



REPORT AND ACCOUNTS 2021

easypay

simple



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I - MANAGEMENT REPORT

In compliance with the ruling legal provisions, easypay's administration presents its management report and accounting documents for the year ended December 31, 2021.

INTRODUCTION

Easypay is a payment institution licensed and supervised by the Bank of Portugal, which is authorized to provide payment services in all countries in the SEPA zone.

Easypay, is a reference company in the national market of payment services in the B2B segment, allowing companies and individual entrepreneurs to receive their payments through a single platform and several payment instruments, such as Multibanco references, SEPA Direct Debit, Credit Card (Visa and Mastercard), MBWay and Bank Slip, contributing with innovative, flexible and simple solutions for the growth of its clients businesses, also assuring consultancy services to all types of companies looking for the best solution to manage and receive payments for their business, offering customized solutions.

The evolution of the company's management during the year 2021, especially with regard to market conditions, investments, costs, income and research and development activities

MARKET

The year 2021 was marked by the resumption of the growth trend in retail payments, interrupted in 2020 because of the Covid-19 pandemic.



The payment services market was under enormous pressure due to the change in behavior imposed by the Pandemic restrictions, which required important changes, so that payment operations were increasingly faster, safer and more convenient.

The Covid-19 Pandemic has changed the payment habits of the Portuguese, with the choice of electronic payment instruments being the clear mark of this change, with a greater preference for online shopping with a card and the greater use of contactless technology in operations face-to-face

Payment cards continued to be the most used payment instrument by the Portuguese, with card purchases having a growth that exceeded pre-pandemic values.

In this sense and in a context of increasing digitalisation, e-commerce took the leap and witnessed an exponential growth, with 2021 being the year in which its affirmation was seen.

THE COMPANY ACTIVITY

The year 2021 was characterized by a commercial strategy, more flexible in the use of different means of payment, with a unified price for all means of payment and with the development of innovative products such as check-out, pay later and Digital Iban, in which bank transfers are automatically identified as to the originator, invoice or payment to which it relates.

Easypay continued its focus on online commerce, providing companies and entrepreneurs with payment solutions suited to the new forms of development of economic activities.

In this context, easypay, in 2021, processed 5.4 million payment transactions corresponding to a transaction volume of approximately 283 million euros.

The company continued its strategy of developing an adequate internal organization consistent with the requirements and best practices of the sector of activity, with special emphasis on empowerment of the compliance and risk management structure units, as well as the development of a unique



technological capacity in the Portuguese market, with the restructuring of the respective structure unit in terms of human resources and internal organization.

Regarding the matter of risks, especially financial risks, there is nothing to underline considering that the risk management policies are sufficient and adjusted to the characteristics of the activities carried out.

The continuation of the Covid-19 Pandemic situation did not produce changes worthy of reporting in the company's activity in 2021, nor is it expected to produce them in 2022.

The operating results (EBIT) amounted to €687.946,91 and the Net Income for the year amounted to €515.929,74.

Relevant facts that occurred after the end of the year

After the end of the year, there were no relevant facts that should be reported.

The predictable evolution of society

In 2022, easypay will focus on increasing digital solutions that simplify and ensure that companies have access to the best payment instruments, ensuring that the solutions are present and available at all times, adapted to their needs, thus making more efficient the payment management and supporting companies to create innovative solutions adapted to new market conditions, which increasingly tend to converge towards digital.



One of **easypay**'s missions is to continue to accelerate this digital transition, identifying sectors and segments where it can be enhanced. The goal is to keep Portugal at the forefront of the digital transition.

Proposed application of results duly substantiated

Easypay, as a result of successive years of positive results and despite the various investments made, presents a very positive situation of equity that amounts to €1.798.529,97, with the full constitution of the legal reserve and which is essentially composed of free reserves, fully complying with the requirements in terms of own funds. In this context, and in compliance with the provisions of article 33 of the Commercial Companies Code, the management proposes the distribution to the partners of a global amount of one million euros, in the following terms:

- full distribution of the net income for the year in the amount of €515.929,74 (five hundred and fifteen thousand, nine hundred and twenty-nine euros and seventy-four cents);
- distribution of free reserves in the amount of €484.070,26 (four hundred and eighty-four thousand, and seventy euros and twenty-six cents).

It should be noted that even after the proposed distribution, the level of own funds will be in an amount exceeding 660 thousand euros, well above the amount required to comply with regulatory requirements, which is €461.160,44 for the year 2022.

The existence of company branches

The company has no branches and all operations are centralized at its headquarters in Lisbon.

