies

2022 was a successful year for the completion of a number of complex development projects.

Ensuring the security of sensitive data related to clients and payment transactions is always important to Wallester. Wallester successfully passed the PCI DSS (Payment Card Industry Data Security Standard) audit process and obtained the highest level of PCI DSS certification, Level 1.

In the year under review, Wallester Business Card was launched, a solution aimed at corporate clients to manage their business expenses efficiently. In addition to the payment instruments, the components of the solution include a user-friendly ecosystem, a mobile application and an API for integration with the business client's software.

Wallester has started to offer a mobile app on a white label basis to all interested parties. The features of the mobile app can be tailored to the client's needs. The mobile app is available in the Apple and Google Play online stores.

### Clients

The Wallester licence allows the Company to provide cross-border services in all countries of the European Economic Area and the European Union.

During the reporting year, Wallester's client base grew strongly across all products. As of 31.12.2022, the number of Wallester white-label cooperation projects has grown to over 20. The number of users of the Wallester Business Card solution exceeded 600 as of 31.12.2022.

### Marketing

To increase brand awareness and credibility, and to connect with potential clients, the Wallester team participated in several major international events during 2022:

- VISA CEMEA Client Forums - Greece;
- RIGA COMM 2022 - Latvia;
- Nordic Fintech Week 2022 – The Netherlands;
- Money 20/20 - The Netherlands;
- Slush 2022 - Finland.

### Primary Risks

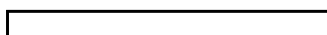
Wallester's main economic risks are related to the general macroeconomic situation in Europe, which has a direct impact on our clients' business volumes. Business risks relate to the timely and planned completion of the Company's development projects.

Wallester operates on the basis of socially, economically and environmentally responsible principles, with a strong focus on compliance with relevant regulations, including the prevention of money laundering and terrorist financing.

As the Company does not have significant foreign currency settlements or investments on the stock exchange, we consider the risks associated with these areas to be low. As with most service industries, the end of the year has a higher turnover than the beginning of the year, but seasonality does not have a significant impact on Wallester's business.

Given the nature, scale and complexity of the Company's activities, the Board considers the risk control measures to be appropriate.

### Key Ratios of the Company



		2022	2021
Profit (loss) for the reporting period		- 400 095	- 960 327
EBITDA (OIBDA)	Operating profit (-loss) + depreciation	- 142 891	- 737 349
	(sales revenue – goods, raw materials, material and services)		
Profitability of sales	/ sales revenue	63.83%	20.09%
Overall level of solvency	Current assets / short term liabilities	1.15	1.29
omakapital kogu varade suhtes	Equity / assets	0.26	0.43
Equity in relation to total assets	Money and its equivalents / short term liabilities	1.04	0.80
EBITDA margin %	Operating profit+depreciation / sales revenue	-3.63%	-93.30%
ROA (%)	Net profit / total assets * 100	-4.22%	-46.69%
ROE (%)	Reporting period profit / equity	-16,15%	-109,40%

## The annual accounts

### Statement of financial position

(In Euros)

	31.12.2022	31.12.2021	Note
Assets			
Current assets			
Cash and cash equivalents	1 788 569	141 434	2
Receivables and prepayments	6 234 723	986 677	3,4,6
Inventories	63 582	154 418	5
<b>Total current assets</b>	<b>8 086 874</b>	<b>1 282 529</b>	
Non-current assets			
Receivables and prepayments	693 808	235 000	3,4
Property, plant and equipment	4 193	7 120	7
Intangible assets	702 650	532 098	8
<b>Total non-current assets</b>	<b>1 400 651</b>	<b>774 218</b>	
<b>Total assets</b>	<b>9 487 525</b>	<b>2 056 747</b>	
Liabilities and equity			
Liabilities			
Current liabilities			
Payables and prepayments	7 009 806	1 178 933	6,9,10
<b>Total current liabilities</b>	<b>7 009 806</b>	<b>1 178 933</b>	
<b>Total liabilities</b>	<b>7 009 806</b>	<b>1 178 933</b>	
Equity			
Issued capital	684 238	484 238	11
Share premium	6 214 377	4 414 377	
Retained earnings (loss)	-4 020 801	-3 060 474	
Annual period profit (loss)	-400 095	-960 327	
<b>Total equity</b>	<b>2 477 719</b>	<b>877 814</b>	
<b>Total liabilities and equity</b>	<b>9 487 525</b>	<b>2 056 747</b>	

