

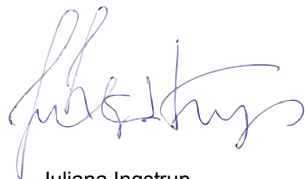
TITAN Storage Solutions A/S

Litauen Alle 9, 2630 Taastrup, Denmark

CVR no. 41 02 47 63

**Annual report for the period
1 January to 31 December 2024**

Adopted at the annual general meeting on 02 May 2025



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 |
| Group chart | 6 |
| Financial highlights | 7 |
| Management's review | 8 |
| | |
| Consolidated and parent financial statements | |
| Income statement 1 January - 31 December 2024 | 12 |
| Balance sheet - 31 December 2024 | 13 |
| Statement of changes in equity | 15 |
| Cash flow statement 1 January - 31 December 2024 | 16 |
| Notes | 17 |
| Accounting policies | 25 |

Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of TITAN Storage Solutions A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the company and the group financial position at 31 December 2024 and of the results of the group and the company operations and consolidated cash flows for the financial year 1 January - 31 December 2024.

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.

Taastrup, 2 May 2025

Executive board



Søren Skov Mogensen



Søren Søgaard Suhr



Juliana Wagner Saad Ingstrup

Supervisory board



John Layland Barker
chairman



Henrik Linde Thogersen



Lars Priemé



Kim Gulstad

Independent auditor's report

To the shareholder of TITAN Storage Solutions A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of TITAN Storage Solutions A/S for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for both the group and the parent company. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the group and the parent company's financial position at 31 December 2024 and of the results of the group and the parent company's operations for the financial year 1 January - 31 December 2024 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 consolidated financial statements and parent company" section of our report. We are independent of the group 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 consolidated financial statements and the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and the parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and parent company financial statements, management is responsible for assessing the group's and the parent 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 consolidated financial statements and parent company financial statements unless management either intends to liquidate the group or the company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

Auditor's responsibilities for the audit of the consolidated financial statements and parent company financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and parent company 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 consolidated financial statements and parent company 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:

- Identify and assess the risks of material misstatement of the consolidated financial statements and parent company 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 group's and the parent company's internal control.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the consolidated financial statements and parent company 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 group's and the parent 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 consolidated financial statements and parent company 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 group and the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and parent company financial statements, including the disclosures, and whether the consolidated financial statements and parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Group Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent auditor's report

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 consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements, our responsibility is to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements and parent company 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 consolidated financial statements and parent company 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, 2 May 2025