The number and par value of the own shares acquired or sold during the period, the fraction of the subscribed capital they represent, the reasons for these acts and the respective price, as well as the number and par or book value of all the own shares held at the end of the period



The company does not hold its own shares nor were any transactions on its own shares carried out during the year 2021.

Other subjects.

The company has no debts to the State or Social Security in late payment situation.

Finally, a word of recognition is due to customers, suppliers and partners for their trust and interest and contribution to easypay's growth.

Lisbon, March 31, 2022

The Manager

EASYPAY - Payment Institution, LDA.

Financial Statements at 31 December 2021

March 31, 2022

BALANCE SHEET

(Amounts expressed in Euros)

Rubrics	Notes	31/12/2021	31/12/2020
ASSETS:			
Non-current asset :			
Tangible fixed assets	6	126 928,09	161 353,05
Intangible Assets	7	137 626,71	78 506,71
Financial investments – patrimonial equity method	8.6	44 258,44	41 265,79
Other non-current assets	8.7	9 781,33	6 394,07
		318 594,57	287 519,62
Current asset:			
Advances to suppliers	8.5	22 342,40	22 342,40
State and other public entities	8.2	181 660,13	82 881,00
Other third-party debts	8.3	170 525,58	112 454,57
Other current assets	4.1/8 .1	67 673,48	54 860,80
Cash and cash equivalents	4.1	7 027 526,56	6 340 144,28
		7 469 728,15	6 612 683,05
		7 788 322,72	6 900 202,67

EASYPAY - Payment Institution, LDA.
 Financial Statements as at 31 December 2021
 (Amounts expressed in Euros)

EQUITY:

Share capital	9	125 000,00	125 000,00
Legal reservations	9	25 000,00	25 000,00
Other reservations	9	1 116 139,57	556 480,39
Carried over results	9	13 833,40	13 833,40
Adjustments to financial assets	9	2 627,26	2 627,26

Net result for the period	9	515 929,74	671 710,28
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1 798 529,97	1 394 651,33
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PASSIVE:

Non-current liabilities:

-	-
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Current liabilities:

Providers	8.5	36 747,84	44 165,59
State and other public entities	8.2	253 800,88	349 754,06
Financing obtained	8.8	79 052,28	100 675,86
Other current lenders	8.4	5 620 191,75	5 010 955,83

5 989 792,75	5 505 551,34
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5 989 792,75	5 505 551,34
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7 788 322,72	6 900 202,67
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The certified accountant

The Manager

STATEMENT OF RESULTS BY NATURE

Rubrics	Notes	(Amounts expressed in Euros)	
		31/12/2021	31/12/2020
Services provision	10	3 485 631,46	3 583 080,67
Allocated gains/losses of subsidiaries, associates and joint ventures	8.6	2 701,33	(408,18)
Supplies and external services	11	(1 946 014,03)	(1 806 136,65)
Staff expenses	12	(743 467,14)	(614 901,57)
Other Income	13	10 299,62	3 471,54
Other Costs	14	(19 320,51)	(179 061,56)
Earnings before depreciation, financing expenses and taxes (EBITDA)		789 830,73	986 044,25
Depreciation and amortization expenses/reversals	15	(101 883,82)	(97 657,19)
Operating income (before financing expenses and taxes) (EBIT)		687 946,91	888 387,06
Interest and similar expenses incurred	16	(933,00)	(2 264,00)
Earnings Before Taxes (EBT)		687 013,91	886 123,06

EASYPAY - Payment Institution, LDA.
Financial Statements as at 31 December 2021
(Amounts expressed in Euros)

Tax over the period's income	17	(171 084,17)	(214 412,78)
Net income for the period		515 929,74	671 710,28

The certified accountant

The Manager

EASYPAY - PAYMENT INSTITUTION LDA

STATEMENT OF CHANGES IN EQUITY FOR 2020

(Amounts expressed in Euros)

Headings	Notes	Accomplished capital	Legal reserves	Other reserves	Transferred results	Adjustments to financial assets	Net income for the period	Total	Total Equity
Position as of 01-01-2020	1	125 000,00	25 000,00	274 387,19	13 833,40	2 627,26	321 360,56	762 208,41	762 208,41
Changes in the period									
Fair value adjustments		-	-	(4 267,36)	-	-	-	(4 267,36)	(4 267,36)
Other changes recognized in equity		-	-	286 360,56	-	-	(286 360,56)	-	-
	2	-	-	282 093,20	-	-	(286 360,56)	(4 267,36)	(4 267,36)

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EASYPAY - Payment Institution, LDA.

