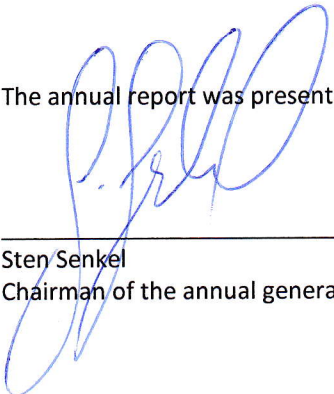


**Tavex A/S**  
Bernstorffsgade 16  
1577 København V

**CVR no. 33166966**

**Annual report 2022**

The annual report was presented and adopted at the annual general meeting of the Company on



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Sten Senkel  
Chairman of the annual general meeting

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## Management's Statement

Today, Management has considered and approved the annual report of Tavex A/S for the financial year 1 January 2022 - 31 December 2022.

The annual report is presented in accordance with the Danish Financial Statements Act.


In our opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January 2022 - 31 December 2022.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the annual report be adopted at the annual general meeting.

Copenhagen, 10 May 2023

### Executive Board



Sten Senkel  
Managing director



Kuno Rääk

### Supervisory Board



Alar Tamming  
Chairman



Jüri Martin



Siim Nõmm

## Independent Auditors' Report

To the shareholders of Tavex A/S

### Opinion

We have audited the financial statements of Tavex A/S for the financial year 1 January 2022 - 31 December 2022, which comprise an income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2022 and of the results of its operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management considers 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, 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 in preparing the financial statements unless Management either intends to either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

### The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- \* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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

## Independent Auditors' Report

Company's internal control.

- \* Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- \* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect the underlying transactions and events in a manner that gives a true and fair view.

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 which we identify during our audit.

### Statement on Management's Review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 10 May 2023

Grant Thornton, Statsautoriseret revisionspartnerselskab

CVR-no. 34209936



Steen K. Bager

State Authorized Public Accountant

mne28679

## Company details

### Company

Tavex A/S  
Bernstorffsgade 16  
1577 København V  
CVR no. 33166966  
Date of formation 30 September 2010

### Executive Board

Sten Senkel, Managing director  
Kuno Rääk

### Board of Directors

Alar Tamming  
Jüri Martin  
Siim Nõmm

### Auditors

Grant Thornton, Statsautoriseret revisionspartnerselskab  
Stockholmsgade 45  
2100 København Ø  
CVR no. 34209936

## Management's Review

### The Company's principal activities

The Company's principal activities consist in trading with precious metals and provision of currency exchange and services related thereto, including money remittance.

### Development in the activities and the financial position

The Company's Income Statement of the financial year 1 January 2022 - 31 December 2022 shows a result of 3.359.015 DKK and the Balance Sheet at 31 December 2022 a total of 24.670.773 DKK and an equity of 3.917.440 DKK.

The Company continues its increased focus on regulatory matters, herein on compliance, as the company is subject to Danish Act on Measures to Prevent Money Laundering and Financing of Terrorism (AML/CFT regulation). The Company continues to apply risk-based approach taking into consideration risks deriving from customers, products, and service channels. The Company also adheres to the risk appetite set forth in the Group Risk Appetite Policy (share of high-risk and medium-risk customers from the total of customers). The three layers of defense are first, second and third line of defense.

Despite changes in key staff, the Company has been successful to implement controls in all three lines. A significant change to previous years has been in accordance with the guidelines from the Danish Financial Supervisory Authority to integrate more efficiently the risk assessment of agent services into the general risk assessment of the Company. That integration has resulted in a new and more thorough overall risk assessment of the Company covering risk analysis of agent services. The updated risk analysis has resulted in applying KYC procedures also by the Company (as an agent) in addition to the payment service provider. Special attention and resources are allocated to customers who have a connection to EU Commission high-risk third countries, for example customers who reside in Denmark, but are citizens of these high-risk countries.

A great deal of improvements related to AML/CFT are related to new technologies and development of the Company's IT systems. Such an example is the MitID integration to the Companies IT-systems as an additional layer of verifying distance customers' identity (98% of the Companies customers are physically present in its location). The development of IT-systems shall continue in 2023 to comply with the requirements set forth by the authorities and industry standards set forth in soft law. It is expected that the expenditure for IT development in 2023 shall remain approximately on the same level as it was in 2022.