Forvis Mazars
Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41

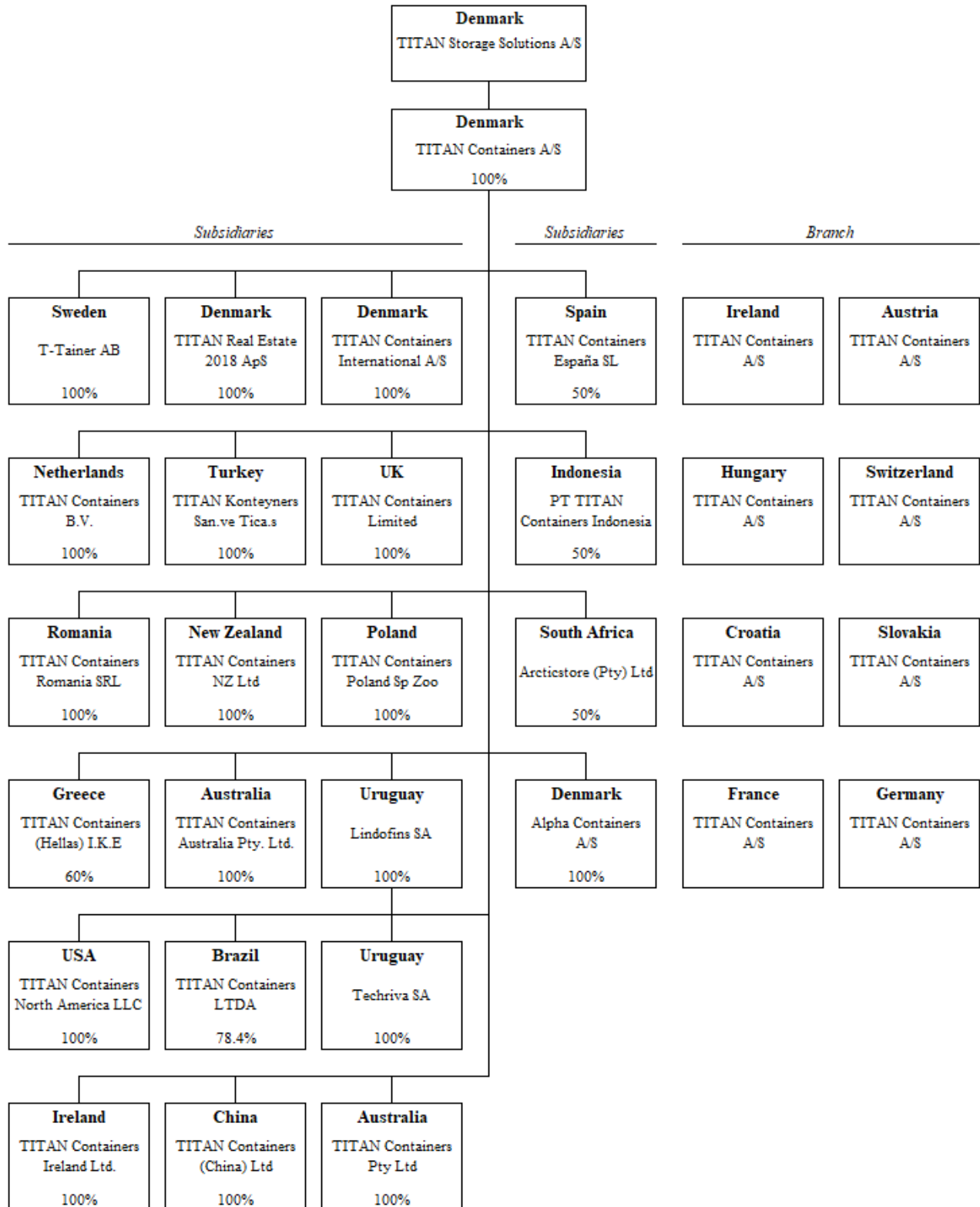


Dennis Herholdt Rasmussen
statsautoriseret revisor
MNE no. mne43413

Company details

| | |
|-------------------|--|
| The company | TITAN Storage Solutions A/S Litauen Alle 9 2630 Taastrup Denmark |
| | Website: www.TITANcontainers.com |
| | CVR no.: 41 02 47 63 |
| | Reporting period: 1 January - 31 December 2024 |
| | Incorporated: 19 December 2019 |
| | Domicile: Høje Taastrup |
| Supervisory board | John Layland Barker, chairman Henrik Linde Thogersen Lars Priemé Kim Gulstad |
| Executive board | Søren Skov Mogensen Søren Søgaard Suhr Juliana Wagner Saad Ingstrup |
| Auditors | Forvis Mazars Statsautoriseret Revisionspartnerselskab Midtermolen 1, 2. tv. 2100 København |

Group chart



Financial highlights

Seen over a 5-year period, the development of the Group may be described by means of the following financial highlights:

| | Group | | | | |
|---|--------------|-------------|-------------|-------------|-------------|
| | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
| | TDKK | TDKK | TDKK | TDKK | TDKK |
| KEY FIGURES | | | | | |
| Profit/loss | | | | | |
| Revenue | 915,358 | 859,030 | 780,471 | 711,357 | 535,018 |
| Gross profit | 437,777 | 390,328 | 388,291 | 337,593 | 222,569 |
| Profit/loss before net financials | 201,120 | 178,864 | 208,641 | 179,362 | 96,802 |
| Net financials | -109,358 | -97,005 | -49,749 | -30,790 | -25,564 |
| Profit/loss for the year | 65,906 | 58,660 | 118,967 | 110,120 | 48,808 |
| Balance Sheet | | | | | |
| Balance sheet total | 2,908,578 | 2,734,942 | 2,588,243 | 2,092,264 | 1,493,495 |
| Investment in property, plant and equipment | 242,222 | 382,470 | 556,966 | 640,213 | 236,597 |
| Equity | 754,015 | 713,563 | 682,675 | 594,557 | 492,663 |
| FINANCIAL RATIOS | | | | | |
| Gross margin | 47.8% | 45.4% | 49.8% | 47.5% | 41.6% |
| EBIT margin | 22.0% | 20.8% | 26.7% | 25.2% | 18.1% |
| Return on assets | 7.1% | 6.7% | 8.9% | 10.0% | 7.0% |
| Solvency ratio | 25.9% | 26.1% | 26.4% | 28.4% | 33.0% |
| Return on equity | 9.0% | 8.4% | 18.6% | 20.3% | 10.3% |

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see summary of significant accounting policies under section "Financial highlights".

Management's review

Business Review

TITAN enables businesses and consumers to store anything, anywhere, in safe, flexible, and responsible ways.

With a legacy dating back to 1987, we have evolved into one of the world's largest container-based storage solutions companies, offering innovative and scalable storage solutions across industries such as pharmaceuticals, food, and renewable energy, with clients ranging from leading multinational companies to small businesses and private individuals.

In 2024, TITAN focused on **consolidation and operational excellence** by:

- Enhancing **Health & Safety** practices further
- **Optimizing utilization** across our fleet
- Upgrading **digital platforms** to improve customer experience
- Investing in **data transparency** for better decision-making
- Driving **cost efficiencies** while selectively investing in growth opportunities
- Strengthening **outstanding collections and financial discipline**
- Expanding our **team with 60 new colleagues** to support future growth

These initiatives contributed to **15-20% growth in core areas**, a **12% increase in earnings**, and a reinforced operational foundation.

Looking ahead, TITAN '28: "**What We Can Do Together**" will guide our next phase of expansion. This strategy will focus on:

- **Increased focus on rental of temperature-controlled storage**: Strengthening our presence in the food and pharmaceutical industries.
- **Expansion within existing markets**: Growing our network through more "circles and clusters" to enhance accessibility and service efficiency
- **Introducing new sustainable solutions**, including what may be the world's most environmentally friendly portable cold room
- **Further operational enhancements**: Strengthening our partnerships with transport and depot providers while investing heavily in digitalization to streamline processes and improve customer experience.

With these strategic initiatives, TITAN remains committed to building the **world's largest container-based storage solution company**, enabling businesses and consumers to store anything, anywhere in safe, flexible and responsible ways.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

Unusual matters

The group's financial position on 31 December 2023 and the results of its operations and cash flows for the financial year ended 31 December 2024 are not affected by any unusual matters.

Financial review

The group's income statement for the year ended 31 December 2024 shows a profit before tax of DKK 92 million, and the balance sheet on 31 December 2024 shows equity of DKK 618 million.

Revenue for the year amounted to DKK 915 million compared to DKK 859 million last year. Profit after tax was DKK 82 million compared to DKK 66 million last year.

Management considers this year's result satisfactory.

