

# ANNUAL REPORT

**beginning of financial year:** 01.01.2022

**end of the financial year:** 31.12.2022

**business name:** HOOVI Rental OÜ

**register code:** 16020217

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**city:** Tallinn

**county:** Harju maakond

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## Management report

HOOVI Rental OÜ is a financial institution whose main activity is to offer financial products to companies registered in Estonia, whose activities comply with the developed rules for issuing loans.

The earned revenue of 2022 year is 731 468 eur.

The loan provision by 31.12.2022 is 181 981 eur what was lower than planned and the loss corresponded to the financial plan. Estimated profit of 2023 is 64 000 eur.

The company is an ongoing business and plans are being made to expand its operations and increase its customer base.

The most important ratios of the company:

	2022	2021
Gross profit (EUR)	413 723	119 134
Net profit (EUR)	-23 702	17 842
Net profit rate %	-3,24 %	4,43 %
Commercial profit (EUR)	383 172	116 628
Commercial profit rate %	52 %	29 %
Net turnover (EUR)	731 468	401 966
Net turnover growth (YOY) %	81,97 %	3 933%
Loan portfolio (EUR)	2 250 366	1 505 489
Loan portfolio growth (YOY) %	49 %	100 %

Formulas used:

- gross profit = revenue – raw materials and consumables used - operating expenses
- net profit rate (%) = net profit / net turnover \* 100
- commercial profit rate (%) = commercial profit/ revenue\* 100
- growth % = the difference between the current year and the previous year / previous year's result

## The annual accounts

### Statement of financial position

(In Euros)

	31.12.2022	31.12.2021	Note
Assets			
Current assets			
Cash and cash equivalents	82 020	13 514	
Receivables and prepayments	267 216	172 628	2
Inventories	0	2	
<b>Total current assets</b>	<b>349 236</b>	<b>186 144</b>	
Non-current assets			
Receivables and prepayments	2 103 216	1 383 610	2
<b>Total non-current assets</b>	<b>2 103 216</b>	<b>1 383 610</b>	
<b>Total assets</b>	<b>2 452 452</b>	<b>1 569 754</b>	
Liabilities and equity			
Liabilities			
Current liabilities			
Loan liabilities	164	0	3
Payables and prepayments	374 277	139 025	4
<b>Total current liabilities</b>	<b>374 441</b>	<b>139 025</b>	
Non-current liabilities			
Loan liabilities	2 102 204	1 431 220	3
<b>Total non-current liabilities</b>	<b>2 102 204</b>	<b>1 431 220</b>	
<b>Total liabilities</b>	<b>2 476 645</b>	<b>1 570 245</b>	
Equity			
Issued capital	2 500	2 500	
Retained earnings (loss)	-2 991	-20 833	
Annual period profit (loss)	-23 702	17 842	
<b>Total equity</b>	<b>-24 193</b>	<b>-491</b>	
<b>Total liabilities and equity</b>	<b>2 452 452</b>	<b>1 569 754</b>	

## Income statement

(In Euros)

	2022	2021	Note
Revenue	731 468	401 966	5
Raw materials and consumables used	-25 014	-106 291	6
Other operating expense	-292 731	-176 541	7
Employee expense	-28 892	0	8
Other expense	-1 660	-2 507	
<b>Operating profit (loss)</b>	<b>383 171</b>	<b>116 627</b>	
Interest income	5	0	
Interest expenses	-224 897	-98 785	
Other financial income and expense	-181 981	0	9
<b>Profit (loss) before tax</b>	<b>-23 702</b>	<b>17 842</b>	
<b>Annual period profit (loss)</b>	<b>-23 702</b>	<b>17 842</b>	

## Notes

### Note 1 Accounting policies

#### General information

The Hoovi Rental OÜs financial statements of 2022 year are condensed financial statements of a small company based on the Estonian financial reporting standard (EFRS). The basic requirements of the Estonian Financial Reporting Standard are established in the Accounting Act of the Republic of Estonia, which is supplemented by the Accounting Act Instructions issued by the panel.

The financial statements have been prepared in euros.

#### Cash and cash equivalents

Current account balances are recognized in the balance sheet as cash and cash equivalents.

#### Receivables and prepayments

Trade receivables, accrued income and other current and non-current receivables (incl. Loan receivables, deposits) are recorded at adjusted acquisition cost. An assessment is made at each balance sheet date to determine whether there is any indication that these financial assets may be impaired. If any such indication exists, the financial assets carried at amortized cost are written down to the present value of future payments expected to be received. Impairment losses are recognized as an expense in the income statement.

#### Financial liabilities

Financial liabilities (trade payables, borrowings, accrued liabilities) are stated at amortized cost.

#### Revenue recognition

Revenue is recognized at the fair value of the consideration received or receivable, taking into account any discounts and rebates granted. Revenue from the sale of goods is recognized when all significant risks and rewards of ownership have been transferred from the seller to the buyer, the revenue and transaction costs can be measured reliably and the consideration for the transaction is probable. Revenue from the sale of a service is recognized after the service has been provided or, if the service is provided over a longer period, based on the stage of completion method.

#### Expense recognition

Expenses are classified according to the selected items in the income statement scheme nr 1. Expenses are recognized in the same period as the related income. Expenses incurred in the course of business are either recurring expenses or prepaid expenses. Expenses that are equal to or longer than the reporting period are subject to accruals based on the materiality principle. Such periods are generally a month, a quarter, a year.

#### Related parties

A party is considered to be related if one party has either control over the other party or significant influence over the other party's business decisions.

