

TITAN Containers International A/S

Litauen Alle 9, 2630 Taastrup

CVR no. 81 72 54 11

Annual report for 2022

Adopted at the annual general meeting on 12 June
2023

Juliana Ingstrup
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Management's review	6
Financial statements	
Income statement 1 January - 31 December	7
Balance sheet 31 December	8
Statement of changes in equity	10
Notes	11
Accounting policies	14

Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of TITAN Containers International A/S 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.

Høje Taastrup, 12 June 2023

Executive board

John Layland Barker

Supervisory board

John Layland Barker

Juliana Wagner Saad Ingstrup

Mette Louisa Barker

Independent auditor's report

To the shareholder of TITAN Containers International A/S

Opinion

We have audited the financial statements of TITAN Containers International A/S for the financial year 1 January - 31 December 2022, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity 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.

Independent auditor's report

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:

- 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.

Independent auditor's report

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.

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.

Copenhagen, 12 June 2023

Mazars

Statsautoriseret Revisionpartnerselskab
CVR no. 31 06 17 41

Dennis Herholdt Rasmussen
State Authorised Public Accountant
MNE no. mne43413

Company details

The company	TITAN Containers International A/S Litauen Alle 9 2630 Taastrup
	Telephone: 70 23 17 18
	Website: www.titancontainers.com
	CVR no.: 81 72 54 11
	Reporting period: 1 January - 31 December 2022
	Incorporated: 17 May 1976
	Domicile: Høje Taastrup
Supervisory board	John Layland Barker Juliana Wagner Saad Ingstrup Mette Louisa Barker
Executive board	John Layland Barker
Auditors	Mazars Statsautoriseret Revisionpartnerselskab Midtermolen 1, 2.tv. 2100 København Ø

Management's review

Business review

The Company's aim is to drive trade and management of containers and related activity following the board of directors. The company's activity is holding of the container fleet for administration purpose.

Financial review

The company's income statement for the year ended 31 December 2022 shows a profit of USD 125,798, and the balance sheet at 31 December 2022 shows equity of USD 6,222,397.

The result of the company is as forecasted.

In order to strengthen the company's capital base, the parent company decided to make a capital contribution of DKK 6 million. The grant was granted by converting the debt to the parent company.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	Note	2022 USD	2021 USD
Gross Profit		2,672,774	1,919,549
Depreciation of property, plant and equipment		<u>-1,056,623</u>	<u>-979,067</u>
Profit/loss before net financials		1,616,151	940,482
Financial income	1	0	22,803
Financial costs	2	<u>-1,519,432</u>	<u>-1,035,273</u>
Profit/loss before tax		96,719	-71,988
Tax on profit/loss for the year	3	<u>459</u>	<u>51,767</u>
Profit/loss for the year		<u>96,260</u>	<u>-20,221</u>
Recommended appropriation of profit/loss		<u>96,260</u>	<u>-20,221</u>
Retained earnings		<u>96,260</u>	<u>-20,221</u>

Balance sheet 31 December

	<u>Note</u>	<u>2022</u> USD	<u>2021</u> USD
ASSETS			
Operating equipment		30,029,899	30,640,980
Leased operating equipment		<u>4,484,170</u>	<u>5,085,564</u>
Tangible Assets	4	<u>34,514,069</u>	<u>35,726,544</u>
Total non-current assets		<u>34,514,069</u>	<u>35,726,544</u>
Deferred tax asset		232,776	638,499
Receivable from subsidiaries		<u>978,641</u>	<u>0</u>
Receivables		<u>1,211,417</u>	<u>638,499</u>
Cash at bank and in hand		<u>2,648</u>	<u>2,346</u>
Total current assets		<u>1,214,065</u>	<u>640,845</u>
Total assets		<u>35,728,134</u>	<u>36,367,389</u>