Management's review

Financing

The Group's loans with the main banks were re-negotiated in the end of 2024 and was extended to 2028 to facilitate further growth opportunities as well as investments in the green transition. As a consequence of a general increase in the market interest rates in the first half of the year as well as increased borrowings for investments the Group's interest expenses increased in 2024. No hedging has been done for the debt portfolio.

Significant events occurring after the end of the financial year

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

Expected development of the company, including specific prerequisites and uncertainties

In 2025, the Group's total revenue is expected to increase at least by 5 %.

The Group expects to generate a neutral cash flow after financing activity in 2025.

Foreign branches

As to the financial year in question, TITAN Group had branch offices in Ireland, Austria, Hungary, France, Switzerland, Slovakia, Croatia and Germany.

Risk conditions

General risks

The Group's principal operating risks are linked to the ability to be strongly positioned in the markets where the Group is present.

Financial risks

As a result of its operations, investments, and financing activities, the Group is exposed to fluctuations in exchange rates and interest rates. In line with its financial policy, the Group does not engage in speculative activities but focuses on mitigating financial risks that arise from ordinary business operations.

Currency risks

The Group's subsidiaries and branches are generally not significantly impacted by exchange rate fluctuations, as both income and expenses are primarily settled in local currencies.

For Danish entities, exchange rate movements do have an effect, as revenue is largely generated in foreign currencies, while some costs, including wages, are paid in Danish kroner. However, due to the Danish krone's peg to the Euro, the Group's exposure to Euro fluctuations remains limited.

The main currency risks relate to revenue streams in GBP, AUD, and USD, though this exposure is partially offset by cost bases and investments in multiple currencies, including USD and GBP. Additionally, the Group's financial performance is impacted by the conversion of foreign affiliates' earnings into Danish kroner, as this is done at year-end using average exchange rates.

While the Group does not engage in systematic hedging, it actively monitors currency fluctuations and assesses hedging options when deemed necessary to mitigate risk.

Management's review

Credit risks

The Group's credit risks primarily relate to its financial assets, with the maximum exposure corresponding to the carrying amounts recognized in the balance sheet.

The Group does not have significant credit risks associated with individual customers or business partners. In line with its financial policy, TITAN continuously assesses major customers and business partners to manage credit exposure effectively.

The Group has strengthened its credit risk management, by improving outstanding collections through a disciplined approach to credit control.

Knowledge resources

At TITAN, we recognize that our people are our most valuable asset, and we remain committed to developing the right competencies across all functions of the organization. We continuously invest in employee growth, fostering a culture of learning, knowledge sharing, and professional development.

All employees participate in regular development reviews with their immediate managers to assess performance and identify growth opportunities. These discussions aim to ensure that employees have clear development plans aligned with both personal aspirations and the company's strategic direction.

As TITAN continues to strengthen its organization, welcoming 60 new colleagues in 2024, we remain focused on building talent, enhancing expertise, and fostering a high-performance culture to support our long-term ambitions.

TITAN operates across multiple markets, and not all key brands have equal strength in every region. For example, our self-storage brand is highly established in the UK, while other brands lead in different markets. Through transparent and efficient knowledge sharing, we leverage expertise gained in one market to strengthen our presence in others, while always adapting to local market dynamics and customer needs.

This strategic approach ensures that best practices, innovations, and insights are effectively shared across the organization, reinforcing TITAN's position as a global leader in container-based storage solutions.

Statutory corporate social responsibility report and Policies on the underrepresented gender

Corporate social responsibility (CSR) remains an integral part of TITAN Group's business strategy. We are committed to acting responsibly toward our customers, employees, business partners, and the wider community, ensuring that our operations contribute positively to society and the environment.

In 2024, TITAN continues to strengthen its CSR efforts, focusing on sustainability, ethical business practices, and diversity & inclusion.

As part of this commitment, TITAN has prepared a dedicated CSR report, which outlines our key initiatives and progress. The report is available on our website at the following link:

<https://titancontainers.com/gl/about-us/csr-report>.

Statement of policy for data ethics

At TITAN Group, we handle significant amounts of data as part of our daily operations. We are mindful of the responsibility this brings and aim to process data in a secure, careful, and ethical manner.

We have put in place policies on how data is collected, processed, stored, and protected. These guidelines are meant to help safeguard privacy, maintain data integrity, and promote responsible use of information across the company.

We regularly review and adjust our data practices to keep them in line with current laws, business needs, and security developments, always aiming to act responsibly and with integrity.

Management's review

| | 2023 | 2024 | 2025 | 2026 | 2027 |
|------------------------------|--------|--------|------|------|------|
| BOARD OF DIRECTORS | | | | | |
| Members | 4 | 4 | | | |
| Underrepresented gender in % | 0% | 0% | | | |
| Target figure | 25-40% | 25-40% | | | |
| Year for meeting target | 2026 | 2026 | | | |
| TOP MANAGEMENT | | | | | |
| Members | 7 | 7 | | | |
| Underrepresented gender in % | 43% | 29% | | | |
| Target figure | 40% | 40% | | | |
| Year for meeting target | 2026 | 2026 | | | |
| MIDDLE MANAGEMENT | | | | | |
| Members | 19 | 20 | | | |
| Underrepresented gender in % | 32% | 35% | | | |
| Target figure | 40% | 40% | | | |
| Year for meeting target | 2026 | 2026 | | | |

Note to table:

Top Management – TITAN Management Team (TMT): CEO and CEO direct reports

Middle Management: Managers reporting to TMT

Income statement 1 January - 31 December

| | Note | Group | | Parent company | |
|--|------|----------------|----------------|----------------|---------------|
| | | 2024 TDKK | 2023 TDKK | 2024 TDKK | 2023 TDKK |
| Revenue | 1 | 915,358 | 859,030 | 0 | 0 |
| Other operating income | | 0 | 1,506 | 0 | 0 |
| Raw materials and consumables | | -381,827 | -350,221 | 0 | 0 |
| Other external expenses | | -95,754 | -119,987 | -121 | -265 |
| Gross profit | | 437,777 | 390,328 | -121 | -265 |
| Staff costs | 2 | -141,874 | -122,645 | 0 | 0 |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment | | -94,783 | -88,819 | 0 | 0 |
| Profit/loss before net financials | | 201,120 | 178,864 | -121 | -265 |
| Income from investments in subsidiaries | | 0 | 0 | 63,771 | 56,939 |
| Financial income | 3 | 3,397 | 6,098 | 0 | 0 |
| Financial costs | 4 | -112,755 | -103,103 | -1 | 0 |
| Profit before tax | | 91,762 | 81,859 | 63,649 | 56,674 |
| Tax on profit/loss for the year | | -25,856 | -23,199 | -1,214 | 0 |
| Profit for the year | | 65,906 | 58,660 | 62,435 | 56,674 |
| Distribution of profit | 5 | | | | |

Balance sheet 31 December

| | Not e | Group | | Parent company | |
|--|----------|------------------|------------------|----------------|----------------|
| | | 2024 TDKK | 2023 TDKK | 2024 TDKK | 2023 TDKK |
| ASSETS | | | | | |
| Goodwill | | 137,511 | 148,462 | 0 | 0 |
| Software | | 8,464 | 3,658 | 0 | 0 |
| Intangible assets | 6 | 145,975 | 152,120 | 0 | 0 |
| Land and buildings | | 250,477 | 189,582 | 0 | 0 |
| Operating Equipment | | 2,135,788 | 1,971,680 | 0 | 0 |
| Other fixtures and fittings, tools and equipment | | 81,970 | 82,783 | 0 | 0 |
| Right-of-use assets | | 30,279 | 82,597 | 0 | 0 |
| Tangible assets | 7 | 2,498,514 | 2,326,642 | 0 | 0 |
| Investments in subsidiaries | 8 | 0 | 0 | 770,678 | 706,907 |
| Deposits | 9 | 265 | 262 | 0 | 0 |
| Fixed asset investments | | 265 | 262 | 770,678 | 706,907 |
| Total non-current assets | | 2,644,754 | 2,479,024 | 770,678 | 706,907 |
| Finished goods and goods for resale | | 30,370 | 48,805 | 0 | 0 |
| Stocks | | 30,370 | 48,805 | 0 | 0 |
| Trade receivables | | 164,135 | 148,496 | 0 | 0 |
| Receivables, group enterprises | | 0 | 0 | 0 | 22,000 |
| Other receivables | | 4,582 | 4,690 | 208 | 1,564 |
| Prepayments | 10 | 25,360 | 25,665 | 0 | 0 |
| Receivables | | 194,077 | 178,851 | 208 | 23,564 |
| Cash at bank and in hand | | 39,377 | 28,262 | 15 | 16 |
| Total current assets | | 263,824 | 255,918 | 223 | 23,580 |
| Total assets | | 2,908,578 | 2,734,942 | 770,901 | 730,487 |

Balance sheet 31 December

| | Note | Group | | Parent company | |
|--|------|------------------|------------------|----------------|----------------|
| | | 2024 TDKK | 2023 TDKK | 2024 TDKK | 2023 TDKK |
| EQUITY AND LIABILITIES | | | | | |
| Share capital | | 1,000 | 1,000 | 1,000 | 1,000 |
| Other reserves | | 0 | 0 | 309,011 | 245,240 |
| Retained earnings | | 726,869 | 704,032 | 443,053 | 460,889 |
| Proposed dividend for the year | | 16,500 | 0 | 16,500 | 0 |
| Non-controlling interests | | 9,646 | 8,531 | 0 | 0 |
| Equity | 11 | 754,015 | 713,563 | 769,564 | 707,129 |
| Provision for deferred tax | 12 | 155,848 | 145,448 | 0 | 0 |
| Total provisions | | 155,848 | 145,448 | 0 | 0 |
| Banks | | 1,813,031 | 1,652,766 | 0 | 0 |
| Lease obligations | | 15,500 | 34,709 | 0 | 0 |
| Total non-current liabilities | 13 | 1,828,531 | 1,687,475 | 0 | 0 |
| Short term part of long-term debt | 13 | 13,717 | 22,488 | 0 | 0 |
| Payables to affiliates | | 273 | 22,000 | 0 | 22,000 |
| Trade payables | | 104,414 | 87,192 | 1,337 | 1,358 |
| Corporation tax | | 28,216 | 13,078 | 0 | 0 |
| Other payables | | 23,523 | 43,488 | 0 | 0 |
| Deferred income | 14 | 41 | 210 | 0 | 0 |
| Total current liabilities | | 170,184 | 188,456 | 1,337 | 23,358 |
| Total liabilities | | 1,998,715 | 1,875,931 | 1,337 | 23,358 |
| Total equity and liabilities | | 2,908,578 | 2,734,942 | 770,901 | 730,487 |
| Rent and lease liabilities | 15 | | | | |
| Contingent liabilities | 16 | | | | |
| Mortgages and collateral | 17 | | | | |
| Related parties and ownership structure | 18 | | | | |
| Fee to auditors appointed at the general meeting | 19 | | | | |