Financial Statements as of December 31, 2021
(Amounts expressed in Euros)

Net income for the period	3					671 710,28	671 710,28	671 710,28		
Full result	4=2+3					385 349,72	-	-		
Transactions with equity holders in the period										
Distributions		-	-	-	-	(35 000,00)	(35 000,00)	(35 000,00)		
	5	-	-	-	-	(35 000,00)	(35 000,00)	(35 000,00)		
Position as of 31-12-2020	6=1+2+ 3+5	9	125 000,00	25 000,00	556 480,39	13 833,40	2 627,26	671 710,28	1 394 651,33	1 394 651,33

EASYPAY - PAYMENT INSTITUTION LDA

STATEMENT OF CHANGES IN EQUITY FOR 2021

(Amounts expressed in Euros)

Financial Statements as of December 31, 2021
(Amounts expressed in Euros)

Headings	Notes	Accomplished capital	Legal reserves	Other reserves	Transited results	Adjustments to financial assets	Net income for the period	Total	Total Equity
Position as of 01-01-2021	6	125 000,00	25 000,00	556 480,39	13 833,40	2 627,26	671 710,28	1 394 651,33	1 394 651,33
Changes in the period									
Fair value adjustments		-	-	948,90	-	-	-	948,90	948,90
Other changes recognized in equity		-	-	558 710,28	-	-	(558 710,28)	-	-
	7	-	-	559 659,18	-	-	(558 710,28)	948,90	948,90
Net income for the period	8						515 929,74	515 929,74	515 929,74
Full result	9=7+8						(42 780,54)	-	-

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EASYPAY - Payment Institution, LDA.

Financial Statements as of December 31, 2021
(Amounts expressed in Euros)

Transactions with equity holders in the period

Distributions			-		-	-	(113 000,00)	(113 000,00)	(113 000,00)
	10		-	-	-	-	(113 000,00)	(113 000,00)	(113 000,00)
Position as of 31-12-2021	11=6+7+8+10	9	125 000,00	25 000,00	1 116 139,57	13 833,40	2 627,26	515 929,74	1 798 529,97

THE CERTIFIED ACCOUNTANT

THE MANAGER




CASH FLOW STATEMENT

(Amounts expressed in Euros)

Headings	Notes	31/12/2021
31/12/2020 Cash flows from operating activities - direct method		

Customer receipts	4 266 100,59	4 390 944,60
Payments to suppliers	(629 171,69)	(440 029,99)
Payments to staff	(720 476,38)	(610 525,62)
Cash generated by operations	2 916 452,52	3 340 388,99
Payment/receipt of income tax	(313191,91)	(127 350,83)
Other receipt/payments	(1 621 270,87)	156 185,83
Cash flows from operating activities (1)	981 989,74	3 369 223,99
Cash flows from investing activities		
Payments concerning to:		
Tangible fixed assets	(20 267,28)	(11 448,35)
Intangible assets	(53431,20)	
Receipts from:		
Interests and similar incomes	4,50	
Cash flows from investing activities (2)	(73 693,98)	(11 448,35)
Cash flows from financing activities		
Payments relating to:		
Obtained funding	(731,58)	(71
Interests and similar expenses	(933,00)	(
Dividends		(148 000,00)
		352,86)2 264,00)
Cash flows from financing activities (3)	(219 964,58)	(73 616,86)
Variation in cash and its equivalents (1+2+3)	688331,18	3 284158,78
6346 749,03	3 062 590,25	
Cash and cash equivalents at the beginning of the period		
Cash and cash equivalents at the end of the period	7 035 080,21	6 346 749,03

THE CERTIFIED ACCOUNTANT



THE MANAGER



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III - REPORT AND OPINION OF THE SOLE AUDITOR.



REPORT AND OPINION
OF THE
SOLE AUDITOR

Your Excellencies Partners of

EASYPAY – Payment Institution, Lda.

In compliance with the legal and statutory provisions, we must submit for your appreciation the report and opinion on the documents of accountability, presented by the Management of **EASYPAY – Payment Institution, Lda.** (the Entity), relating to the year ended December 31, 2021 and comprising the Management Report, the Balance Sheet, the Income Statement by Nature, the Statement of Changes in Equity, the Cash Flow Statement and the corresponding Attachment.

We examined the records and accounting documents, which were in good order, in compliance with the law and the statutes.

The analysis of the accounting documents and the Management Report allows us to conclude that the financial statements adequately reflect the Company's financial and equity situation as of December 31, 2021.

Thus, we are of the opinion that:

- a) The accounts presented by the Management deserve approval;
- b) The Management Report must also be approved.

Lisbon, April 07, 2022

Cascais, Pêga Magro & Roque, SROC Lda.

