2022 Annual Report

ease2pay nv

listed on Euronext

Contents

Ease2pay N.V. shares

Listing

Docdata N.V., the legal predecessor of Ease2pay N.V. (symbol: EAS2P, ISIN Code NL0000345627 (hereafter also referred to as ‘Ease2pay’, ‘the Company’, or ‘the Group’)), has been listed on Euronext Amsterdam since May 1997. Docdata N.V.’s name was changed to Ease2pay N.V. on 21 February 2018.

Capital and shares

The authorised share capital was EUR 11 million on 31 December 2022, comprising 110 million ordinary shares with a nominal value of EUR 0.10 each. 23,542,215 shares were in issue as at 31 December 2022 (31 December 2021: 10,550,208).

Major holdings

The Financial Supervision Act (Wet op het financieel toezicht – Wft) requires shareholders holding at least 3% of the outstanding shares to report this to the Authority for the Financial Markets (Autoriteit Financiële Markten – AFM). As at 31 December 2022, the respective shareholdings of at least 3% in Ease2pay N.V. are as follows:

- J.H.L. Borghuis (indirectly via Morgen Beheer B.V., one of the two partners of The Internet of Cars v.o.f.) jointly with G.J. van Lookeren Campagne (indirectly via Loca Holding B.V., one of the two partners of The Internet of Cars v.o.f.): 28%
- SEnS Holding B.V.: 17.5%%
- Arkelhave Capital B.V.: 10.6%
- T.O. Hektor: 8.2%
- H3G B.V.: 5.6%
- Desysion Holding B.V.: 3.8%
- Cross Options International XI B.V.: 3.6%
- ENERGIIQ Energie-innovatiefonds Zuid-Holland B.V.: 3%

Investor relations policy

To keep costs low and in line with the size of the Company, Ease2pay has opted to restrict its investor relations policy to issuing press releases. Ease2pay has drawn up a policy on contacts with shareholders, analysts and the press that can be found along with the press releases under ‘Investor relations’ on the www.investor.ease2pay.eu website.

Dividend proposal

Based on the 2022 results, the Management Board of the Company proposes not to pay any dividend to its shareholders.

Insider trading regulations

Ease2pay has Insider Trading Regulations to implement the legislation as set out in Section 5:56 ff. of the Wft and detailed in the Market Abuse (Financial Supervision Act) Decree (Besluit Marktmisbruik Wft). Staff and advisers who are regarded as insiders by Ease2pay sign a declaration committing them to comply with these regulations, which can be found (in Dutch) under ‘Investor relations’ on the www.investor.ease2pay.eu website. The Management Board and the Supervisory Board also meet the provisions of Chapter 5.3 of the Wft, the rules on disclosure of voting rights, capital, major holdings and capital interest at issuers. The AFM supervises compliance in this context.

Membership of the Management Board and the Supervisory Board

Management Board

Jan (J.H.L.) Borghuis (1968)
- Dutch nationality
- Reappointed as a director: 19 January 2022
- Term of office: until the annual General Meeting of shareholders in 2026

Sole director and shareholder of Morgen Beheer B.V., one of the two partners in The Internet of Cars v.o.f. This partnership is one of Ease2pay N.V.'s shareholders. Jan Borghuis studied business economics at Erasmus University Rotterdam.

Gijs (G.J.) van Lookeren Campagne (1967)
- Dutch nationality
- Reappointed as a director: 19 January 2022
- Term of office: until the annual General Meeting of shareholders in 2026

Sole director and shareholder of Loca Holding B.V., one of the two partners in The Internet of Cars v.o.f. This partnership is one of Ease2pay N.V.'s shareholders. Gijs van Lookeren Campagne studied business economics at Erasmus University Rotterdam and earned a degree of Dutch Chartered Accountant ("RA") from the Tilburg University.

Maarten (M.L.) Hektor (1971)
- Dutch nationality
- Appointed as a director: 19 January 2022
- Resigned as a director: 27 December 2022

Sole director and shareholder of Desysion Holding B.V. This company is one of Ease2pay N.V.'s shareholders. Maarten Hektor studied business administration at Erasmus University Rotterdam.

Edwin (E.M.) Noomen (1972)
- Dutch nationality
- Appointed as a director: 19 January 2022
- Resigned as a director: 27 December 2022

Director and sole shareholder of ISLA Holding B.V. and director of SEnS Holding B.V. (until 1 January 2023). The latter company is one of Ease2pay N.V.'s shareholders. Edwin Noomen studied business economics at Erasmus University Rotterdam.

Supervisory Board

Manuela Melis (1973)
- Dutch nationality
- Appointed as a Supervisory Board member: 30 June 2022
- Term of office: until the annual General Meeting of shareholders in 2026

Ms Melis studied business economics and has experience in the fields of interim management, digital innovation and performance improvement. Ms Melis is director finance and operation at the Dutch public transport route planner (9292 REISinformatiegroep) and acts as independent interim manager (at TweeM.nl) and operates mainly in industries public transport and logistics (a.o. Melis Logistics).

Marijke Terpstra (1961)
- Dutch nationality
- Appointed as a Supervisory Board member: 30 June 2022
- Term of office: until the annual General Meeting of shareholders in 2026

Ms Terpstra studied Law at Utrecht University and has experience in the fields of risk management and compliance. Ms Terpstra is Chief Risk & Compliance Officer at European Merchant Services B.V. She has experience as Chief Risk Officer at Payvision Holding B.V., Chief Compliance Officer at ContextLogic B.V. and Vice President Head of Regulatory Governance Risk & Controls at Deutsche Bank.

Heini Withagen (1969)
- Dutch nationality
- Appointed as a Supervisory Board member: 30 June 2022
- Term of office: until the annual General Meeting of shareholders in 2026

Mr Withagen studied Electrical Engineering and obtained his PhD in Electrical Engineering at Eindhoven Technical University and has expertise in the field of digital transformation. Mr Withagen is the co-founder of Ravling, CIO at Tired of Cancer and has his own consultancy and investment-firm DHP Holding B.V. In the past, he was Chief Technology Officer ad interim at felyx and Co-Founder and Chief Technology Officer of Mirabeau B.V.

Tom de Witte (1966), chairman of the Supervisory Board
- Dutch nationality
- Appointed as a Supervisory Board member: 30 June 2022
- Term of office: until the annual General Meeting of shareholders in 2026

Mr De Witte studied Economics and Law at the Erasmus University in Rotterdam and graduated at the Erasmus University in Rotterdam as Dutch Chartered Accountant (“RA”) and has experience in the fields of finance and control. Mr De Witte is Chief Financial Officer at ProDelta and member of the Supervisory council of Diergaarde Blijdorp / Rotterdam Zoo. Prior to that, he was for 12 years auditor at Arthur Andersen and was for another 12 years CFO of the listed real estate funds of the Vastned Group. Furthermore, he was a non-executive board member at

Globalworth Poland Real Estate and member of the Supervisory Board and member of the audit committee of Staedion.

Wim (W.C.H.) Fahrner (1960)

- Dutch nationality
- Appointed as a Supervisory director: 21 February 2018
- Date of resignation: 30 June 2022

Wim Fahrner studied law and was CEO of Atos for three years. Prior to that, he was director/majority shareholder of Quality Equipment Benelux B.V. for 25 years until the company was taken over by Worldline. At that time, Quality Equipment was market leader in the Netherlands in electronic payments for large retailers and SMEs and in the catering, vending machine and parking sectors. Since 2018, Mr Fahrner has been a shareholder and director of Q-Vend B.V., which distributes PoS payment terminals. Since 2016, Mr Fahrner has been a shareholder in Pronos B.V., which works together with the Dutch health authorities on providing early mental health diagnosis based on text mining.
Profession: director/owner of Jolse B.V. and independent strategy adviser

Nadja (N.) van der Veer (1982)

- Dutch nationality
- Appointed as a Supervisory director: 21 February 2018
- Date of resignation: 30 June 2022

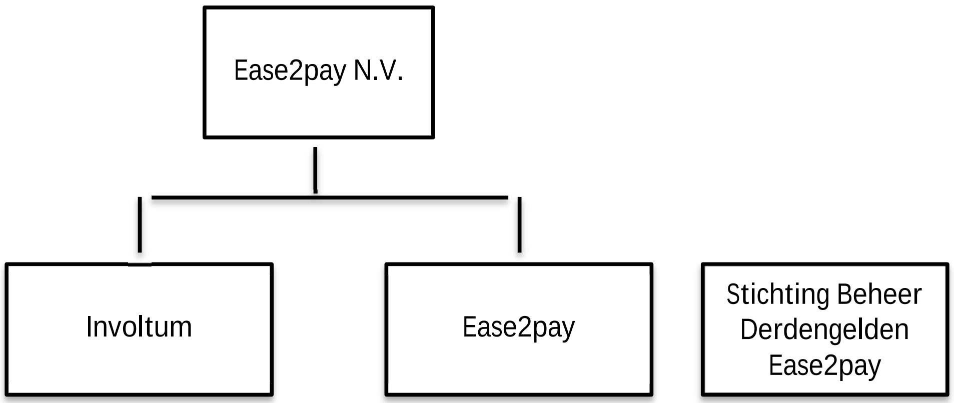
Nadja van der Veer studied law and has over 10 years of experience in the online payments industry, having worked at an international payments service provider and credit card acquirer. Since 2016, she has been an independent payments lawyer trading as PaymentCounsel and a legal/compliance consultant for various parties in the payment chain including fintechs, PSPs, acquirers, EMIs, processors, solution providers and e-commerce platforms. In addition to her advisory work, she enjoys supporting the industry and promoting innovation and acts as a speaker, ambassador and mentor and visits many industries networking events. She has been compliance director at Rewire since January 2019, a member of the Supervisory Board of 2Checkout since September 2019 and a member of the advisory board of Konsentus since October 2019.
Profession: director/joint owner of PaymentCounsel

Organisational structure

Introduction
Ease2pay's organisational structure changed in 2022 following the acquisition of Involtum Holding B.V. In 2022, the organisation had 31 employees, or 14.5 full-time equivalents as employees had part-time employment (2021: 7).

Parking and fuelling payment transactions are processed by the Group company Ease2pay B.V. Ease2pay B.V. is listed in the registers of exempt electronic money institutions and exempt payment service providers at De Nederlandsche Bank N.V. (DNB). Ease2pay B.V. is exempt in both roles and therefore not under the supervision of DNB. In addition, Ease2pay B.V. has been accredited by Currence as an eMandate Service Provider (MSP) and certified as a Collecting Payment Service Provider (CPSP) for iDEAL. Stichting Beheer Derdengelden Ease2pay holds the electronic money institution balances of users of the transaction platform independently of the commercial operations. Other transactions (Involtum platform) are invoiced to app users and repaid to merchants.

Summary of the organisational chart and main activities



Ease2pay N.V.: holding company
- Intellectual property rights of the brands

Ease2pay activities
- Agreements with customers who use the platform
- Agreements with merchants which use the platform
- CPSP and electronic money institution exemptions from DNB
- iDEAL certificate agreement and MSP accreditation agreement from Currence
- Government Road Transport Agency (RDW) data agreement
- Ease2pay IT platform
- Ease2pay mobile apps

Involtum
- Agreements with customers who use the platform
- Agreements with merchants which use the platform
- Process transactions on the platform for merchants
- Power charging (NomadPower, for example)
- Invoicing and payments for transactions processed on the platform
- Involtum IT platform
- Involtum mobile apps

Stichting Beheer Derdengelden Ease2pay
- Holds independently entrusted monies of users of the transaction platform

Report of the Management Board

Delayed publication of the annual report

Preparing the annual report 2022 has required more time than initially foreseen, as set out in our press releases of 20 April, 29 June and 4 July 2023. Among other reasons, this has been due to the changes in the Management Board that were announced in our press release of 27 December 2022. In addition, during the preparation of Ease2pay's annual report 2022, inaccuracies in administrative processes and systems of Involtum-related business units were detected, in particular impacting Ease2pay's value added tax position. The nature of these inaccuracies required evaluation first, before finalising and publishing the annual report. The Management Board and its external advisor have been evaluating and remediating the value added tax position, including ongoing interaction with the relevant tax authorities, currently resulting in a value added tax liability as at 31 December 2022 of EUR 103 thousand.

The procedures above were completed after the balance sheet date and before publication of the annual report. Findings related to financial year 2022 are included in the financial statements 2022. In 2023, the Group enhanced these invoicing and value added tax procedures in order to obtain their robustness.

The Management Board regrets it was not able to provide Ease2pay's annual report in time to its shareholders. Although the Management Board needed to purify these inaccuracies before the regular publication date of the annual report. The Management Board stresses its gratitude for the help and effort of all people in this process and the patience of its shareholders for this delay.

Strategy

Following its latest acquisition, of Involtum Holding B.V. and its group companies (hereafter 'Involtum') in January 2022, the Company has become a provider of a self-service platform for products and services that connect travellers with providers of parking and charging facilities, not only on the road but also on water. With its platforms, the Company enables the booking and/or use of parking and/or charging facilities ('book-park-charge') and online payment of these transactions.

The Group is active in the market for self-service transactions, particularly in the transport sector and with a focus on three transport-related niches: (i) individual transport, (ii) recreational vehicles and vessels and (iii) commercial transport. Examples of these self-service transactions supported by the Company's products and services in these separate markets include (i) charging private cars, on- and off-street parking and refuelling at filling stations, (ii) reserving a parking bay or mooring and arranging access to electricity and tap water and possibly additional facilities, such as launderettes, and (iii) booking a mooring/parking bay and arranging access to a power/shore power connection and tap water. The transactions in all of these markets have in common that they are on an 'as-used' basis.

The Group serves its customers in these markets by providing book-park-charge products chiefly consisting of a back-end platform in combination with front-end applications and websites. The back-end platform connects to devices, such as chargers, electricity and water supply connection points, washing machines and dryers. The Group refers to its direct customers as merchants. Merchants are government bodies (mainly municipalities and port authorities) and commercial organisations that use the platform supplied by the Group to make facilities and services available to their own customers. The Group refers to the customers of merchants as users.

The products provided by the Group make use of cloud-based back-end platforms (the Platform) in combination with front-end applications and websites. The front-end applications in the form of various apps and websites that can be used to access the services provided by the Group are available to users under different brand names. The Group has created dedicated apps and often also interactive websites for each brand, tailored to the specific features developed for each brand. The Group has developed one or more brands for each of its target markets.

The Company believes a range of developments and trends that include the emergence of smart parking, the ever-increasing importance of mobile phones, the steady development of self-service and Internet of Things technology and the growing demand for sustainable and sustainability-oriented services, to be the driving forces behind future growth in these markets.

The above are keystones to enable Ease2pay's strategy for the coming three to five years using its self-service platform for transport services and supporting the energy transition as communicated on the General Meeting of shareholders on 29 June 2023.

Events in 2022

Following the acquisition of Involtum in January 2022, this year was all about integration. In addition to the existing business activities that continue as usual, a lot of time and attention was devoted to integration activities, such as merging offices and teams, and implementing joint standards and working methods. We explain the most important milestones in more detail below.

Acquisition of Involtum

On 19 January 2022, the Company acquired the entire share capital of Involtum and issued a total of 12,992,007 unlisted shares in the context of the acquisition of Involtum Holding B.V. and to strengthen equity of the Company.

Involtum offers an Internet of Things ('IoT') linking and transaction platform with an integrated invoicing and payment system focused specifically on electricity supply and charging infrastructure and digital payment for self-service in ports, truck parks, camp sites, marinas and launderettes.

Published prospectus

On 16 September 2022, the Company issued a prospectus which was published for the purpose of admission to trading on Euronext Amsterdam of 12,992,007 ordinary shares in the capital of Ease2pay N.V.

Directors resignation

On 27 December 2022, Mr E.M. Noomen and Mr M.L. Hektor stepped down as directors of the Company. They transferred their activities and, on 1 April 2023, they terminated their activities for the Company. Both directors joined the Board of the Company, subsequent to the Involtum acquisition on 19 January 2022.

