



Tuleva Fondid AS

**Annual report 2021
(Translation of the Estonian original)**

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Annual report:	01.01.2021 - 31.12.2021
Field of activity:	Pension fund management

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MANAGEMENT REPORT

Commercial association Tuleva (hereinafter “Tuleva”) is a company owned by its members which owns 100% of the shares of Tuleva Fondid AS (hereinafter the “Management Company”). The Management Company is an asset management company, which in 2021 managed two mandatory funded pension funds (or second pillar) and one voluntary funded pension fund (or third pillar) and it acts as a limited custodian of accounts, enabling people who have joined the pension funds to see the status of their second pillar and third pillar accounts, returns and submit applications for selecting or changing pension funds. The reports of the pension funds managed by the Management Company are available at the website tuleva.ee (subsection Association/Financial Statements).

The financial results of the Management Company and therefore Tuleva are affected the most by the volume of assets under management, as the company's main source of income - fund management fees - is defined as a fixed percentage of the volume of assets.

The assets managed by the Management Company amounted to EUR 380.1 million at the end of the year, an increase of EUR 151 million or 66% in a year. The increase in the volume of funds is mainly influenced by the number of new pension savers and their contributions, as well as by the number of pension savers who have left the fund and the volume of assets withdrawn. The volume of funds is also affected by world stock market returns.

World market returns

2021 was a very positive year for the global stock markets. Global stock markets grew by 27.5% in a year (1). The majority of the volume of funds managed by the Management Company, in addition to the capital of the Management Company, is also invested in global shares, and therefore the growth of the global stock markets had a significant impact on the financial results of Tuleva and the Management Company.

Unit prices of the Management Company's two pension funds that invest in shares, Tuleva World Equity Pension Fund and Tuleva 3rd Pillar Pension Fund increased by 24.4 and 26.3 percent, respectively, during the year (2). The lag from the global market index is partly due to the fund fees (0.45% per annum) and partly due to the fact that in both funds part of the money is held either in bank deposits or in government bonds.

The Management Company also earned EUR 1 120 662 in income from the revaluation of financial assets during the year (2020: EUR 249 254), directly attributable to the positive performance of the global stock markets.

Number of new and departed pension savers and contributions

In 2021, new pension savers continued to join the funds managed by the Management Company. As at the end of 2021, a total of 58 239 people were contributing to their second and third pillar pensions in Tuleva pension funds (at the end of 2020: 51 662 people). With three exchange periods, Tuleva's 2nd pillar funds received more than EUR 50 million in people's second pillar assets.

In addition to the money added to the fund with the change of the fund, the volumes of Tuleva pension funds increased also due to the contributions made by pension savers. Contributions to the second pillar were more modest since the state contributions to the second pillar were suspended from July

2020 until August 2021. By the end of the year, the state had restored its contributions and will compensate the outstanding amount retrospectively in 2023-2024.

By contrast, third pillar contributions were at record levels and amounted to EUR 36.9 million (2020: EUR 19.4 million). According to the Management Board estimation in 2021 nearly 40-50% of all contributions to the Estonian third pillar pension funds were made to Tuleva 3rd pillar pension fund. At the time of writing this report, Tuleva 3rd Pillar Pension Fund is the largest third pillar fund in Estonia in terms of assets.

Asset growth was negatively affected by the opportunity created by the funded pension reform that allowed pension savers to withdraw accumulated 2nd pillar assets before the retirement age. During the first quarter of 2021, over 2,000 pension savers in Tuleva 2nd pillar submitted an application to leave the second pillar, withdrawing in September over EUR 22 million from the funds.

In addition to the management fee linked to the volume of assets, Tuleva also earns income from the membership fees of the association. In 2021, a total of 627 pension savers joined Tuleva, increasing the number of members to 7 215. Seven people have requested to terminate their membership in the association.

Financial results of Tuleva

The operating profit before depreciation and amortisation and the investment profit of the Management Company, which is owned by the commercial association Tuleva, amounted to EUR 210 289 in 2021 (2020: EUR 110 224). The operating profit of Tuleva increased by EUR 1 120 662 from the revaluation of financial assets in 2021 (2020: EUR 249 254) less the depreciation of fixed assets in the amount of EUR 72 789 (2020: EUR 90 013). The Management Company ended the year with a net profit of EUR 1 258 162 (2020: EUR 269 465).

