On the Client's letterhead

Tallinn

Addressee:

CPA Sergei Tšistjakov

Assertum Audit OÜ

(reg. code: 10990446)

/the date of the document is the date of its digital signing/

NB! the date must not be later than the date of the sworn auditor's report!

This representation letter is provided in connection with your audit of the consolidated annual report (hereinafter: the financial statements) of Polaarkarude mahalaskmise firma OÜ (reg. code: 10640769) (hereinafter: the entity) for the year ended 30.06.2020, for the purpose of expressing an opinion as to whether the financial statements as a whole present fairly, in all material respects, the financial position of the entity as at 31 December 20X1 and its financial performance (and cash flows) for the financial year then ended in accordance with the Estonian financial reporting standard / in accordance with International Financial Reporting Standards as adopted by the European Union (hereinafter: the financial reporting standards).

Representations regarding the responsibilities of the management

As members of the management, we confirm that all members of the entity's management (for example, members of the management board whose task is to manage the entity's day-to-day business activities) have signed this representation letter and understand and acknowledge their responsibility, arising from the Commercial Code, the Accounting Act and other regulations, including the applicable financial reporting standard(s), for the entity's:

- design, implementation and maintenance of such internal control (system) for the prevention and detection of fraud as management considers necessary to enable the preparation of an annual report that is free from material misstatement, whether due to fraud or error,
- management,
- organisation of accounting and reporting, and
- accuracy and completeness of the data presented in the financial statements that are the subject of the engagement, including that the annual report has been prepared in accordance with the financial reporting standard(s) referred to in § 17(1) of the Accounting Act, and that it reflects relevant and faithfully presented information on the financial position, financial performance and cash flows of the accounting entity, or provides the information required by the said Act.

Representations regarding the financial statements (the annual report)

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of gathering relevant information, that:

- We have fulfilled our responsibilities, set out in the terms of the audit engagement, for the preparation of the financial statements in accordance with the financial reporting standards; in particular, the annual report is presented fairly, in all material respects, in accordance with the financial reporting standard(s).
- We are responsible for the preparation of the financial statements and for the relevant and faithfully presented information contained therein (which a knowledgeable user of the report could use in

making their economic decisions), as well as for their presentation in accordance with the financial reporting standards.

- Our responsibilities also include the design, implementation and operation of internal control systems to ensure the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- All assets, liabilities, contingent liabilities, income and expenses have been recognised in the financial statements as regulated by the financial reporting standards.
- We are responsible for the selection and application of appropriate accounting policies and for making accounting estimates. The methods, data and significant assumptions used in making accounting estimates, and the related disclosures, are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the financial reporting standard(s).
- Restrictions imposed on the use of bank balances, and the guarantees and sureties given, have been disclosed in the financial statements.
- Relationships and transactions with related parties have been appropriately accounted for and disclosed in accordance with the requirements of the financial reporting standard(s).
- In our assessment the entity is a going concern, and therefore the financial statements have been prepared on a going concern basis. We are aware of our responsibility, in preparing the financial statements, to assess the entity's ability to continue as a going concern, to disclose, where relevant, matters relating to going concern, and to use the going concern basis of accounting in preparing the financial statements, unless there is an intention either to liquidate the entity or to cease its operations, or there is no realistic alternative but to do so.
- Where there are factual circumstances that may cast significant doubt on the entity's ability to continue as a going concern, but in our assessment the entity is a going concern, we have provided you with our further action plans.
- All risks and uncertainties significant to the entity's operations have been disclosed in the financial statements.
- All events subsequent to the date of the financial statements, and for which the financial reporting standards require adjustment or disclosure, have been adjusted or disclosed.
- In our assessment, the financial statements (the annual report) do not contain misstatements that, individually or in aggregate, are material, i.e. the effect of uncorrected misstatements, both individually and in aggregate, is immaterial to the financial statements as a whole. If such misstatements existed and have been identified by you, the list of those misstatements is set out in Annex 1 to this representation letter. Where we do not agree that the items set out in Annex 1 can be regarded as misstatements, we have provided our reasons in an annex to this representation letter.
- We are aware of the content of your (auditor's) report and of any possible modifications to the auditor's report on your part. [If modifications exist, they are set out in Annex 2 to this representation letter.]
- No material matters have come to our attention that would require adjustment of the comparative figures (comparative data) presented for prior periods.
- Where relevant, the financial statements duly disclose information on the entity's parent / the group's ultimate parent.
- [Any other matters that the auditor may consider necessary, e.g. underlying data evidencing the value in use determined in an asset impairment test, confirmation of decisions made on the classification of leases, etc.]