Goodwill impairment

With the above transaction, Ease2pay has expanded its activities in the field of transaction processing for parking with transaction processing for electricity facilities of third parties, as well as own electricity facilities at locations of third parties for the refrigeration installations of trucks in various European countries. Regarding the Company's own electricity supply for refrigeration installations of trucks, which was set to transform, on an ambitious timeline, from electricity supply for truck cooling installations to a network of charging points for charging of e-truck batteries in Europe. The changed market conditions and their impact on hardware investment activities, among others due to the war in the Ukraine resulted in higher inflation and interest rates, that ultimately led to a strategic reorientation that made the Board of Ease2pay refrain from realising such a private network of charging points for e-trucks in the coming years. As a result of this strategic decision an impairment was identified in the goodwill of the acquisition and recognised on the balance sheet. Following an impairment analysis, a goodwill impairment of EUR 23.8 million was recorded in 2022 and communicated in a press release on 20 April 2023. The strategic reorientation, on the other hand, offers room for a sharper approach focused on transaction processing for third-party electricity supplies and a step in that direction to move forward.

Financial developments during the financial year

Result for the year

The statement of profit or loss for 2022 can be summarised as follows:

EUR thousands	2022	2021	Change
Revenue	3,382	354	3,028
Cost incurred from services and goods sold	-2,532	-270	-2,262
Employee benefits	-1,107	-197	-910
Other operating expenses	-1,533	-474	-1,059
EBITDA	-1,790	-587	-1,203
Depreciation, amortisation impairment	-24,633	-211	-24,422
Operating loss	-26,423	-798	-25,625
Finance expenses	-23	-10	-13
Income tax expense / income	-371	0	-371
Loss for the year	-26,817	-808	-26,009

The net loss for the year came in at EUR 26.8 million, primarily due to the goodwill impairment of EUR 23.8 million in the context of the market circumstances and strategic decisions and directional change after the acquisition of Involtum.

With its platforms and sales of goods and services, Ease2pay generated a total revenue of almost EUR 3.4 million. This is a total increase of EUR 3 million compared to 2021 and relates mainly to the Involtum activities. Higher costs in the year relate to increases in regular cost due to the activities of Involtum and expenses for the acquisition (see ‘Advisory and consultancy expenses’ hereafter). The related cost incurred from financial institutions to settle these transactions, power and other costs, and cost of goods sold increased by EUR 2.3 million. This relates mainly to the activities of Involtum.

Employee benefits increased by EUR 0.9 million, to EUR 1.1 million, as a result of more personnel being employed following the acquisition of Involtum. Primarily as a result of increased employee expenses for software developers and an overall increase in the number staff, expenses increased by approximately EUR 0.9 million (2021: EUR 0.2 million). Management Board remunerations increased by EUR 0.3 million (2021: less than EUR 0.1 million). The remuneration of the Supervisory Board was less than EUR 0.1 million (2021: less than EUR 0.1 million). On average, the Group employed 14.5 FTEs in the year (2021: 6.6 FTEs). Advisory and consultancy expenses (included in the Other operating expenses) increased substantially, by EUR 1.1 million, to EUR 1.5 million, related mainly to the transaction costs (advisory, legal, etc.) for the acquisition of Involtum and expenses for the evaluation of the administrative inaccuracies. Tax expenses increased EUR 0.4 million due to the remeasurement of the deferred tax assets for unused losses of Involtum to nil.

Movements in intangible assets and property, plant and equipment

EUR thousands	Goodwill	Platforms and customer relationships	Property, plant and equipment
As at 31 December 2021	0	1,819	2
Increases due to acquisition of Involtum	24,979	2,825	595
Other investments	0	0	6
Impairments	-23,766	0	0
Amortisations and depreciations	0	-698	-169
As at 31 December 2022	1,213	3,946	434

The Group acquired the activities of Involtum Holding B.V., which resulted in a goodwill of EUR 25.0 million, EUR 23.8 million of which has been impaired (see note 11 to the consolidated financial statements). A gross increase in intangible assets for the platform and customer relationships of EUR 2.8 million and property, plant and equipment of EUR 0.6 million has been included due to the acquisition.

Impairment losses amounted to EUR 23.8 million, amortisations of intangible assets to EUR 0.7 million (2021: EUR 0.2 million). Third-party development costs were not capitalised (2021: nil). Depreciations amounted to almost EUR 0.2 million (2021: nil).

Cash and cash equivalents

Cash and cash equivalents have increased with almost EUR 3.4 million in the year due to the share issuance in January 2022.

Capital management

Rating agencies

Ease2pay N.V. does not have a rating from rating agencies as regulators do not require this from the Group due to its limited size.

Capital and cash flows

Ease2pay N.V. is responsible for the funding of the Group by issuance of equity or obtaining borrowings. Ease2pay N.V. finances its operational companies by intercompany loan facilities or equity contributions. Due to the capital contributions of EUR 34.1 million, the ratio equity to total assets (solvability) was 75% on 31 December 2022 related to 42% on 31 December 2021.

Risk profile

General

The Management Board is responsible for the existence and appropriate functioning of the Company’s risk management and its internal control framework. Ease2pay worked on further developing its internal risk management organisation in 2022 specifically related to the recently acquired activities of Involtum. Ease2pay is aware that risk management and internal control systems cannot provide absolute certainty that the commercial objectives can be achieved and cannot entirely prevent material misstatements, losses, fraud or breaches of the law and regulations. Taking into account the inherent limitations and possible improvements in respect of the nature and size of Ease2pay, which are referred to in this Annual Report (see the notes on the Corporate Governance Code), the Management Board declares that:

- the annual report provides sufficient information on any shortcomings in the operation of the risk management and internal control systems;
- the internal risk management and control systems provide a reasonable level of assurance that the financial reporting does not contain material misstatements;
- preparing the financial reporting on a going concern basis is justified given the current situation; and

- the annual report states the material risks and uncertainties that are relevant to expectations on the continuity of the Company for a period of twelve months from the preparation of the report.

Risk management and control

Ease2pay has implemented internal risk management and control systems to manage its risks effectively and efficiently. This provides reasonable assurance that objectives can be met. The Company's policies, procedures and culture ensure that employees understand their respective roles in our risk and control systems.

Relevant mitigating controls mapped to internal risk scenarios vary in origin. There are governance measures, such as oversight by the Management Board and the external audit. Ease2pay also applies measures aimed at people, conduct and culture. Furthermore, a range of detective controls at process level are present, such as system monitoring, reconciliation and auditing.

Fraud risk

Fraud risk prevention starts with the identification of potential internal and external fraud risk scenarios. Ease2pay by ways of its management assessed that the relevant controls and mitigating measures in place sufficiently mitigate the identified fraud risk scenarios.

Whenever fraud is suspected or reported, an internal investigation is conducted, and corrective actions are taken. Ease2pay uses mitigating measures, such as employee background screening and a whistle-blower policy.

Risk and control of financial reporting

The internal risk management and control systems for financial reporting includes measures such as consolidated periodic reports, confrontations in which current developments are compared to budget, previous periods and operational expectations, like process volumes. The outcomes of these measures are regularly discussed within the Management Board and with the Supervisory board.

Going concern

The Group has prepared its financial statements using going concern accounting policies. The Group experienced higher cash outflows for non-recurring advisory expenses for the prospectus and the administrative inaccuracies that contributed to a reduction of the operational cashflow in the year to EUR 2.7 million negative. On 31 December 2022, the Group had almost EUR 3.4 million cash and cash equivalents.

On 30 June 2023, the cash and cash equivalents are EUR 2.8 million. In the six-month period ended 30 June 2023, the cash outflow is EUR 0.6; a significant improvement related the operational cash outflow of the full year 2022. The improvement in the six-month period ended 30 June 2023 is mainly driven by improvements of the gross margin and other operating expenses. The Group forecasts increasing cash generation of its activities in future years, which is underlined by the developments in the six-month period ended 30 June 2023. The Group has sufficient liquidity to cover expenses payable for at least the twelve months from the publication of this report (see also note 2.2 of the consolidated financial statements).

Strategy-related risks

Like every business, Ease2pay is exposed to the commercial, technical and financial risks inherent to doing business. In addition to such general risks, Ease2pay faces the following main specific risks:

- A substantial part of the Company's revenues depends on a few Strategic Partners. If these Strategic Partners are less successful or change their strategy, it could lead to a lower growth or even the loss of business for the Company and thus it may have a material adverse effect on the Company's business, results of operations, financial condition and prospects. We regard this as a large but manageable risk.

- The Company has a history of operating losses and an assurance of future profitability cannot be given. We regard this as a considerable but manageable strategy-related risk.

- Ease2pay has a growth strategy which is linked to expenditure to develop additional payment functionality, which has not yet been capitalised as it is not currently certain whether these new activities can be profitable in future. We regard this as a substantial but manageable strategy-related risk.

- There is a risk that Ease2pay will be damaged given it is dependent on external and public software systems. Unforeseen interruptions to external and public software systems, for example, a breakdown in the iDEAL payment system or the GSM network, could adversely affect operations and damage Ease2pay. In other words, in such circumstances, services could be delayed or interrupted and critical assets such as systems and data could be lost. We regard this as a non-manageable small risk inherent in operations.

- If new financial guidelines for electronic money institutions, Collecting Payment Service Providers or eMandate Service Providers are introduced, Ease2pay N.V. will have to incur costs to comply with the new requirements and face other unforeseen consequences that may arise from this. We regard this as a small manageable risk.

- Operational risk consists of unforeseen interruptions to operations that damage Ease2pay. In such circumstances, services could be delayed or interrupted and critical assets such as systems and data could be lost. We regard this as a small manageable risk.

- Information and cyber risks consist of theft, alteration or destruction of information and any subsequent inability to ensure the continuity of services or protect confidential, critical or sensitive information. This risk may also mean services could be delayed or interrupted and critical assets such as systems and data could be lost. We regard this as a small manageable risk with a large impact.

- There is a risk that Ease2pay's assets, in particular the IT platform, will have to be written down in value as new technologies or new competitors arise. The value of Ease2pay's IT platform could fall as a result of a write-down and this would affect Ease2pay's financial results and its share price. We regard this as a small manageable risk.

- Interest-rate risk is a risk that banks will charge a negative interest rate on amounts held temporarily on the account of Stichting Beheer Derdengelden Ease2pay. This risk has increased due to the proceeds received from a private placement in January 2022. In 2022, the interest rates rose, which eliminated this risk.

- Credit risk is limited due to the nature of operations as parking activities are paid from balances held by Stichting Beheer Derdengelden Ease2pay and for other operations only the amounts received less Ease2pay's fees are paid to the merchants.

Liquidity risk

Liquidity risk consists of a possible shortfall of cash resources to meet all current and expected obligations, partly due to the timing risk that expected receipts are received later than foreseen. The Management Board focuses on minimising costs and expenditures and making them as flexible as possible in relation to the Company's day-to-day business. Ease2pay's policy is to have sufficient cash and cash equivalents available to maintain the Company's day-to-day operations for at least the twelve months from the publication of this report.

Listing risk

Ease2pay is listed on the NYSE Euronext Amsterdam exchange and has to meet the applicable rules and regulations. Any changes in the regulations could lead to additional costs or other unforeseen consequences.

Legal risk

There are currently no ongoing legal proceedings or outstanding liability claims.

Long-term value creation

Growth is a requirement for innovative payment solutions such as those offered by Ease2pay. The large volume necessary for payment solutions to survive can only be achieved over the longer term. Consequently, there can be no value creation in the short-term and so long-term value creation is the only appropriate focus for Ease2pay's management. In order to create value, we are innovating to make payments in the existing ordering and payment processes for transport a simple in-app process. Value can only be created if the financial and non-financial performance of an innovation is better than the performance of existing solutions, in which case the innovation will become the new ordering and payment solution for a substantial proportion of the public. This is in the interests of customers, partners with which we launch these innovations to their customers, and our staff, as it provides assurance for their livelihoods.

Culture

Ease2pay's open, enterprising and innovative culture is stakeholder-centric. The values of being open, enterprising and innovative are emphasised by management in recruitment and selection, regular appraisals and day-to-day practice. The Management Board monitors compliance of the employees to Ease2pay's code of conduct, which is an integral part of the employment agreement. Due to the limited size of the workforce the Management Board monitors compliance orderly and steps in swiftly, if needed. Innovation is the key to long-term value creation and, to us, it means dialogue with customers, staff, NGOs and government authorities (for example municipalities, port authorities or supervision authorities). If existing solutions fall short, we develop new ones that are appropriate in the social context set by relevant NGOs and government authorities. Those new innovations are then tested by our staff and customers. This open process, with scope for trial and error, creates our innovative services. In this way, customers, staff, NGOs and government authorities help guide the innovation, partly by setting the framework within which we can innovate.

Diversity

In its pursuit of greater diversity, the Company's offices are located at the campus of Erasmus University Rotterdam. This has led to the proportion of students in the workforce of Ease2pay of 60% (2021: 72%) but, as they work parttime, their proportion in FTEs is small. The proportion of females in the workforce has decreased to 25% as at 31 December 2022 (2021: 34%). See also the section "Staff" in this report.

ESG

Ease2pay aims for corporate social responsibility in its operations. The Management Board applies the values of corporate social responsibility pragmatically in its day-to-day activities. We have chosen to open our organisation to student participation; where possible, we provide relevant parttime jobs for students to give them meaningful work experience that is in line with their educational experience. In its pursuit of greater diversity, the Company's offices have been located at the campus of Erasmus University Rotterdam in 2021.

Ease2pay facilitates the energy transition in individual, recreational and freight transport. With apps like Walstroom, Marktstroom and NomadPower, we facilitate electric power where polluting diesel aggregates were once in use. This dedication reflects our efforts to develop innovative and clean solutions to support the energy transition. Our book-park-charge-and-pay platform contributes to the digital processes and connects business processes between merchants and users. Through our solutions, Ease2pay improves the sustainability profile of all stakeholders. In addition to our contribution to the energy transition, we deem the risk related to climate change as limited for Ease2pay.

Ease2pay strives for diverse and inclusive leadership, within the abilities of its limited workforce (in 2022 14.5 full time equivalent) and its industry. This shows in the Management Board, where men account for all of the positions. In the Supervisory Board women account for 50 per cent and men for 50 per cent of the positions respectively. The average age in management positions tends to be higher than Ease2pay average because of part-time employment of students. Effectively, Ease2pay aims for some 25 per cent women in the Boards, with which the Company complies. Ease2pay has considered in this target the industry it operates, payment and IT industry, in which the majority of employees are man. The Company aims to maintain the current mix, by means of filling vacancies with women when their qualifications are suitable.

Corporate Governance Code

The Management Board uses the Dutch Corporate Governance Code as the basis for corporate governance in the business and offering optimum transparency. The Van Manen Committee issued a Revised Code in December 2016, which took effect from the financial year 2017 and is applicable to this annual report (see https://www.mccg.nl/English). In 2022, the Code was amended and it came into force on and will be applied by the Group as from 1 January 2023.
The following documents are available in Dutch on Ease2pay's corporate website (https://investor.ease2pay.eu/):

- the articles of association of Ease2pay N.V.;
- the Management Board regulations;
- the Supervisory Board regulations, including the profile for the size and composition of the Supervisory Board;
- the code of conduct and whistle-blower's regulations;
- the insider trading regulations;
- the minutes of shareholders' meetings;
- the policy on bilateral contacts.

There are no conflicts of interest between either Ease2pay's Management Board or Ease2pay's Supervisory Board and the Company, although it should be noted that members of the Management Board own shares in Ease2pay N.V., as stated in note 23 'Related party transactions' to the consolidated financial statements. Management Board's regulations require to provide timely all information and developments of Ease2pay to the Supervisory Board including information of preparations and/or announcements of takeover bids, if any.