Represented by:

Pedro Nuno Ramos Roque, ROC nº 828
Registered in CMVM with n.º: 20160456

Cascais, Pêga Magro & Roque, SROC Lda.

Representada por:

Pedro Nuno Ramos Roque, ROC nº 828
Registado na CMVM com o n.º: 20160447

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IV - ACCOUNTS LEGAL CERTIFICATION



ACCOUNTS LEGAL CERTIFICATION

REPORT OF THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We audited the attached financial statements of **Easypay – Payment Institution, Lda.** (the Entity), comprising the balance sheet as at 31 December 2021 (which shows a total of EUR 7.788.322,72 and a total equity of EUR 1.798.529,97, including a net profit of EUR 515.929,74 EUR), the income statement by nature, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes attached to the financial statements that include a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents a true and fair view, in all material respects, of the financial position of **Easypay – Payment Institution, Lda.** as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union.

Basis for the opinion

Our audit was carried out in accordance with international audit standards (ISA) and other technical and ethical standards and guidelines of the Order of Statutory Auditors. Our responsibilities under these standards are described in the "Auditor's responsibilities for auditing the financial statements" section below. We are independent of the Entity in accordance with the law and comply with the other ethical requirements under the code of ethics of the Order of Statutory Auditors.

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

Emphasis



The developments of the COVID-19 Pandemic have a significant impact on people's health and society as a whole, increasing uncertainty about the operational and financial performance of organizations. In Note 21 of the Annex to the financial statements and in the Management Report, the main present impacts and future uncertainties resulting from the COVID-19 Pandemic are disclosed and reported, estimated by the Management for the Entity, based on the information available at the time, considering the Management, in these terms, that the continuity of operations will be ensured.

Our opinion is not modified in relation to this matter.

Responsibilities of the management body for the financial statements

The management body is responsible for:

- preparation of financial statements that present in a true and appropriate manner the financial position, financial performance and cash flows of the Entity in accordance with international financial reporting standards (IFRS) as adopted in the European Union;
- preparation of the management report in the applicable legal and regulatory terms;
- creation and maintenance of an appropriate internal control system to enable the preparation of financial statements free of material distortions due to fraud or error;
- adoption of appropriate accounting policies and criteria in the circumstances; and
- assessment of the Entity's ability to remain in continuity, disclosing, where applicable, matters that may raise significant doubts about the continuity of activities.

Auditor's responsibilities for auditing the financial statements



Our responsibility is to obtain reasonable security as to whether the financial statements as a whole are free from material distortions due to fraud or error, and to issue a report containing our opinion. Reasonable security is a high level of security but it is not a guarantee that an audit performed in accordance with ISA will always notice a material distortion when it exists. Distortions may originate from fraud or error and are considered material if, alone or jointly, they can reasonably be expected to influence economic decisions of users made on the basis of those financial statements.

As part of an ISA-based audit, we make professional judgments and maintain professional skepticism during the audit and also:

- we identify and assess the risks of material distortion of the financial statements due to fraud or error, design and perform audit procedures that respond to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material distortion due to fraud is greater than the risk of not detecting a material distortion due to error, as fraud may involve collusion, forgery, intentional omissions, false statements or overlap with internal control;
- we obtain an understanding of the internal control relevant to the audit with the aim of designing audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Entity's internal control;
- we assess the adequacy of the accounting policies used and the reasonableness of the accounting estimates and their disclosures made by the management body;
- we conclude about the appropriation of the use by the management body of the assumption of continuity and, based on the audit evidence obtained, whether there is any material uncertainty related to events or conditions that may raise significant doubts about the Entity's ability to continue its activities. If we conclude that there is material uncertainty, we should draw attention in our report to the related disclosures included in the financial statements or, if such disclosures are not appropriate, modify our opinion. Our findings are based on audit evidence obtained so far from our report. However, future events or conditions may lead the Entity to discontinue its activities;
- we evaluate the presentation, structure and overall content of the financial statements, including disclosures, and whether these financial statements represent the underlying transactions and events in order to achieve an appropriate presentation;



- we communicate with the governance officers, among other issues, the scope and planned timing of the audit, and the significant audit findings including any significant internal control deficiency identified during the audit.

Our responsibility also includes verifying the agreement of the information contained in the management report with the financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

About the management report

Complying with Article 451, n. 3 e) of the Code of Commercial Companies, we are of the opinion that the management report has been prepared in accordance with the applicable legal and regulatory requirements in force, the information contained therein is in agreement with the audited financial statements and, taking into account the knowledge and appreciation of the Entity, we do not identify material inaccuracies.

Lisbon, April 7, 2022

Cascais, Pêga Magro & Roque, SROC Lda.