Balance sheet 31 December

	Note	2022 USD	2021 USD
EQUITY AND LIABILITIES			
Share capital		81,681	81,681
Retained earnings		6,111,178	14,918
Equity	5	6,192,859	96,599
Banks		28,566,236	0
Lease obligations		3,568	645,575
Total non-current liabilities	6	28,569,804	645,575
Short-term part of long-term debt	6	817,096	1,006,336
Banks		0	28,310,780
Trade payables		148,375	171,311
Payables to subsidiaries		0	6,136,788
Total current liabilities		965,471	35,625,215
Total liabilities		29,535,275	36,270,790
Total equity and liabilities		35,728,134	36,367,389
Contingent liabilities	7		
Mortgages and collateral	8		
Related parties and ownership structure	9		

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 1 January 2022	81,681	14,918	96,599
Capital contribution		6,000,000	6,000,000
Net profit/loss for the year	0	96,260	96,260
Equity at 31 December 2022	<u>81,681</u>	<u>6,111,178</u>	<u>6,192,859</u>

Notes

	<u>2022</u> USD	<u>2021</u> USD
1 FINANCIAL INCOME		
Exchange gains	<u>0</u>	<u>22,803</u>
	<u>0</u>	<u>22,803</u>
2 FINANCIAL COSTS		
Interest paid to group enterprises	216,681	185,661
Other financial costs	1,302,422	849,052
Exchange adjustments costs	0	560
Exchange loss	<u>329</u>	<u>0</u>
	<u>1,519,432</u>	<u>1,035,273</u>
3 Tax on profit/loss for the year		
Deferred tax for the year	<u>-459</u>	<u>-51,767</u>
	<u>-459</u>	<u>-51,767</u>

Notes

4 Tangible assets

	Operating Equipment USD	Leased operating equipment USD
Cost at 1 January	36,741,161	5,729,442
Additions for the year	0	59,403
Disposals for the year	-257,847	0
Transfers for the year	593,994	-593,994
Cost at 31 December	<u>37,077,308</u>	<u>5,194,851</u>
Impairment losses and amortisation at 1 January	6,100,181	643,878
Depreciation for the year	915,648	140,974
Reversal of impairment and depreciation of sold assets	-42,591	0
Transfers for the year	74,171	-74,171
Impairment losses and amortisation at 31 December	<u>7,047,409</u>	<u>710,681</u>
Carrying amount at 31 December	30,029,899	4,484,170

5 EQUITY

The share capital consists of:

	Nominal value
20 A Shares of USD 163,362	3,267
480 B Shares of USD 163,362	78,414
	<u>81,681</u>

6 LONG TERM DEBT

Group	Debt at 1 January	Debt at 31 December	Instalment next year	Debt outstanding after 5 years
Lease obligations	<u>1,651,911</u>	<u>820,664</u>	<u>817,096</u>	<u>0</u>
	<u>1,651,911</u>	<u>820,664</u>	<u>817,096</u>	<u>0</u>

7 Contingent liabilities

The company is jointly taxed with the other Danish companies in the TITAN Group. The Danish companies of the Group are jointly and severally liable to tax of the Group's jointly taxed income etc. The total payable corporate tax is shown in Barker Holding ApS' annual report, registration no. 41 01 00 37, who is managing company in relation to the joint taxation. Furthermore, the Danish companies of the Group are jointly and severally liable to the Danish withholding taxes in form of dividend tax, royalty tax and interest tax. Any future corrections to corporate taxes and withholding taxes can result in a larger amount of company's liability.

8 Mortgages and collateral

As security for bank debts, the Company has granted charges on existing and future acquisitions of operating equipment and claims arising from sales, under the rules on company charges (floating charge) amounted to USD'000 28.566. The carrying amount of assets comprised by the company charge is USD'000 30.030 at 31 December 2022.

The company is surely debtor for the group enterprise bank engagements.

9 Related parties and ownership structure

Consolidated financial statements

The company is reflected in the group report as the parent company TITAN Containers A/S.