During 2022, Ease2pay departed from a limited number of points in the Dutch Corporate Governance Code. The main departures (the numbering refers to the elements of the Code) are explained below:

Section corporate governance code	Substantive explanation of departure
1.1.1 The management board should identify and analyse the risks associated with the strategy and activities of the company and its affiliated enterprise. It is responsible for establishing the risk appetite, and also the measures that are put in place in order to counter the risks being taken.	Ease2pay does not apply this provision sufficiently and for competitive reasons does not yet report any strategy-related operational or financial targets in the Annual Report. Ease2pay intends to apply this provision in full as soon as possible.
1.3.1 The management board both appoints and dismisses the senior internal auditor. Both the appointment and the dismissal of the senior internal auditor should be submitted to the supervisory board for approval, along with the recommendation issued by the audit committee.	In line with its limited size, Ease2pay has not appointed an internal auditor. Ease2pay intends to appoint an internal auditor when appropriate based on an increase in its size.
1.3.2 The management board should assess the way in which the internal audit function fulfils its responsibility annually, taking into account the audit committee's opinion.	In line with its limited size, Ease2pay has not appointed an internal auditor. Ease2pay intends to appoint an internal auditor when appropriate based on an increase in its size and to apply an annual assessment.
1.3.3 The internal audit function should draw up an audit plan, involving the management board, the audit committee and the external auditor in this process. The audit plan should be submitted to the management board, and then to the supervisory board, for approval. In this internal audit plan, attention should be paid to the interaction with the external auditor.	In line with its limited size, Ease2pay has not appointed an internal auditor. Ease2pay intends to appoint an internal auditor when appropriate based on an increase in its size.
1.3.4 The internal audit function should have sufficient resources to execute the internal audit plan and have access to information that is important for the performance of its work. The internal audit function should have direct access to the audit committee and the external auditor. Records should be kept of how the audit committee is informed by the internal audit function.	In line with its limited size, Ease2pay has not appointed an internal auditor. Ease2pay intends to appoint an internal auditor when appropriate based on an increase in its size.
1.3.5 The internal audit function should report its audit results to the management board and the essence of its audit results to the audit committee and should inform the external auditor. The research findings of the internal audit function should, at least, include the following: i. any flaws in the effectiveness of the internal risk management and control systems; ii. any findings and observations with a material impact on the risk profile of the company and its affiliated enterprise; and ii. any failings in the follow-up of recommendations made by the internal audit function.	In line with its limited size, Ease2pay has not appointed an internal auditor. Ease2pay intends to appoint an internal auditor when appropriate based on an increase in its size.

Section corporate governance code	Substantive explanation of departure
1.5.1.i Among other things, the supervisory board focuses on monitoring the management board with regard to relations with, and compliance with recommendations and following up of comments by, the internal and external auditors.	In line with its limited size, Ease2pay has not appointed an internal auditor. Ease2pay intends to appoint an internal auditor when appropriate based on an increase in its size.
1.5.2 The chief financial officer, the internal auditor and the external auditor should attend the audit committee meetings, unless the audit committee determines otherwise. The audit committee should decide whether and, if so, when the chairman of the management board should attend its meetings.	In line with the size of the Supervisory Board, Ease2pay does not have a separate audit committee. The supervisory board does, however, apply this recommendation. In line with its limited size, Ease2pay has not appointed an internal auditor. Ease2pay intends to appoint an internal auditor when appropriate based on an increase in its size.

Staff

Following the acquisition of Involtum on 19 January 2022, the staff increased by 7.9 full time equivalents, to 14.5 full time equivalents. As 60% of the workforce consist of part-time employees, the actual number of employees is much higher: 30 employees as at 31 December 2022. The Management Board would like to thank the entire team for their efforts in 2022.

All members of the Management Board and half of the members of the Supervisory Board are male. Membership of the Management Board is therefore not balanced. This imbalance is not a deliberate decision by Ease2pay, but a consequence of appointing the most suitable person to an available position. If a vacancy occurs for a Board position and there is a choice between a man and a woman of equal quality and suitability, a woman will have preference.

Research and development

The development of the transaction platform is a gradual research and development process, which is guided by feedback collated from groups of users. The development activities continued in 2022. Although an investment in the platform was not made, a total of EUR 247 thousand (2021: EUR 150 thousand) was invested in developing in-house software. This expenditure served to develop payment services for multi-story car parks and purchasing rights for travel on public transport. Although the expenditure was considerable, the expenses related mainly to platform maintenance.

Events after balance sheet date

In its press release of 20 April 2023, Ease2pay announced that changing market conditions resulted in the Management Board’s decision to no longer invest in realising an own network of charging points for e-trucks. The consequences of this decision are reflected in this annual report, mainly in the impairment of goodwill, see “Goodwill impairment”. Separately, Ease2pay detected inaccuracies in administrative processes and systems of Involtum-related business units, in particular impacting its value added tax position. In 2023, the Management Board and its external advisor have been evaluating and remediating the value added tax position; see “Delayed publication of the annual report”.

The procedures above were completed after the balance sheet date and before publication of the annual report and recognised in the relevant items of the financial statements.

Outlook

After 2022, Ease2pay will integrate the self-service platform for products and services that connect travellers with their service providers further with its existing platform and in its organisation. Ease2pay aims to focus on increase of revenues from its platform activities and stricter cost management to enable further growth of its activities.

Statement pursuant to Section 5:25c of the Financial Supervision Act (Wet op het financieel toezicht)

The Management Board states that, to the best of its knowledge:

- the 2022 financial statements give a true and fair view of the assets, liabilities, financial position as at 31 December 2022 and the loss for the financial year 2022 of Ease2pay N.V. and the subsidiaries included in the consolidation;
- the 2022 Annual Report gives a true and fair view of the situation as at 31 December 2022 and developments at Ease2pay N.V. and the subsidiaries included in the consolidation during the 2022 financial year, and that the 2022 annual report describes the material risks that Ease2pay N.V. faces.

Rotterdam, 26 October 2023
The Management Board

Jan H. L. Borghuis
Gijs J. van Lookeren Campagne

Report of the Supervisory Board

The year 2022 was an intensive year for the company, its management board and also its supervisory board. After the takeover of Involtum at the start of 2022, the new combined management board started during 2022 the process to integrate both companies and to further define the strategy and business goals for the combined entity. In the context of the acquisition new unlisted shares were issued and new shares were issued by way of private placement to strengthen the liquidity position of the company. To admit the unlisted shares for trading at Euronext Amsterdam, a prospectus was prepared and published in September 2022. At the end of September 2022, the combined entity published its semi-annual report 2022. In this report the acquisition was accounted for based on the acquisition method, presenting a goodwill which was evaluated for impairment taking into account the recent budget and forecasts at that moment. Next to these developments within the company, externally the company was confronted with war in Ukraine, rising interest rates and high inflation and high energy prices.

In this environment the Supervisory Board has been in close contact with the Management Board continuously assessing these developments.

Changes in the Supervisory Board

At the General Meeting of Shareholders at 30 June 2022, the supervisory board members Wim C.H. Fahrner and Nadja van der Veer resigned and four new supervisory board members were appointed. Further information on the composition of the board and the profile of its board members can be found in the paragraph Membership of the Management Board and Supervisory Board.

The aim is to compose the Supervisory Board in such a way that there is a good balance between expertise, experience, gender, competencies, personal qualities, (cultural) background and independency that best enables the Supervisory Board to discharge its various obligations in relation to the company and its stakeholders. Currently the Supervisory Board consists of two men and two women.

The functions of the audit committee, remuneration committee and appointment and remuneration committee are performed by the Supervisory Board as a whole.

Meetings of the Supervisory Board

The Supervisory Board met during the first half year in its “old” composition 3 times. Main topics during these meetings were the integration of Involtum and the combined strategy. This included the decision to invest only a limited amount in the expansion of the charging station network for trucks, which is part of the Involtum activities under the brand name Nomad Power. Furthermore, the results of the audit of the 2021 annual accounts were discussed with the auditor and the accounts were approved for adoption by the General Meeting of Shareholders.

The Supervisory Board in its current composition had in the second half year, after a short introduction program, 4 formal meetings together with the Management Board. The Supervisory Board underlines the importance of timely information from the Management Board so that it can perform its supervisory duties properly. The members of the Supervisory Board were sufficiently present and available to perform their duties on the Supervisory Board satisfactorily. Main topics during these meetings were:

- the company's strategy, the business developments and liquidity position
- the business plan for 2023
- the integration of Involtum
- the auditplan for 2022 as disclosed by the auditor, the semi-annual report
- tax related issues
- fraud related issues
- risk management and internal controls
- cybersecurity related issues
- reporting format and related KPI's
- respective tasks and responsibilities of the individual member of the Management Board, cooperation within the management board and function of the managed board as a whole

Disagreements within the Management Board

Next to these formal meetings the Supervisory Board had numerous internal calls and meetings without the Management Board, to discuss the risen disagreements within the Management Board with respect to the strategy of the company and its 2023 businessplan, especially on whether or not to expand the charging station network for trucks. During these meetings the Supervisory Board was assisted by its own legal advisor.

Several actions were initiated by the Supervisory Board to resolve the disagreements within the Management Board, such as one on one meetings with the individual members of the Management Board, mediation, and investigations to separate activities of Nomad Power. During this process, the former Involtum board member Edwin Noomen and Maarten Hektor decided unexpectedly to step down as director of the company on 27 December 2022. In the beginning of 2023, the Supervisory Board had close contact with the management board members to monitor the continuity of the company's business.

Delayed publication of audited annual report 2022 and impairment of goodwill

As a result of the changed composition of the Management Board, and the administrative inaccuracies the company was not able to timely publish its audited annual report 2022. Furthermore, based on the changed environment with rising interest rates and energy prices, the remaining management board members, in close discussion with the Supervisory Board, decided to revise the strategy, resulting in the decision not to invest in the expansion of Involtum's own charging stations network for trucks, at least not in the medium term. Activities are focused on the transaction processing on Involtum's platform. Taking into account these new conditions, the goodwill was reassessed for impairment, resulting in a significant write off of the goodwill originated from the Involtum acquisition in the 2022 annual accounts.

Independence of Supervisory Board Members

All Supervisory Board members are considered to be independent in the sense of the Dutch Corporate Governance Code. No share options or rights to shares (‘Performance Shares’) have been granted to the members of the Supervisory Board.

Self-evaluation by the Supervisory Board and remuneration of the Supervisory Board

The Supervisory Board will conduct an evaluation of its own performance annually. By the end of 2022 the new composition of the Supervisory Board had worked together for only six months. Therefore, the self-evaluation is scheduled to take place in 2023.

During the Annual Meeting of Shareholders, it was decided to change the annual remuneration of the Supervisory Board members (EUR 12.000 and EUR 15.000 for the chairman). Reference is made to note 23.3 of the consolidated financial statements.

Evaluation and remuneration of the Management Board

As mentioned above during 2022 the functioning of the Management Board was not optimal. The Supervisory Board evaluated the functioning of the Management Board in 2023 during an exit interview with the former Involtum directors and also with the current Management Board members during an evaluation interview. Based on these interviews feedback was provided and lessons were taken for the future.

During the Annual Meeting of Shareholders, it was decided to change the annual remuneration of the Management Board members to Eur 82.000 for each member. Reference is made to note 23.3 of the consolidated financial statements.

No conflicts of interest

No transactions of material importance to Ease2pay and/or the persons or legal entities concerned involving conflicts of interest of management directors, supervisory directors, shareholders and/or the external auditor took place in 2022.

Internal Audit Function

In line with its limited size, Ease2pay did not appoint an internal auditor in 2022. The Supervisory Board has established that, partly in view of the additional internal controls to avoid conflicts of interest and the established scope of the external auditor, there was an effective audit process and there is no need to establish an internal audit department.

2022 Financial statements

The Supervisory Board is pleased to present the annual report 2022 of Ease2pay N.V., as prepared by the Management Board. The financial statements have been audited by PricewaterhouseCoopers Accountants N.V., which issued an unqualified opinion. In accordance with the proposal of the Management Board, the Supervisory Board advises the Extra Ordinary Shareholders Meeting:

- to adopt the financial statements for the year 2022 in the form as presented in accordance with article 19 of the company’s Articles of Association;
- to discharge the members of the Management Board from liability for the performance of their duties during 2022;
- to discharge the members of the Supervisory Board from liability for the performance of their duties during 2022.

Acknowledgements

The Supervisory Board wishes to express its gratitude to the shareholders and other stakeholders for their confidence in Ease2pay N.V. The Supervisory Board would like to take this opportunity to thank the Management Board and all Ease2pay employees for their dedication and efforts during 2022.

Rotterdam, 26 October 2023

The Supervisory Board of Ease2pay N.V.
Manuela Melis
Marijke Terpstra
Heini Withagen
Tom de Witte, Chair

Financial statements 2022

Consolidated financial statements 2022

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December

EUR thousands	Note	2022	2021
Revenue	5	3,382	354
Cost of revenue	6	-2,532	-270
Net revenue		850	84
Employee benefits	7	-1,107	-197
Depreciation and amortisation	12, 13	-867	-211
Impairment losses of goodwill	11	-23,766	0
Other operating expenses	8	-1,533	-474
Operating loss		-26,423	-798
Finance expenses	9	-23	-10
Loss before income tax		-26,446	-808
Income tax expense / income	10.2	-371	0
Loss for the year attributable to shareholders		-26,817	-808
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		0	0
Items that will be subsequently reclassified subsequently to profit or loss		0	0
Other comprehensive income / loss(-) for the period		0	0
Total comprehensive income / loss(-) attributable to shareholders		-26,817	-808
Loss per share (expressed in EUR per share)	17.2		
Basic loss(-) per share		-1.17	-0.08
Diluted loss(-) per share		-1.17	-0.08

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of financial position as at 31 December

EUR thousands	Note	2022	2021
Assets			
Non-current assets			
Goodwill	11	1,213	0
Intangible assets	12	3,946	1,819
Property, plant and equipment	13	434	2
Total non-current assets		5,593	1,821
Current assets			
Trade and other receivables	14	1,294	25
Amounts entrusted to Stichting Beheer Derdengelden Ease2pay	15	747	344
Cash and cash equivalents	16	3,378	2
Total current assets		5,419	371
Total assets		11,012	2,192
Equity and liabilities			
Equity	17		
Share capital		2,354	1,055
Share premium		37,057	4,233
Accumulated losses		-31,181	-4,364
Total equity		8,230	924
Non-current liabilities			
Deferred tax liabilities	10	572	0
		572	0
Current liabilities			
Borrowings	18	0	509
Liabilities to Stichting Beheer Derdengelden Ease2pay	19	750	348
Trade and other liabilities	20	1,460	411
Total current liabilities		2,210	1,268
Total equity and liabilities		11,012	2,192

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of cash flows
for the year ended 31 December

EUR thousands	Note	2022	2021
Loss before income tax		-26,446	-808
Adjustments for			
Depreciation, amortisation and goodwill impairment	11, 12, 13	24,633	211
Interest expenses recognised in profit or loss	9	23	10
Changes in working capital			
Trade and other receivables	14	-731	-3
Amounts entrusted to Stichting Beheer Derdengelden Ease2pay	15	-403	4
Liabilities to Stichting Beheer Derdengelden Ease2pay	19	402	-12
Trade and other liabilities	20	-162	178
Net cash used in(-) operations		-2,684	-420
Interest paid		-17	-28
Income taxes paid		0	0
Net cash used in(-) operating activities		-2,701	-448
Cash flows from investing activities			
Acquisition of business combination	4	105	-671
Payments for investments in property, plant and equipment	13	-6	0
Net cash flows from / used in(-) investing activities		99	-671
Cash flows from financing activities			
Proceeds from issue of ordinary shares	17.1	5,978	1,271
Proceeds from borrowings	18	0	500
Repayments of borrowings	18	0	-650
Net cash flows from financing activities		5,978	1,121
Net increase in cash and cash equivalents		3,376	2
Cash and cash equivalents as at 1 January	16	2	0
Cash and cash equivalents as at 31 December	16	3,378	2

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity for the year ended 31 December

EUR thousands	Note	Share capital	Share premium	Accumulated deficits	Total
Balance as at 1 January 2022		1,055	4,233	-4,364	924
Loss for the year		0	0	-26,817	-26,817
Other comprehensive income		0	0	0	0
Total comprehensive income		0	0	-26,817	-26,817
Transactions with shareholders					
Issuance of shares	17.1	1,299	32,824	0	34,123
Total transactions with shareholders		1,299	32,824	0	34,123
Balance as at 31 December 2022		2,354	37,057	-31,181	8,230
Balance as at 1 January 2021		924	3,093	-3,556	461
Loss for the year		0	0	-808	-808
Other comprehensive income		0	0	0	0
Total comprehensive income		0	0	-808	-808
Transactions with shareholders					
Issuance of shares	17.1	131	1,140	0	1,271
Total transactions with shareholders		131	1,140	0	1,271
Balance as at 31 December 2021		1,055	4,233	-4,364	924

The accompanying notes form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 General

Ease2pay N.V. is a payment service provider that aims to decrease payment expenses for consumers and retailers. Ease2pay N.V. offers a free parking and fuelling mobile app resulting in lower transaction fees for users. The Group also operates a platform that connects travellers with providers of parking and charging facilities, not only on the road but also on water. The transaction platforms of Ease2pay N.V. transform every smartphone in a payment terminal.