The Company continues to focus even more on online sales channel in 2023, i.e., the Company's website. The development of the website is motivated by the progress of e-commerce globally and especially in Scandinavia. Sale of precious metals has not been an exception to this trend. The Company's website is primarily focused on sale of precious metals, and to a smaller degree promoting other financial services. The competitive advantage of the Company compared to competitors can be described as an opportunity to offer favorable margins on investment gold products due to the Groups ability to make significant bulk purchases from the biggest producers globally: Valcambi, Pamp, Perth Mint, Royal Mint, Austrian Mint etc. The Company has without a doubt the biggest physical inventory of physical products in Denmark, which allows day-to-day deliveries to its customers, whereas many competitors are only collecting backorders with very long delivery time.

Gold prices have reached all-time highs in 2022 and physical precious metals have gained great interest as investors find investments into precious metals as a safe haven compared to expected higher volatility in stock markets and economic instability.

### Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

## Accounting Policies

The annual report of Tavex A/S for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

### Reporting currency

The annual report is presented in DKK.

### Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

### Government grants

Government grants provided to cover costs are recognised in the income statement when it is probable that all the conditions for the grant have been fulfilled. Grants to be repaid under certain circumstances are recognised only so far as they are not expected to be repaid. Grants provided for purchasing assets are set off in the cost of the asset.

### Income statement

#### Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, other operating income, and other external expenses.

#### Revenue

Income from the sale of precious metals are recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end if it is possible to calculate the income reliably.

Income from currency exchange where the Company is acting as an agent is recognised in the income statement at selling value minus spot price (netting).

Revenue is exclusive of VAT and net of sales discounts.

#### Change in inventories of finished goods and work in progress

The changes in inventories of finished goods and work in progress consist of a shift in inventories.

#### Other operating income

Other operating income comprises items of a secondary nature to the activities of the enterprise, including profits on sale of tangible assets and financial compensation related to Covid-19.

#### Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

#### Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc. The item is deducted from refunds from public authorities.

Other staff expenses are recognised in other external expenses.



## Accounting Policies

### Other operating expenses

Other operating expenses include items relating to activities secondary to the main activity of the enterprise.

### Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

## Balance sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Depreciation is calculated using the straight-line method over the following estimated useful lives of the individual assets and their residual values:

The carrying amounts of property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortization and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

### Deposits

Deposits are measured at cost.

### Inventories

Inventories mainly comprise precious metals (commodities) acquired with the main purpose of selling them in the near future.

## **Accounting Policies**

Inventories are measured at cost using weighted average prices. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

### **Receivables**

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

### **Prepayments**

Prepayments recognised in assets comprises prepaid costs regarding subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand.

### **Equity**

Equity comprises the contributed capital and a number of equity items that may be statutory or stipulated in the articles of association.

### **Deferred tax**

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

### **Current tax liabilities**

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

### **Other payables**

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

### **Contingent assets and liabilities**

Contingent assets and liabilities are not recognised in the balance sheet but appear only in the notes.

## Income Statement

	Note	2022 DKK	2021 DKK
<b>Gross profit</b>		<b>14.466.883</b>	<b>10.809.259</b>
Staff costs	1	-6.933.538	-4.602.994
Depreciation, amortisation expense and impairment losses		-88.555	-106.788
Other operating expenses		-18.630	0
<b>Profit from ordinary operating activities</b>		<b>7.426.160</b>	<b>6.099.477</b>
Financial income		61.089	7.876
Financial expenses	2	-3.114.443	-3.718.997
<b>Profit from ordinary activities before tax</b>		<b>4.372.806</b>	<b>2.388.356</b>
Tax expense	3	-952.086	-545.289
<b>Profit from ordinary activities after tax</b>		<b>3.420.720</b>	<b>1.843.067</b>
Profit (loss) from discontinued operations		-61.705	0
<b>Profit (loss) for year</b>		<b>3.359.015</b>	<b>1.843.067</b>
<b>Proposed distribution of result</b>			
Proposed dividend recognised in equity		3.359.015	1.300.000
Retained earnings		0	543.067
<b>Distribution of result</b>		<b>3.359.015</b>	<b>1.843.067</b>

## Balance Sheet as of 31 December

	Note	2022 DKK	2021 DKK
<b>Assets</b>			
Fixtures, fittings, tools and equipment		0	111.845
Leasehold improvements		148.372	215.418
<b>Property, plant and equipment</b>	4	<b>148.372</b>	<b>327.263</b>
Deposits	5	961.192	889.565
<b>Investments</b>		<b>961.192</b>	<b>889.565</b>
<b>Fixed assets</b>		<b>1.109.564</b>	<b>1.216.828</b>
Manufactured goods and goods for resale		11.720.129	10.938.779
<b>Inventories</b>		<b>11.720.129</b>	<b>10.938.779</b>
Trade receivables		26.044	6.628
Receivables from group enterprises		78.047	68.289
Other receivables		17.796	13.796
Tax receivables		0	211.054
Prepayments	6	66.479	64.509
<b>Receivables</b>		<b>188.366</b>	<b>364.276</b>
<b>Cash and cash equivalents</b>		<b>11.624.083</b>	<b>9.868.274</b>
<b>Current assets</b>		<b>23.532.578</b>	<b>21.171.329</b>
<b>Assets held for sale</b>		<b>28.631</b>	<b>0</b>
<b>Assets</b>		<b>24.670.773</b>	<b>22.388.157</b>

