

ANNUAL REPORT

beginning of financial year: 01.01.2020

end of the financial year: 31.12.2020

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Management report

1.1. General

Wallester AS (hereinafter “Wallester” or “the Company”) is a financial technology (fintech) company that operates on the basis of a payment institution license issued by the Financial Supervision Authority. The main activities of the company are the issuance of payment instruments, the acceptance of payment transactions and the execution of payment transactions.

Wallester focuses on the White-label payment instrument issuance service. The service is intended for business customers. Wallester's flexible solution and simplified integration enables the business customer to introduce its branded payment cards and bringing its product to market quickly.

1.2. New ownership and management structure

The most important event of the reporting year was the acquisition of Wallester shares by Placet Smart Solutions. On November 16, 2020, the Financial Supervision Authority granted the acquirer permission to acquire a 100% shareholding in Wallester.

Placet Smart Solution OÜ belongs to the consolidation group of Placet Group OÜ. Placet Group OÜ group as the parent company of the group is a successful provider of credit and mortgage loans with a strong capitalization and an activity license issued by the Financial Supervision Authority. The change of shareholder brought about changes in the composition of the company's management board and supervisory board.

Wallester has a two-tier management structure. The company is managed by a three-member board: Sergei Astafjev (Chairman of the Board), Dmitri Logvinenko and Fred Sooläte. The company's supervisory board consists of: Reimo Hammerberg (Chairman of the Supervisory Board), Aleksandr Kostin and Valentina Pungner.

1.3. Investment policy

Wallester's new investment policy is based on the shareholder's willingness to capitalize the company to the extent necessary to ensure the availability of sufficient own and liquid funds and the company's compliance with prudential requirements. Sufficient resources are also ensured to create an effective organizational structure for Wallester, to carry out extensive IT developments, marketing activities and to perform other important functions of the company.

1.4. Clients

As of 2020, Wallester's anchor customers are the Estonian post-paid market giant Holm Bank AS, which has launched the "Liisi credit card" program in cooperation with Wallester, and Placet Group OÜ, which offers its own credit card in Estonia with a cashback program.

Wallester has also started and is in successful negotiations with a number of lenders and e-money institutions in Lithuania, Latvia, Malta and other EEA countries. The level of launching the White-label payment card program enables Wallester's business partner to make its service available to the end customer already within 4-6 months.

Potential business customers can find Wallester through websites wallester.com and visa.com. There are constant inquiries. The website¹ of the international payment card organization Visa introduces Wallester as a pan-European payment service provider.

¹ <https://partner.visa.com/site/partner-directory/wallester-as.html>

1.5. Cross - border activities

The payment service provided by Wallester has attracted interest in several EEA and EU countries, but the right to provide cross-border payment services is a precondition for maintaining interest and starting pre-contractual negotiations. As of 2020, Wallester's license enabled the company to provide cross-border services in Latvia, Lithuania, Finland, Sweden, Denmark and Norway. In December 2020, Wallester submitted an application to the Financial Supervision Authority for the provision of cross-border services in all other countries of the European Economic Area and the European Union. On April 19, 2021, the Financial Supervision Authority gave Wallester a "green light" for cross-border activities in all EEA and EU countries.

1.6. Principal member and partner of Visa

Wallester is a payment institution with the status of a principal member of the International Payment Card Organization Visa. Cooperation with Visa is a partnership of strategic importance. For Wallester, Visa is not only an intermediary for payment transactions, but also an important marketing channel. For Visa, Wallester is not only an issuer of payment instruments, but also a promising, fast and flexible marketer of Visa payment cards.

2. Directions for 2021

The year 2021 will be very intense for Wallester in terms of new and important events.

The number of Wallester employees has increased significantly to provide opportunities for development. Sales and project management teams have been strengthened, and the staffing of the legal and compliance department has been improved.

The company's risk management model and internal control system have been updated and improved. All internal rules of procedure and processes have been updated to ensure that Wallester's activities as a payment institution operating on a regulated financial market comply with regulatory and monitoring requirements.