Ease2pay N.V. (hereafter referred to as: the “Company” and together with the entities it controls: the “Group”) is located in the Netherlands at Burgermeester Oudlaan 50, 3062 PA, Rotterdam and registered at the Dutch Commercial Register under number 16081306. The Company’s shares are listed on Euronext Amsterdam (ticker symbol: EAS2P).

The Group provides services via its payment transaction platform, which offers users services to order and pay in one action.

The parking and fuelling payment transactions are processed by the group company Ease2pay B.V. Ease2pay B.V. is for this purpose listed in the registers of exempt electronic money institutions and exempt payment service providers at De Nederlandsche Bank N.V. (DNB). Ease2pay B.V. is exempt in both roles and is therefore not regulated by DNB. In addition, Ease2pay B.V. is accredited by Currence as an eMandate Service Provider (MSP) and certified as a Collecting Payment Service Provider (CPSP) for iDEAL.

These financial statements were authorised for issue by the Management Board and the Supervisory Board on 26 October 2023. The adoption of these financial statements will be scheduled for the shareholders in the next Extraordinary General Meeting (EGM), on a date that will be announced on the investor’s website of the Company.

2 Basis of preparation and general accounting policies

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and in accordance with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

2.2 Basis of preparation

The consolidated financial statements have been prepared on their historical cost basis, unless stated otherwise. Income and expenses have been accounted for on an accrual basis.

Going concern

The Group has consistently applied going concern accounting policies in the consolidated financial statements to all periods presented, unless stated otherwise. The Group experienced higher cash outflows for non-recurring advisory expenses for the prospectus and the administrative inaccuracies that contributed to a reduction of the operational cashflow in the year to EUR 2.7 million negative. On 31 December 2022, the Group had almost EUR 3.4 million cash and cash equivalents.

On 30 June 2023, the cash and cash equivalents are EUR 2.8 million. In the six-month period ended 30 June 2023, the cash outflow is EUR 0.6; a significant improvement related the operational cash outflow of the full year 2022. The improvement in the six-month period ended 30 June 2023 is mainly driven by improvements of the gross margin and other operating expenses. The Group forecasts increasing cash generation of its activities in future years, which is underlined by the developments in the six-month period ended 30 June 2023. The Group has sufficient liquidity to cover expenses payable for at least the twelve months from the publication of this report.

Changes in accounting policies effective as from 1 January 2022

- Annual Improvements to IFRS Standards 2018 – 2020 contain the following amendments to the IFRSs:
  - Subsidiary as a first-time adopter in IFRS 1 *First-time Adoption of International Financial Reporting Standards.* This amendment permits a subsidiary (or an associate or joint venture) to measure its cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. The amendment is not applicable to the Group.
  - IFRS 9 *Financial Instruments*: "Fees in the '10 per cent' test for derecognition of financial liabilities". This amendment clarifies the fee an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. The amendment is not applicable to the Group.
  - Illustrative Examples accompanying IFRS 16 *Leases*: This amendment enhances the illustrative examples of IFRS 16 by removing potential confusion regarding the treatment of lease incentives. The amendment is not relevant for the Group.
  - IAS 41 *Agriculture*, this standard is not applicable to the Group.
- Amendments to IFRS 3 *Business Combinations*: "Reference to the Conceptual Framework". The amendments are applied prospectively. A reference is replaced to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, is replaced by a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without this significantly changing its requirements. Also, an exception to the recognition principle of IFRS 3 has been added to avoid the issue of potential 'day 2' gains or losses arising from liabilities and contingent liabilities that would be within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Levies*, if incurred separately. Furthermore, clarifications have been provided to existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments do not have a material impact on the Group.
- IAS 16 *Property, Plant and Equipment*: "Proceeds before Intended Use – Amendments to IAS 16". These amendments must be applied retrospectively and require that, during the period in which assets are brought to the location and/or in the condition necessary for them to be capable of operating in the manner intended by management, proceeds from sales are recognised in the profit or loss. The amendments are not applicable to the Group.
- Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets:* "Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets". These amendments will be applied to contracts whose obligations have not yet been complied with. The amendments specify which costs need to be included when assessing whether a contract is onerous or loss-making. The amendments have no material impact on the Group.

- IFRS 16 "Leases", "COVID-19-Related Rent Concessions beyond 30 June 2021", is applicable from 30 June 2021 retrospectively when an entity had applied Amendments to IFRS 16 "Leases" COVID 19 - Related Rent Concessions that was effective on or after 1 April 2020. As the Group only has short-term leases, this relief is not applicable.
- Insurance activities are not applicable to the Group and therefore "Amendments to IFRS 4 Insurance Contracts" - deferral of IFRS 9 "Financial Instruments" and IFRS 17 "Insurance contracts" are not applicable (and also "Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information").

See note 24 for amendments in IFRS standards and interpretations that became effective after the financial year 2022.

2.3 Basis of consolidation
The consolidated financial statements include the accounts of the Company and the entities it controls.

Control
The Group controls an entity when it has (i) power over the entity based on existing rights that give the current ability to direct the relevant activities of the entity, (ii) is exposed to, or has rights to, variable returns from its involvement with the entity and (iii) has the ability to use its power to affect its returns. The Group reassesses whether it controls an entity if facts and circumstances indicate that there are changes to one or more of the elements of control stated above. All relevant facts and circumstances are considered in assessing whether the Group's voting and share rights in an entity are sufficient to give it power. Consolidation of a subsidiary begins when control over the entity is obtained and ceases when control over the entity is lost. See note 3.1 for details of the consolidation of Stichting Beheer Derdengelden Ease2pay.

2.4 Functional and presentation currency
These financial statements are presented in euro ("EUR"), the presentation currency of the Group and the functional currency of Ease2pay N.V. All amounts in these financial statements are stated in thousands of euro ("EUR"), unless stated otherwise.

In preparing the financial statements, transactions in currencies other than the functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.5 Current and non-current classification
The Group presents its assets and liabilities in the consolidated statement of financial position based on current and non-current classifications. An asset is current when it is expected to be realised or intended to be sold or consumed in the normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in the normal operating cycle, held primarily for the purpose of trading, due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.6 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.7 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to contractual provisions of a financial instrument. Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the contractual rights to the cash flows expire, or when the financial asset and substantially all of the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled, or expired.

Classification

For a financial asset to be classified and measured at amortised cost, it needs to (i) give rise to cash flows that are solely payments of the principal and interest on the principal amount outstanding and (ii) be held within a business model with the objective of holding financial assets in order to collect contractual cash flows. This assessment depends on the characteristics of the financial asset and the Group's business model to manage these assets. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at their fair value through profit or loss, irrespective of the business model. Financial assets of the Group, like trade and other receivables, cash and cash equivalents, are classified as financial assets measured at amortised cost.

Financial liabilities, like borrowings and trade and other payables, are classified as financial liabilities measured at amortised cost.

Measurement

Financial assets

Except for trade receivables, the Group initially measures financial assets at their fair value plus transaction costs. The Group measures its trade receivables at initial recognition on the transaction price of the revenue recognised. A trade receivable is recognised if the amount of the services provided to the customer is unconditional and the receivable relates only to the passage of time. After initial recognition, financial assets are measured at amortised cost using the effective interest method, less allowance for expected credit losses.

Impairment of financial assets

A credit loss allowance is recognised for the impairment of financial assets. The credit loss allowance is based on the future expected credit exposures for the financial assets. The Group only has financial assets with a short lifetime, like trade and other receivables. The credit loss allowance may be determined for the lifetime expected credit loss for receivables with a short lifetime (simplified approach).

Applying the simplified method, the Group uses the historical experience of its activities, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The expected credit losses on trade receivables and amounts to be invoiced are estimated using a provision matrix by reference to historical credit loss experience based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and the forecast direction of conditions at the reporting date, including time value of money where appropriate.

A loss is recognised within other operating expenses. When a trade receivable becomes uncollectible, it is written off against the allowance account for doubtful debts. Subsequent recoveries of amounts previously written off are credited against other operating expenses.

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovering the contractual cash flows. Financial assets written off may still be subject to enforcement activities under the debt's recovery procedures. Any recoveries made are recognised in profit or loss.

Financial liabilities

Financial liabilities measured at amortised cost are initially measured at their fair value less transaction costs, if any. After initial measurement, financial liabilities are measured at amortised cost using the effective interest method.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three levels of the fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; or
- Level 3: Unobservable inputs for the asset or liability.

The fair values of borrowings are determined by using a discounted cash flow method, using a discount rate that reflects the borrowing rate as at the end of the reporting period.

2.8 Principles underlying the consolidated statement of cash flows

General

The consolidated statement of cash flows distinguishes between operating, investing and financing activities.

Cash flows from or used in operating activities

Cash flows from or used in operating activities are calculated by the indirect method, by adjusting the consolidated profit or loss before tax for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows.

Cash flows from or used in investing activities
Cash flows from or used in investing activities are cash payments and/or receipts from capital expenditure and acquisitions.

Cash flows from or used in financing activities
The cash flows from or used in financing activities comprise the cash receipts and payments from the issue of shares, borrowings drawn or repaid.

3 Significant accounting judgements and estimates

In preparing these consolidated financial statements, the Management Board has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

3.1 Judgements

Consolidation of Stichting Beheer Derdengelden Ease2pay
In 2017, Ease2pay B.V. entered into an agreement with Stichting Beheer Derdengelden Ease2pay ("the Foundation"), which sets out the conditions and approach that enable the Foundation to perform its statutory independent obligations. The purpose of the Foundation is to safeguard money of users of the transaction platform to pay for their parking and fuelling services. The amounts entrusted by the users of the platform to the Foundation shall be used to pay parking and fuel providers for their services. Due to the agreement, the Group may exert an influence on the Foundation's Board. It is agreed that all losses of the Foundation will be charged to Ease2pay B.V., consisting of operational expenses of the Foundation (the reimbursements of Ease2pay B.V. reflects income of the Foundation). Ease2pay B.V. settles the transactions on behalf of the Foundation with Foundation's counterparties.

The Group has concluded, in accordance with the consolidation requirements mentioned in note 2.3 - (i) influence in the Board, (ii) exposed to variable results and (iii) the ability to exert an influence on the Board to affect Foundations' results - that the financial information of the Foundation needs to be consolidated. The balance sheet of the Foundation shows mainly cash and cash equivalents, trade and other liabilities that are presented in the "Amounts entrusted to Stichting Beheer Derdengelden Ease2pay" and "Liabilities to Stichting Beheer Derdengelden Ease2pay" in the Group's consolidated statement of financial position. The Foundation's cash and cash equivalents are legally separated and are only available to pay for services provided to the users of the platform (in the line items mentioned above).

Principal versus agent for revenue out of settlement fees
The Group has contracts with financial institutions that provide services to enable payment processing, for which payment network fees are charged. The Group has applied judgement in determining whether it has control of the full payment service before the service is transferred to its customers and whether the Group acts as an agent or principal in relation to the settlement fees charged by financial institutions.

The Group is responsible for fulfilling the promise to provide payment transaction services. The Group is ultimately responsible for ensuring that the services are performed and are acceptable to the customers. The Group is thus considered to control the full payment service.

For all payments of processing settlement services that are provided to customers, the Group retains the exposure to financial institutions and the related payment costs. As such the Group has concluded it acts as principal for these services purchased from financial institutions. The processing fees are based on these related payment costs and other relevant costs for the processing services.

3.2 Estimates

Impairment test of goodwill and non-current assets of Involtum

On an annual basis, the group tests whether goodwill (together with other non-current assets of a cash-generating unit, see note 11) is subject to any impairment. For the 2022 reporting period, the recoverable amount of the cash-generating units was determined based on value in use calculations, which require the use of assumptions. The calculations used are cash flow projections based on financial budgets approved by management covering a five-year period. See note 11 for further details on these assumptions.

Measurement of assets and liabilities acquired in a business combination

In 2022, the Group acquired the activities of Involtum Holding B.V. and its respective companies it controls, which operates a comprehensive IoT and payment platform. The main assets obtained are the platforms technology, customer relationships and property, plant and equipment. See note 4 for the measurement of the assets and liabilities acquired and the related assumptions.

Measurement of the parking services platform

The Group assesses the measurement of the parking services platform based on historical cost less amortisations and impairments, if applicable, by estimating the expected future earning capacity. See note 12 for further details of this assessment.

Measurement of deferred taxes

The Group has obtained deferred taxes from its acquisition of Involtum Holding B.V. and has a significant amount of unrecognised unused tax losses. The Group has a history of losses and has therefore no sufficient evidence for offsetting unused taxes with possible future profits (see note 10.3).

4 Business combinations

4.1 Significant accounting policy

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date at fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value, or at the proportionate share of the acquiree’s identifiable net assets, if any. Acquisition-related costs are expensed as incurred and included in other operational expenses in the consolidated statement of profit or loss.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date, if any. Contingent considerations classified as financial liabilities are measured at fair value with the changes in fair value recognised in the consolidated statement of profit or loss.

Goodwill is initially measured at cost as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

All identified assets and liabilities are measured at fair value, the main remeasured items in the purchase price allocation are mentioned below.

Platform – intangible assets
The software acquired is needed for the energy portals, apps and payments and was valued based on the cost approach that considers the time, knowledge and related expenses to reproduce the platform. The cost approach is a generally accepted method to determine the fair value of such an asset. This fair value is based on level 3 of the fair value hierarchy. On the acquisition date, the useful life of this platform is determined at five years.

Customer relationships – intangible assets
Customer relationships reflect the expected future benefits of existing relationships with customers at acquisition date, excluding selling orders agreed. The customer relationships acquired as part of the acquired companies were valued based on the Excess Earnings method, which considers the attrition data, profitability data and growth of revenues coming from existing customers. The Excess Earnings method is a generally accepted method to determine the fair value of such an asset. This fair value is based on level 3 of the fair value hierarchy. To determine the fair value of the customers relationships, varying growth rates have been used: from 2% to 38% positive; attrition rates of 0% and discount rates of 21%. On the acquisition date, the useful life of these customer relationships is determined at ten years.

4.2 Acquisition of Involtum Holding B.V.
On 19 January 2022, the Group obtained control over Involtum Holding B.V. by acquiring all of the shares of Involtum Holding B.V. (hereafter “Involtum”). Involtum and its group companies is a Dutch Group that provides the services of its Internet of Things switching and transaction platform. This platform has integrated invoicing and payment modules. Involtum's platform and services enable our customers to market innovative 'sharing' services.

Involtum helps its customers with the development and improvement of their services and aims to develop labels or communities that can be used by multiple customers. In this way, Involtum enables parties to make a limited number of facilities available for a sharing service, without having to develop a platform themselves. Involtum relieves providers of power supplies in marinas, in (sea) ports, on camping sites, in parking spaces (electric transport), at events (festivals, markets, fairs) with its switching, metering, invoicing and payment solution. Wherever electricity is available and used temporarily, payment can be made possible.

With customer-specific energy portals, smartphone apps and flexible payment methods, Involtum literally takes care of everything that comes with offering energy. Involtum mobile power concepts enable customers to activate electricity and other utilities using their smartphone, gain realtime insight into their consumption, receive customised bills and enjoy easy and quick payment possibilities.

