DAYOU AP SLOVAKIA

KPMG Slovensko spol. s r. o.
Dvořákovo nábrežie 10
811 02 Bratislava

11 April 2023

Ladies and Gentlemen,

This representation letter is provided in connection with your audit of the financial statements of DAYOU AP SLOVAKIA, s.r.o. ("the Entity") for the year ended 31 December 2022, comprising the following: the balance sheet as at 31 December 2022, the related income statement for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information (hereinafter collectively referred to as the "financial statements"), for the purpose of expressing an opinion as to whether these financial statements give a true and fair view of the financial position of the Entity, and of its financial performance and its cash flows in accordance with the Act No. 431/2002 Coll. on Accounting as amended (the "Act on Accounting").

We confirm that the representations we make in this letter are in accordance with the definitions set out in Appendix A to this letter.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the engagement contract dated 1 December 2022, for the preparation of financial statements that give a true and fair view in accordance with the Act on Accounting
2. The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the Act on Accounting.
3. All events subsequent to the date of the financial statements and for which the Act on Accounting requires adjustment or disclosure have been adjusted or disclosed.

Information Provided

4. We have provided you with:
   a) access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
   b) additional information that you have requested from us for the purpose of the audit; and
   c) unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
5. All transactions have been recorded in the accounting records and are reflected in the financial statements.
6. We confirm the following:

a) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

Included in Appendix A to this letter are the definitions of fraud, including misstatements arising from fraudulent financial reporting and from misappropriation of assets.

b) There have been no instances of fraud or suspected fraud that we are aware of and that affect the Entity and involve:

- management;
- employees who have significant roles in internal control; or
- others where the fraud could have a material effect on the financial statements.

c) There have been no allegations of fraud, or suspected fraud, affecting the Entity's financial statements communicated by employees, former employees, analysts, regulators or others.

In respect of the above, we acknowledge our responsibility for such internal control as we determine necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In particular, we acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error. We have communicated to you all deficiencies in internal control of which we are aware.

7. We confirm that there were no instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

   Further, we have disclosed to you and have appropriately accounted for and/or disclosed in the financial statements in accordance with the Act on Accounting all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

8. We have made available to you all books of account and supporting documentation and all minutes of meetings of shareholders and all minutes of meetings of the Management Board.

9. We have disclosed to you the identity of the Entity's related parties and all the related party relationships and transactions of which we are aware and all related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the Act on Accounting.

   Included in Appendix A to this letter are the definitions of both a related party and a related party transaction as we understand them and as defined in the Decree of Ministry of Finance of the Slovak Republic No. MF/23377/2014-74.

10. We have made an assessment of the Entity's ability to continue as a going concern taking into account all available information about the future, which under the Act on Accounting is at least, but is not limited to, twelve months from the end of the reporting period.

    We confirm that we have not identified events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

11. The accompanying management's report on the Entity's activities includes the information required by applicable laws and the information is consistent with the financial statements.

12. The Entity's financial statements have been prepared from the accounting records that have been properly maintained.

13. There have been no communications from regulatory agencies, governmental representatives, tax authorities, employees or others concerning investigations or allegations of non-compliance with laws and regulations, deficiencies in financial reporting practices or other matters that could have a material adverse effect on the financial statements.

Representations Regarding Completeness of Information Provided in Respect of Key Judgments and Assumptions Made by Management

14. We confirm that we have provided you with all relevant information regarding the following:
    a) judgments, apart from those involving estimations, management has made in the process of applying the Entity's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Representations Regarding Management Intent and Plans, and Other Information that is Known Only to Management

15. All sales transactions are final and there are no side agreements with customers or other terms that allow for the return of merchandise, except for conditions covered by usual and customary warranties.
16. There are no liens or encumbrances on the Entity's assets.
17. We confirm that we have disclosed to you all information in relation to the following matters:
    a) onerous contracts, i.e. those contracts under which the unavoidable costs of meeting the obligation exceed the economic benefits to be received under it, including losses arising from sale and/or purchase commitments that are onerous contracts under Decree of Ministry of Finance of the Slovak Republic No. 23054/2002-92 as amended by subsequent decrees;
    b) liabilities for interest on deposits and other indebtedness, including subordinated notes and participation loans;
    c) losses from transactions not recognised in the balance sheet;
    d) agreements and options to buy back assets previously sold, including sales with recourse;
    e) assets pledged as collateral;
    f) arrangements with financial institutions involving restrictions on cash balances and lines of credit or similar arrangements.
18. The Entity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, for example debt covenants.
19. There are no formal or informal compensating balance arrangements with any of our cash and investment accounts. We have no line of credit arrangements.
20. We have no plans or intentions that may affect the carrying amount or classification of assets and liabilities.
21. We have no plans to abandon lines of product or other plans or intentions on behalf of the Entity that will result in any excess or obsolete inventory, and no inventory is stated at an amount in excess of net realisable value.
22. We confirm that there were no cyber security incidents that management has investigated or is in the process of investigating that may affect the financial statements.