The main cause for the increase in the expenses of the Management Company was the increase in the number of employees. At the beginning of the year, the company hired an office manager/customer service representative, a contractual compliance and risk control agent and in the middle of the year hired a developer/CTO. In addition, there was a temporary workload increase of the communications specialist whose employment contract was transferred from Tuleva to the Management Company.

There were no significant changes in the equity of Tuleva and the Management Company in 2021.

Plans for 2022

Tuleva will continue to actively increase the volume of assets. At the beginning of January, Tuleva added EUR 11 million to the volume of pension funds from the results of the exchange period that ended in November 2021, and the number of new pension savers is expected to increase also in 2022. On the downside, the volume of assets is affected by the continued exit of pension savers from the second pillar. During the pension fund exchange period that ended in November 2021, the assets of the pension savers who filed their withdrawal applications will leave Tuleva pension funds in May, taking out EUR 5.9 million.

Tuleva will also continue to strengthen the organisation. In January, a controller was hired under an employment contract and more employees will be hired during the year.

Since Tuleva has been operating for five full years, the members have the right to decide on the

payment of dividends for the financial years 2017-2021, in accordance with the articles of association. The Management Board proposes to the General Meeting not to pay dividends and to reinvest the profit.

Tõnu Pekk

Member of the Management Board of Tuleva and Tuleva Fondid AS

(1) *Global market returns are based on the performance in euros of the iShares MSCI ACWI UCITS ETF, which follows the MSCI ACWI index. Source: Yahoo! Finance.*

(2) *All data of the Estonian pension funds are taken from the Pension Centre*

FINANCIAL STATEMENTS

Balance sheet

(in EUR)

	Note	31.12.2021	31.12.2020
ASSETS			
Cash and cash equivalents	2	320,727	158,516
Receivables and prepayments	3,12	129,767	91,456
Financial investments	4	5,950,605	4,829,943
Tangible assets		8,759	331
Intangible assets	5	64,361	101,328
TOTAL ASSETS		6,474,219	5,181,574
LIABILITIES AND EQUITY			
Payables and prepayments	6	133,727	107,004
TOTAL LIABILITIES		133,727	107,004
Share capital		3,000,000	3,000,000
Statutory reserve capital		300,000	300,000
Additional reserve capital		1,242,626	1,234,866
Net profit (-loss) for financial year		1,258,162	269,465
Retained earnings (-losses)		539,704	270,239
TOTAL EQUITY	7	6,340,492	5,074,570
TOTAL LIABILITIES AND EQUITY		6,474,219	5,181,574

The notes on pages 8-17 are an integral part of the financial statements.

Income statement

(in EUR)

	Note	2021	2020
Fee income	8	973,809	615,472
Fee expenses	9	-244,484	-,183,875
Finance income and expenses			
Interest income		23	12
Change in fair value of financial investments	4	1,120,662	249,254
Operating expenses			
Staff costs	10	-304,068	-,179,175
Administrative and other operating expenses	11	-214,991	-142,210
Depreciation and amortisation	5	-72,789	-,90,013
Net profit (loss) for financial year		1,258,162	269,465

The notes on pages 8-17 are an integral part of the financial statements.

Notes to the financial statements

Note 1 Accounting policies

General information

The financial statements of Tuleva Fondid AS for 2021 have been prepared in accordance with the Estonian Financial Reporting Standard. The basic requirements of the Estonian Financial Reporting Standard have been established in the Accounting Act of the Republic of Estonia, which is supplemented by the guidelines issued by the Accounting Standards Board. Tuleva Fondid AS has prepared condensed financial statements of a small-sized entity. The financial statements are presented in euros.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet include bank account balances.

Receivables and prepayments

Trade receivables, accrued income and other current and non-current receivables are stated at amortised cost. An assessment is made at each balance sheet date to determine whether there is any indication of potential impairment of financial assets. If any such indication exists, financial assets carried at amortised cost are written down to the present value of the payments expected to be received in the future. Impairment losses are recognised as an expense in the income statement.

Financial investments

Short and long-term financial investments in shares and other equity instruments are recognised at fair value if it can be measured reliably. Fair value changes are reported in the income statement. Shares and other equity instruments that are not publicly traded and whose fair value cannot be determined reliably, are carried at cost (i.e. original invoice amount less any impairment losses)

Tangible assets

Tangible assets are carried in the balance sheet at cost less any accumulated depreciation and any impairment losses. The straight-line method is used to calculate depreciation. The ranges of useful lives of groups of tangible assets are as follows:

Other tangible assets

- Office equipment 3 years

Intangible assets

Intangible assets are initially recognised at cost which consists of the purchase price and any other directly attributable expenditure. Intangible assets are carried in the balance sheet at cost, less any accumulated amortisation and any impairment losses. The straight-line method is used to calculate amortisation.

