

Tranquebank ApS
Ingeborgvej 17
2920 Charlottenlund
CVR no. 42 34 83 33

Annual report for 2022

Adopted at the annual general meeting on 14
April 2023

Ernst Michaelsen
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Tranquebank ApS for the financial year 1 January - 31 December 2022.

The annual report is 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 the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Charlottenlund, 14 April 2023

Executive board

Ernst Michaelsen

Supervisory board

Anne Langkilde Lie Kaas

Ernst Michaelsen

Independent auditor's report

To the shareholders of Tranquebank ApS

Opinion

We have audited the financial statements of Tranquebank ApS for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet and notes. The financial statements are prepared under 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 the company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities 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 determines is necessary to enable the preparation of the 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 liquidate the company or to cease operations, or has no realistic alternative but to do so.

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 and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements 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 contents of the financial statements, including the disclosures, and whether the financial statements represent 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 that we identify during our audit.

Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether management's review provides the information required under the Danish Financial Statements Act.

Independent auditor's report

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Brande, 14 April 2023

Partner Revision
Statsautoriseret Revisionsaktieselskab
CVR no. 15 80 77 76

Claus Lykke Jensen
State Authorised Public Accountant
MNE no. mne10776

Company details

The company

Tranquebank ApS
Ingeborgvej 17
2920 Charlottenlund

Telephone: 40 60 93 71

CVR no.: 42 34 83 33

Reporting period: 1 January - 31 December 2022

Incorporated: 26 April 2021

Financial year: 2nd financial year

Domicile: Gentofte

Supervisory board

Anne Langkilde Lie Kaas
Ernst Michaelsen

Executive board

Ernst Michaelsen

Auditors

Partner Revision
Statsautoriseret Revisionsaktieselskab
Torvegade 22
7330 Brande

Management's review

Business review

The company's main activity is investments and as well as other thereby after the management estimate related business.

Financial review

The company's income statement for the year ended 31 December 2022 shows a profit of DKK 518.787, and the balance sheet at 31 December 2022 shows equity of DKK 2.712.512.

The management considers the result for the year to be in line with expectations.

Income statement 1 January - 31 December

	<u>Note</u>	1/1 - 31/12 2022 DKK	26/4 - 31/12 2021 DKK
Gross profit		-27.840	-11.253
Income from investments in participating interests		548.951	0
Financial income		14.168	0
Financial costs	1	-25.000	-1.028
Profit/loss before tax		510.279	-12.281
Tax on profit/loss for the year		8.508	2.706
Profit/loss for the year		518.787	-9.575
Reserve for net revaluation under the equity method		548.951	0
Retained earnings		-30.164	-9.575
		518.787	-9.575

Balance sheet 31 December

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Assets			
Participating interests		5.635.130	0
Fixed asset investments		5.635.130	0
Total non-current assets		5.635.130	0
Joint taxation contributions receivable		8.508	2.706
Receivables		8.508	2.706
Cash at bank and in hand		102.282	545.063
Total current assets		110.790	547.769
Total assets		5.745.920	547.769

Balance sheet 31 December

	<u>Note</u>	<u>2022</u> DKK	<u>2021</u> DKK
Equity and liabilities			
Share capital		1.001.000	500.000
Reserve for net revaluation under the equity method		548.951	0
Retained earnings		<u>1.162.561</u>	<u>40.425</u>
Equity	2	<u>2.712.512</u>	<u>540.425</u>
Trade payables		8.125	6.000
Payables to group entities		1.512.500	1.344
Other payables		<u>1.512.783</u>	<u>0</u>
Total current liabilities		<u>3.033.408</u>	<u>7.344</u>
Total liabilities		<u>3.033.408</u>	<u>7.344</u>
Total equity and liabilities		<u><u>5.745.920</u></u>	<u><u>547.769</u></u>
Contingent liabilities	3		
Mortgages and collateral	4		

Notes

	1/1 - 31/12 2022	26/4 - 31/12 2021
	DKK	DKK
1 Financial costs		
Financial expenses, group entities	12.500	0
Other financial costs	12.500	1.028
	25.000	1.028

2 Equity

	Share capital	Reserve for net revaluation un- der the equity method	Retained ear- nings	Total
Equity at 1 January 2022	500.000	0	40.425	540.425
Cash capital increase	501.000	0	1.152.300	1.653.300
Net profit/loss for the year	0	548.951	-30.164	518.787
Equity at 31 December 2022	1.001.000	548.951	1.162.561	2.712.512

3 Contingent liabilities

The parent company, CSR Capital A/S reg. no. 31369274, is included in joint taxation with the Danish affiliated companies. The companies are liable indefinitely and solidarity for Danish corporation taxes as well as withholding taxes on dividends, interest and royalties within the joint taxation circle.

Any subsequent corrections of corporation taxes or withholding taxes, etc. could result in corporate liability constituting another amount. The group as a whole is not liable to others.

4 Mortgages and collateral

There are no mortgages or collateral.

Accounting policies

The annual report of Tranquebank ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B. In addition, the company has chosen to follow some rules for Class C companies.

The accounting policies applied are consistent with those of last year.

The annual report for 2022 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

The company has chosen IAS 11 and IAS 18 as interpretative contributions for the recognition of net revenue.

Other external expenses

Other external expenses include expenses for administration etc.

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses.

Income from investments in subsidiaries, associates and participating interests

The proportionate share of the profit/loss for the year of associates is recognised in the company's income statement after elimination of the proportionate share of intra-group profits/gains.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

The company is subject to the Danish rules on compulsory joint taxation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Fixed asset investments

Investments in subsidiaries, associates and participating interests

Investments in subsidiaries, associates and participating interests are measured at the proportionate share of the net asset value of the entities, calculated on the basis of the group's accounting policies, plus or less unrealised intra-group gains or losses and plus or less any remaining value of positive or negative goodwill stated according to the purchase method. Negative goodwill is recognised in the income statement on acquisition. Where the negative goodwill relates to contingent liabilities having been taken over, the negative goodwill is not recognised until the contingent liabilities have been settled or no longer exist.

Investments in subsidiaries and associates are measured in the parent company financial statements using the equity method.

Net revaluations of investments in subsidiaries, associates and participating interests are taken to the net revaluation reserve according to the equity method in so far as that the carrying amount exceeds the cost. Dividends from subsidiaries which are expected to be declared before the annual report of Tranquebank ApS is adopted are not taken to the net revaluation reserve.

Accounting policies

Receivables

Receivables are measured at amortised cost.

Write-downs are made to the net realizable value in order to meet expected losses. The company has chosen to use IAS 39 as a basis for interpretation contributions when recognizing financial impairment losses assets, which means that a write-down is made to cover losses where it is assessed to be occurred an objective indication that a receivable or a portfolio of receivables is impairment. If there is an objective indication that an individual receivable is impaired, write-downs are made at individual level.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Reserve for net revaluation according to the equity method

The reserve for net revaluation according to the equity method in the company's financial statements comprises net revaluation of investments in subsidiaries, participating interests and associates relative to the cost.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.