As regards cross-border expansion, applications for authorization to provide payment services in the United Kingdom and Switzerland have been launched.

Ensuring security in data processing and intermediation of payment transactions is important in the provision of payment services. Wallester has begun extensive preparations for auditing the compliance with the Payment Card Industry Data Security Standard (PSI DSS). Passing the PSI DSS compliance audit increases Wallester's credibility and reputation in the eyes of all business customers and partners.

Developing cooperation with regulated credit and financial institutions remains important. At the same time, however, Wallester is increasing its ability to provide payment services to companies that are not subject to financial supervision. Among of the most important tasks of this business line are the creation of a comfortable and customer-friendly self-service environment and the automation of AML / CFT / KYC processes.

Given that payment services can be provided in all European countries, Wallester's priority is to provide its customers with access to multi-currency supported payment solutions. Wallester has focused on the development of payment solutions that allow it to execute various payment transactions in different currencies, and plans to offer its customers the appropriate technologies as early as in summer 2021.

In the European Union, the International Bank Account Number (IBAN) is used for more efficient and faster processing of international payments. When using IBAN, the payment systems used in different European Union member states recognize customers' account numbers and are able to check their accuracy. The introduction of IBAN will improve the automatic processing of payments, speed up the flow of money and create preconditions for lowering service fees. Wallester aims to introduce IBAN in the summer months of 2021.

Today, it is not possible to be an attractive payment service provider without the ability to use technologies such as Apple Pay, Google Pay and Garmin Pay to make secure card purchases. It's as simple and even more secure than using a physical payment card. Wallester aims to add these solutions to its list of payment services by autumn 2021.

3. Main risks

Wallester's main economic risks are related to the general macroeconomic situation in Europe, which directly affects the business volumes of our customers. Business risks consist of the timely and planned completion of the company's development projects.

Wallester bases its activities on socially, economically and environmentally responsible principles, paying great attention to compliance with regulations in this area, including the prevention of money laundering and terrorist financing.

As the company does not have a significant amount of settlements in foreign currency or investments on the stock exchange, we assess the risks associated with these areas as low. Like most service industries, the year-end period has higher turnover numbers than the beginning of the year, but seasonality does not have a significant effect on Wallester's business.

Given the nature, scale and complexity of the company's operations, the Management Board considers the risk control measures to be sufficient.

4. Company key ratios:

		2020	2019
Profit (loss) for the reporting period		- 1 839 966	- 1 379 154
EBITDA (OIBDA)	Operating profit (-loss) + depreciation	- 553 181	- 931 444
Profitability of sales	(sales revenue – goods, raw materials, material and services) / sales revenue	-46,14%	-78,99%
Overall level of solvency	Current assets / short term liabilities	1,71	3,18
Equity in relation to total assets	Equity / assets	0,60	0,87
Level of monetary resources	Money and its equivalents / short term liabilities	1,63	2,84
EBITDA margin %	Operating profit+depreciation / sales revenue	-174,30%	-370,28%
ROA (%)	Net profit / total assets * 100	-82,44%	-45,06%
ROE (%)	Reporting period profit / equity	-137,50%	-51,50%

The annual accounts

Statement of financial position

(In Euros)

	31.12.2020	31.12.2019	Note
Assets			
Current assets			
Cash and cash equivalents	111 279	935 508	
Receivables and prepayments	1 413 683	275 567	2,3
Inventories	6 316	5 938	
Total current assets	1 531 278	1 217 013	
Non-current assets			
Property, plant and equipment	13 901	26 847	4
Intangible assets	686 806	1 817 052	5
Total non-current assets	700 707	1 843 899	
Total assets	2 231 985	3 060 912	
Liabilities and equity			
Liabilities			
Current liabilities			
Payables and prepayments	893 844	382 805	3,6
Total current liabilities	893 844	382 805	
Total liabilities	893 844	382 805	
Equity			
Issued capital	434 238	384 238	7
Share premium	3 964 377	3 514 377	
Other reserves	1 440 347	1 440 347	
Retained earnings (loss)	-2 660 855	-1 281 701	
Annual period profit (loss)	-1 839 966	-1 379 154	
Total equity	1 338 141	2 678 107	
Total liabilities and equity	2 231 985	3 060 912	