Development costs are costs that are incurred for development, design or testing of new processes or systems. Development costs are capitalised in the cost of intangible assets if there are technical and financial possibilities and a positive intention to implement the project, the company is able to use or sell the asset to be created and the amount of development costs and the future economic benefits attributable to the intangible asset can be measured reliably.

The ranges of useful lives of groups of intangible assets are as follows:

- Software 3 years

Impairment of assets

An assessment is made at each balance sheet date to determine whether there is any indication of potential impairment of items of property, plant and equipment and intangible assets. If any such indication exists, the recoverable amount of assets is assessed and compared with the carrying amount. The recoverable amount of the asset is the higher of its fair value less costs to sell and its value in use. The impairment of assets is recognised as an expense for the reporting period. At each following balance sheet date, the impaired assets are evaluated to determine whether it is possible that the recoverable value has increased and exceeds the carrying amount. In this case, the carrying amount of the assets is increased up to the amount that would have been recognised using regular depreciation over the years. Reversals of impairment losses are recognised as a reduction of the cost for the reporting period.

Financial liabilities

Financial liabilities (trade payables, accrued liabilities) are recognised at amortised cost.

Leases

A finance lease is a lease contract where all significant risks and rewards incidental to ownership of the asset are transferred to the lessee. Other leases are recognised as operating leases.

The company as the lessee

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

Provisions and contingent liabilities

A provision is recognised when an entity has a legal or constructive obligation as a result of an obligating event that occurs before the balance sheet date, the realisation of the obligation is probable and its amount can reliably be estimated. Other contingent or existing liabilities, the realisation of which is not probable or the amount of the related expenses cannot be estimated with sufficient reliability, are disclosed in the notes to the annual report as contingent liabilities.

Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable, taking into account all discounts and allowances provided. Fee and commission income is recognised after the service has been provided and the company is entitled to receive this amount.

Statutory reserve capital

Statutory reserve capital has been formed in accordance with the Commercial Code. Reserve capital is formed from annual net profit allocations. At least 1/20 of the net profit must be transferred to reserve capital in each financial year until reserve capital makes up 1/10 of share capital. Reserve capital can be used to cover losses, as well as to increase share capital. No payments may be made to shareholders from reserve capital.

Corporate income tax

According to the Estonian Income Tax Act, the annual profit of companies is not taxed in Estonia. Income tax is charged on dividends, fringe benefits, gifts, donations, costs of entertaining guests, non-business related disbursements and adjustments of the transfer price. Since 1 January 2015, the tax rate on the net dividends paid out of retained earnings is 20/80. Since 2019, the tax rate of 14/86 can be applied to dividend payments. This more favourable 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 the three previous financial years, 2018 will be the first year to be considered.

Note 2 Cash and cash equivalents

(in EUR)

	31.12.2021	31.12.2020
Bank accounts	320,727	158,516
Total	320,727	158,516

Note 3 Receivables and prepayments

(in EUR)

	Note	31.12.2021	31.12.2020
Receivables and prepayments from related parties	12	88,672	62,577
Other receivables and prepayments		41,095	28,879
Total receivables and prepayments		129,767	91,456

Note 4 Financial investments

(in EUR)

	Carrying amount at beginning of period	Acquired/sold	Cost	Change in value	Number (pcs)	Market value per unit 31.12.2021 (EUR)	Carrying amount at end of reporting period
Tuleva World Stocks Pension Fund	4,617,996	0	0	1,125,274	5,747,351	0.99929	5,743,271
Tuleva World Bonds Pension Fund	211,947	0	0	-4,612	306,250	0.67701	207,334
Total financial investments	4,829,943	0	0	1,120,662	6,053,601		5,950,605

	Carrying amount at beginning of period	Acquired/sold	Cost	Change in value	Number (pcs)	Market value per unit 31.12.2020 (EUR)	Carrying amount at end of reporting period
Tuleva World Stocks Pension Fund	4,374,251	0	0	243,745	5,747,351	0.8035	4,617,996
Tuleva World Bonds Pension Fund	206,437	0	0	5,510	306,250	0.69207	211,947
Total financial investments	4,580,688	0	0	249,254	6,053,601		4,829,943

The units of mandatory pension funds managed by Tuleva Fondid AS are recognised as financial investments. In accordance with clause §68 (2) of the Investments Funds Act, the management company shall own at least 0.5% of the units of mandatory pension funds under its management. In three subsequent years following the establishment of a mandatory pension fund, the management company shall own at least 2 percent of the units of this pension fund.

