KPMG
ACOR TAX

A team always beats the sum of individuals

KPMG Acor Tax P/S Annual Report 2022

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Who we are

KPMG Acor Tax is a full-service, globally orientated tax advisory firm

We are a team of 220+ dedicated and highly skilled partners and employees who possess both market-leading professional expertise and a deep understanding of our clients' specific, commercial needs. This combination enables us to convert complex rules into simple, operative solutions through commercial understanding of tax matters as well as the expertise, technology and global network required to provide tailored advice to each client.

Company details

KPMG Acor Tax P/S
Tuborg Havnevej 18, 5th floor
DK-2900 Hellerup

Telephone: +45 3945 1700
Website: www.kpmgacor.dk
CVR no.: 34 08 22 00

Founded: December 12, 2011
Financial year: 1 January - 31 December
11th financial year

Board of Directors

Ria Falk Due (Chair)
Ole Steen Schmidt
Lars Olle Fredrik Lundgren

The annual report was presented and adopted at the Company's annual general meeting on 17 April 2023

Executive Board

Søren Dalby Madsen
Henrik Lund
Pia Konnerup
Rune Grøndahl Sørensen

General Partner

KPMG Acor Tax
Komplementar ApS

Auditors

Martinsen
Statsautoriseret
Revisionspartnerselskab
Øster Allé 42
DK-2100 Copenhagen Ø

KPMG Acor Tax at a glance

About us

KPMG Acor Tax's principal activities are professional tax advisory services. Our team of 220+ dedicated and highly skilled partners and employees possess both market-leading professional expertise and a deep understanding of our clients' specific commercial needs. This combination enables us to convert complex rules into simple, operative solutions through commercial understanding of tax matters and the expertise, technology and global network required to provide tailored advice to each client.

229
Employees and partners

22%
Revenue growth

17
Different nationalities

52/48
Female/male ratio in %

Our global network

143 Countries where we operate

35 Combined revenue USD billion

14% Revenue growth rate

Our global network

KPMG is a global network of professional services firms providing advisory, audit and tax services. We operate in 143 countries and have 265,600+ people working in member firms around the world.

We work closely with a broad range of clients, such as business corporations, governments and public sector agencies and non-profit organisations.

We support them in mitigating risks and exploiting business opportunities.

We lead with a commitment to quality and integrity across the KPMG global organisation, bringing a passion for client success and a purpose to serve and improve the communities in which KPMG firms operate. In a world where rapid change and unprecedented disruption are the new normal, we inspire confidence and empower change in all we do.

Management's Review

Solving complex tax matters with passion

During continued economic and geopolitical uncertainty, robust numbers and consistent growth were achieved across all our service areas in 2022. The financial results are proof of our extraordinary people, successful 360-degree mindset and agility.

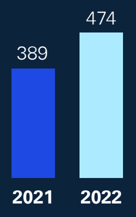
Søren Dalby Madsen
CEO & Senior Partner, KPMG Acor Tax

Financial highlights

Revenue
DKK

474m

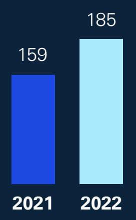
▲ 22%



Average number of employees
full time / 2022

185

▲ 16%



DKK'000	2022	2021	2020	2019	2018
Profit and loss account					
Revenue	473,750	388,867	326,625	269,543	202,136
Gross profit	259,003	226,426	196,641	162,317	135,612
Results from operating activities	1,511	1,593	1,117	1,095	2,085
Net financials	-1,511	-1,593	-1,117	-1,095	-985
Profit for the year	0	0	0	0	1,100
Balance sheet					
Balance sheet sum	281,031	264,378	231,585	189,664	157,992
Tangible assets investments	1,955	1,758	2,325	1,377	520
Equity	53,600	49,100	45,500	38,040	31,100
Cash flow					
Operating activities	-14,183	-23,421	9,951	2,694	651
Investing activities	-2,092	-2,298	-5,221	-2,901	-691
Financing activities	5,533	1,260	2,611	2,429	-1,086
Cash flow in total	-10,742	-24,459	7,341	2,222	-1,126
Employees					
Average number of full time employees	185	159	143	127	112
Key figures (%)					
Gross margin	54.7	58.2	60.2	60.2	67.1
Profit margin	0.3	0.4	0.3	0.4	1.0
Acid test ratio	119.5	118.3	119.3	121.0	120.8
Solvency ratio	19.1	18.6	19.6	20.1	19.7
Return on equity	-	-	-	-	6.7

Calculations of key figures and ratios follow the recommendations of the Danish Finance Society.