Income statement

(In Euros)

	2020	2019	Note
Revenue	317 380	251 549	8
Other income	18 188	220	
Work performed by entity and capitalised	115 807	496 534	
Raw materials and consumables used	-463 824	-450 243	9
Other operating expense	-71 417	-208 988	10
Employee expense	-451 510	-1 019 806	11
Depreciation and impairment loss (reversal)	-1 283 037	-447 800	4,5
Significant impairment of current assets	-1 344	0	2
Other expense	-16 461	-710	
Operating profit (loss)	-1 836 218	-1 379 244	
Interest income	40	90	
Interest expenses	-3 788	0	
Profit (loss) before tax	-1 839 966	-1 379 154	
Annual period profit (loss)	-1 839 966	-1 379 154	

Notes

Note 1 Accounting policies

General information

The annual accounts of Wallester AS for 2020 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, a statement of changes in equity 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.

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 depreciation 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.

Depreciation is calculated using the straight-line method. The depreciation 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 depreciation rates are determined separately according to their useful lives.

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

Other tangible fixed assets 20-40%

Depreciation 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 depreciation rates used, the depreciation 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 depreciation and any possible impairment losses.

Depreciation is calculated using the straight-line method. The depreciation rate is determined separately for each item of intangible asset, depending on its useful life.

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

Revenue from the sale of goods is recognized when all significant risks and rewards of ownership have been transferred to the buyer and the revenue and transaction costs can be measured reliably.

Revenue from the sale of services is recognized when the services are provided.

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

According to the Income Tax Act in force in Estonia, the company's profit for the financial year is not taxed in Estonia. Income tax is paid on dividends, special benefits, gifts, donations, entertainment expenses, non-business payments and transfer price adjustments.

Corporate income tax associated with the payment of dividends is recognized as a liability and an income tax expense in the income statement in the same period as the dividends are declared, regardless of the period for which they are declared or when they are actually paid.

As of 01.01.2019, 1/3 of the previous year's dividend is taxed in the following amount - dividends paid to a private owner are taxed at the rate of 14/86.

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 Receivables and prepayments

(In Euros)

	31.12.2020	Within 12 months	Note
Accounts receivable	35 674	35 674	
Accounts receivables	37 018	37 018	
Allowance for doubtful receivables	-1 344	-1 344	
Tax prepayments and receivables	3 709	3 709	3
Other receivables	1 344 932	1 344 932	
Accrued income	1 344 932	1 344 932	
Prepayments	29 368	29 368	
Deferred expenses	29 368	29 368	
Total receivables and prepayments	1 413 683	1 413 683	
	31.12.2019	Within 12 months	Note
Accounts receivable	15 299	15 299	
Accounts receivables	15 299	15 299	
Other receivables	151 515	151 515	
Accrued income	151 515	151 515	
Prepayments	108 753	108 753	
Deferred expenses	3 485	3 485	
Other paid prepayments	105 268	105 268	
Total receivables and prepayments	275 567	275 567	

Note 3 Tax prepayments and liabilities

(In Euros)

	31.12.2020		31.12.2019	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Value added tax	0	74 764	0	2 272
Personal income tax	0	1 363	0	17 875
Fringe benefit income tax	0	7	0	176
Social tax	0	2 304	0	30 985
Contributions to mandatory funded pension	0	139	0	1 781
Unemployment insurance tax	0	14	0	1 709
Prepayment account balance	3 709		0	
Total tax prepayments and liabilities	3 709	78 591	0	54 798

Note 4 Property, plant and equipment

(In Euros)