Consideration transferred and valuation of assets obtained

The Group has issued shares to the shareholders of the acquiree to fulfil the acquisition consideration. The consideration transferred is EUR 27,635 thousand, consisting of 10,714,792 shares of Ease2pay N.V. with a price on the Euronext Amsterdam exchange of EUR 2.58 on 19 January 2022, less the 1-year lock-up premium. The consideration is satisfied in shares of Ease2pay N.V. An investment cash outflow has not been included in the consolidated cash flow statement for this acquistion.

EUR thousands	Involtum Holding B.V.
Technology of the platform (intangible assets)	1,630
Customer relationships (intangible assets)	1,195
Other equipment (property, plant and equipment)	595
Trade receivables	171
Other current assets	366
Cash and cash equivalents	105
Trade and other liabilities	-1,205
Deferred taxes	-201
Total identified assets obtained and liabilities assumed	2,656
Goodwill	24,979
Consideration transferred	27,635

Other disclosures of the business combination

The goodwill of EUR 24,979 thousand primarily related to growth and synergy expectations by integrating the platforms and offering customers a more integrated and wider range of services and the expertise and knowledge of the workforce (see note 11 for the impairment test of this goodwill). The goodwill is not tax deductible. The Group evaluates goodwill on impairments based on recent budgets and forecasts. Since the acquisition date, the revenue of the company acquired has been approximately EUR 2.8 million and the net loss was approximately EUR 1.4 million. The activities are included in the Group figures for the whole financial year period. The acquisition-related costs of this transaction are approximately EUR 706 thousand and are recognised in the other operating expenses in the consolidated statement of profit or loss. The amount of issuance costs of shares related to the business combination is some EUR 327 thousand and is recognised in the share premium. The fair value and the carrying amount of trade receivables are EUR 171 thousand.

5 Revenue and segment information

5.1 Significant accounting policy

Revenue is measured based on the consideration to which the Group expects to be entitled from contracts with customers and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of the service to a customer.

A performance obligation is the unit of account for revenue recognition. At contract inception, the Group identifies the performance obligations within the contract. To determine whether a promised service (or bundle of services) is distinct, the Group applies judgment using two criteria:

- Capable of being distinct: The customer can benefit from the good or service on its own or together with other readily available resources.
- Distinct within the context of the contract: The Group considers a promise distinct within the context of the contract when the promised transfer of the good or service is separately identifiable from other promises in the contract.

Besides the other services, the revenue of the Group consists of two fees:

- Settlement fees: A customer obtains the right to execute transactions on the platform in a specific period. This is a performance obligation satisfied over time. Settlement fees are fixed fees per period and are recognised on a straight-line basis in the period.
- Processing fees: A customer executes transactions at one moment on the platform. This is a performance obligation satisfied over time (in a very short timeframe). Processing fees are fees per transactions and are recognised when the transaction has been executed.

Besides these fees, the Group provides connectors to customers to be able to connect to the platform. These performance obligations are satisfied at a point in time. The Group also provides other services mainly providing power to customers via its public connectors or maintenance of the platform to connect or provide services to customers, these performance obligations are satisfied over time.

Revenue is measured net of discounts, value added tax and other sales-related taxes. There are no significant financing components in the contracts.

5.2 Revenue

EUR thousands	2022	2021
Settlement fees	869	138
Processing fees	697	199
Other services (performance obligations satisfied over time)	670	17
Other services (performance obligations satisfied at a point-in-time)	1,146	0
	3,382	354

Amounts for the year 2021 have been reclassified for comparative purposes.

5.3 Segment information

The basis of the segment information is the periodical assessment of the Chief Operating Decision Maker (CODM). The Management Board is identified as CODM. The Group's business model is based on its platform for parking, fuelling, Internet of Things switching, transactions and other (supporting) services and are identified as one reporting segment. The Management Board also assesses the performance of the Group also on the basis of the complete platform. The segment information is identical to the consolidated financial information in these financial statements, due to the limited size of the reporting segment and the operations of the payment platform.

Segment information is measured according to the same policy as assets, liabilities, income and expenses in these consolidated financial statements. The Group is in a scale-up phase for which a strict management of costs is essential. The Management Board assesses the operational costs that affect directly the Group's revenue:

EUR thousands	2022	2021
Cost incurred from financial institutions and other costs	-2,532	-270
Employee benefits	-1,107	-197
Other operating expenses	-1,533	-474
Total	-5,172	-941
Revenue	3,382	354

The increase in the year relates to the revenue of the activities of Involtum that are acquired in beginning 2022. Revenues of approximately EUR 1,565 thousand (2021: EUR 36 thousand) are derived from a single external customer.

6 Cost of revenue

EUR thousands	2022	2021
Cost incurred from financial institutions related to payment transactions	904	270
Cost for power supply and other platform related services	511	0
Cost of goods sold to enable platform services	1,117	0
	2,532	270

Cost incurred from financial institutions related to payment transactions include expenses that relate to external expenses to service these transactions. Cost for power supply and other platform related services include expenses that relate to external expenses for power purchases. Cost of goods sold to enable platform services include expenses for new, expanding and replacing existing connectors that are sold to customers.

7 Employee benefits

Significant accounting policy

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably. Staff costs comprise directly attributable costs of staff, Management Board and Supervisory Board members, social security contributions, pension contribution payments and temporary staff expenses.

Pension contribution payments of the Group relate to defined-contribution plans, which are recognised as an expense when employees have rendered services entitling them to the payments.

The Group may receive government grants to compensate personnel expenses related to specific activities of employees. Grants from the government are recognised at their fair values where there is a reasonable assurance that the grant will be received and the Group will comply with all conditions attached.

Employee expenses

EUR thousands	2022	2021
Wages and salaries	756	154
Social security contributions	135	29
Pension contribution payments	7	7
Other employee expenses	209	7
	1,107	197

Other employee benefits include also expenses of external business development staff. The Group received government grants related to employee activities in the amount of EUR 30 thousand (2021: EUR 29 thousand) included as part of the Wages and salaries.

Workforce

The average number of employees is summarised below.

Average number of FTEs	2022	2021
Management	3.8	2.0
Platform and administrative	10.7	4.6
	14.5	6.6

All people are employed in the Netherlands.

8 Other operating expenses

EUR thousands	2022	2021
Advisory and consultancy expenses	1,117	327
Other expenses	416	147
	1,533	474

Other expenses have mainly increased due to the acquisition of Involtum. See note 27.2 Other expenses in the company financial statements for the disclosure of the remuneration of independent auditors.

9 Finance expenses

See note 2.7 for the relevant accounting policy.

EUR thousands	2022	2021
Interest credit facilities	8	10
Interest bank overdrafts	15	0
	23	10

10 Income taxes

10.1 Significant accounting policy

Tax expense or income recognised in the consolidated financial statement of profit or loss comprises the sum of deferred tax and current tax that is not recognised in other comprehensive income or directly in equity.

Current and deferred taxes are calculated based on tax rates and tax laws that were enacted or substantively enacted by the end of the reporting period. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax assets and liabilities are generally recognised for all temporary differences. Deferred tax assets could also arise from unused tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against deductible temporary differences that can be utilised. In case of a history of recent losses exists, a deferred tax asset is only recognised for unused tax losses to the extent that sufficient taxable temporary differences are available or convincing other evidence exists that sufficient taxable profit will be available to utilise for the unused tax losses. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to the extent that it is (no longer) probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to settle their current tax assets and liabilities either on a net basis or simultaneously.

10.2 Income tax recognised in profit or loss

EUR thousands	2022	2021
Current tax expense / income	0	0
Deferred tax expense / income	-371	0
Income tax expense / income	-371	0

Reconciliation of the effective income tax rate

A tax rate of 15.0% (2021: 15.0%) is applicable to profits with a threshold of EUR 395 thousand (2021: EUR 245 thousand). Profits exceeding this amount are subject to a tax rate of 25.8% (2021: 25.0%).

The income tax expense or benefit for the year reconciled to the accounting loss is as follows:

EUR thousands	2022	2021
Loss before income tax	-26,446	-808
Income tax benefit calculated at 25.8% Dutch income tax rate	6,823	202
Effect of lower tax rate for income up to EUR 395 thousand (2021: EUR 245 thousand)	-43	-25
Remeasurement deferred tax asset of unused tax losses	-457	0
Tax losses not eligible to recognise deferred tax assets	-6,694	-177
Income tax expense	-371	0

10.3 Deferred taxes

The changes in deferred taxes for 2022 are summarised below.

EUR thousands	As at 1 January	Business combinations	Profit or loss	As at 31 December
Intangible assets	0	-507	45	-462
Property, plant and equipment	0	-151	41	-110
Unused tax losses	0	457	-457	0
	0	-201	-371	-572

The deferred taxes arisen at the acquisition of Involtum are remeasured at nil based on the existing historical tax losses of both Ease2pay and Involtum. Some EUR 100 thousand of the deferred tax liabilities is expected to be released within one year (2021: nil). On 31 December 2021, the deferred taxes were nil and no changes had occurred in 2021.

Expiry period of unrecognised tax losses

Unused tax losses are not recognised due to the advancing negative results of the Group in the year under review and losses in previous years. On 1 January 2022, the Dutch tax provisions for compensation of tax losses changed. From that date, tax losses will be carried-forward unlimitedly and can compensate for at least EUR 1 million, if any, or to a maximum of 50% of the taxable profit per year less EUR 1 million. This mechanism prevents leakage of tax losses, but a longer period is needed to compensate all losses. The tax losses are summarised hereafter.

Expiration of the unrecognised deferred taxes	2022	2021
Unlimited	12,825	0
Expire in 2025	0	1,387
Expire in 2026	0	1,051
Expire in 2027	0	1,519
Total	12,825	3,957

As from 2023, a tax rate of 19% (2022: 15%) has been applied to the unused tax losses for results of EUR 200 thousand per year (2022: EUR 395 thousand per year) and 25.8% to profits above this threshold (2022: 25.8%). Based on the tax rate of 25.8%, the unrecognised tax losses represent a tax asset of EUR 3,191 thousand (2021: EUR 1,021 thousand, based on a tax rate of 25.8%).

11 Goodwill

Significant accounting policy

Goodwill is initially measured at cost, as the excess of the sum of the consideration transferred over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. After initial recognition, goodwill is measured at cost less accumulated impairments, if any (see note 2.6).

Changes in goodwill

EUR thousands	2022	2021
Balance as at 1 January	0	0
Acquired in business combinations (see note 4)	24,979	0
Impairment losses	-23,766	0
Changes in the year	1,213	0
Cost	24,979	0
Accumulated impairment losses	-23,766	0
Balance as at 31 December	1,213	0

Impairment test of non-financial non-current assets

The recoverable amount is determined based on value-in-use calculations, covering a detailed five-year forecast, followed by an extrapolation of expected cash flows using a declining growth rate determined by management. The present value of the expected cash flows of each unit is determined by applying a suitable discount rate reflecting current market assessments of the time value of money and risks specific to the segment.

Assumptions used

The Group distinguishes two cash generating units:

- NomadPower and related services: a service line with activities for electricity supply and charging infrastructure and digital payment for self-service in ports, truck parks, camp sites, marinas and carwashes; and
- Communication with devices connected: a services line with activities to activate and deactivate washing machines, dryers and/or other equipment for among others launderette via the platform.

The value in use of the cash generating units NomadPower and related services and Communication with devices connected are based on the cash flow projections reflect increasing profit margins in the forecast five-year period. After this period the cash flows are extrapolated. No expected efficiency improvements have been considered and prices and wages reflect publicly available forecasts of inflation in the industry over the forecast five-year period. Management is currently not aware of any other reasonably possible changes to key assumptions that would cause a cash-generating unit's carrying amount to exceed its recoverable amount. The discount rate and long-term growth rate are shown below.

Cash generating units	Discount rate	Long-term growth rate
NomadPower and related services	17.5%	2.4%
Communication with devices connected	17.5%	2.4%

Impairment loss

The effect of the impairment test on the goodwill is showed hereafter.

Goodwill per cash generating unit *EUR thousands*	Before impairment	Impairment	After impairment
NomadPower and related services	23,766	-23,766	0
Communication with devices connected	1,213	0	1,213
Total	24,979	-23,766	1,213

The cash generating unit of NomadPower and its related services have a value in use of EUR 1.1 million and equals the carrying amount of the related assets after impairment of goodwill. After the acquisition of these activities, the Group decided to cancel its further expansions of its charging station network for trucks and focus on the switching platform only, at least for the medium term. The expansion of charging stations requires additional capital. During the second half of 2022, it became clear that the Group was unable to obtain sufficient capital for this expansion. In the year 2022, significant challenges arose in this context, such as the higher and volatile power prices, which required higher capital requirements for a company in this industry, and high inflation, which substantially increased the capital required for such an investment. The Group decided to optimise the processes of these activities and aim for further growth of the platform switching services. This resulted in lower expected future cash inflows, significantly lower to make up the purchase price of this part of Involtum Holding B.V.

The value in use of the cash generating unit Communication with devices connected is EUR 2.5 million and the carrying amount of the related assets is EUR 2.3 million.

Sensitivity

EUR thousands	Headroom	Discount rate increase of 1%	Long-term growth decrease of 0.5%
Cash generating units after goodwill impairment			
NomadPower and its related services	n.a.	n.a.	n.a.
Communication with devices connected	0.2	0.2	0.1

After the impairment of the goodwill of the cash generation unit NomadPower and its related services all goodwill impaired. The cash generating unit Communication with devices connected would not be impaired if the discount rate 1% increases.

12 Intangible assets

Significant accounting policy

Intangible assets represent the payment transaction platform (the “platform”) that provides services for the settlement of parking and fuelling, Internet of Things switching, transaction platform and other services. Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair values at the acquisition date (which is regarded as their cost). After initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over the useful life of the asset.

Intangible assets arising from development are recognised provided that the following criteria are met (i) the development costs can be measured reliably, (ii) the activities are technically and commercially feasible, (iii) the Group intends to and has sufficient resources to complete the project, (iv) the Group has the ability to use or sell the software, and (iv) the activities will likely generate future economic benefits. Development costs not meeting these criteria for capitalisation are expensed as incurred.

Intangible assets arising from development or acquired separately are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over the useful life of the asset. The useful life and amortisation method are reviewed at the end of each reporting period.
Intangible assets are derecognised upon disposal, or when no future economic benefits are expected from their use or disposal. Any resulting gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss when the asset is derecognised.

Research and development expenses

The Group has incurred some EUR 247 thousand for research and development expenses (2021: EUR 150 thousand).

Changes in intangible assets

EUR thousands	Platform technology	Customer relationships	Total
As at 1 January 2022			
Cost	2,529	0	2,529
Accumulated amortisation	-710	0	-710
Carrying amount as at 1 January 2022	1,819	0	1,819
Changes in the year			
Acquired through business combination	1,630	1,195	2,825
Amortisation charge	-578	-120	-698
	1,052	1,075	2,127
As at 31 December 2022			
Cost	4,159	1,195	5,354
Accumulated amortisation	-1,288	-120	-1,408
Carrying amount as at 31 December 2022	2,871	1,075	3,946
Useful life in years	5 - 10	10	
Remaining useful life in years	4 - 8	9	
As at 1 January 2021			
Cost	1,858	0	1,858
Accumulated amortisation	-499	0	-499
Carrying amount as at 1 January 2021	1,359	0	1,359
Changes in the year			
Acquired through business combination	671	0	671
Amortisation charge	-211	0	-211
	460	0	460
As at 31 December 2021			
Cost	2,529	0	2,529
Accumulated amortisation	-710	0	-710
Carrying amount as at 31 December 2021	1,819	0	1,819
Useful life in years	10	-	
Remaining useful life in years	7	-	

13 Property, plant and equipment

Significant accounting policy

Property, plant and equipment relate to energy charging connections and other equipment and are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated from the date an asset becomes available for use and is provided on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. The depreciation method, useful lives and residual values are reviewed annually.

An asset is derecognised upon disposal or when no future economic benefits are expected to arise from its continued use. Any resulting gain or loss is measured as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss when the asset is derecognised.