Management's Review

During continued economic and geopolitical uncertainty, robust numbers and consistent growth were achieved across all our service areas in 2022. The financial results are proof of our extraordinary people, successful 360-degree mindset and agility.

We demonstrated our relevance in the market thanks to our relentless commitment to challenging ourselves and delivering consistent quality and value to our clients. We deliver tangible results by gaining a profound understanding of our clients' needs and fusing this knowledge with our deep tax expertise, cutting-edge technology-driven solutions and innovative thinking.

In today's tax landscape, assisting our clients to be tax compliant is both a data challenge and tax and accounting challenge.

We truly believe that trust is one of the most important measures of our success, not only during the past year, but every day in terms of what we are able to accomplish and deliver to those that rely on us the most. Trust is key to engaging our employees and crucial to continuously attracting new talent. Our clients and the society at large continue to trust us when navigating complex tax matters that require us to work across borders and disciplines to collaborate more closely than ever.

> There are three key components that we attribute to our consistent growth: our people and our unique culture, our relentless focus on building trust with our clients and all other stakeholders and our ability to combine our deep tax technical expertise with strong comprehension of data.
>
> **Søren Dalby Madsen**
> **CEO and Senior Partner, KPMG Acor Tax**

Leaders in an evolving tax landscape

The rate of regulatory change has never been greater. We see an increased demand for professional assistance, which requires more than just a standard tax advisor. In response to that, our services continue to evolve to meet the modern complexities and challenges that our clients face, with a strong focus on a multidisciplinary, technology-driven and collaborative approach. Covering all areas of tax disciplines, our team works shoulder to shoulder with the majority of the largest Danish companies. We also continue to take a leading role in the responsible tax area, recognising that our clients and our communities want to address the role of tax within the context of a wider conversation concerning sustainability and the ESG agenda.

Working together with our clients

At KPMG Acor Tax, our 360-degree approach and our digital mindset are fundamental to how we go to market and work together internally. This holistic approach fosters sustainable solutions and loyal clients, who we support through all complexities they may face.

Our cross-functional collaboration and deep understanding of clients' specific demands are fundamental preconditions of our success.

We collaborate closely with organisations of all shapes and sizes across a broad range of tax and technology areas – whether navigating complex tax matters, getting ahead of future compliance requirements, driving processes and cost efficiencies, or rethinking the way in-house functions operate to drive better value. Our objective is simple: helping our clients pay the right tax at the right time, using our expertise and continued investment in technology.

Compliance Management and Transformation is a strategic focus area for KPMG globally and a rapidly growing business in Denmark. Our Compliance Management and Transformation services are market-leading and we have had several significant wins in the compliance transformation area over the past years. These wins are typically 3-5-year contracts where we are transforming existing global compliance processes to achieve increased quality, standardisation, insights and efficiencies.

The pace of today's Mergers and Acquisitions (M&A) activities demands decision-makers to make the right moves confidently to avoid missing opportunities. During 2022, we increased our presence in the market. We cooperate closely with the global KPMG network of M&A tax experts, and we mobilise tax teams tailored specifically to our clients' distinct transactions on a daily basis.

Our Tax Dispute Resolution and Controversy services are recognised as market-leading in Denmark both by our clients and according to the global tax publication *International Tax Review*. Whether the Danish Tax Agency (Skattestyrelsen) or a foreign tax authority raises a claim against one of our clients, our tax dispute resolution and controversy leaders are able to assist our clients to protect against, prepare for and resolve disputes with tax authorities. We help our clients take control of the dispute resolution process to get effective results both locally and globally.

Demand for talent, global digitalisation and employees' desire and need to work from anywhere require employers to rethink their future workspaces. Understanding the future of work, including its opportunities of working from anywhere and recruiting talents in locations that were not available before, underpins the need for a 360-degree perspective. Our Global Mobility team has worked closely with our clients to embrace their journey while getting all the tax aspects right.

In the Financial Services (FS) tax area, our market-leading team is helping many of the largest Danish clients within banking, life and non-life insurance as well as asset management. The growing need for regulatory compliance within the FS sector also implies a significant increased focus on tax handling within the sector where we have our highly specialised teams service our clients.

Finally, our strongly positioned team serving the Automotive industry continues to build on previous years' success, further bringing new deliveries to the market and increasing the range of services delivered to the industry.

Building a culture for success

Our culture discovery journey continued in 2022 following our ambition of building a culture for success. Following our culture development plan aiming to discover, define and commit, we involved the whole organisation in a constructive dialogue about our core values providing deeper insights about our current and future view of our culture. The output of this immersive process was identifying a distinct set of core values making our unique culture more tangible, relatable and a lot more manageable because we are now able to see and apply the values that underlie the everyday actions.

