

INDEPENDENT AUDITOR'S REPORT

To the shareholders of ELMO Rent AS

Translation from Estonian Original

Qualified Opinion

We have audited the financial statements of ELMO Rent AS (the Company), which comprise the statement of financial position as at 31 December 2022, and the income statement, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Estonian financial reporting standard.

Basis for Qualified Opinion

In two last financial years, both the consolidation group as a whole, and the parent company (of the consolidation group) have been unprofitable and the cash flows from operating activities of the consolidation group and the parent company have been negative. As of 31 December 2022, the short term liabilities of the consolidation group exceeded the consolidation group's current assets by approximately 827 thousand euros (31 December 2021: by approximately 217 thousand euros). The short term liabilities of the parent company (of the consolidation group) exceeded the current assets by approximately 796 thousand euros as of 31 December 2022 (31 December 2021: by approximately 181 thousand euros). As of 31 December 2022, consolidated equity was only 16% of the consolidated assets (31 December 2021: 24%). As of 31 December 2022 the equity capital of the parent company was only 17% of the assets (31 December 2021: 26%). Abovementioned deteriorated financial indicators indicate, among other things, the need to carry out asset impairment tests for those assets that show signs of possible impairment. The management of the consolidation group has not performed assets' impairment tests as of 31 December 2022, which is why it is unclear whether and how much the consolidation group (and its parent company) should to write-down the assets' book value at the reporting date. As of 31 December 2022, the proportion of such assets in the balance sheet of the consolidation group amounted approximately 79%. Thus, the maximum possible write-down of assets' book value could be maximum up to 2.9 million euros. The equity of the consolidation group and its parent company would, in the case of possible write-down, also be reduced by that amount.

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We conducted our audit in accordance with International Standards on Auditing (Estonia) (ISAs (EE)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants (Estonia) (including Independence Standards), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

Management is responsible for the other information. The other information comprises the management report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (EE) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Estonian original signed by

Sergei Tšistjakov
Certified public accountant: 481

Assertum Audit OÜ
Number of Audit Activities Permission: 62

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29 June 2023