Representations regarding the management report

[If the entity prepares a management report:]

- We have prepared the management report in accordance with the applicable statutory requirements. All material information required by law has been disclosed, and no information required by law has been omitted from the management report.
- The annual report and the management report are consistent with each other, and the management report does not contain material misstatements.
- The information presented in the management report is correct and corresponds to the actual situation.

Representations regarding the information and documents provided to you

We confirm that we have provided you with:

- access to all information of which we are aware that is relevant to the preparation of the financial statements, such as data, documents and other matters;
- additional information that you have requested from us for the purpose of the engagement; and
- unrestricted access to those persons within the entity from whom you determined it necessary to obtain audit evidence for the purpose of the engagement.
- We have made available to you all source documents and accounting records, the minutes of the meetings of shareholders / members held during the reporting period and, where relevant, of the management and supervisory bodies, as well as summaries of the decisions of meetings held after the end of the reporting period.
- The amounts recorded in the financial statements are our best estimate of the fair value of the assets and liabilities subject to disclosure.
- Both the information presented in the financial statements and the information provided to you are correct and appropriate.
- We have not provided you with any false information.
- All transactions have been recorded in the accounting records and the financial statements, and all transactions reflected in the records and the financial statements were genuine (they were not sham transactions within the meaning of § 89(1) of the General Part of the Civil Code Act), and their recognition was based on the actual declarations of intention of the parties.
- We are aware that, pursuant to § 381 of the Penal Code, the knowing submission to an auditor of materially false information concerning the financial position of a company or other matters subject to verification is punishable by a pecuniary punishment or up to one year of imprisonment.
- We have disclosed to you the results of our assessment of the risk of whether the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in connection with fraud or suspected fraud of which we are aware and that affects the entity and involves:
  - management;
  - employees who have a significant role in internal control; or
  - others, where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in connection with allegations of fraud or suspected fraud affecting the entity's financial statements, communicated by employees, former employees, analysts, regulators or others.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We have provided you with information on all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements; these have been accounted for, and information on them disclosed, in accordance with the applicable financial reporting framework.

- We have disclosed to you all material non-monetary transactions or transactions made without consideration that the entity entered into during the reporting period under review.
- We have disclosed to you the related parties of the entity and the identity of the beneficial owners, as well as all related party relationships and transactions of which we are aware.
- In connection with going concern:
  - we have disclosed to you all information that is relevant to the going concern assumption in the annual report;
  - we confirm that the entity is a going concern. Where relevant, we confirm that, notwithstanding (name the events or conditions that may cast significant doubt on the entity's ability to continue as a going concern; the reference should also state the position as at the balance sheet date or refer to an event after the balance sheet date), the entity is a going concern and our further measures to ensure the entity's going concern are feasible.

Use of artificial intelligence in financial-reporting-related processes

[Select and retain the relevant representations.]

[If artificial intelligence has been used:]

- We have disclosed to you all relevant information on the use of artificial intelligence, including generative artificial intelligence (GenAI), automated decision-making logic or other intelligent technological solutions, in the preparation of financial information, in making accounting estimates and in other financial-reporting-related processes, as well as in respect of the related internal controls.
- We confirm that the use of artificial intelligence in financial-reporting-related processes is covered by the entity's internal control system and that appropriate management oversight and human control have been established over its use.

[If artificial intelligence has not been used:]

- The entity does not use artificial intelligence, including generative artificial intelligence (GenAI), or any other automated decision-making solutions, in the preparation of the annual report, in making accounting estimates or in other financial-reporting-related processes.

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Members of the Management Board
(all members of the management, including the person(s) responsible for organising accounting)

Annex 1

Misstatements identified during the audit and not corrected:

	Description	Effect of the correcting entry on the balance of assets [increase (+) / decrease (-)] EUR	Effect of the correcting entry on the balance of liabilities [increase (+) / decrease (-)] EUR	Effect of the correcting entry on the balance of equity [income (+) / expenses (-)] EUR	Effect of the correcting entry on the balance of [profit/loss] for the reporting year [income (+) / expenses (-)] EUR	Effect of the correcting entry on the balance of cash flows for the reporting year [increase (+) / decrease (-)] EUR
	Known misstatements					
1						
2						
3						
	Estimated misstatements					
1						
2						
3						
	Total known and estimated misstatements					

Deficiencies in the presentation of information identified during the audit and not corrected:

[Describe the uncorrected deficiencies in the presentation of information (disclosures) in the annual report, or indicate that no such deficiencies were identified.]

Annex 2

Modifications to the independent sworn auditor's report:

#	Type of modification	Description	Amount (if determinable) EUR
1			
2			
3			