Changes in other equipment

EUR thousands	2022	2021
As at 1 January		
Cost	6	6
Accumulated depreciation	-4	-4
Carrying amount as at 1 January	2	2
Changes in the year		
Acquired through business combination	595	0
Additions	6	0
Depreciation charge	-169	0
	432	0
As at 31 December		
Cost	607	6
Accumulated depreciation	-173	-4
Carrying amount as at 31 December	434	2
Useful life in years	2 - 5	2

The depreciation expenses include an impairment loss of EUR 49 thousand for some items of other equipment due to damages.

14 Trade and other receivables

See note 2.7 for the relevant accounting policy.

EUR thousands As at 31 December	2022	2021
Trade receivables	276	8
Receivables outstanding for merchants	422	0
Amounts to be invoiced	162	7
Value added tax receivable	110	0
Other receivables and accruals	324	10
Total	1,294	25

The aging of the trade receivable is shown below.

As at 31 December 2022 *EUR thousands*	Gross amount	Credit loss allowance	Carrying amount
Not past due	193	0	193
0 to 30 days	30	0	30
30 to 60 days	8	0	8
More than 60 days	47	-2	45
Total	278	-2	276

As at 31 December 2021 *EUR thousands*	Gross amount	Credit loss allowance	Carrying amount
Not past due	6	0	6
0 to 30 days	1	0	1
30 to 60 days	0	0	0
More than 60 days	1	0	1
Total	8	0	8

The credit risk of the trade receivables is limited for the parking and fuelling payment processing, as most receivables are paid from the amounts trusted to Stichting Beheer Derdengelden Ease2pay of the foundation. For the services of the Internet of Things switching and transaction platform and other goods provided, the Group has direct receivables from its customers. Merchants bear the credit risk of receivables outstanding for merchants.

The movement of the credit loss allowance is summarised below.

EUR thousands	2022	2021
Balance as at 1 January	0	0
Additions	2	0
Balance as at 31 December	2	0

15 Amounts entrusted to Stichting Beheer Derdengelden Ease2pay

See note 2.7 for the relevant accounting policy.

Amounts entrusted to Stichting Beheer Derdengelden Ease2pay are amounts received for the services of the providers of parking and fuelling services and amount to EUR 747 thousand (2021: EUR 344 thousand). The amounts are separated in an entity segregated from the Group, the foundation, Stichting Beheer Derdengelden Ease2pay (the Foundation), to pay the service providers (for parking and fuelling) when their services are provided to customers using the platform.

16 Cash and cash equivalents

See note 2.7 for the relevant accounting policy.

The cash and cash equivalents amounting to EUR 3,378 thousand (2021: EUR 2 thousand) were available to the Group without any restrictions (2021: no restrictions). The Group does not receive of pay interest on its cash and cash equivalents. Note 22.1 sets out the credit risk of the counterparties with regard to the amounts of cash and cash equivalents.

17 Equity

17.1 Equity

Significant accounting policy

Share capital

Ordinary share capital is classified as share capital. The authorised share capital is the maximum capital that the Company can issue under the terms of the Company's Articles of Association.

Share premium

Share premium is the excess of the amount received by the Company over and above the nominal value of its shares issued. Incremental costs directly attributable to the issue of new shares are shown in shareholders' equity as a deduction, net of tax, from the proceeds and are presented in share premium.

Changes in shares issued

The authorised share capital of EUR 11.0 million (2021: EUR 2.5 million) is divided into 110,000,000 ordinary shares with a par value of EUR 0.10 (2021: 25,000,000 ordinary shares with a par value of EUR 0.10). The issued share capital is summarised below.

Number of ordinary shares issued and fully paid	2022	2021
Issued shares as at 1 January	10,550,208	9,239,998
Issued shares in the year	12,992,007	1,310,210
Issued shares as at 31 December	23,542,215	10,550,208

On 19 January 2022, the Group obtained control over Involtum Holding B.V. by acquiring all of the shares of Involtum Holding B.V. and transferred 10,714,792 new issued shares of Ease2pay N.V. to the sellers (see note 4.2 consideration transferred).

On 19 January 2022, the Group successfully completed a private placement share issuance to a group of majority shareholders. The Group issued 2,108,344 shares of EUR 3.02 each, resulting in cash proceeds of EUR 6,375 thousand. The emission price was based on the weighted trade-volume average price of ordinary shares on Euronext Amsterdam over a period of 90 days before the Group's press release on 29 November 2021.

On 19 January 2022, the Group converted its liability of its credit facility of EUR 509 thousand including accrued interest into 168,871 shares of EUR 3.02 each.

The Group incurred cost for the share issuance amounting to EUR 396 thousand in the year.

On 8 January 2021, the Group issued 1,310,210 shares for EUR 1.00 per share, amounting to EUR 131 thousand share capital and EUR 1,140 thousand share premium in a private placement. The expenses of this issuance, amounting to EUR 39 thousand, have been charged to the share premium.

See the consolidated statement of changes in equity for changes in the equity components in the year and see note 30.1 of the company financial statements for more detailed information.

Loss allocation

The loss of the year amounting to EUR 26,817 thousand, will be deducted from the retained earnings.

17.2 Basic and diluted loss per share

The loss per share is based on the weighted average number of shares.

For the year ended 31 December	2022	2021
Balance on 1 January (in number of shares)	10,550,208	9,239,998
Weighted effect of shares issued in the year (in number of shares)	12,315,711	1,285,083
Weighted average number of shares for the year	22,865,919	10,525,081
Loss after tax attributable to shareholders (in EUR thousand)	-26,817	-808
Basic and diluted loss per share (in EUR)	-1.17	-0.08

17.3 Capital management

The Group's policy is to maintain an adequate capital position to retain the confidence of its customers, investors, creditors and the financial markets and enable future development and growth of its business activities. The Management Board monitors the capital defined by the Group as shareholders' equity, EUR 8.2 million on 31 December 2022 (2021: EUR 0.9 million). The Management Board also monitors events in relation to the development phase of the Group's business. The current scale-up phase is not suitable for setting rigid quantitative targets. The Management Board strives for a balanced development for the further rollout of the platform and activities, resulting in future growth of the Group's earnings. In the year under review, the Group's capital management approach has not changed. The Group is not subject to any externally imposed capital requirements.

On 31 December 2022, the ratio of liabilities of EUR 2.8 million (2021: EUR 1.3 million) to equity of EUR 8.2 million (2021: EUR 0.9 million) was 0.34 (2021: 1.37). The change is due to the capital increase related to total assets (including the impairment) in 2022.

18 Borrowings

See note 2.7 for the relevant accounting policy.

Changes in borrowings

EUR thousands	2022	2021
Balance as at 1 January	509	677
Amounts repaid	0	-678
Amounts drawn	0	500
Borrowings converted into equity (see note 17.1)	-509	0
Interest accrual	0	10
Balance as at 31 December	0	509
Current borrowings as at 31 December	0	509

On 18 December 2019, The Internet of Cars V.O.F. provided a credit facility with a notional value of EUR 650 thousand (excluding accrued interest). The interest rate of the facility was 5.0% per year. This facility originated when the Group agreed to merge its existing credit facilities with the lender to one facility with a total nominal amount of EUR 650 thousand (excluding accruing interest).

In January 2021, the Group repaid the outstanding amount of EUR 678 thousand. On 29 April 2021, the Group agreed to extend this credit facility to 30 June 2022, on this date the facility terminated. In June 2021, the Group drawn EUR 500 thousand on this facility.

On 19 January 2022, the Group converted its liability of this credit facility of EUR 509 thousand including accrued interest into equity (see note 17.1).

19 Liabilities to Stichting Beheer Derdengelden Ease2pay

See note 2.7 for the relevant accounting policy.

An amount of EUR 322 thousand of the liabilities to Stichting Beheer Derdengelden Ease2pay relates to amounts received by the Foundation from users of the platform to be used to pay parking and fuel providers (EGI credits) (2021: EUR 254 thousand) and an amount of EUR 428 thousand to amounts payable to providers of parking services or fuel (merchants) (2021: EUR 94 thousand).

20 Trade and other liabilities

See note 2.7 for the relevant accounting policy.

EUR thousands As at 31 December	2022	2021
Trade payables	90	100
Payables related to merchants	254	0
Wage and value added taxes payable	117	58
Other liabilities	999	253
Total	1,460	411

The Management Board and its external advisor have been evaluating and remediating the value added tax position, including ongoing interaction with the relevant tax authorities, currently resulting in a value added tax liability as at 31 December 2022 of EUR 103 thousand.

21 Contingencies

21.1 Short-term leases

Significant accounting policy

The Group has entered into a short-term lease agreement for office space. The payments of short-term leases are expensed on a straight-line basis over the lease term of the contract.

Lease expenses

The Group’s short-term lease contract ends in September 2023. In 2022, the Group included EUR 50 thousand for short-term lease expenses in the other operational expenses in the consolidated statement of profit or loss (2021: EUR 6 thousand). On 31 December 2022, the Group’s short-lease commitment was EUR 34 thousand (2021: EUR 3 thousand).

22 Financial risk management

The Group is exposed to financial instruments that occur or are used in its business activities. The use of financial instruments expose the Group to the following risks:

- Credit risk;
- Liquidity risk; and
- Market risk.

The Management Board is responsible for setting up and overseeing the Group’s risk management framework. The Group continuously develops its internal risk management framework. The Management Board reports regularly on these activities to the Supervisory Board. The purpose of the risk policy is to identify and assess to which risks the Group is exposed, to set appropriate risk limits and measures and to monitor the risks and compliance with the limits. Risk management policies and systems are regularly reviewed and adjusted as necessary to reflect changes in market conditions and the Group's activities. The Group aims through its training, management standards and procedures, to develop a monitored and constructive control environment in which employees understand their roles and obligations.

22.1 Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to comply with an obligation. A credit risk arises when counterparties, including debtors or banks, fail to meet their obligations to the Group. The Group’s credit risk is limited to parking and fuelling payment processing fees as most of those fees are paid via Stichting Beheer Derdengelden Ease2pay. As the credit risk of the switching platform activities is attributable to the Group’s customer, only a limited amount for the Group’s fee is at risk. The Group considers the following as constituting an event of default:
- When information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors; or
- When a financial asset is 90 days past due.

The cash and cash equivalents held with banks are considered financial assets rated investment grade. ABN AMRO Bank N.V. has ratings of A, A1, A from Standard & Poors, Moody's and Fitch, respectively. Rabobank has ratings of A+, Aa2, A+ from Standard & Poors, Moody's and Fitch respectively. The Group's maximum exposure to credit risks is limited to the carrying amount of the financial assets in the consolidated statement of financial position.

22.2 Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's policy is to meet its current and future payment obligations, to enable the continuance and growth of its business activities. The principles underlying liquidity risk management are that sufficient liquidity is available to meet financial obligations arising from the Group's activities.

On 31 December 2022, the Group had EUR 3,378 thousand in cash and cash equivalents at its free disposal (2021: EUR 2 thousand). On the same date, the Group had no credit facility (2021: a credit facility of EUR 650 thousand of which EUR 150 thousand could be drawn).

The expected cash outflows of the Group are as follows:

As at 31 December 2022 *EUR thousands*	Carrying amount	Total	Less than 6 months	6 to 12 months	After 12 months
		Cash outflows			
Liabilities to Stichting Beheer Derdengelden Ease2pay	750	750	750	0	0
Trade and other liabilities	1,460	1,460	1,460	0	0
Total	2,210	2,210	2,210	0	0

As at 31 December 2021 *EUR thousands*	Carrying amount	Total	Less than 6 months	6 to 12 months	After 12 months
		Cash outflows			
Borrowings	509	0	0	0	0
Liabilities to Stichting Beheer Derdengelden Ease2pay	348	348	348	0	0
Trade and other liabilities	411	411	411	0	0
Total	1,268	759	759	0	0

In January 2022, the outstanding borrowings were converted into shares and did not result in a cash outflow (see note 17.1).

22.3 Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable limits whilst optimising the acceptable limits and whilst optimising returns.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group makes use of interest-bearing liabilities or credit facilities with fixed interest rates. The Group aims to conclude credit facilities with fixed interest rates to mitigate the risk of changing interest rates and to have certainty about outgoing cash flows. Changes in interest rates affect the fair value of a loan, but do not lead to a change in cash outflows. On 31 December 2022, the Group was not exposed to any interest rate risk as it has no interest-bearing debts (2021: not exposed as the outstanding facility had a fixed interest rate).

Foreign currency risk

The Group has low foreign currency risk exposure, as a limited number of Internet of Things switching and transaction platform services are performed in currencies other than the euro.

Fair value of financial instruments

The carrying amounts of the financial instruments in the Consolidated statement of financial position, consisting of trade and other receivables, cash and cash equivalents, borrowings and other current liabilities, are reasonable approximations of the fair value of the instruments.

Sustainable risk

The Group facilitates the energy transition in individual, recreational and freight transport. The Group core activities are processing of the transactions for parking, fuelling and use of power or related services. Transport will change to electric sources, however it is expected that payment transaction related to mobility and other transaction will be needed and therefore the Group expects that customers continues to use its services.

23 Related party transactions

23.1 Significant accounting policy

A related party is a person or company that is related to the Group. These include both people and companies with an influence or control in the Group or subjected to the influence or control of the Group. The Management and Supervisory Boards, The Internet of Cars V.O.F. (majority shareholder) and Ease2pay N.V.'s group companies are related parties. Transactions with related parties are accounted for in accordance with the requirements of relevant accounting policies and consider the substance as well as the legal form. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Balances and transactions within the Group, which are related parties of the Group, have been eliminated on consolidation and are not disclosed. Related parties of the Group are its key management and its majority shareholder.

23.2 Group companies

The group companies that are included in the consolidation are summarised hereafter.

	Share as at 31 December	
Name and seat	2022	2021
Ease2pay B.V., Rotterdam, The Netherlands	100%	100%
Ease2platform B.V., Rotterdam, The Netherlands	100%	100%
Involtum Holding B.V., Rotterdam, The Netherlands (a)	100%	0%
Involtum Services B.V., Rotterdam, The Netherlands (a)	100%	0%
Nomad Power B.V., Rotterdam, The Netherlands (a)	100%	0%
Yoreon B.V., Rotterdam, The Netherlands (a)	100%	0%

(a) Companies are acquired as part of the acquistion of Involtum, see note 4.

23.3 Management and Supervisory Boards

Management Board

The remuneration of the members of the Management Board is in accordance with the responsibilities of their respective positions. The different positions are weighted, considering aspects such as the scope and nature of responsibilities, the complexity of the management context in which they operate and the required knowledge, experience and competences required. The remuneration of the members of the Management Board consists of a fixed amount. No variable, pension or other benefits were granted.

EUR thousands	Salaries (short-term)	Total
Mr Jan H.L. Borghuis	82	82
Mr Maarten L. Hektor (from 19 January to 27 December 2022)	82	82
Mr Gijs J. van Lookeren Campagne	82	82
Mr Edwin M. Noomen (from 19 January to 27 December 2022)	82	82
	328	328

The Management Board members were not entitled to pension premiums as part of their remuneration. In January 2022, the Management Board members entered into employment agreements with the Group. Until that date, the Group had entered into agreements with the respective management companies of the Group’s Board Members, based on the previous agreements Mr Borghuis and Mr van Lookeren Campagne were paid each EUR 22 thousand each in 2021. These management companies are the only two sole participants in the partnership (The Internet of Cars V.O.F.) that has a significant influence in the Group. In the year under review, loans were not provided to the members of the Management Board members (2021: no loans).

Supervisory Board

In 2022 and 2021, the members of the Supervisory Board received compensation for their work, as shown below. The compensations are commensurate with the time spent on their activities. On 30 June 2022, Ms Melis, Ms Terpstra, Mr Withagen and Mr De Witte were appointed and Mr Fahrner and Ms Van der Veer resigned.