Note 5 Intangible assets

(in EUR)

	Computer software
Balance as at 31.12.2020	
Cost	287,545
Accumulated amortisation	-186,217
Carrying amount	101,328
Changes occurred in 01.01.2021 - 31.12.2021	
Purchases and improvements	33,020
Amortisation expense	-69,987
Balance as at 31.12.2021	
Cost	
	320,565
Accumulated amortisation	-256,204
Carrying amount	64,361

Intangible assets include the webpage and web application of Tuleva.

The biggest development project of 2020 was the upgrading of the web application's authentication and signature platform, as a result of which logging into the web application and signing is now possible using the SMART-ID. In addition, upgrades were also made in the membership account view of the web application and renewal of personal data.

In 2021, investments were made in increasing the ease of use of the web application.

Note 6 Payables and prepayments

(in EUR)

	31.12.2021	31.12.2020
Trade payables	22,712	47,640
Other short-term payables	57,054	27,847
Tax liabilities	24,868	13,566
Payables to employees	29,093	17,951
Total payables and prepayments	133,727	107,004

Note 7 Equity

	31.12.2021	31.12.2020
Share capital (in EUR)	3,000,000	3,000,000
Number of shares (pcs)	3,000,000	3,000,000
Nominal value (in EUR)	1	1

Additional reserve capital in the amount of EUR 1,242,626 (31.12.2020: EUR 1,234,866) consists of the following items:

- EUR 1,040,903 - the contribution into the association's membership capital made by the members of the commercial association Tuleva in 2019 which the association transferred to the fund management company. It was used to purchase the own shares of Tuleva World Stocks Pension Fund managed by the management company (additional information in Note 4). This represents a reserve specified in the articles of association which can be used, if needed, for making payments.
- EUR 201,723 - non-monetary contributions made by the commercial association Tuleva for transfer of intangible assets made for work contributions to the management company. This does not represent a reserve specified in the articles of association. The reserve may be used, if needed, to make additional contributions by the parent company and payments can be made from the reserve.

Note 8 Fee income

(in EUR)

	Note	2021	2020
Fee income from Tuleva World Stocks Pension Fund	12	785,772	536,467
Fee income from Tuleva World Bonds Pension Fund	12	33,549	33,866
Fee income from Tuleva III Pillar Pension Fund	12	154,488	45,139
Total fee income		973,809	615,472

Note 9 Fee expenses

(in EUR)

	2021	2020
Depository fees	132,916	86,723
Supervision and guarantee fees	53,601	44,943
Registry fees	57,967	52,209
Total fee expenses	244,484	183,875

Note 10 Staff costs

(in EUR)

	Note	2021	2020
Wages and salaries		228,865	134,796
Social security expenses		75,203	44,379
Total wages and salaries	12	304,068	179,175
Average number of employees		5	3

Note 11 Administrative and other operating expenses

(in EUR)

	2021	2020
IT expenses	39,519	31,010
Fund administration expenses	31,783	24,200
Compliance and risk control	26,000	0
License fees	20,000	20,000
Auditing and accounting expenses	17,540	17,030
Rental expenses	17,054	12,548
Training and seminar expenses	14,837	139
Supervision fees	10,000	10,000
Recruitment expenses	7,596	4,397
Registry and maintenance fees as fixed expenses	4,262	4,641
Legal services	1,492	8,938
Other expenses	24,908	9,307
Total miscellaneous operating expenses	214,991	142,210

To cover the fixed overheads in the calculation of the minimum own funds requirement of the pension fund manager, 25% of fixed overheads of the management company are treated as fixed overheads according to clause § 334 (3) 3) of the Investment Funds Act which has been calculated on the basis of the annual report approved at the last general meeting of shareholders. In 2021, the pension fund manager's minimum own funds requirement to cover fixed overheads was EUR 148,818.

Additional information about license fees is disclosed in Note 12.