		Total
	Other property, plant and equipment	
31.12.2018		
Carried at cost	33 596	33 596
Accumulated depreciation	-9 573	-9 573
Residual cost	24 023	24 023
Acquisitions and additions	14 508	14 508
Depreciation	-10 889	-10 889
Disposals (in residual costs)	-795	-795
31.12.2019		
Carried at cost	46 431	46 431
Accumulated depreciation	-19 584	-19 584
Residual cost	26 847	26 847
Depreciation	-10 535	-10 535
Disposals (in residual costs)	-2 411	-2 411
31.12.2020		
Carried at cost	35 858	35 858
Accumulated depreciation	-21 957	-21 957
Residual cost	13 901	13 901

Disposed property, plant and equipment at selling price

	2020	2019
Machinery and equipment	2 810	794
Computers and computer systems	2 810	794
Total	2 810	794

Note 5 Intangible assets

(In Euros)

		Total
	Other intangible assets	
31.12.2018		
Carried at cost	1 944 695	1 944 695
Accumulated depreciation	-204 266	-204 266
Residual cost	1 740 429	1 740 429
Acquisitions and additions	513 534	513 534
Depreciation	-436 911	-436 911
31.12.2019		
Carried at cost	2 458 229	2 458 229
Accumulated depreciation	-641 177	-641 177
Residual cost	1 817 052	1 817 052
Acquisitions and additions	142 256	142 256
Depreciation	-1 272 502	-1 272 502
31.12.2020		
Carried at cost	1 045 387	1 045 387
Accumulated depreciation	-358 581	-358 581
Residual cost	686 806	686 806

Software development is recognized as an intangible asset.

Management estimates that all of the following criteria are met for intangible assets:

- (a) there are technical and financial possibilities and a positive intention to carry out the project;
- (b) the enterprise is able to use or sell the assets to be created;
- (c) the future economic benefits embodied in the intangible asset can be estimated;
- (d) the amount of development expenditure can be measured reliably.

The Management Board has estimated the recoverable amount of the intangible asset and according to the revenue forecast, the residual value of the intangible asset will be covered by the positive cash flow by 2022.

In connection with the acquisition of the status of a full member of VISA in November 2020, the residual value of the capitalized assets in connection with the acquisition of VISA associate membership in the amount of 760 thousand euros has been fully depreciated, and the acquisition cost of the respective assets of 1.55 million euros and accumulated depreciation have been removed from the balance sheet.

Note 6 Payables and prepayments

(In Euros)

	31.12.2020	Within 12 months	Note
Trade payables	58 673	58 673	
Employee payables	2 628	2 628	
Tax payables	78 591	78 591	3
Other payables	727 141	727 141	
Other accrued expenses	727 141	727 141	
Prepayments received	26 811	26 811	
Deferred income	11 550	11 550	
Other received prepayments	15 261	15 261	
Total payables and prepayments	893 844	893 844	
	31.12.2019	Within 12 months	Note
Trade payables	30 645	30 645	
Employee payables	84 693	84 693	
Tax payables	54 798	54 798	
Other payables	162 631	162 631	
Other accrued expenses	162 631	162 631	
Prepayments received	50 038	50 038	
Other received prepayments	50 038	50 038	
Total payables and prepayments	382 805	382 805	

Note 7 Share capital

(In Euros)

	31.12.2020	31.12.2019
Share capital	434 238	384 238
Number of shares (pcs)	434 238	384 238
Nominal value of shares	1	1

Note 8 Net sales

(In Euros)

	2020	2019
Net sales by geographical location		
Net sales in European Union		
Estonia	317 380	251 549
Total net sales in European Union	317 380	251 549
Total net sales	317 380	251 549
Net sales by operating activities		
Payment services	317 380	251 549
Total net sales	317 380	251 549

Note 9 Goods, raw materials and services

(In Euros)

	2020	2019
Goods purchased for resale	27 333	8 571
Services purchased for resale	436 491	441 672
Total goods, raw materials and services	463 824	450 243

Note 10 Miscellaneous operating expenses

(In Euros)