Represented by:

Pedro Nuno Ramos Roque, ROC n.º 828
Registered in CMVM with the n.: 20160456

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V - MINUTE

MINUTES

MINUTE N. 35

On the twenty-nine days of April two thousand twenty-two, at 10:00 a.m., the General Assembly of members of Easypay – Payment Institution, Lda, a commercial company by shares, with its head office at Rua Soares de Passos, n. 14-B, in Lisbon, with the share capital of one hundred and twenty-five thousand euros, holder of the Legal Person Identification Card number 505237431 and enrolled in the Conservatory of the Commercial Register of Lisbon under the same number.

The meeting of the General Meeting took place at the head office without prior to any convocation or precedence of other formalities, in accordance with the second part of the number one of article fiftieth, of the Code of Commercial Companies.

The partner of the company Sebastiao José Ribeiro Ferreira de Lancastre participated and intervened in the meeting, holder of two shares, one with a nominal value of €115.250 and the other with the nominal value of €1.000 and the partner Bestinver, SA. Based in Rua Juan de Mena, n. 8, 1 Left , in Madrid, Spain, with the Spanish tax number A-78581881 and with the identification number of foreign equipped entity 980726638, holder of a share with the par value of €8.750, who was represented at the meeting by the partner Sebastiao Jose Ribeiro Ferreira de Lancastre, according to the mandate letter of April 5, 2022, which was received and filed with the company, thus representing the entirety of the share capital, with the intervening partners having declared to approve the constitution and holding of this General Meeting without prior notice or compliance with other legal formalities, under the terms provided for in the second part, number one, of article fifty-four, of the Commercial Companies Code, for the purposes of appreciation and deliberation on the following matters:

Item One: Management Report and accounts for the year ended December 31, 2021, including, in particular, the Balance Sheet, the Income Statement, the Report and Opinion of the Single Auditor and the Legal Certification of Accounts for the year of 2021.

Point Two: Proposed application of results for the year 2021 and distribution of free reserves.

Point Three: General assessment of the management and supervision of the company during the year 2021.

Also participated in the General Meeting of partners the representative of the Single Auditor of the company Dr. Pedro Roque.

The General Assembly was constituted under the chairmanship of the majority shareholder Sebastiao José Ribeiro Ferreira de Lancastre, under the terms of number four of article two hundred and forty-eight of the Commercial Companies Code, the meeting was immediately started to appreciate and deliberate on item one of the agenda (Management Report and accounts for the year ended December 31, 2021, including, in particular, the Balance Sheet, the Statement of Results, the Report and Opinion of the Single Auditor and the Legal Certification of Accounts for the year 2021), with the partners unanimously voting in favor of all partners to approve the Management Report and accounts for the year ended December 31 of 2021, including namely the Balance Sheet, the Income Statement, the Report and Opinion of the Single Auditor and

MINUTES

the Legal Certification of Accounts for the year 2021.

We moved on to the second item on the agenda (Proposal for the application of results for the 2021 financial year and distribution of free reserves), with unanimous votes in favor of all members to approve the application proposal of 2021 results and distribution of free reserves contained in the Management Report with the following content:

Proposed application of results duly substantiated

Easypay, as a result of successive years of positive results and despite the various investments made, presents a very positive situation of equity that amounts to €1.798.529,97, with the full constitution of the legal reserve and that essentially is composed of free reserves, fully complying with the requirements in terms of own funds.

In this context, and in compliance with the provisions of article 33rd of the Commercial Companies Code, the management proposes the distribution to the partners of a global amount of one million euros, in the following terms:

- full distribution of the net income for the year in the amount of €515.929,74 (five hundred and fifteen thousand, nine hundred and twenty-nine euros and seventy-four cents);
- distribution of free reserves in the amount of €484.070,26 (four hundred and eighty-four thousand, and seventy euros and twenty-six cents).

It should be noted that even after the proposed distribution, the level of own funds will be in an amount above 660 thousand euros, well above the amount required to comply with regulatory requirements, which is €461.160,44 for the year 2022

Item Three of the agenda followed (General appraisal of the management and supervision of the company during the 2021 financial year), with the partners unanimously voting in favor of all the partners to approve, in general terms, the management and supervision of the company in the year 2021, expressing a vote of confidence and praise to the Management and the Single Auditor.

And, there being no further business to discuss, the session was declared closed and these minutes were drawn up, which, after being said aloud, and signed by the partner Sebastião José Ribeiro Ferreira de Lancastre, on his own behalf and as a representative of the partner Bestinver, S.A. and also by the representative of the Single Auditor.

Sebastião José Ribeiro Ferreira de Lancastre
[Signature]