Statement of changes in equity

| Group | Share capital | Other reserves | Retained earnings | Proposed dividend for the year | Non- controlling interests | Total |
|-------------------------------------|---------------------|-------------------|-----------------------|---|----------------------------------|-----------------------|
| Equity at 1 January 2024 | 1,000 | 0 | 704,032 | 0 | 8,531 | 713,563 |
| Net effect from adjustment of error | <u>0</u> | <u>0</u> | <u>-7,713</u> | <u>0</u> | <u>0</u> | <u>-7,713</u> |
| Adjusted equity at 1 January 2024 | 1,000 | 0 | 696,319 | 0 | 8,531 | 705,850 |
| Adjustments foreign | 0 | 0 | -15,387 | 0 | -2,354 | -17,741 |
| Net profit/loss for the year | <u>0</u> | <u>0</u> | <u>45,937</u> | <u>16,500</u> | <u>3,469</u> | <u>65,906</u> |
| Equity at 31 December 2024 | <u><u>1,000</u></u> | <u><u>0</u></u> | <u><u>726,869</u></u> | <u><u>16,500</u></u> | <u><u>9,646</u></u> | <u><u>754,015</u></u> |

| Parent Company | Share capital | Reserve for net revaluation under the equity method | Retained earnings | Proposed dividend for the year | Total |
|------------------------------|---------------------|--|-----------------------|---|-----------------------|
| Equity at 1 January 2024 | 1,000 | 245,240 | 460,889 | | 707,129 |
| Net profit/loss for the year | <u>0</u> | <u>63,771</u> | <u>-17,836</u> | <u>16,500</u> | <u>62,435</u> |
| Equity at 31 December 2024 | <u><u>1,000</u></u> | <u><u>309,011</u></u> | <u><u>443,053</u></u> | <u><u>16,500</u></u> | <u><u>769,564</u></u> |

Cash flow statement 1 January - 31 December

| | Group | |
|--|-----------------|-----------------|
| | 2024 TDKK | 2023 TDKK |
| Net profit/loss for the year | 65,906 | 58,660 |
| Adjustments | 79,729 | 225,586 |
| Change in working capital | -24,727 | -94,040 |
| Cash flows from operating activities before financial income and expenses | 120,908 | 190,206 |
| Interest income and similar income | -3,397 | -6,098 |
| Interest expenses and similar charges | 3,397 | 6,142 |
| Cash flows from operating activities | 120,908 | 190,250 |
| Purchase of intangible assets | 144 | -6,638 |
| Purchase of property, plant and equipment | -242,222 | -258,804 |
| Cash flows from investing activities | -242,078 | -265,442 |
| Net change, debt | 241,643 | 179,277 |
| Interest expenses | -109,358 | -96,960 |
| Dividend paid | 0 | -10,000 |
| Cash flows from financing activities | 132,285 | 72,317 |
| Change in cash and cash equivalents | 11,115 | -2,875 |
| Cash and cash equivalents opening balance | 28,262 | 31,137 |
| Cash and cash equivalents closing balance | 39,377 | 28,262 |

Notes

1 INFORMATION ON SEGMENTS ACTIVITIES - PRIMARY SEGMENT

| t.kr | <u>Rental</u> | <u>Sales</u> | <u>Service</u> | <u>Group total</u> |
|---------|---------------|--------------|----------------|--------------------|
| Revenue | 586,186 | 181,341 | 147,831 | 915,358 |

GEOGRAPHICAL - SECONDARY SEGMENT

| | <u>Denmark</u> | <u>EC</u> | <u>Outside EC</u> | <u>Group total</u> |
|--|----------------|-----------|-------------------|--------------------|
| | 98,098 | 315,400 | 501,860 | 915,358 |

| | <u>Group</u> | | <u>Parent company</u> | |
|---|----------------|----------------|-----------------------|-------------|
| | <u>2024</u> | <u>2023</u> | <u>2024</u> | <u>2023</u> |
| | <u>TDKK</u> | <u>TDKK</u> | <u>TDKK</u> | <u>TDKK</u> |
| 2 STAFF COSTS | | | | |
| Wages and salaries | 124,046 | 107,742 | 0 | 0 |
| Pensions | 4,008 | 2,355 | 0 | 0 |
| Other social security costs | 13,820 | 12,548 | 0 | 0 |
| | <u>141,874</u> | <u>122,645</u> | <u>0</u> | <u>0</u> |
| Including remuneration to the supervisory boards | <u>9117</u> | <u>8805</u> | <u>0</u> | <u>0</u> |
| Average number of employees | <u>247</u> | <u>225</u> | <u>0</u> | <u>0</u> |

The company has issued warrants granting the board of directors the right to subscribe for 10,000 shares of Titan Containers A/S. The warrants may be exercised in tranches from 2027 to 2030 at an average subscription price of DKK 2,831.

Notes

| | 2024 | 2023 | 2024 | 2023 |
|--|--------------|--------------|----------|----------|
| | TDKK | TDKK | TDKK | TDKK |
| 3 FINANCIAL INCOME | | | | |
| Interest received from group companies | 0 | 0 | 0 | 0 |
| Other financial income | 2,686 | 1,021 | 0 | 0 |
| Exchange gains | 711 | 5,077 | 0 | 0 |
| | <u>3,397</u> | <u>6,098</u> | <u>0</u> | <u>0</u> |

| | Group | | Parent company | |
|--------------------------|----------------|----------------|----------------|----------|
| | 2024 | 2023 | 2024 | 2023 |
| | TDKK | TDKK | TDKK | TDKK |
| 4 FINANCIAL COSTS | | | | |
| Other financial costs | 109,358 | 96,961 | 1 | 0 |
| Exchange loss | 3,397 | 6,142 | 0 | 0 |
| | <u>112,755</u> | <u>103,103</u> | <u>1</u> | <u>0</u> |