## Balance Sheet as of 31 December

	Note	2022 DKK	2021 DKK
<b>Liabilities and equity</b>			
Contributed capital		500.000	500.000
Retained earnings		58.425	58.425
Proposed dividend recognised in equity		3.359.015	1.300.000
<b>Equity</b>		<b>3.917.440</b>	<b>1.858.425</b>
Provisions for deferred tax		16.000	30.000
<b>Provisions</b>		<b>16.000</b>	<b>30.000</b>
Prepayments received from customers		76.315	1.070.525
Trade payables		843.490	336.310
Payables to group enterprises		18.715.161	18.026.167
Tax payables		607.579	0
Other payables		494.788	1.066.730
<b>Short-term liabilities other than provisions</b>		<b>20.737.333</b>	<b>20.499.732</b>
<b>Liabilities other than provisions</b>		<b>20.737.333</b>	<b>20.499.732</b>
<b>Liabilities and equity</b>		<b>24.670.773</b>	<b>22.388.157</b>
Contingent liabilities	7		
Collaterals and assets pledged as security	8		
Related parties	9		

## Statement of changes in Equity

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Proposed dividend recognised in equity DKK</b>	<b>Total DKK</b>
Equity 1 January 2022	500.000	58.425	1.300.000	1.858.425
Dividend paid	0	0	-1.300.000	-1.300.000
Profit (loss)	0	0	3.359.015	3.359.015
<b>Equity 31 December 2022</b>	<b>500.000</b>	<b>58.425</b>	<b>3.359.015</b>	<b>3.917.440</b>

The share capital consist of 500 shares at 1,000 DKK. The shares have not be divided into classes and no shares have special rights.

## Notes

	2022 DKK	2021 DKK
<b>1. Staff costs</b>		
Wages and salaries	6.537.049	4.533.054
Post-employment benefit expense	353.793	37.563
Social security contributions	42.696	32.377
	<b>6.933.538</b>	<b>4.602.994</b>
Average number of employees	13	10
<b>2. Financial expenses</b>		
Interest expense assigned to group enterprises	1.141.663	1.435.709
Exchange rate losses	1.929.937	2.275.418
Interest expense from loans	42.846	7.870
	<b>3.114.446</b>	<b>3.718.997</b>
<b>3. Tax expense</b>		
Corporations income tax	966.086	374.946
Adjustment of deferred taxes	-14.000	170.343
	<b>952.086</b>	<b>545.289</b>
<b>4. Property, plant and equipment</b>		
	<b>Fixtures, fittings tools and equipment</b>	<b>Leasehold improvements</b>
Cost at the beginning of the year	289.667	469.319
Transfers during the year to other items	-129.052	0
<b>Cost at the end of the year</b>	<b>160.615</b>	<b>469.319</b>
Depreciation and amortisation at the beginning of the year	-177.822	-253.901
Depreciation for the year	-21.509	-67.046
Reversal of prior years' impairment losses and amortisation	38.716	0
<b>Depreciation and amortisation at the end of the year</b>	<b>-160.615</b>	<b>-320.947</b>
<b>Carrying amount at the end of the year</b>	<b>0</b>	<b>148.372</b>
	<b>2022 DKK</b>	<b>2021 DKK</b>
<b>5. Deposits</b>		
Cost at the beginning of the year	889.565	718.646
Addition during the year	71.627	170.919
<b>Cost at the end of the year</b>	<b>961.192</b>	<b>889.565</b>
<b>Carrying amount at the end of the year</b>	<b>961.192</b>	<b>889.565</b>

**Notes**

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
<b>6. Prepayments</b>		
Prepaid insurance	66.479	64.509
<b>Balance at the end of the year</b>	<b>66.479</b>	<b>64.509</b>

**7. Contingent liabilities**

The Company has entered operational leasehold agreements on tenancies with a total contingent liability amounting to 2,125,934 DKK at 31 December 2022.

**8. Collaterals and securities**

No securities or mortgages exist at the balance sheet date.

**9. Related parties**

With reference to paragraph 71 in the Danish Financial Statements Act, the Company's financial statements are comprised in the consolidated financial statements of Tavid AS in Tallinn, Estonia (smallest and largest group). The consolidated financial statements can be retrieved by request to Tavid AS.