Note 12 Related parties

(in EUR)

For the purposes of the financial statements of Tuleva Fondid AS, the related parties include:

- 1) Owners (parent company and owners of the parent company)
- 2) Funds managed by Tuleva Fondid AS
- 3) Members of the Management Board
- 4) Members of the Supervisory Board
- 5) Close family members of the persons mentioned above and the companies related to them

The parent company of Tuleva Fondid AS is the commercial association Tuleva (TÜ Tuleva) which is registered in Estonia. The balances and transactions with the parent company:

	Expenses	Receivable	Liability
	2021	31.12.2021	31.12.2021
TÜ Tuleva	20,000	0	2,098

The balances and transactions with the parent company in the comparative period were as follows:

	Expenses	Receivable	Liability
	2020	31.12.2020	31.12.2020
TÜ Tuleva	20 000	0	1 364

The transactions and balances of Tuleva Fondid AS with the funds under management were as follows:

Management fees	Revenue	Revenue	Receivable	Liability	Receivable
	2021	2020	31.12.2021	31.12.2021	31.12.2020
Tuleva World Stocks Pension Fund	785,772	536,467	70,172	19,546	52,645
Tuleva World Bonds Pension Fund	33,549	33,866	2,377	0	3,130
Tuleva III Pillar Pension Fund	154,488	45,139	16,123	5,868	6,802
Total	973,809	615,472	88,672	25,414	62,577

Information about the revenue and receivables from related parties is also disclosed in Notes 3, 8 and 11.

No remuneration has been paid to the members of the Supervisory Board of Tuleva Fondid AS, other than to the internal auditor whose remuneration in the reporting period totalled EUR 2,660 (incl. taxes). In the reporting period, the members of the Management Board received remuneration in the amount of EUR 175,816 (incl. taxes) (2020: EUR 114,269), no termination benefits are payable to the members of the Management Board. Refer also to Note 10.

In the financial year, no impairment losses have been recognised for the receivables from related parties.

Note 13 Contingent liabilities

The tax authority may at any time inspect the entity's books and records within 5 years subsequent to the reported tax year and may impose additional taxes, interest and penalties. The company's management is not aware of any circumstances due to which the tax authority may impose a significant additional tax amount on the company.

Note 14 Report on the management of the mandatory pension fund

(in EUR)

	2021	2020
Fee income		
Management fees	973,809	615,472
Fee and commission expenses		
Depository charges	-132,916	-86,723
Pension registrar's fees	-61,446	-55,507
Other fee and commission expenses	-783	-1,344
Staff costs and other operating expenses		
Staff costs	-304,068	-179,175
Supervision fee	-26,955	-20,859
Guarantee fund fees	-36,646	-34,084
Other expenses	-273,517	-217,581
Operating result	137,477	20,199
Finance income and expenses	1,120,685	249,266
Result for the financial year	1,258,162	269,465

The report has been prepared in accordance with the regulation no. 4 of the Minister of Finance from 13 January 2017 "Establishment of the Format of the Report on the Management of Mandatory Pension Funds and the Procedure for its Completion".

As at 31 December 2021, the company managed mandatory pension funds Tuleva World Stocks Pension Fund and Tuleva World Bonds Pension Fund and one additional pension fund - Tuleva III Pillar Pension Fund.

Signatures of the Management Board to the financial statements for the period 01.01.2021 - 31.12.2021

The Management Board has prepared the management report and financial statements of Tuleva Fondid AS for the financial year 01.01.2021 – 31.12.2021. The financial statements present a true and fair view of the company's financial position, results of operations and cash flows.

08.02.2022

A handwritten signature in blue ink, appearing to be 'Tõnu Pekk'.

Tõnu Pekk

Member of the Management Board

A handwritten signature in blue ink, appearing to be 'Mari Kuhi'.

Mari Kuhi

Member of the Management Board

Profit allocation proposal

The Management Board of Tuleva Fondid AS proposes to the general meeting of shareholders to allocate the profit for the financial year as follows:

	31.12.2021
Retained earnings (-losses)	539,704
Net profit (-loss) for financial year	1,258,162
Total	1,797,866
Allocation	
Retained earnings	1,797,866
Total	1,797,866

Independent Auditor's report



Independent Auditor's Report

To the Shareholder of Tuleva Fondid AS

Our opinion

In our opinion, the abridged financial statements present fairly, in all material respects, the financial position of Tuleva Fondid AS (the "Company") as at 31 December 2021, 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 2021;
- 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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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.



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.
- 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.

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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.

AS PricewaterhouseCoopers

/signed/

Lauri Past
Auditor's certificate no. 567

8 February 2022
Tallinn, Estonia

Translation note:

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