| | Group | | Parent company | |
|---|---------------|---------------|----------------|---------------|
| | 2024 | 2023 | 2024 | 2023 |
| | TDKK | TDKK | TDKK | TDKK |
| 5 DISTRIBUTION OF PROFIT | | | | |
| Proposed dividend for the year | 16,500 | 0 | 16,500 | 0 |
| Reserve for net revaluation under the equity method | 0 | 0 | 63,771 | 56,938 |
| Retained earnings | 45,937 | 56,674 | -17,836 | -264 |
| | 62,437 | 56,674 | 62,435 | 56,674 |
| Result for minority shareholders | 3,469 | 1,986 | 0 | 0 |
| | <u>65,906</u> | <u>58,660</u> | <u>62,435</u> | <u>56,674</u> |

Notes

6 INTANGIBLE ASSETS

| Group | <u>Goodwill</u> | <u>Software</u> |
|--|-----------------------|---------------------|
| Cost at 1 January 2024 | 200,559 | 5,570 |
| Additions for the year | 0 | 6,437 |
| Disposals for the year | -6,581 | 0 |
| Cost at 31 December 2024 | <u>193,978</u> | <u>12,007</u> |
| Impairment losses and amortisation at 1 January 2024 | 52,097 | 1,912 |
| Amortisation for the year | <u>4,370</u> | <u>1,631</u> |
| Impairment losses and amortisation at 31 December 2024 | <u>56,467</u> | <u>3,543</u> |
| Carrying amount at 31 December 2024 | <u><u>137,511</u></u> | <u><u>8,464</u></u> |

Notes

| Group | Land and buildings | Operating Equipment | Other fixtures and fittings, tools and equipment | Right-of- use assets |
|---|-----------------------|-------------------------|--|----------------------------|
| Cost at 1 January 2024 | 197,543 | 2,091,418 | 111,100 | 94,345 |
| Exchange adjustment | 397 | 17,624 | -4,381 | 2,209 |
| Additions for the year | 63,105 | 294,309 | 34,134 | 1,494 |
| Disposals for the year | 0 | -107,540 | -16,868 | -39,372 |
| Transfers for the year | 0 | 17,857 | 0 | -17,857 |
| Cost at 31 December 2024 | <u>261,045</u> | <u>2,313,668</u> | <u>123,985</u> | <u>40,819</u> |
| Impairment losses and depreciation at 1 January 2024 | 7,961 | 119,738 | 28,317 | 11,748 |
| Exchange adjustment | -8 | 3,803 | -1,573 | 1,067 |
| Depreciation for the year | 2,615 | 57,644 | 19,087 | 10,380 |
| Reversal of impairment and depreciation of sold assets | 0 | -9,072 | -5,685 | -9,619 |
| Transfers for the year | 0 | 5,767 | 1,869 | -3,036 |
| Impairment losses and depreciation at 31 December 2024 | <u>10,568</u> | <u>177,880</u> | <u>42,015</u> | <u>10,540</u> |
| Carrying amount at 31 December 2024 | <u><u>250,477</u></u> | <u><u>2,135,788</u></u> | <u><u>81,970</u></u> | <u><u>30,279</u></u> |

Notes

8 INVESTMENTS IN SUBSIDIARIES

| | Parent company | |
|----------------------------------|----------------|----------------|
| | 2024 TDKK | 2023 TDKK |
| Cost at 1 January 2024 | 461,667 | 461,667 |
| Cost at 31 December 2024 | 461,667 | 461,667 |
| Revaluations at 1 January 2024 | 245,240 | 220,302 |
| Net profit/loss for the year | 70,456 | 63,623 |
| Received dividend | 0 | -32,000 |
| Amortisation of goodwill | -6,685 | -6,685 |
| Revaluations at 31 December 2024 | 309,011 | 245,240 |
| Carrying amount at 31 December | <u>770,678</u> | <u>706,907</u> |

Group

Investments in subsidiaries are specified as follows:

| <u>Name</u> | <u>Registered office</u> | <u>Ownership interest</u> |
|--|--------------------------|---------------------------|
| TITAN Containers A/S | Denmark | 100% |
| TITAN Containers Limited | United Kingdom | 100% |
| TITAN Containers Romania SRL | Romania | 100% |
| T-Tainer AB | Sweden | 100% |
| TITAN Containers B.V. | Netherlands | 100% |
| TITAN Containers Poland sp.zoo | Poland | 100% |
| TITAN Konteyners San. ve Tica.s | Turkey | 100% |
| TITAN Containers International A/S | Denmark | 100% |
| TITAN Containers NZ Ltd | New Zealand | 100% |
| Techriva SA | Uruguay | 100% |
| TITAN Container North America, LLC | United States of America | 100% |
| TITAN Containers Ltda | Brazil | 78% |
| TITAN Containers (Hellas) I.K.E | Greece | 60% |
| TITAN Real Estate 2018 ApS | Denmark | 100% |
| TITAN Containers España SL | Spain | 50% |
| Lindofins SA | Uruguay | 100% |
| TITAN Containers Pty. Ltd. | Australia | 100% |
| TITAN Containers Australia PTY Limited | Australia | 100% |
| TITAN Containers (China) Ltd | China | 100% |
| Arcticstore (Pty) Ltd | South Africa | 50% |
| TITAN Containers Ireland Limited | Ireland | 100% |
| PT TITAN Containers Indonesia | Indonesia | 100% |
| Alpha Containers A/S | Denmark | 100% |