## Income statement

(In Euros)

	2022	2021	Note
Revenue	3 940 772	790 267	12
Other income	13 161	777	
Work performed by entity and capitalised	306 072	0	8
Raw materials and consumables used	-1 425 542	-631 492	13
Other operating expense	-890 429	-168 521	14
Employee expense	-2 046 378	-726 690	15
Depreciation and impairment loss (reversal)	-257 073	-222 587	7,8
Significant impairment of current assets	-14 576	0	
Other expense	-25 971	-1 690	
<b>Operating profit (loss)</b>	<b>-399 964</b>	<b>-959 936</b>	
Interest income	617	3	
Interest expenses	-548	0	
Other financial income and expense	-200	-394	
<b>Profit (loss) before tax</b>	<b>-400 095</b>	<b>-960 327</b>	
<b>Annual period profit (loss)</b>	<b>-400 095</b>	<b>-960 327</b>	

## Notes

### Note 1 Accounting policies

#### General information

The annual accounts of Wallester AS for 2022 have been prepared in accordance with the Estonian Financial Reporting Standard. The Estonian Financial Reporting Standard is a set of financial reporting requirements for the public, based on internationally accepted accounting and reporting principles, the basic requirements of which are established by the Accounting Act of the Republic of Estonia, and specified in the guidelines of the Accounting Standards Board.

The financial statements have been prepared in euros.

Wallester AS has prepared the annual report of a small enterprise, which consists of the balance sheet, an income statement and notes.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and current account balances.

#### Receivables and prepayments

Trade receivables include short-term receivables arising in the ordinary course of business, except for receivables from other group companies. Accounts receivable have been valued in the balance sheet based on the amounts likely to be received. In doing so, the outstanding invoices of each specific customer are assessed separately, taking into account the known information on the customer's solvency. Doubtful accounts are written down in the balance sheet to the probable amount to be received (the write-down is recognized in the balance sheet in a separate line "Doubtful accounts") and is recognized as an expense in the income statement. Bad debts have been derecognised. Receivables from previously written-down doubtful accounts are recognized as a reduction of the cost of doubtful accounts. Due to the specific nature of the company's activities, cash in special settlement accounts with banks is recorded as accrued income in the balance sheet.

#### Plant, property and equipment and intangible assets

Tangible fixed assets are assets used in the company's own economic activities with a useful life of more than one year and a cost of 1,000 euros or more. Assets with a useful life of more than one year but with an acquisition cost of less than EUR 1,000 are recognized as an expense as the asset is taken into use.

Tangible fixed assets shall be recorded in the balance sheet at acquisition cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure on an item of tangible fixed assets shall be recognized as a tangible fixed asset when it is probable that future economic benefits associated with the item will flow to the enterprise and the cost of the item can be measured reliably.

Other maintenance and repair costs are recognized as an expense when the expense incurs.

Amortization is calculated using the straight-line method. The amortization rate is determined for each item of tangible fixed assets separately, depending on its useful life. If an item of tangible fixed assets consists of distinguishable components that have different useful lives, those components are accounted for as separate items of assets and amortization rates are determined separately according to their useful lives.

Amortization rates per year for groups of fixed assets are as follows:

Other tangible fixed assets 20-40%

Amortization starts to be calculated from the moment when the asset is usable according to the purpose planned by the management and ends when the residual value exceeds the carrying amount or until the asset is permanently withdrawn from use. At each balance sheet date, the reasonableness of the amortization rates used, the amortization method and the residual value are assessed.