Controlling interest

Name and registered office of the Parent preparing consolidated financial statements for the largest entities within the group:

Barker Holding ApS
Vis på kort Græstedvej 36, 3200 Helsingør
CVR 41010037

The share capital is ultimately owned 70 % by: Barker Holding ApS, Litauen Alle 9, Høje Taastrup

With reference to section 98c(3) of the Danish Financial statement Act, transactions with related parties have been conducted between the company and its fully owned subsidiaries and parent company.

Transactions

With reference to section 98c(3) of the Danish Financial statement Act, transactions with related parties have been conducted between the company and its fully owned subsidiaries and parent company.

Transactions with the parent company have been conducted at arms-length.

Accounting policies

The annual report of TITAN Containers International A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

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

The annual report for 2022 is presented in USD as the Company's most significant transactions are settled in USD. At the balance sheet date, the DKK/USD exchange rate was 6.9722 (2020: 6.5612).

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.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

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 other operating income less costs of raw materials and consumables and other external expenses.

Accounting policies

Revenue

Revenue derived from lease and from the sale of goods and services is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Other external expenses

Other external expenses include expenses related to administration etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, amortisation of mortgage loans and surcharges etc.

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 jointly taxed with Barker Holding ApS.

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

Tangible assets

Items of tangible assets are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Accounting policies

Where individual parts of an item of equipment have different useful lives, the cost is divided into separate parts, which are depreciated separately.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life	Residual value
Operating equipment	28 years	30 %

Gains and losses are stated as the difference between the selling prices less than selling costs and the carrying amount at the date of sale.

Gains or losses from the disposal of equipment are recognised in the income statement as other operating income or other operating expenses.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases for items of property, plant and equipment that transfer substantially all the risks and rewards incident to ownership to the company (finance leases) are recognised in the balance sheet as assets. On initial recognition, assets are measured at estimated cost, corresponding to the lower of fair value of the leased asset and the present value of the future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the company's other non-current assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The company's total liabilities relating to operating leases and other rent agreements are disclosed under 'Contingencies, etc.'.

Receivables

Receivables are measured at amortised cost, which usually corresponds, to nominal value. Bad debts are written down to net realisable value.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Accounting policies

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.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual finance lease commitment.

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

Accounting policies

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

John Layland Barker

Navnet returneret af dansk MitID var:
John Layland Barker
Direktør
ID: 626d8d82-a60b-4861-a194-d94269613180
Tidspunkt for underskrift: 12-06-2023 kl.: 12:16:51
Underskrevet med MitID



John Layland Barker

Navnet returneret af dansk MitID var:
John Layland Barker
Bestyrelsesmedlem
ID: 626d8d82-a60b-4861-a194-d94269613180
Tidspunkt for underskrift: 12-06-2023 kl.: 12:16:51
Underskrevet med MitID



Mette Louise Barker

Navnet returneret af dansk MitID var:
Mette Louisa Barker
Bestyrelsesmedlem
ID: 978fd515-b51e-48cf-9c1b-112b086494cb
Tidspunkt for underskrift: 14-06-2023 kl.: 14:10:18
Underskrevet med MitID



Juliana Ingstrup

Navnet returneret af dansk MitID var:
NAVNE & ADRESSEBESKYTTET
Bestyrelsesmedlem
ID: 0370d6fa-abad-4e93-8a7b-54acc511f0c7
Tidspunkt for underskrift: 13-06-2023 kl.: 08:43:57
Underskrevet med MitID



Dennis Herholdt Rasmussen

Navnet returneret af dansk NemID var:
Dennis Herholdt Rasmussen
Revisor
ID: 69700201
Tidspunkt for underskrift: 15-06-2023 kl.: 08:47:12
Underskrevet med NemID

NEM ID

Juliana Ingstrup

Navnet returneret af dansk MitID var:
NAVNE & ADRESSEBESKYTTET
Dirigent
ID: 0370d6fa-abad-4e93-8a7b-54acc511f0c7
Tidspunkt for underskrift: 15-06-2023 kl.: 09:34:57
Underskrevet med MitID