EUR thousands	2022	2021
Mr W.C.H. Fahrner (until 30 June 2022)	5	10
Ms Manuela N.D. Melis (from 30 June 2022)	6	0
Ms Marijke A.J. Terpstra (from 30 June 2022)	6	0
Ms N. van der Veer (until 30 June 2022)	5	10
Mr Heini C.A.M. Withagen (from 30 June 2022)	6	0
Mr Tom M. de Witte (from 30 June 2022)	8	0
	36	20

23.4 Shareholders

The transactions and balances at year-end with the shareholder with a significant influence, The Internet of Cars V.O.F., for the year are set out below (see also notes 17.1 and 18):

EUR thousands	Transactions		Balances	
	2022	2021	2022	2021
Credit facility	-509	-178	0	509

The majority shareholder participated in the share issuance on 19 January 2022 for EUR 509 thousand by converting the loan into new issued shares (2021: Shareholders participated in the capital issuance for EUR 1,043 thousand) (see note 17).

24 New and/or amended IFRS standards and/or interpretations issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed hereafter. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS standards and interpretations endorsed by the European Union

- Amendments to IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgements*: "Disclosure of Accounting policies" is effective as from 1 January 2023. The amendments require to disclose material accounting policy information and clarify that accounting policy information is material if users need this to understand the financial statements. These amendments will only affect the disclosures of the Consolidated Financial Statements.
- Amendments to IAS 8 *Accounting policies, Changes in Accounting Estimates and Errors*: "Definition of Accounting Estimates", effective as from 1 January 2023. In these amendments, the definition of a change in accounting estimates is changed to monetary amounts in financial statements that are subject to measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error and changes in inputs or a measurement technique are changes in accounting estimates. These amendments are not expected to have a material impact.
- Amendments to IAS 12 *Income Taxes*: "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction", effective from 1 January 2023. These amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. These amendments are not expected to have a material impact.

IFRS standards and interpretations issued by the International Accounting Standard Board (IASB) and not yet endorsed by the European Union

The changes in standards mentioned below are not yet endorsed by the European Union. The effective dates mentioned are determined by the International Accounting Standard Board (IASB).

- Amendments to IAS 1 *Presentation of Financial Statements*: "Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current - Deferral of Effective Date" expected to be effective as from 1 January 2024. These amendments modify the requirements that were introduced by the amendments "Classification of Liabilities as Current or Non-current on how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances: Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current". In addition, an entity has to disclose information in the notes to enable users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months. These amendments are not relevant for the Group as it has no borrowings that are subject to covenants.

- Amendments to IFRS 16 *Leases*: “Lease Liability in a Sale and Leaseback”, expected to be effective as from 1 January 2024. The amendments require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. As the Group has no lease, these amendments will have no impact on the Group’s equity and result.
- Amendments to IAS 12 *Income taxes* “International Tax Reform – Pillar Two Model Rules”, expected to be effective immediately. The amendments require to introduce a temporary exception from accounting for deferred taxes arising from the implementation of the OECD Pillar Two model rules, together with disclosure requirements. The Group expects that these amendments will have no impact on the Group’s equity and result.
- Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 “Supplier Finance Arrangements”, expected to be effective as from 1 January 2024. The amendments require to add disclosures about supplier finance arrangements. These amendments are not applicable for the Group.

25 Events after balance sheet date

In its press release of 20 April 2023, Ease2pay announced that changing market conditions resulted in the Management Board’s decision to no longer invest in realising an own network of charging points for e-trucks. The consequences of this decision are reflected in this annual report, mainly in the impairment of goodwill, see note 11. Separately, Ease2pay detected inaccuracies in administrative processes and systems of Involtum-related business units, in particular impacting its value added tax position. In 2023, the Management Board and its external advisor have been evaluating and remediating the value added tax position; see “Delayed publication of the annual report” in the Report of the Management Board.

The procedures above were completed after the balance sheet date and before publication of the annual report and recognised in the relevant items of the financial statements.

Company financial statements 2022

Company statement of profit or loss for the year ended 31 December

EUR thousands	Note	2022	2021
Wages and salaries	27	-156	0
Social security and pension contributions	27	-28	0
Other expenses	27	-1,229	-421
Operating result		-1,413	-421
Interest income	28	52	36
Interest expenses		-16	-10
Result group companies	28	-25,440	-413
Loss before tax		-26,817	-808
Income tax expense		0	0
Result after tax		-26,817	-808

Company statement of financial position Before appropriation of result for the year as at 31 December

EUR thousands	Note	2022	2021
Non-current assets			
Non-current financial assets	28	5,135	1,643
Total non-current assets		5,135	1,643
Current assets			
Other receivables	29	62	29
Cash and cash equivalents		3,352	0
Total current assets		3,414	29
Total assets		8,549	1,672
Equity and liabilities			
Equity	30		
Share capital		2,354	1,055
Share premium		37,057	4,233
Accumulated losses		-4,364	-3,556
Loss for the year		-26,817	-808
Total equity		8,230	924
Current liabilities			
Borrowings	31	0	509
Trade and other liabilities	32	319	239
Total current liabilities		319	748
Total equity and liabilities		8,549	1,672

The accompanying notes form an integral part of these company financial statements.

Notes to the Company financial statements

26 Significant accounting policies

Ease2pay N.V. (“the Company”) is a public limited liability company incorporated and domiciled in Rotterdam, the Netherlands (see note 1 of the consolidated financial statements).

Basis of preparation

The company financial statements have been drawn up using the same accounting policies applied for preparing the consolidated financial statements, in accordance with Section 362(8), Part 9 of Book 2 of the Dutch Civil Code. Based on Section 362(8), Part 9 of Book 2 of the Dutch Civil Code, the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and with Part 9 of Book 2 of the Dutch Civil Code. These accounting principles are disclosed in the notes to the consolidated financial statements, unless stated otherwise below.

All amounts in these explanatory notes are stated in thousands of euros (“EUR”), unless stated otherwise.

27 Personnel and other expenses

27.1 Personnel expenses

EUR thousands	2022	2021
Wages and salaries	156	0
Social security contributions	28	0
Pensions contributions	0	0
	184	0
Average number of employees	4	0

Of the total wages and salaries amounted to EUR 278 thousand was EUR 122 thousand recharged to other group companies and for social security contributions amounted to EUR 50 thousand of was EUR 22 thousand recharged. All employees are employed in the Netherlands. See note 23.3 of the consolidated financial statements for the remunerations of the Management and Supervisory Boards.

27.2 Other expenses

The Other expenses are specified hereafter.

EUR thousands	2022	2021
Advisory and consultancy expenses	1,060	295
Other expenses	169	126
Other operating expenses	1,229	421

Independent auditor remuneration

In accordance with Section 382a, Part 9 of Book 2 of the Dutch Civil Code, the aggregate fees by the Company’s independent auditor of services in the Netherlands, PricewaterhouseCoopers Accountants N.V., are summarised below. These fees relate to the audit of the 2022 financial statements, regardless of whether the work was performed during the financial year.

EUR thousands	2022	2021
Audit of the financial statements	391	90
Other audit services	265	0
Tax services	0	0
Non-audit services	0	0
Total	656	90

Fees for audit services include the audit of the financial statements of the Company and its group companies.

28 Non-current financial assets

Significant accounting policies

Investments in group companies are measured using the equity method. The carrying amounts are based on the measurements of assets and liabilities and profit or loss based on the accounting policies applied in the consolidated financial statements. Group companies with a negative equity are measured at nil, unless the Company has an obligation for liabilities of or a receivable on the group company. In case a receivable (or loan) is provided to the group company, the loan provided is decreased by the negative amount of the equity value. A provision is recognised if a liability remains for the Company.

Loans to and amounts due from or to group companies are stated initially at fair value and subsequently at amortised cost, using the effective interest rate, less impairments. Each group company is considered a combination of assets and liabilities rather than an indivisible asset and, therefore, expected credit losses are eliminated.

Changes in the year

EUR thousands	Investments group companies	Loans to group companies	Total
Balance as at 1 January 2022	0	1,643	1,643
Additions	27,635	1,245	28,880
Result for the year	-25,157	-283	-25,440
Interest accrued	0	52	52
Balance as at 31 December 2022	2,478	2,657	5,135
Balance as at 1 January 2021	0	1,244	1,244
Offset group company value against loans	0	-413	-413
Interest accrued	0	36	36
Interest accrued	0	776	776
Balance as at 31 December 2021	0	1,643	1,643

The result for the year of group companies includes the impairment loss of the group companies (as disclosed in note 11).

See note 23.2 for the Company's group companies.

29 Other receivables

EUR thousands As at 31 December	2022	2021
Value added tax receivable	0	22
Other receivables and accruals	62	7
Total	62	29

30 Equity

30.1 Issued capital

Share capital

The authorised share capital of EUR 11.0 million (2021: EUR 2.5 million) is divided into 110,000,000 ordinary shares with a par value of EUR 0.10 (2021: 25,000,000 ordinary shares with a par value of EUR 0.10). The issued share capital is summarised below.

Number of ordinary shares issued and fully paid	2022	2021
Issued shares as at 1 January	10,550,208	9,239,998
Issued shares in the year	12,992,007	1,310,210
Issued shares as at 31 December	23,542,215	10,550,208

On 19 January 2022, the Group obtained control over Involtum Holding B.V. by acquiring all of the shares of Involtum Holding B.V. and transferred 10,714,792 new issued shares of Ease2pay N.V. to the sellers (see note 4.2 consideration transferred).

On 19 January 2022, the Group successfully completed a private placement share issuance to a group of majority shareholders. The Group issued 2,108,344 shares of EUR 3.02 each, resulting in cash proceeds of EUR 6,375 thousand. The emission price was based on the weighted trade-volume average price of ordinary shares on Euronext Amsterdam over a period of 90 days before the Groups' press release on 29 November 2021.

On 19 January 2022, the Group converted its liability of its credit facility of EUR 509 thousand including accrued interest into 168,871 shares of EUR 3.02 each.

The Group incurred cost for the share issuance amounting to EUR 396 thousand in the year under review.

Share premium
Share premium is the excess of the amount received by the Company over and above the nominal value of its shares issued. Incremental costs directly attributable to the issue of new shares are shown in shareholders' equity as a deduction, net of tax, from the proceeds and are presented in share premium.

30.2 Accumulated deficits
Accumulated deficits are related to past net losses allocated to shareholder's equity.

30.3 Changes in the year

2022 *EUR thousands*	1 January	Issuance of capital	Loss appropriation	Loss for the year	31 December
Share capital	1,055	1,299	0	0	2,354
Share premium	4,233	32,824	0	0	37,057
Accumulated deficits	-3,556	0	-808	0	-4,364
Result for the year	-808	0	808	-26,817	-26,817
	924	34,123	0	-26,817	8,230

2021 *EUR thousands*	1 January	Issuance of capital	Loss appropriation	Loss for the year	31 December
Share capital	924	131	0	0	1,055
Share premium	3,093	1,140	0	0	4,233
Accumulated deficits	-2,816	0	-740	0	-3,556
Result for the year	-740	0	740	-808	-808
	461	1,271	0	-808	924

30.4 Loss allocation
The loss for the year amount to EUR 26,817 thousand, will be deducted from the retained earnings.

31 Borrowings

EUR thousands	2022	2021
Balance as at 1 January	509	677
Amounts repaid	0	-678
Amounts drawn	0	500
Borrowings converted into equity (see note 17.1)	-509	0
Interest accrual	0	10
Balance as at 31 December	0	509
Current borrowings as at 31 December	0	509

On 18 December 2019, The Internet of Cars V.O.F. provided a credit facility with a notional value of EUR 650 thousand (excluding accrued interest). The interest rate of the facility was 5.0% per year. This facility originated when the Group agreed to merge its existing credit facilities with the lender to one facility with a total nominal amount of EUR 650 thousand (excluding accruing interest).

In January 2021, the Group repaid the outstanding amount of EUR 678 thousand. On 29 April 2021, the Group agreed to extend this credit facility to 30 June 2022, on this date the facility terminated. In June 2021, the Group drawn EUR 500 thousand on this facility.

On 19 January 2022, the Group converted its liability of this credit facility of EUR 509 thousand including accrued interest into equity (see note 30.1).

32 Trade and other liabilities

EUR thousands	As at 31 December	2022	2021
Trade payables		0	87
Other liabilities and accruals		319	152
Other liabilities		319	239

33 Contingencies

Fiscal unities

The Company is head of the Dutch fiscal unities for corporate income and value added tax. The Company is therefore liable for the tax obligations of the Dutch fiscal unities.

Short-term leases

See note 21.1 of the consolidated financial statements.

34 Financial risk management

General

Inherent to the use of financial instruments, the Company is exposed to credit risks, liquidity risks and market risks. The notes to the consolidated financial statements provide information on the Group's exposure to each of these risks, its objectives, principles and procedures for managing and measuring these risks, as well as Group capital management. These risks, objectives, principles and procedures for managing and measuring these risks as well as capital management apply mutatis mutandis to these company financial statements (see notes 17.3 and 22 of the consolidated financial statements).

Fair value

The carrying amounts of the financial instruments in the Company balance sheet, including receivables, cash and cash equivalents, borrowings and current liabilities, are reasonable approximations of the fair values of these instruments.

35 Related parties

Related parties of the Group are its key management and its majority shareholder (see note 23 of the consolidated financial statements). Besides the transactions with related parties disclosed in the consolidated financial statements, the Company has issued loans to its group companies.

EUR thousands	Transactions		Balances	
	2022	2021	2022	2021
Loans to group companies				
Amounts drawn	1,245	776	2,657	1,643
Interest accrued	52	36	0	0

36 Events after balance sheet date

See note 25 of the consolidated financial statements.

Rotterdam, 26 October 2023,

Management Board,	Supervisory Board,
Jan H.L. Borghuis	Manuela N.D. Melis
Gijs J. van Lookeren Campagne	Marijke A.J. Terpstra
	Heini C.A.M. Withagen
	Tom M. de Witte

Other information

Articles of association provisions governing the appropriation of profit
Article 31 of the articles of association states the following in respect of dividends and reserves:

1. Distribution of the profit may only take place after adoption of the financial statements showing that the company's equity is more than the amount of the paid-up and called-up part of the capital increased by the reserves that must be maintained pursuant to the law.
2. The part of the profit - the positive balance of the profit and loss account - realised in the financial year last passed to be reserved is determined by the management board subject to the approval of the supervisory board.
3. The part of the profit remaining after the reservation is at the disposal of the general meeting for distribution to the holders of shares, proportionally to the shares they hold.
4. Subject to previous approval by the supervisory board, already prior to the adoption of the financial statements of any financial year the management board may resolve to distribute the dividend to be expected at the account of the financial year concerned in the form of one or more interim dividends, provided an interim statement of assets and liabilities as referred to in Article 2:105 paragraph 4DCC signed by the management board shows that the requirement regarding the status of the capital in paragraph 1 of this article has been satisfied.
5. No profit is distributed on shares in its capital held by the company unless a right of usufruct has been established on those shares or depositary receipts thereof have been issued with the company's cooperation. In calculating the division of the profit, the shares in its capital held by the company and on which no profit may be distributed are not counted.
6. A general dividend reserve will be maintained for all shares.

Article 32 of the articles of association states the following in respect of distributions in the form of shares and distributions charged against the reserves:

1. The general meeting may resolve, based on a proposal from the management board that has been approved by the supervisory board, that a dividend on shares will take place in full or in part not in cash but in shares in the company.
2. The general meeting may resolve, based on a proposal of the management board that has been approved by the supervisory board, to distribute to the holders of shares at the expense of the share premium and freely distributable reserves. These distributions may also be made in full or in part not in cash but in shares in the company.

Independent auditor's report

To: the general meeting and the supervisory board of Ease2pay N.V.

Report on the financial statements 2022

Our opinion

In our opinion:

- the consolidated financial statements of Ease2pay N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2022 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ('EU-IFRS') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of Ease2pay N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2022 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2022 of Ease2pay N.V., Rotterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2022;
- the following statements for 2022: the consolidated statement of profit or loss, the consolidated statements of other comprehensive income, changes in equity and cash flows; and
- the notes, comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company statement of financial position as at 31 December 2022;
- the company statement of profit or loss for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

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The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' 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 Ease2pay N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Overview and context

The financial year 2022 was significantly impacted by Ease2pay's acquisition of Involtum Holding B.V. (hereafter 'Involtum'). As a result of the acquisition, Ease2pay's service offering has been expanded from being a payment service provider in parking and fuelling to also providing a self-service platform for charging facilities.