If the recoverable amount of an item of fixed assets (i.e. the higher of the two following indicators: an asset's fair value less costs to sell, or its value in use) is less than its carrying amount, the items of tangible fixed assets are written down to their recoverable amount.

Intangible assets are initially recognized at their acquisition cost, which consists of the purchase price and expenses directly related to the acquisition. Intangible assets are recorded in the balance sheet at acquisition cost less accumulated amortization and any possible impairment losses.

In recognising development expenditure, an entity follows the accounting policy for intangible assets because all the criteria below are met:

- (i) the technical and financial capability and positive intention to carry out the project exist;
- (ii) the entity has the ability to use or sell the asset to be created;
- (iii) the future economic benefits embodied in the intangible asset can be estimated (including the existence of a market for the products that will result from the project); and the products and services resulting from the project);
- (iv) the level of development expenditure can be measured reliably.

Costs associated with the development of software for a project developed in-house are capitalised and consist primarily of internal staff costs.

Amortization is calculated using the straight-line method. The amortization rate is determined separately for each item of intangible asset, depending on its useful life, 3-5 years.

#### Financial liabilities

All financial liabilities (trade payables, borrowings, accrued expenses and other short-term and long-term liabilities) are initially recognized at their acquisition cost, which includes all expenses related to acquisition. Subsequent recognition is based on the adjusted acquisition cost method.

The adjusted acquisition cost of short-term financial liabilities is generally equal to their nominal value, therefore short-term financial liabilities are recognized in the balance sheet in the amount payable. The adjusted cost of long-term financial liabilities is calculated using the effective interest method.

#### Revenue recognition

Revenues are recognized according to the following main types of revenue:

- sales revenue
- other operating income
- interest income.

Revenue is recognized at the fair value of the consideration received or to be received. If the payment is received immediately or within a short period after the transaction, the sales revenue is equal to the amount of cash received.

If the revenues would not be received in the short-term period (over 12 months) the sales revenue is recorded in the present value of the considerations to be received in future. The difference between the nominal value of the consideration receivable and the fair value is recognized as interest income during the period between the recognition of the sale and the receipt of the consideration.

- Revenue from sales of services

Revenue from the service rendered during a short period is recognized immediately after the service is rendered. The revenue from the service rendered over a longer period is recognized based on the level of completion method, i.e. the revenue from the provision of the service is recognized in proportion to the costs associated with the provision of the service in the same periods. In project accounting, the object identifier added to the record is used to link the revenues and costs of the service.

- Interest income

Interest income is calculated using the effective interest rate method, except when the receipt of interest is uncertain. In such cases, interest income is calculated on a cash basis.

#### Taxation

In accordance with applicable laws of the Republic of Estonia, the Estonian entities do not pay income tax on profits.

Instead of the income tax payable on profits, the Estonian entities pay corporate income tax on dividends, fringe benefits, gifts, donations, costs of entertaining guests, non-business related disbursements and adjustments of the transfer price. As of 01 January 2015 the current tax rate is 20/80 on the amount paid out as net dividends. From 2019, tax rate of 14/86 can be applied to dividend payments. The more beneficial tax rate can be used for dividend payments in the amount of up to the average dividend payment during the three preceding years that were taxed with the tax rate of 20/80. When calculating the average dividend payment of three preceding years, 2018 will be the first year to be taken into account. Due to the specific nature of the taxation system, there are no temporary differences between the tax values of assets and liabilities and the residual accounting values between and therefore no deferred income tax assets and liabilities arise.

#### Related parties

In preparing the annual report of Wallester AS, the following parties have been considered related parties:

- \* owners (parent company and persons controlling or having significant influence over the parent company);
- \* executive and senior management;
- \* close family members of the persons listed above and companies controlled or significantly influenced by them.

