



Annual report

wee.com AG is a holding company under Swiss law without operational management responsibility for the subsidiaries. The company is positioning itself as a developer of innovative fintech business models. It is against this backdrop that the company has been investing in promising new and semi-established fintech ventures. The name wee.com AG was chosen to prevent a clear distinction from the operating companies. The General Assembly is therefore requested to change the company name.

In the past financial year, weeMarketplace AG was incorporated into wee.com AG by contribution in kind. In the first financial year, wee.com AG focussed in particular on reviewing the strategy, risks, technology and the financial market requirements.

These analyses led to the establishment of weePayment AG in Liechtenstein as a legal entity to obtain an e-money licence, and weeTech AG in Switzerland, with the purpose of fulfilling regulatory requirements with regard to IT.

The operating company weeMarketplace AG is responsible for establishing and further developing the marketplace in accordance with the regulatory requirements of the target countries. The company is focussing in particular on the European area but is involved in discussions – also of a regulatory nature – with other countries to test the weeMarketplace AG business model outside Europe, too.

An ordinary capital increase was carried out by cash payment in a bid to raise the financial resources necessary for the establishment and further development of the marketplace. As a result of this capital increase, wee.com AG received funds amounting to approximately CHF 12.5 million. Receivables amounting to CHF 8.7 million were offset against the authorised capital increase.

The business model of the weeMarketplace AG subsidiary requires substantial additional liquidity as part of its growth strategy. The funds required will come from the 2017 cash payment and from the prepared Initial Coin Offering (ICO) in 2018. Based on past experience in fundraising, we expect to be able to raise the required liquidity as planned. Delays in the described cash inflows from the ICO may occur. This would also shift the establishment of the marketplace along on the timeline. If this situation arises in the near future, alternative financing models and a strategic realignment will have to be assessed.

The management of weeMarketplace AG will be required to implement a strategy developed with a consulting company.

The business model is built on the presence of the marketplace in various European countries. This assumes that weeMarketplace AG will have to comply with country-specific regulatory requirements to ensure that the marketplace is accepted by the relevant financial market supervisory authority. This situation leads to delays and hinders weeMarketplace AG in the necessary implementation speed with regard to the targeted scale effect. At present, only certain markets can be processed on the



basis of national regulations without an e-money licence. For the other target markets, we are confident that we will also find national solutions.

At the same time, we are working on applying for an e-money licence in various European countries in order to implement the internationality of our marketplace without restrictions. The e-money licence will also make it possible to develop additional fintech business areas. When issuing an e-money licence and national notifications, we depend on the respective financial market supervisory authorities. However, we assume that the planned procedure meets the requirements for obtaining the e-money licence.

Wolfgang Maute and Michael Wild form the wee.com AG Board of Directors. In future, the holding company's management team will be supplemented by Leo Schrutt, subject to his election. Last year, the businesses of weeMarketplace AG, which is active on the market, were headed by Ewald Schmutz and Judith Behr. Further strengthening of operational management is required. The Board of Directors is assisted by a Steering Committee.

Kreuzlingen, Switzerland, 20 June 2018

On behalf of the Board of Directors

Dr. Wolfgang Maute