

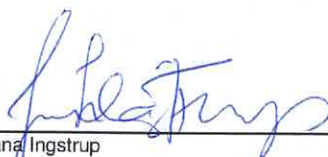
TITAN Containers International A/S

Litauen Alle 9, 2630 Taastrup

CVR no. 81 72 54 11

Annual report for 2021

Adopted at the annual general meeting on 19 April
2022

A handwritten signature in blue ink, appearing to read 'Juliana Ingstrup', written over a horizontal line.

Juliana Ingstrup
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 TITAN Containers International A/S for the financial year 1 January - 31 December 2021.

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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

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, 19 April 2022

Executive board




John Layland Barker

Supervisory board



John Layland Barker



Nete Lind Barker



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 2021, 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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021 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, 19 April 2022

Mazars
Statsautoriseret Revisionpartnerselskab
CVR no. 31 06 17 41



Pia Lillebeek
State Authorised Public Accountant
MNE no. mne30257

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 2021 Incorporated: 17 May 1976 Domicile: Høje Taastrup
Supervisory board	John Layland Barker Nete Lind Barker 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 2021 shows a loss of USD 20.221, and the balance sheet at 31 December 2021 shows equity of USD 96.599.

The result of the company is as forecasted.

Uncertainty about the continued operation (going concern)

The parent company consider in the beginning of 2022 to make a group contribution to strengthen the equity of the company. See note 1 for further description.

Financing

The Groups loans with the main banks has to be re-negotiated by latest 31 December 2022 as the loan are expiring on 31 December 2022. According to Danish GAAP these loans is therefore classified as short-term debt. The banks have confirmed the intention to extend the loans beyond 31 December 2022. This is based on the Group's satisfactorily realized earnings, capital and cash flow conditions. For 2022 the banks has already extended the lines for the Group's new investments in 2022 according to the budget and we therefore believe that the loan will be extended with another 2-3 years.

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	2021 USD	2020 USD
Gross profit		1.919.549	1.249.043
Depreciation of property, plant and equipment		-979.067	-237.138
Profit/loss before net financials		940.482	1.011.905
Financial income	2	22.803	140.178
Financial costs	3	-1.035.273	-1.360.281
Profit/loss before tax		-71.988	-208.198
Tax on profit/loss for the year	4	51.767	461.074
Profit/loss for the year		-20.221	252.876
Recommended appropriation of profit/loss			
Retained earnings		-20.221	252.876
		-20.221	252.876

Balance sheet 31 December

	Note	2021 USD	2020 USD
Assets			
Operating equipment		30.640.980	26.943.183
Leased operating equipment		5.085.564	10.393.885
Tangible assets	5	35.726.544	37.337.068
Total non-current assets		35.726.544	37.337.068
Deferred tax asset		638.499	564.955
Receivables		638.499	564.955
Cash at bank and in hand		2.346	3.036
Total current assets		640.845	567.991
Total assets		36.367.389	37.905.059

Balance sheet 31 December

	Note	2021 USD	2020 USD
Equity and liabilities			
Share capital		81.681	81.681
Retained earnings		14.918	35.139
Equity	6	96.599	116.820
Banks		0	28.314.094
Lease obligations		645.575	1.651.910
Total non-current liabilities	7	645.575	29.966.004
Short-term part of long-term debt	7	1.006.336	2.151.299
Banks		28.310.780	0
Trade payables		171.311	362.301
Payables to subsidiaries		6.136.788	5.308.635
Total current liabilities		35.625.215	7.822.235
Total liabilities		36.270.790	37.788.239
Total equity and liabilities		36.367.389	37.905.059
Uncertainty about the continued operation (going concern)	1		
Contingent liabilities	8		
Mortgages and collateral	9		
Related parties and ownership structure	10		

Statement of changes in equity

	Share capital USD	Retained earnings USD	Total USD
Equity at 1 January	81.681	35.139	116.820
Net profit/loss for the year	0	-20.221	-20.221
Equity at 31 December	81.681	14.918	96.599

Notes

1 Uncertainty about the continued operation (going concern)

The Parent company expects to provide one in early 2022 group contribution to strengthen the company's equity. The parent company also intends to provide the necessary liquidity to the company to further strengthen the company's capital base.

Therefore, the management has presented the annual report on the assumption of continued operations.

	2021 USD	2020 USD
2 Financial income		
Other financial income	0	140.078
Exchange gains	22.803	100
	22.803	140.178
3 Financial costs		
Interest paid to group enterprises	185.661	185.224
Other financial costs	849.052	1.044.799
Exchange adjustments costs	560	128.449
Exchange loss	0	1.809
	1.035.273	1.360.281
4 Tax on profit/loss for the year		
Deferred tax for the year	-51.767	71.430
Adjustment of deferred tax concerning previous years	0	-532.504
	-51.767	-461.074
5 Tangible assets		
	Operating equipment USD	Leased operating equipment USD
Cost at 1 January	31.175.892	11.926.169
Disposals for the year	-631.458	0
Transfers for the year	6.196.727	-6.196.727
Cost at 31 December	36.741.161	5.729.442

Notes

	Operating equipment <u>USD</u>	Leased operating equipment <u>USD</u>
Impairment losses and depreciation at 1 January	4.232.709	1.532.283
Depreciation for the year	797.858	272.265
Reversal of impairment and depreciation of sold assets	-91.056	0
Transfers for the year	1.160.670	-1.160.670
Impairment losses and depreciation at 31 December	<u>6.100.181</u>	<u>643.878</u>
Carrying amount at 31 December	<u>30.640.980</u>	<u>5.085.564</u>

6 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>

There have been no changes in the share capital during the last 5 years.

7 Long term debt

	Debt at 1 January <u>USD</u>	Debt at 31 December <u>USD</u>	Instalment next year <u>USD</u>	Debt outstanding after 5 years <u>USD</u>
Banks	28.314.094	0	0	0
Lease obligations	3.803.209	1.651.911	1.006.336	0
	<u>32.117.303</u>	<u>1.651.911</u>	<u>1.006.336</u>	<u>0</u>

Notes

8 **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.

9 **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 29.963. The carrying amount of assets comprised by the company charge is USD'000 30.640 at 31 December 2021.

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

10 **Related parties and ownership structure**

Consolidated financial statements

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

Accounting policies

The annual report of TITAN Containers International A/S for 2021 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 2021 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 6.5612 (2020: 6.0675).

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 divided in 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.