



INDEPENDENT AUDITOR'S REPORT
On the Audit of the Financial Statements
And
Report on Other Legal and Regulatory Requirements

Of the joint stock company

Technická inšpekcia, a. s.
With the registered office in Bratislava

For the year 2019

This is a translation of the original Slovak Auditor's Report, financial statements have not been translated. For a full understanding of the information stated in the Auditor's Report, the Report should be read in conjunction with the full set of financial statements prepared in Slovak.

INDEPENDENT AUDITOR'S REPORT

For the management of the company Technická inšpekcia, a. s. Bratislava

I. REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited enclosed Financial Statements of the company Technická inšpekcia, a. s. , with the registered office in Bratislava, IČO (company registration number): 36 563 004 that consists of the Balance Sheet as of December 31, 2019, Profit and Loss Statement and Notes on the year ending as of the above mentioned date as well as the survey of significant accounting principles and accounting methods and other explanatory comments.

In our opinion, the Financial Statements give a true and fair view of the Technická Inšpekcia, a. s. Company's financial position as of December 31, 2019, business results and cash flow for the year ending as of the above mentioned date and in accordance with Act on accounting and with accounting principles generally accepted in Slovakia.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 provisions of Act No. 423/2015 Coll. on Statutory Audit, as amended, and Act No. 431/2002 Coll. on Accounting, as amended (hereinafter referred to as the "Act on Statutory Audit") related to ethics, including the Code of Ethics for Auditors, together with the ethical requirements that are relevant to our audit of the financial statements, 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 opinion.

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

Company management is responsible for the preparation and fair presentation of the financial statements in accordance with Act on accounting No. 431/2002 Coll. 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, company 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 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, 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 company 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.

II. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The Report on the Information Referred in the Annual Report

Company management is responsible for the information referred in the Annual Report compiled in accordance with the requirements of Act on accounting. Our abovementioned opinion on the Financial Statements does not relate to any other information referred in the Annual Report.

With respect to the audit of Financial Statements, it is our responsibility to familiarize ourselves with the information referred in the Annual Report and to evaluate whether the information is not substantially inconsistent with the audited Financial Statements, with our knowledge obtained during auditing the Financial Statements, or the information appears to be materially misinterpreted otherwise.

The Annual Report was not available as of the day of the issue of Auditor's Report resulting from the issue of the audit of Financial Statements.

After we receive the Annual Report, we will evaluate whether the Annual Report of the Company comprises the information as required in accordance with Act on Accounting, and based on works performed during the audit of Financial Statements, we will express our opinion, whether:

- the information referred in the Annual Report for the year 2019 is in compliance with the Financial Statement for the relevant year;
- the Annual Report includes information according to Act on Accounting.

Furthermore, we will state whether we found any material misstatements in the Annual Report based on our knowledge about the entity and its situation as acquired during the audit of Financial Statements.

Banská Bystrica, 23 March 2020

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Responsible auditor
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