## Note 2 Cash and cash equivalents

(In Euros)

	31.12.2022	31.12.2021
Money and bank accounts	1 788 569	141 434
<b>Total cash and cash equivalents</b>	<b>1 788 569</b>	<b>141 434</b>



## Note 3 Receivables and prepayments

(In Euros)

	31.12.2022	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	502 230	502 230	0	
Accounts receivables	528 150	528 150	0	
Allowance for doubtful receivables	-25 920	-25 920	0	
Tax prepayments and receivables	6 573	6 573	0	6
Other receivables	6 210 921	5 517 113	693 808	
Accrued income	6 210 921	5 517 113	693 808	4
Prepayments	208 807	208 807	0	
Deferred expenses	152 842	152 842	0	
Other paid prepayments	55 965	55 965		
<b>Total receivables and prepayments</b>	<b>6 928 531</b>	<b>6 234 723</b>	<b>693 808</b>	

	31.12.2021	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	53 664	53 664	0	
Accounts receivables	55 008	55 008	0	
Allowance for doubtful receivables	-1 344	-1 344	0	
Tax prepayments and receivables	20 956	20 956	0	6
Other receivables	1 035 152	800 152	235 000	
Accrued income	1 035 152	800 152	235 000	4
Prepayments	111 905	111 905	0	
Deferred expenses	111 905	111 905	0	
<b>Total receivables and prepayments</b>	<b>1 221 677</b>	<b>986 677</b>	<b>235 000</b>	

## Note 4 Other receivables

(In Euros)

	31.12.2022	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accrued income	6 210 921	5 517 113	693 808	3
Partner's amounts held on special accounts in partner banks	5 517 113	5 517 113		
Amounts deposited with VISA	677 000		677 000	
The guarantee deposit	16 808		16 808	
<b>Total other receivables</b>	<b>6 210 921</b>	<b>5 517 113</b>	<b>693 808</b>	

	31.12.2021	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accrued income	1 035 152	800 152	235 000	3
Partner's amounts held on special accounts in partner banks	800 152	800 152		
Amounts deposited with VISA	235 000		235 000	
<b>Total other receivables</b>	<b>1 035 152</b>	<b>800 152</b>	<b>235 000</b>	

## Note 5 Inventories

(In Euros)

	31.12.2022	31.12.2021
<b>Raw materials</b>	<b>63 582</b>	<b>154 418</b>
Stock held by others	63 582	154 418
<b>Total Inventories</b>	<b>63 582</b>	<b>154 418</b>

## Note 6 Tax prepayments and liabilities

(In Euros)

	31.12.2022		31.12.2021	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Value added tax	0	44 841	0	13 729
Personal income tax	0	35 201	0	14 708
Fringe benefit income tax	0	822	0	10
Social tax	0	61 283	0	24 962
Contributions to mandatory funded pension	0	2 368	0	1 026
Unemployment insurance tax	0	4 170	0	1 578
Prepayment account balance	6 573		20 956	
<b>Total tax prepayments and liabilities</b>	<b>6 573</b>	<b>148 685</b>	<b>20 956</b>	<b>56 013</b>

## Note 7 Property, plant and equipment

(In Euros)

		Total
	Other property, plant and equipment	
<b>31.12.2020</b>		
Carried at cost	35 858	35 858
Accumulated depreciation	-21 957	-21 957
<b>Residual cost</b>	13 901	13 901
Depreciation	-6 781	-6 781
<b>31.12.2021</b>		
Carried at cost	35 858	35 858
Accumulated depreciation	-28 738	-28 738
<b>Residual cost</b>	7 120	7 120
Depreciation	-2 927	-2 927
<b>31.12.2022</b>		
Carried at cost	35 858	35 858
Accumulated depreciation	-31 665	-31 665
<b>Residual cost</b>	4 193	4 193

## Note 8 Intangible assets

(In Euros)