	2020	2019
Leases	-11 087	-14 219
Energy	-1 240	-8 051
Electricity	-590	0
Heat energy	-650	0
Water supply services	-110	0
Miscellaneous office expenses	-6 245	-12 097
Travel expense	-2 698	-16 880
Training expense	-414	-3 213
Consultation costs	-23 800	-92 187
Accounting and audit costs	-7 680	-25 414
Other	-18 143	-36 927
Total miscellaneous operating expenses	-71 417	-208 988

Note 11 Labor expense

(In Euros)

	2020	2019
Wage and salary expense	345 667	772 344
Social security taxes	105 843	227 333
Option program	0	20 129
Total labor expense	451 510	1 019 806
Average number of employees in full time equivalent units	5	17

The option program is finished.

Note 12 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

Balances with related parties by categories

	31.12.2020	
	Receivables	Liabilities
Other entities belonging into same consolidation group	21 221	198 804

Loans

2020	Loans received	Repayments of loans received	Interest paid	Interest rate	Base currency	Due date
Parent company						
Placet Smart Solutions OÜ	235 000	235 000	3 776	8,5%	EUR	31/12/2020

Purchases and sales of goods and services

	2020	
	Purchases of goods and services	Sales of goods and services
Other entities belonging into same consolidation group	5 025	85 462
Management, higher supervisory body and individuals with material ownership interest and the entities under their control or significant influence	11 350	

Remuneration and other significant benefits calculated for members of management and highest supervisory body	2020	2019
	Remuneration	144 204

Note 13 Impacts of the COVID-19

Existence of a new coronavirus (Covid-19) was confirmed in early 2020. At the time of writing the report, the second wave of Covid-19 has spread around the world, including to Estonia, again causing significant restrictions on economic activity. The ongoing virus outbreak of the coronavirus COVID-19 led many businesses to use Internet software. The company's management is convinced that the company will be able to successfully overcome the crisis situation caused by the coronavirus pandemic, taking into account, among other things, the fact that the services provided by the company are even more necessary in a crisis situation.

We have carefully assessed all the information available to us, including the potential impact of the coronavirus epidemic on the Company's operations, and we are confident that the going concern basis is fully applicable to the financial statements.



Independent Auditor's Report

To the Shareholder of Wallester AS

Our opinion

In our opinion, the abridged financial statements present fairly, in all material respects, the financial position of Wallester AS ("the Company") as at 31 December 2020, and the Company's financial performance for the year then ended in accordance with the Estonian financial reporting standard.

What we have audited

The Company's abridged financial statements comprise:

- the balance sheet as at 31 December 2020;
- the income statement for the year then ended; and
- the notes to the abridged financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the abridged financial statements section of our report.

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

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The Management Board is responsible for the other information. The other information comprises the Management report (but does not include the abridged financial statements and our auditor's report thereon).

Our opinion on the abridged 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 abridged financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the abridged 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

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Translation note:

This version of our report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.



material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management Board and those charged with governance for the abridged financial statements

The Management Board is responsible for the preparation and fair presentation of the abridged financial statements in accordance with the Estonian financial reporting standard and for such internal control as the Management Board determines is necessary to enable the preparation of abridged financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the abridged financial statements, the Management Board 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 the Management Board 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 abridged financial statements

Our objectives are to obtain reasonable assurance about whether the abridged 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 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 abridged financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the abridged 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 the Management Board.
- Conclude on the appropriateness of the Management Board'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 abridged 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.

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This independent auditor's report (translation of the Estonian original) should only be used with the annual report submitted into electronic Company Registration Portal in Centre of Registers and Information Systems.



- Evaluate the overall presentation, structure and content of the abridged financial statements, including the disclosures, and whether the abridged 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.

Lauri Past
Auditor's certificate no. 567

Märten Padu
Auditor's certificate no. 513

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14 May 2021
Tallinn, Estonia

Translation note:

This version of our report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

This independent auditor's report (translation of the Estonian original) should only be used with the annual report submitted into electronic Company Registration Portal in Centre of Registers and Information Systems.