Notes

9 FIXED ASSET INVESTMENTS

Group

| | Deposits |
|-------------------------------------|----------|
| Cost at 1 January 2024 | 262 |
| Disposals for the year | 3 |
| Cost at 31 December 2024 | 265 |
| Carrying amount at 31 December 2024 | 265 |

10 PREPAYMENTS

Prepayments comprise prepaid expenses regarding rent, insurance premiums, subscriptions and interest as well as fair value adjustments of derivative financial instruments with a positive fair value

11 EQUITY

The share capital consists of:

| | Nominal value |
|--------------------------|---------------|
| 1000 shares of DKK 1.000 | 1,000,000 |
| | 1,000,000 |

| | Group | | Parent company | |
|--|--------------|--------------|----------------|--------------|
| | 2024 TDKK | 2023 TDKK | 2024 TDKK | 2023 TDKK |
| 12 PROVISIONS FOR DEFERRED TAX | | | | |
| Provisions for deferred tax at 1 January 2024 | 145,448 | 109,869 | 0 | 0 |
| Deferred tax recognised in income statement | 10,400 | 35,579 | 0 | 0 |
| Provisions for deferred tax change final tax | 0 | 0 | 0 | 0 |
| Provision for deferred tax at 31 December 2024 | 155,848 | 145,448 | 0 | 0 |

13 LONG TERM DEBT

| Group | Debt | | Debt | |
|-------------------|----------------------|---------------------------|-------------------------|--------------------------------------|
| | at 1 January 2024 | at 31 December 2024 | Instalment next year | Debt outstanding after 5 years |
| Banks | 1,655,294 | 1,814,853 | 1,822 | 2,257 |
| Lease obligations | 54,669 | 27,395 | 11,895 | 1,056 |
| | 1,709,963 | 1,842,248 | 13,717 | 3,313 |

14 DEFERRED INCOME

Deferred income consists of payments received in respect of income in subsequent financial years

Notes

| | Group | | Parent company | |
|--------------------------------------|---------|---------|----------------|------|
| | 2024 | 2023 | 2024 | 2023 |
| | TDKK | TDKK | TDKK | TDKK |
| 15 RENT AND LEASE LIABILITIES | | | | |
| Operating lease liabilities. | | | | |
| Total future lease payments: | | | | |
| Within 1 year | 39,823 | 43,406 | 0 | 0 |
| Between 1 and 5 years | 106,924 | 82,638 | 0 | 0 |
| After 5 years | 53,165 | 26,416 | 0 | 0 |
| | 199,912 | 152,460 | 0 | 0 |

16 CONTINGENT LIABILITIES

Contingent liabilities related to group enterprises

The company is jointly taxed with its ultimate parent company, Barker Holding ApS (management company), and jointly and severally liable with other jointly taxed entities of payment of income taxes for income year 2024 onwards as well as for payment of withholding taxes on dividends, interest and royalties which fall due for payment.

17 MORTGAGES AND COLLATERAL

The Group has issued mortgage deed of TDKK 12,461 which gives pledge in the Group's land and property. The mortgage deeds are deposited as security for credit institute engagement.

The Group has issued chattel mortgage deed of total TDKK 55,890 which gives pledge in the Company's operating equipment, which accountable value at 31 December 2024 amounts to TDKK 2,468,235.

As security for credit institute engagement TDKK 970,000 pledges are given in the business at the date of the presentation of the Financial Statements.

The Company is surely debtor for the engagement for TITAN Sales & Management Holding ApS and TITAN Konteyner Sanayi Ve Ticarel, Turkey.

TITAN Containers Limited

As collateral for current account with foreign credit institute, £1,244,470 security is placed in property and other property, plant and equipment.

TITAN Containers International ApS

As security for credit institute engagement TDKK 230,000 pledges are given in the business at the date of the presentation of the Financial Statements.

Notes

18 RELATED PARTIES AND OWNERSHIP STRUCTURE

Controlling interest

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

Barker Holding ApS
Græstedvej 36, 3200 Helsingør
CVR 41010037

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

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.

| Group | | Parent company | |
|--------------|-------------|-----------------------|-------------|
| <u>2024</u> | <u>2023</u> | <u>2024</u> | <u>2023</u> |
| TDKK | TDKK | TDKK | TDKK |

19 Fee to auditors appointed at the general meeting

Forvis Mazars:

| | | | | |
|-----------------------|--------------|------------|-----------|-----------|
| Audit fee | 860 | 743 | 43 | 41 |
| Tax advisory services | 142 | 116 | 8 | 7 |
| Non-audit services | 38 | 23 | 6 | 3 |
| | <u>1,040</u> | <u>882</u> | <u>57</u> | <u>51</u> |

Accounting policies

The annual report of TITAN Storage Solutions A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large class C entities.

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

The annual report for 2024 is presented in TDKK.

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 group's and the parent company's 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 group's and the parent company's 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 instalments 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.

Accounting policies

Recognition and measurement of business combinations

Recently acquired entities are recognised in the financial statements from the date of acquisition. Sold entities are recognised in the financial statements until the date of disposal. Comparative figures are not restated in respect of recently acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the time when the company actually gains control over the acquiree.

The acquisition method is applied to the acquisition of new entities where the company gains control over the acquiree. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or emanate from a contractual right. Deferred tax on the revaluations made is recognised.

Positive differences (goodwill) between, on the one side, the purchase consideration, the value of non-controlling interests in the acquiree and the fair value of any previously acquired investments and, on the other side, the fair value of the acquired identifiable assets, liabilities and contingent liabilities are recognised as goodwill under 'Intangible assets'. Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of its useful life.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

On acquisition, goodwill is ascribed to / classed with the cash-generating unit, which subsequently forms a basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with another functional currency than the group's presentation currency are accounted for as assets and liabilities belonging to the foreign entity and are translated on initial recognition into the foreign entity's functional currency using the exchange rate at the date of the transaction.