		Total
	Other intangible assets	
<b>31.12.2020</b>		
Carried at cost	1 045 387	1 045 387
Accumulated depreciation	-358 581	-358 581
<b>Residual cost</b>	686 806	686 806
Acquisitions and additions	61 098	61 098
Depreciation	-215 806	-215 806
<b>31.12.2021</b>		
Carried at cost	1 106 485	1 106 485
Accumulated depreciation	-574 387	-574 387
<b>Residual cost</b>	532 098	532 098
Acquisitions and additions	424 698	424 698
Depreciation	-254 146	-254 146
<b>31.12.2022</b>		
Carried at cost	1 531 183	1 531 183
Accumulated depreciation	-828 533	-828 533
<b>Residual cost</b>	702 650	702 650

The Management Board on the regular basis (at least annually) assesses the intangible assets recognized on the balance sheet for the presence of impairment signs. In particular as the company is currently being in the growth stage, generating net losses for several periods, the Management performed the assessment of the future net cash-flows to be generated from its main activities, in the provision of which intangible are used. The recoverable amounts of intangible assets were determined based on value in use calculation by using discounted cash-flow model. The valuation uses cash-flow projections, which are based on financial estimates covering maximum of five-year period.

The estimation of future cash-flows and selection of discount rate require the use of judgements and estimates from management.

## Note 9 Payables and prepayments

(In Euros)

	31.12.2022	Within 12 months	Note
Trade payables	196 543	196 543	
Employee payables	357 669	357 669	
Tax payables	148 685	148 685	6
Other payables	6 228 013	6 228 013	10
Other accrued expenses	6 228 013	6 228 013	
Prepayments received	78 896	78 896	
Other received prepayments	78 896	78 896	
<b>Total payables and prepayments</b>	<b>7 009 806</b>	<b>7 009 806</b>	
	31.12.2021	Within 12 months	Note
Trade payables	55 304	55 304	
Employee payables	132 589	132 589	
Tax payables	56 013	56 013	6
Other payables	763 248	763 248	10
Other accrued expenses	763 248	763 248	
Prepayments received	171 779	171 779	
Other received prepayments	171 779	171 779	
<b>Total payables and prepayments</b>	<b>1 178 933</b>	<b>1 178 933</b>	

## Note 10 Other payables

(In Euros)

	31.12.2022	Within 12 months	Note
Other accrued expenses	6 228 013	6 228 013	9
Clients' money	5 121 356	5 121 356	
Collateral received from Clients	615 171	615 171	
Settlement obligations to VISA	457 586	457 586	
Other accrued charges	33 900	33 900	
<b>Total other payables</b>	<b>6 228 013</b>	<b>6 228 013</b>	
	31.12.2021	Within 12 months	Note
Other accrued expenses	763 248	763 248	9
Clients' money	473 080	473 080	
Collateral received from Clients	290 168	290 168	
<b>Total other payables</b>	<b>763 248</b>	<b>763 248</b>	

## Note 11 Share capital

(In Euros)

	31.12.2022	31.12.2021
Share capital	684 238	484 238
Number of shares (pcs)	684 238	484 238
Nominal value of shares	1	1

1) In 2021, 50 000 new ordinary shares with a nominal value of 50 000 EUR were issued at a premium of 450 000 EUR.

2) During the reporting period 200 000 new ordinary share with the nominal value of 200 000 EUR were issued at premium of 1 800 000 EUR.

## Note 12 Net sales

(In Euros)

	2022	2021
Net sales by geographical location		
Net sales in European Union		
Estonia	767 976	502 090
Bulgaria	54 778	8 050
Cyprus	200 096	6 501
Denmark	94 793	36 058
Germany	38 402	20 000
Latvia	151 794	18 882
Lithuania	1 779 156	85 657
France	22 693	0
Hungary	35 440	0
Ireland	29 660	0
Other European Union net sales	54 855	10 330
<b>Total net sales in European Union</b>	<b>3 229 643</b>	<b>687 568</b>
Net sales outside of European Union		
Switzerland	69 402	11 000
United Kingdom	641 031	91 699
Other net sales outside of European Union	696	0
<b>Total net sales outside of European Union</b>	<b>711 129</b>	<b>102 699</b>
<b>Total net sales</b>	<b>3 940 772</b>	<b>790 267</b>
Net sales by operating activities		
Payment services	3 940 772	790 267
<b>Total net sales</b>	<b>3 940 772</b>	<b>790 267</b>

