



AS Storent Investments Interim report

July – September 2021

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Management report

Storent was established in 2008 in Latvia with an objective to become the most efficient construction equipment rental company in the Baltics and the Nordic countries. Currently Storent group operates in 6 countries with 29 rental depots. Group annual turnover reached 42.1 million euros in 2020.

Storent Group's revenue increased by 8% in Q3 2021 compared to Q3 2020 and the consolidated quarterly result was a profit of 269 thousand euros. The region continues to operate under the Covid-19 pandemic circumstances and to adapt to restriction in each country. The construction market continues to grow steadily and maintains activity, which ensures stable demand for rental equipment. The company offers services through a full-cycle contactless online rental platform, digital authorization and electronically signed documents, and the volume of transactions continues to grow. It provides a safer work environment for employees and customers.

The Group continued to sell older fixed assets to continue Groups strategy with lighter balance sheet structure and reduced amount of liabilities.

Baltic region showed revenue increase by 10% compared to the same period in last year facilitated by growing demand for rental units. The number of online orders is increasing and reached half of total revenue in the Baltics in Q3. Digital authorizations and e-signed documents have become common practice today, driven by the surrounding restrictions. The use of new technologies contributed to good results. The autumn season of 2021 has started actively in the region: demand is growing, despite additional announced restrictions. This is facilitated by the general construction activity and Rail Baltica project that continues. Demand for construction materials and price continued to increase. In the construction industry, it is difficult to plan and start tenders.

Implementation of online rental platform continues in the **Nordic region**, which has proven to be an excellent tool, is ongoing in. The construction market is stable, which ensures long-term stability for rentals as well. Adopting to Nordic region we adopt product mix depending on market needs. Revenue of Nordic operations remained stable compared to the same period in last year.

Kaliningrad, revenue level for Q3 2021 rapidly increased reaching 36% compared to the same period last year. This was impacted by larger market activity and rental price increase. Construction volume is expected in the coming months as well.

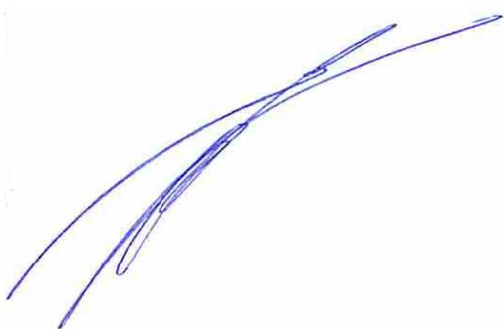
Core attention in 2021 continues to be paid to digital transformation and efficiency increase. The group will continue to develop its IT strategy to meet future needs. In Q3 2021, the Group continued

to develop cooperation with PreferRent online marketplace which enabled us to increase rental volume without investing capital. The goal of Storent Group is to become a service rental company. The proportion of revenue from split rent fleet are increasing month by month.

Statement of the management board

The financial and other additional information published in the Interim report July – September 2021 is true and complete. Consolidated financial statement gives a true and fair view of the actual financial position and results of operations.

Consolidated financial statements in the report for the period July – September 2021 is not yet audited.



Andris Bisnieks

Member of the Management Board



Andris Pavlovs

Member of the Management Board

Consolidated income statement (unaudited) EUR

Description	Q 3 2021	Q 3 2020	01.01.2021- 30.09.2021	01.01.2020- 30.09.2020	2020 total
REVENUE	13 033 241	12 769 092	32 716 160	31 228 667	42 573 137
Net revenue	12 877 213	12 689 542	32 380 406	30 924 265	42 124 274
Other operating income	156 029	79 550	335 754	304 402	448 862
EXPENSES	(10 611 537)	(10 562 344)	(28 039 055)	(27 767 778)	(37 353 214)
Costs of material and services received	(7 095 398)	(6 670 237)	(17 343 859)	(15 104 872)	(20 235 265)
Personnel expenses	(1 820 914)	(2 012 796)	(5 622 835)	(6 561 680)	(9 906 113)
Other operating expenses	(1 695 226)	(1 879 311)	(5 072 361)	(6 101 226)	(7 211 836)
EBITDA	2 421 704	2 206 748	4 677 105	3 460 889	5 219 922
EBITDA %	19%	17%	14%	11%	12%
Depreciation and amortization	(1 559 589)	(2 043 618)	(5 184 493)	(6 938 354)	(8 887 521)
EBIT	862 115	163 129	(507 388)	(3 477 465)	(3 667 599)
EBIT %	7%	1%	-2%	-11%	-9%
OTHER INCOME AND EXPENSES	(587 773)	(714 658)	(1 761 220)	(2 403 836)	(7 117 276)
Interest and similar income	1 982	42 705	121 035	25 285	67 728
Interest and similar expenses	(589 756)	(757 363)	(1 882 255)	(2 429 122)	(7 185 004)
EBT	274 342	(551 529)	(2 268 608)	(5 881 302)	(10 784 875)
EBT %	2%	-4%	-7%	-19%	-25%
Income tax expense	(5 826)	(5 204)	(7 029)	(10 137)	(548 604)
Profit / (loss) for the year	268 516	(556 733)	(2 275 637)	(5 891 438)	(11 333 479)
Profit / (loss) for the year %	2%	-4%	-7%	-19%	-27%

Consolidated Balance sheet (unaudited) EUR

Description	30.09.2021	30.09.2020	31.12.2020
ASSETS TOTAL	50 728 571	71 293 683	59 745 540
NON-CURRENT ASSETS	38 358 407	52 501 852	46 818 984
Intangible assets	13 318 672	17 047 959	13 214 376
Property, plant and equipment	25 039 735	35 453 893	33 604 608
CURRENT ASSETS	12 370 164	18 791 831	12 926 556
Inventories	1 141 655	1 190 842	1 110 156
Long-term investments kept for sale	0	0	0
Trade receivables	10 462 109	12 530 513	8 096 260
Deferred income tax assets	0	690 115	0
Cash	766 400	4 380 361	3 720 140
LIABILITY TOTAL	50 728 571	71 293 683	59 745 540
Equity	13 276 072	20 986 287	15 561 745
Share capital	33 316 278	33 316 278	33 316 278
Assets revaluation reserves	18 544	23 180	22 021
Reserves	(4 894)	(16 994)	1 665
Retained earnings	(20 053 856)	(12 336 177)	(17 778 219)
DEFERRED LIABILITIES	851 750	1 221 146	961 761
Deferred income tax liabilities	0	175 300	0
Other provisions	851 750	1 045 846	961 761
LIABILITIES	36 600 749	49 086 250	43 222 034
Non-current liabilities	20 771 374	22 180 865	23 881 788
Current liabilities	15 829 375	26 905 385	19 340 246

Financial covenants (unaudited)

Storent has fulfilled financial covenant at the end of September 2021.

	30.09.2021
Shareholder equity	13 276 072
Total assets	50 728 571
Shareholder equity to Assets	26%