The purchase consideration for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed, and equity instruments issued. If part of the purchase consideration is conditional upon future events or the fulfilment of agreed conditions, this part of the purchase consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of conditional purchase consideration are recognised in the income statement.

Expenses defrayed in connection with acquisitions are recognised in the income statement in the year in which they are defrayed.

If, at the date of acquisition, the identification or measurement of acquired assets, liabilities and/or contingent liabilities or the size of the purchase consideration are associated with uncertainty, initial recognition will be based on preliminarily calculated amounts. If it subsequently turns out that the identification or measurement of the purchase consideration, acquired assets, liabilities and/or contingent liabilities was not correct on initial recognition, the calculation will be adjusted with retrospective effect, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Subsequently, any adjustments made will be recognised as error.

Accounting policies

Consolidated financial statements

The consolidated financial statements comprise the parent company TITAN Storage Solutions - Moder and subsidiaries in which the parent company, directly or indirectly, holds more than 50% of the voting rights or otherwise has a controlling interest. Entities in which the Group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered participating interests or associates, cf. the group chart.

The consolidated financial statements are prepared as a consolidation of the parent company's and subsidiaries' financial statements by aggregating uniform accounting items. On consolidation, intra-group income and expenses, holdings of shares, intra-group balances and dividends as well as realised and unrealised gains and losses on intra-group transactions are eliminated.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Entities acquired or formed during the year are recognised in the consolidated financial statements from the date at which control is obtained. Entities sold during the year are recognised in the consolidated income statement until the date of disposal. Comparative figures are not restated for acquisitions or disposals.

Minority interests

In the consolidated financial statements, the items of subsidiaries are recognised in full. The minority interests' proportionate share of subsidiaries' profit/loss and equity is presented separately under appropriation of profit and in a main item under equity.

Accounting policies

Income statement

Segment information

Information is provided on business segments and geographical markets. The segment information is provided in consideration of the group's accounting policies, risks and management control.

Revenue

Revenue from lease and sale is recognised in the income statement, provided that the transfer at 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 recognised exclusive of VAT and other indirect taxes and less sales discounts.

Cost of sales

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

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, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Income from investments in subsidiaries, associates and participating interests

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

Accounting policies

Tax on profit/loss for the year

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

Intangible assets

Goodwill

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed to be 5-25 years. The amortisation period is based on an assessment of the acquiree's market position and earnings capacity.

Software

Software and development of IT are measured at cost less accumulated amortisation and impairment losses. Software is amortised on a straight-line basis over the expected lifetime however maximally 3 years.

Tangible assets

Items of land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost added revaluations and less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

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

| | Useful life | Residual value |
|--|---------------|----------------|
| Land and property | 10 - 30 years | 0 % |
| Operating equipment | 28 years | 30 % |
| Other fixtures and fittings, tools and equipment | 3 - 10 years | 0 % |
| Right-of-use assets | 1 - 28 years | 0 % - 30 % |

Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Accounting policies

Leases

The company has chosen IAS 17 as the interpretation for the classification and recognition of leasing contracts.

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.

Investments in subsidiaries

Investments in subsidiaries 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 with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the parent company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised under provisions.

Net revaluations of investments in subsidiaries 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 TITAN Storage Solutions A/S is adopted are not taken to the net revaluation reserve.

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

Accounting policies

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

Receivables

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

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

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.

Net effect from adjustment of error

The company has recognised an adjustment of 7.713m in the Statement of Changes in Equity, related to write-offs of containers resulting from system-related errors. These errors, identified during routine reconciliation processes, resulted in the misstatement of container values in prior periods. The correction of these errors was necessary to accurately reflect the company's financial position

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.

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.

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 is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Accounting policies

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.

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

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.

Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

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.

Foreign subsidiaries, associates and participating interests are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of such entities opening equity at closing rate and on translation of the income statements from the exchange rates at the transaction date to closing rate are taken directly to the fair value reserve under 'Equity' in the consolidated financial statements.

Foreign exchange adjustments of balances with separate entities which are considered part of the investment in the subsidiary are taken directly to the fair value reserve under 'Equity'. Correspondingly, foreign exchange gains and losses on loans and derivative financial instruments entered into to hedge net investments in such entities are taken directly to equity.

Accounting policies

Cash flow statement

The cash flow statement shows the group's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the group's cash and cash equivalents at the beginning and at the end of the year.

With reference to section 86(4) of the Danish Financial statement Act, no cashflow statement has been prepared for the parent company. The entity's cash flow is part of the consolidated cash flow statement.

The cash flow effect of additions and disposals of entities is shown separately under cash flows from investing activities. The cash flow statement includes cash flows from acquired entities from the time of acquisition, and cash flows from sold entities are included until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are stated as the group's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under 'Interest income and dividend received'.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the group's share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months, and which are readily convertible into cash, and which are subject only to insignificant risks of changes in value.

Accounting policies

Financial highlights

Definitions of financial ratios.

| | |
|--------------------|---|
| Gross margin ratio | $\frac{\text{Gross profit} \times 100}{\text{Revenue}}$ |
| EBIT margin | $\frac{\text{Profit/loss before financials} \times 100}{\text{Revenue}}$ |
| Return on assets | $\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$ |
| Solvency ratio | $\frac{\text{Equity, end of year} \times 100}{\text{Total assets at year-end}}$ |
| Return on equity | $\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$ |