Representations Regarding Title to Assets, Classification and Carrying Amount of Assets, and Impairment of Assets

23. The Entity has satisfactory title to all assets.

Representation Regarding Compliance with Externally Imposed Capital Requirements

24. The Entity has complied with all externally imposed capital requirements.

Representations Regarding Taxation Balances

25. Deferred tax assets and liabilities are measured based on the tax rates (and tax laws) enacted or substantively enacted at the end of the reporting period.
26. Recognised deferred tax assets represent those amounts that are probable of realisation, taking into account management's estimates of future taxable profit. In determining estimates of future taxable profit against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised, management has considered:
    a) the existence of taxable temporary differences relating to the same taxation authority, the same source of taxable profit, and the same taxable entity that will reverse in the same period that deductible temporary differences will reverse;
    b) the timing and the amount of the reversal of the deductible and taxable temporary difference; and
    c) appropriate tax planning opportunities that the Entity is more likely than not to take advantage of in order to generate future taxable profit.
27. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.
28. We have not received any advice or opinion that contradicts the Entity's support for accounting for income taxes, or that contradicts the financial statement amounts and presentations in respect of tax, or that is necessary to understand the Entity's tax accrual and related matters and has not been disclosed to you.
29. We confirm that we have disclosed to you our assessment of the Entity's exposures to risks related to taxation, including uncertain income tax treatments, that we have appropriately accounted for such risks and that we have disclosed information that is adequate to enable users to evaluate the nature and extent of the risks to which the Entity is exposed at the end of the reporting period.

Representations Regarding Provisions, Contingent Assets, Contingent Liabilities

30. There are no:
    a) other liabilities that are required to be recognised and no other contingent assets or contingent liabilities that are required to be disclosed in the financial statements in accordance with the Act on Accounting, including liabilities or contingent liabilities arising from illegal or possibly illegal acts, or
    b) other environmental matters that may have a material impact on the financial statements.

Yours truly,

Ju In Hawn
Statutory representative

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013 24 Strečno
IČO: 53222521

Appendix A to the Management Representation Letter

Definitions

Financial Statements

The Act on Accounting states that financial statements comprise:

- a balance sheet as at the end of the period;
- an income statement for the period; and
- notes.

Material Matters

Certain representations in this letter are described as being limited to matters that are material.

The Act on Accounting states the following:

"Information is considered material if the failure to present it in the financial statements or its misrepresentation in the financial statements may influence the user's judgment or decision."

Fraud

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of the Entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation.

Error

An error is an unintentional misstatement in financial statements including the omission of an amount or a disclosure. (IFAC Glossary of Terms).

Management

For the purposes of this letter, references to "management" should be read as "statutory body" and, where appropriate, those charged with governance".

Related Party and Related Party Transaction

Related party: The following persons or entities shall be considered related to the accounting entity that is preparing its financial statements (referred to in Decree No. MF/23377/2014-74 as the "reporting accounting entity"):

a) a person or a close member of that person's family if that person:
   i. has control or joint control over the reporting entity;
   ii. has significant influence over the reporting entity; or
   iii. is a member of the key management personnel of the reporting accounting entity or its parent entity;

b) other accounting entity where:
   i. this accounting entity and the reporting accounting entity are included in the same group;
   ii. one accounting entity is an associated accounting entity of or an accounting entity with joint control over the other accounting entity, or an associated accounting entity of or an accounting entity with joint control over a member of a group of which the other accounting entity is a member;
   iii. both accounting entities are accounting entities with joint control over the same third accounting entity;
   iv. one accounting entity is an accounting entity with joint control over a third accounting entity and the other accounting entity is an associated accounting entity of the third accounting entity;
   v. the accounting entity is a post-employment benefit plan for the benefit of employees of either the reporting accounting entity or an accounting entity related to the reporting accounting entity; if the reporting accounting entity is itself such a plan, the sponsoring employees are related to the reporting accounting entity;
   vi. the accounting entity is controlled or jointly controlled by a person or a close family member referred to in (a);
   vii. entities with which the accounting entity carries out such a volume of transactions that makes the accounting entity economically dependent on those entities;
   viii. a person referred to in (a) (1) has significant influence over the accounting entity or is a member of the key management personnel of this accounting entity or its parent accounting entity.

Related party transaction - A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.