The following are considered related parties:

- \* Executive and senior management and private owners with significant holdings, unless those persons do not have the opportunity to disclose significant impact on the company's business decisions.
- \* Close family members of the persons described in the previous point (i.e. family members who can be expected to have a significant influence; such as spouses and children) and companies controlled or significantly influenced by them.
- \* Legal person and natural person who owns at least 10% of the share capital, total number of votes or profit right of this legal person.

The following information on related parties and transactions with them is disclosed in the notes:

- (a) The type and volume of transactions with related parties during the year; (b) Balances with related parties at the balance sheet date;
- (c) Discounts on receivables from related parties.

## Note 2 Receivables and prepayments

(In Euros)

	31.12.2022	Allocation by remaining maturity	
		Within 12 months	Over 5 years
Loan receivables	2 250 367	147 151	2 103 216
Other receivables	51 220	51 220	
Interest receivables	51 220	51 220	
Prepayments	68 845	68 845	
Deferred expenses	3 336	3 336	
Other paid prepayments	65 509	65 509	
<b>Total receivables and prepayments</b>	<b>2 370 432</b>	<b>267 216</b>	<b>2 103 216</b>
	31.12.2021	Allocation by remaining maturity	
		Within 12 months	Over 5 years
Accounts receivable	39 484	39 484	
Accounts receivables	39 484	39 484	
Tax prepayments and receivables	-17 066	-17 066	
Loan receivables	1 505 490	121 880	1 383 610
Other receivables	12 348	12 348	
Interest receivables	12 348	12 348	
Prepayments	15 982	15 982	
Deferred expenses	14 203	14 203	
Other paid prepayments	1 779	1 779	
<b>Total receivables and prepayments</b>	<b>1 556 238</b>	<b>172 628</b>	<b>1 383 610</b>

## Note 3 Loan commitments

(In Euros)

	31.12.2022	Allocation by remaining maturity		
		Within 12 months	1 - 5 years	Over 5 years
Current loans				
Installment payment	164	164		
<b>Current loans total</b>	164	164		
Non-current loans				
Long-term loans	2 102 204			2 102 204
<b>Non-current loans total</b>	2 102 204			2 102 204
<b>Loan commitments total</b>	2 102 368	164		2 102 204

  

	31.12.2021	Allocation by remaining maturity		
		Within 12 months	1 - 5 years	Over 5 years
Non-current loans				
Long-term loans	1 431 220			1 431 220
<b>Non-current loans total</b>	1 431 220			1 431 220
<b>Loan commitments total</b>	1 431 220			1 431 220

## Note 4 Payables and prepayments

(In Euros)

	31.12.2022	Within 12 months
Trade payables	317 109	317 109
Employee payables	5 475	5 475
Tax payables	8 069	8 069
Other payables	43 224	43 224
Interest payables	43 224	43 224
Prepayments received	400	400
Other received prepayments	400	400
<b>Total payables and prepayments</b>	<b>374 277</b>	<b>374 277</b>

  

	31.12.2021	Within 12 months
Trade payables	70 529	70 529
Other payables	67 150	67 150
Interest payables	67 150	67 150
Prepayments received	1 346	1 346
Other received prepayments	1 346	1 346
<b>Total payables and prepayments</b>	<b>139 025</b>	<b>139 025</b>



## Note 5 Net sales

(In Euros)

	2022	2021
Net sales by geographical location		
Net sales in European Union		
Estonia	731 468	401 966
<b>Total net sales in European Union</b>	<b>731 468</b>	<b>401 966</b>
<b>Total net sales</b>	<b>731 468</b>	<b>401 966</b>
Net sales by operating activities		
Rental income	1 832	117 474
Contract fee	67 013	45 626
Earned interest	613 328	229 398
Fines of delays	49 295	9 468
<b>Total net sales</b>	<b>731 468</b>	<b>401 966</b>

## Note 6 Goods, raw materials and services

(In Euros)

	2022	2021
Leases	7 332	102 958
Debt collection service	34	633
Legal costs	0	2 700
Brokerage fee	4 317	0
Portfolio management fee	9 699	0
Commission fees	172	0
Background check	255	0
IT services	3 205	0
<b>Total goods, raw materials and services</b>	<b>25 014</b>	<b>106 291</b>

## Note 7 Miscellaneous operating expenses

(In Euros)

	2022	2021
Miscellaneous office expenses	409	0
State and local taxes	414	0
Management service	291 908	176 541
<b>Total miscellaneous operating expenses</b>	<b>292 731</b>	<b>176 541</b>

## Note 8 Labor expense

(In Euros)

	2022	2021
Wage and salary expense	21 646	0
Social security taxes	7 246	0
<b>Total labor expense</b>	<b>28 892</b>	<b>0</b>
Average number of employees in full time equivalent units	3	0
Average number of employees by types of employment:		
Person employed under employment contract	3	0

## Note 9 Other financial income and expense

(In Euros)

	2022	2021
The cost of the loans commission	-181 981	0
<b>Total other financial income and expense</b>	<b>-181 981</b>	<b>0</b>

## Note 10 Related parties

(In Euros)

### Related party balances according to groups

SHORT TERM	31.12.2022	31.12.2021
<b>Payables and prepayments</b>		
Parent company	309 875	69 584
<b>Total payables and prepayments</b>	<b>309 875</b>	<b>69 584</b>

LONG TERM	31.12.2022	31.12.2021
Loan commitments		
Parent company	1 718 039	1 431 220
	<b>1 718 039</b>	<b>1 431 220</b>