## Note 13 Goods, raw materials and services

(In Euros)

	2022	2021
Goods purchased for resale	295 621	38 087
Services purchased for resale	1 129 921	593 405
<b>Total goods, raw materials and services</b>	<b>1 425 542</b>	<b>631 492</b>

## Note 14 Miscellaneous operating expenses

(In Euros)

	2022	2021
Leases	15 200	1 200
Miscellaneous office expenses	48 051	0
Travel expense	18 680	11 900
Training expense	5 382	1 435
Consultation costs	52 448	23 031
Accounting and audit costs	76 359	18 250
Advertising	486 530	81 562
Bank services	151 958	6 849
Other	35 821	24 294
<b>Total miscellaneous operating expenses</b>	<b>890 429</b>	<b>168 521</b>

## Note 15 Labor expense

(In Euros)

	2022	2021
Wage and salary expense	1 529 509	543 769
Social security taxes	506 582	182 921
Pension expense	10 287	0
<b>Total labor expense</b>	<b>2 046 378</b>	<b>726 690</b>
Average number of employees in full time equivalent units	43	15

The option program is finished.

## Note 16 Related parties

(In Euros)

Name of accounting entity's parent company	Placet Smart Solutions OÜ
Country where accounting entity's parent company is registered	Estonia
Group name where parent company belongs	Placet Group OÜ
Country where group's parent company is registered	Estonia

**Related party balances according to groups**

<b>SHORT TERM</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
<b>Receivables and prepayments</b>		
Parent company	109 257	0
Other entities belonging into same consolidation group	10 855	13 302
<b>Total receivables and prepayments</b>	<b>120 112</b>	<b>13 302</b>
<b>Payables and prepayments</b>		
Other entities belonging into same consolidation group	335 159	324 792
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	162 018	0
<b>Total payables and prepayments</b>	<b>497 177</b>	<b>324 792</b>

<b>LONG TERM</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Receivables and prepayments		
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	16 808	0
<b>Total receivables and prepayments</b>	<b>16 808</b>	<b>0</b>

<b>SOLD</b>	<b>2022</b>	<b>2021</b>
	<b>Services</b>	<b>Services</b>
Parent company	109 257	0
Other entities belonging into same consolidation group	179 784	156 140
<b>Total sold</b>	<b>289 041</b>	<b>156 140</b>

<b>BOUGHT</b>	<b>2022</b>	<b>2021</b>
	<b>Services</b>	<b>Services</b>
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	15 200	1 200
<b>Total bought</b>	<b>15 200</b>	<b>1 200</b>

Remuneration and other significant benefits calculated for members of management and highest supervisory body		
	<b>2022</b>	<b>2021</b>
Remuneration	309 546	254 141

Amounts presented as payables and prepayments includes outstanding liabilities of the Company before its related Partners for the card transaction and payment processing, although the amounts presented as sales and purchases turnover are presented on net basis and attributable only to the fees received by the Company in the reporting period.





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Translation of the Estonian Original

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholder of Wallester AS

#### *Opinion*

We have audited the financial statements of Wallester AS, which comprise the balance sheet as at 31 December 2022, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Wallester AS as at 31 December 2022, and its financial performance for the year then ended in accordance with the Estonian Financial Reporting Standard.

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (Estonia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in Estonia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code.

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

#### *Other information*

Management is responsible for the other information. Other information consists of management report, but does not consist of the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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.

#### *Responsibilities of management and those charged with governance for the financial statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Estonian Financial Reporting Standard, and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### ***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 International Standards on Auditing (Estonia) 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.

As part of an audit in accordance with International Standards on Auditing (Estonia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Tallinn, 21 June 2023

*/signed digitally/*

Olesia Abramova  
Authorised Auditor's number 561  
Ernst & Young Baltic AS  
Audit Company's Registration number 58