Given the size of Ease2pay N.V. compared to Involtum and the nature of the business activities and processes and the administrative organisation, this acquisition has resulted in a substantial change and expansion of the overall business operations of Ease2pay. For example, (new) business propositions, new revenue streams and an increased number of employees. In addition, the overall scale of the entire company increased, including, for example, international transaction flows and new (business) customers.

Ease2pay management has shaped the (administrative) integration by integrating the accounting systems and processes of both companies, including where relevant adjusting associated measures of administrative organisation such as for example authorisation matrices and security of and access to IT systems.

Aligning and adapting the Involtum administrative processes and systems to the Ease2pay environment and ensuring robustness of the overall organisation proved to be a time-consuming process and has taken management considerably longer than originally anticipated. This, together with managerial changes in the Board in December 2022 resulted in a delay in publishing the 2022 financial statements.

The acquisition impacted the financial year 2022 both in terms of balance sheet size as well as profit and loss composition. This affected the determination of materiality, the scope of our group audit and our audit procedures as described in the sections 'Materiality', 'The scope of our audit', and 'Key audit matters'.

The Group is comprised of several components. For a consideration of our group audit scope and approach please refer to the section 'The scope of our group audit'. We paid specific attention to the areas of focus driven by the operations of the Group, as set out below.

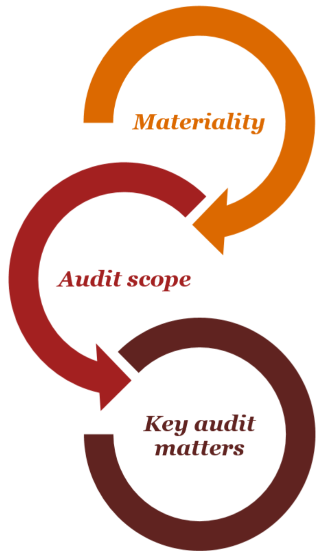
As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the management board made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In these considerations, we paid attention to, amongst others, the assumptions underlying the physical and transition risk related to climate change. In note 3 '*Significant accounting judgements and estimates*' of the financial statements, the Company describes the areas of judgement in applying accounting policies, and the key sources of estimation uncertainty. Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in the valuation of goodwill and valuation of the platform technology, we considered these matters as key audit matters as set out in the section 'Key audit matters' of this report. Furthermore, and similar to prior year, we identified the insufficient level of segregation of duties as key audit matter.

Other areas of focus, that were not considered as key audit matters, were measurement of assets and liabilities acquired in a business combination and the audit of the revenue streams. Furthermore, during 2022, we have performed a penetration test on the IT platforms for which no material exceptions have been noted which could possible impact the going concern assertion of Ease2pay.

Ease2pay N.V. assessed the possible effects of climate on its financial position, refer to section 'ESG' in the Report of the management board. We discussed Ease2pay N.V.'s assessment and governance thereof with the management board and evaluated the potential impact on the financial position including underlying assumptions and estimates. The expected effects of climate change are not considered a key audit matter.

We ensured that the audit team included the appropriate skills and competences which are needed for the audit. In that light we have also involved tax and valuations specialists in our team. Our tax specialists were primarily involved for the indirect tax positions and our valuations specialists assisted on the goodwill impairment testing.

The outline of our audit approach was as follows:



Materiality
- Overall materiality: €91,600.

Audit scope

- The audit work is conducted by the group team based in the Netherlands.
- All activities of the group are included as part of our audit scope.
- Audit coverage: 100% of consolidated revenue, 100% of consolidated total assets and 100% of consolidated profit before tax.

Key audit matters
- 1. Valuation of goodwill
- 2. Valuation of the platform technology
- 3. Insufficient level of segregation of duties

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section 'Our responsibilities for the audit of the financial statements'.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€91,600 (2021: €21,900).
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 1% of total assets (excluding goodwill).
Rationale for benchmark applied	We used total assets (excluding goodwill) as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that total assets (excluding goodwill) is the most relevant metric for the (financial) performance of the Company.
Component materiality	No component materiality is applicable, as all activities of the group have been audited based on the overall materiality.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the supervisory board that we would report to them any misstatement identified during our audit above €9,160 (2021: €1,095) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Ease2pay N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Ease2pay N.V.

We tailored the scope of our audit to ensure that we, in aggregate, provide sufficient coverage of the financial statements for us to be able to give an opinion on the financial statements as a whole, taking into account the management structure of the Group, the nature of operations of its components, the accounting processes and controls, and the markets in which the components of the Group operate. In establishing the overall group audit strategy and plan, we determined the type of work required to be performed by the group engagement team. At all components (Ease2pay N.V., Ease2pay B.V., Ease2platform B.V., Stichting Beheer Derdengelden Ease2pay, Involtum Holding B.V., Yoreon B.V., Nomad Power B.V. and Involtum Services B.V.), the audit procedures are performed on the full set of financial information because these components are individually significant. All audit work has been performed by the group engagement team.

In total, in performing these procedures, we achieved the following coverage on the financial line items:

Revenue	100%
Total assets	100%
Profit before tax	100%

The group engagement team performed the audit work on the group consolidation, financial statements disclosures and a number of more complex items at the head office.

By performing the procedures outlined above, we have been able to obtain sufficient and appropriate audit evidence on the Group's financial information, to provide a basis for our opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Ease2pay N.V. and its environment and the components of the internal control system. This included the management board's risk assessment process, the management board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes. We refer to section 'fraud risk' of the report of the management board for management's reflection on their fraud risk and section 'Meetings of the Supervisory Board' of the report of the supervisory board in which the supervisory board reflects that fraud is a main topic they discuss. We note that the management board has not formalised its fraud risk assessment. Management did perform an (informal) fraud scenario analysis in order to obtain insight in fraud risks and mitigating measures.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct and whistle-blower procedures. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks. We note that the Group has an insufficient level of segregation of duties (see key audit matter 3) which also inherently leads to a potential fraud risk.

We asked members of the management board and the supervisory board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated, in close co-operation with our forensic specialists, fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	*Our audit work and observations*
The risk of management override of controls Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in: • The appropriateness of journal entries and other adjustments made in the preparation of the financial statements. • Estimates. • Significant transactions, if any, outside the normal course of business for the entity.	We evaluated the design and implementation of the internal control measures in the processes of generating and processing journal entries and making estimates. We also paid specific attention to the access safeguards in the IT system. We performed journal entry testing procedures on several criteria such as for example: unexpected account combinations, unusual words and unexpected users. In addition, we also tested manual consolidation adjustments. With regard to management's accounting estimates, we evaluated key estimates and judgements for bias, including retrospective reviews of prior year's estimates. We performed substantive audit procedures for the estimates in goodwill and platform technology impairment testing. Please refer to key audit matters, sections 'Valuation of goodwill' and 'Valuation of the platform technology'. In addition we performed substantive audit procedures over outgoing bank payments and evaluated whether other payments were made to related parties, aside from the renumeration to the management board and supervisory board, as included in note 23 '*Related party transactions*' of the financial statements. Our audit procedures did not lead to specific indication of fraud or suspicions of fraud with respect to management override of controls.

The risk of fraud in revenue recognition As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated which types of revenue give rise to a significant risk of fraud in revenue recognition. As part of their long-term strategy, management focuses on growth in turnover and results. This could lead to pressure on management to overstate revenue by recognising revenue too early or recording fictitious turnover. We therefore consider existence/occurrence, completeness and cut-off as assertions relevant for the risk of fraud in revenue recognition.	We evaluated the design and implementation of the internal control measures in the processes related to revenue reporting. We performed external confirmation procedures over the revenue recorded. We also tested, on a sample basis, revenue transactions based on documents such as sales agreements, delivery documents, sales invoices, cash receipts etc. In addition, we performed specific audit procedures at the end of the year related to cut-off procedures. In addition, we performed audit procedures to determine whether credit invoices were registered in the correct financial year. Finally, we performed journal entry testing procedures using different risk-based selection criteria. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the existence/occurrence, completeness and cut-off of the revenue recognition.

We incorporated an element of unpredictability in our audit. During the audit, we remained alert to indications of fraud. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud. Whenever we identify any indications of fraud, we re-evaluate our fraud risk assessment and its impact on our audit procedures.

Audit approach going concern

As disclosed in the 'Going concern' sections of the report of the management board and the '*2.2 Basis of preparation*'. The management board performed their assessment of the entity's ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going concern risks). Our procedures to evaluate the management board's going concern assessment included, amongst others:

- considering whether the management board identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern;
- considering whether the management board's going concern assessment includes all relevant information of which we are aware as a result of our audit and inquiring with the management board regarding the management board's most important assumptions underlying its going concern assessment;
- evaluating the management board's current budget including cash flows for at least 12 months from the date of preparation of the financial statements taken into account current developments in the industry and all relevant information of which we are aware as a result of our audit; and
- performing inquiries of the management board as to its knowledge of going concern risks beyond the period of the management board's assessment.

We concluded that the management board's use of the going concern basis of accounting is appropriate, and based on the audit evidence obtained, that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

In current year, we added one additional key audit matter compared to prior year, the valuation of goodwill. This due to the significant amount of goodwill generated with the acquisition of Involtum Holding B.V.

Key audit matter	*Our audit work and observations*
1. Valuation of goodwill *Note '11 Goodwill' of the financial statements* Ease2Pay management has concluded in Q2 2023, after strategic changes in the business operations of Nomad Power in particular, that the Involtum acquisition-related goodwill is impaired, which has resulted in a total impairment of EUR 23,766 thousand (or 95% of the total) with a remainder goodwill on the balance sheet of EUR 1,213 thousand. Management was assisted in their impairment assessment by external specialists. We focused on the valuation of goodwill, due to the size of the goodwill balance (EUR 24,984 thousand as at 30 June 2022) and because managements' assessment of the 'value in use' of the Group's Cash Generating Units ('CGU's') included internal and external assumptions that are inherently subjective which represents significant estimates. Those estimates required the use of valuation models, input data and assumptions by management, particularly with respect to the (development of) future results of the business and the discount rates applied to the forecasted cash flows. Any change in these assumptions, based on their sensitivity could have a significant effect on the financial statements. Given the complexity and the inherent subjectivity particularly related to the significant assumptions and the resulting significant estimation uncertainty, there is an inherent risk of overstatement of goodwill. Therefore, we considered this area as a key audit matter for our audit.	We evaluated management's cash flow forecasts. In particular, we focused on whether they had identified all the relevant CGUs. We assessed the consistency of the assumptions in the forecast with the Company's plans, historical performance and relevant industry outlooks for the period covered in the plans and made sure management made use of the most recent and appropriate outlooks. We tested the mathematical accuracy of the forecast. We compared the 2023 actual results to date with the FY23 forecasted figures included to consider whether any forecasts included assumptions that, with hindsight, had been too optimistic. None with a material impact were noted. For all CGUs, with the help of our specialists, we challenged management's assumptions in forecasts for: • long term growth rates, by comparing them to available and most recent economic and industry forecasts and verified that these were appropriate to use for the relevant CGU's; and • the discount rate, by assessing the cost of capital for the company and comparable organisations within the industry, as well as considering territory and CGU specific factors. We challenged management on the adequacy of their sensitivity calculations over all their CGUs. We determined that the calculations were most sensitive to assumptions for revenue growth rates and discount rates. We assessed the Company's disclosures in the financial statements related to goodwill and impairment assessment and found them to be appropriate giving sufficient insight to the separate CGU's, the significant assumptions and their sensitivities. Our audit procedures did not indicate material findings with respect to the impairment of the goodwill and its resulting valuation as at year-end.

Key audit matter	Our audit work and observations
2. Valuation of the platform technology *Note '12 Intangible assets' of the financial statements* Ease2pay N.V. has business activities that depend on operational platforms. In the 2022 financial statements, the platforms are valued as part of the intangible fixed assets. The total carrying amount of those intangible assets per year end 2022 is €2,871 thousand (2021: €1,359 thousand). This includes acquired Involtum platform technology for an amount of €1,630 thousand. The pre-acquisition Ease2pay IT platform consists of self-developed assets for the Ease2pay activities and in the past acquired MyOrder and M0notch activities. Due to the Group being loss-making, management conducted an analysis as of 31 December 2022, to determine whether an impairment of the intangible assets is applicable. Based on the outcome of the expected future cashflow, Ease2pay concluded that the realisable value of the platform is higher than the carrying amount and no impairment is applicable. Given the significant estimation uncertainty and the related higher inherent risks of material misstatement in the valuation of the platform technology, there is an inherent risk of overstatement. Therefore, we considered this area as a key audit matter for our audit.	We evaluated management's cash flow forecasts. We also assessed the consistency of the assumptions in the forecast with the Company's plans, historical performance and relevant industry outlooks for the period covered in the plans and made sure management made use of the most recent and appropriate outlooks. We tested the mathematical accuracy of the forecast. In addition, we compared the 2023 actual results to date with the FY23 forecasted figures included to consider whether any forecasts included assumptions that, with hindsight, had been too optimistic. None with a material impact were noted. With the help of our specialists, we challenged management's assumptions in forecasts for the discount rate, by assessing the cost of capital for the company and comparable organisations within the industry, as well as considering territory and CGU specific factors. We challenged management on the adequacy of their sensitivity calculation. We determined that the calculations were most sensitive to the discount rate assumption. We evaluated whether development costs incurred meet the criteria for capitalising and agree with management's conclusion not to capitalise these costs. Finally, we determined that the IT platform is active as of 31 December 2022 and as of the date of this report. Our audit procedures did not indicate material findings with respect to the valuation of the IT platform.
3. Insufficient level of segregation of duties Ease2pay has a limited number of employees. Implicit to the size of the organisation a relatively high number of people have extensive rights in the IT environment relevant to the financial administration including payment rights in the banking application. Compared to 2021 and following the acquisition of Involtum the average number of employees increased. Despite this, further formalisation of processes and procedures needs to be established. The desired level of segregation of duties is not yet implemented by Ease2pay. This results in an increased risk relating to misappropriation of assets of the Group. Given the nature of the risk and the impact on our audit approach, we identified this as a key audit matter.	We evaluated the design and implementation of internal control measures and through these procedures noted there was an insufficient level of segregation of duties. Due to this matter we have designed an audit that is largely substantive in nature: • we have tested a sample of outgoing bank payments and reconciled the payments with underlying invoices, in which the correctness of the bank account number has been evaluated as well as the business rationale of the respective purchase; • we have determined that no payments have been made to related parties, except for the payments related to remuneration of the management board and supervisory board as included in

Key audit matter	Our audit work and observations
	note 23 '*Related party transactions*' of the financial statements. We have evaluated this by obtaining information from the Chamber of Commerce related to all related parties and compared these with the names included in the vendor master file. No reportable exceptions have been noted.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The management board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Our appointment

We were appointed as auditors of Ease2pay N.V. (as of that date DOCDATA N.V.) on 12 May 2015 by the supervisory board. This followed the passing of a resolution by the shareholders at the annual general meeting held on 12 May 2015. Our appointment has been renewed annually by shareholders and now represents a total period of uninterrupted engagement of eight years.

European Single Electronic Format (ESEF)

Ease2pay N.V. has prepared the annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML format, including the (partially) marked-up consolidated financial statements, as included in the reporting package by Ease2pay N.V., complies in all material respects with the RTS on ESEF.

The management board is responsible for preparing the annual report, including the financial statements in accordance with the RTS on ESEF, whereby the management board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assuranceopdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package.
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
    - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
    - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Company or its controlled entities, for the period to which our statutory audit relates, are disclosed in note *27.2 'Other expenses – Auditor remuneration'* to the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the management board and the supervisory board for the financial statements

The management board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the management board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the management board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the management board should prepare the financial statements 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. The management board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 26 October 2023
PricewaterhouseCoopers Accountants N.V.

Original signed by C.C.J. Segers RA

Appendix to our auditor's report on the financial statements 2022 of Ease2pay N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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 intentional override of internal control.
- Obtaining 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.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management board.
- Concluding on the appropriateness of the management board's use of the going concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the

Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the supervisory board 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. In this respect, we also issue an additional report to the supervisory board in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

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