It became apparent that our people recognise our unique culture. They thrive from our 360-degree approach to business and shine in a people-centred organisation focusing on operating at the highest standards in everything we do.

For us at KPMG Acor Tax, diversity and inclusion are a way of living, a way of doing business and a way of achieving a more inclusive, more just and more effective workplace. With a diverse workplace, we get all perspectives and ensure that we offer our clients the best advice.

We have made a clear commitment to equality and to a culture free from discrimination and bias.

The male/female split in our team is 48% men and 52% women consisting of 17 different nationalities with an average age of 36 years.

At the heart of every long-term successful organisation is a clear putting-people-first approach. At KPMG Acor Tax, we prioritise the well-being of our people, diversity and inclusion to create a workplace culture that fosters growth and development. We recognise that our people are our greatest asset, and we are committed to investing in them for long-term success.

Claus Kristoffersen
Head of People & Culture
KPMG Acor Tax

This reflects our commitment to cultivating a diverse and multi-generational workforce that brings together different perspectives, experiences, and ideas. We believe that a diverse team is essential to driving innovation and creativity, and to better understanding and serving our clients.

We promote an inclusive work environment and prioritise employee well-being. Our 2022 Global People Survey (GPS) revealed that 94% of the respondents felt that they were treated with dignity and respect, while 86% experienced equal opportunities for advancement. We will continuously monitor and focus on improving gender equality and creating an inclusive space for all of our employees at KPMG Acor Tax.

Thriving in a digital world

Technology continues to evolve, shape and transform how businesses function and people interact. For us it has been essential to start creating a digital mindset for all individuals and all teams.

We are in particular proud of the tailored programme prepared and facilitated by DTU (Technical University of Denmark) for our internal Digital Now ambassadors under the name Ready for the future – Digital technologies and digital transformation. Digital Now is the name of our own internal tech journey, with focus on commercial mindset, tools and skills, making us fit for the future.

The purpose of the course was to increase awareness of the new digital technologies and support the digital maturity of our business with focus on a) strengthening our digital understanding b) accumulating greater knowledge of digital technologies and the ability to navigate between them and c) gaining new insights into the possibilities in relation to the development of smart services.

The course was conducted by a strong interdisciplinary team from DTU of leading and in-demand researchers and lecturers in digitisation as well as external experts from CBS and ITU.

We will continue to enhance our technology platform, enabling us to incorporate emerging technologies internally and externally.

Driving the responsible tax agenda and conversation

Tax can also be used to drive behavioural change. Specifically, we now see tax policy increasingly being deployed by governments around the world to incentivise decarbonisation and direct private investments where they are most needed in our common fight against climate change. For businesses, this means that heads of tax are to play a decisive role in their decarbonisation strategies, as companies' tax strategy and management of environment-related taxes, incentives and grants will be a cornerstone for the delivery of their net-zero ambitions.

Offering the best advice to our clients and helping companies navigate safely in this ever-changing world of tax requires us to uphold the highest moral and ethical standards. Our approach to responsible tax is set out in our Global Tax Principles that are available on our global website.

In 2022, we continued our focus to create awareness and to bring together leading voices to discuss and explore contributions to the responsible tax agenda. This includes presenting at conferences in Denmark and in other countries, quarterly newsletters, as well as collaboration with the CSR Forum.

The CSR Forum is a network where our experts facilitate discussions and panel debates on topics such as responsible tax, tax transparency and sustainability reporting standards, with multiple stakeholders across fields and businesses.

We also facilitated a roundtable event with representatives from large Danish pension funds, Danish multinationals and a representative from Global Reporting Initiative, to discuss, amongst other things, the learnings from public disclosures of tax payments.

Our Manifest

KPMG Acor Tax was born with a rebellious spirit:

to be a challenger. Founded by leading advisers who made a clear choice to work together, we have created an independent advisory firm – and tax is our business. Today, all of us share one simple, unifying idea: we are a team of people who improve other people's business.

We integrate global knowledge in our daily work,

since local issues might find their solution far from home. To help solve complex tax matters, we have family ties to the KPMG network. Hence our clients get the best of two worlds: the agile and focused personality of an independent firm and the power of a global one.

We are passionate about tax:

determined to mastering a field of expertise that we can turn into solutions and value for our clients. We are entrepreneurs as well as advisers, and we know how to cut through complexity. This philosophy is in our DNA.

We help businesses navigate safely in an ever-changing world of tax.

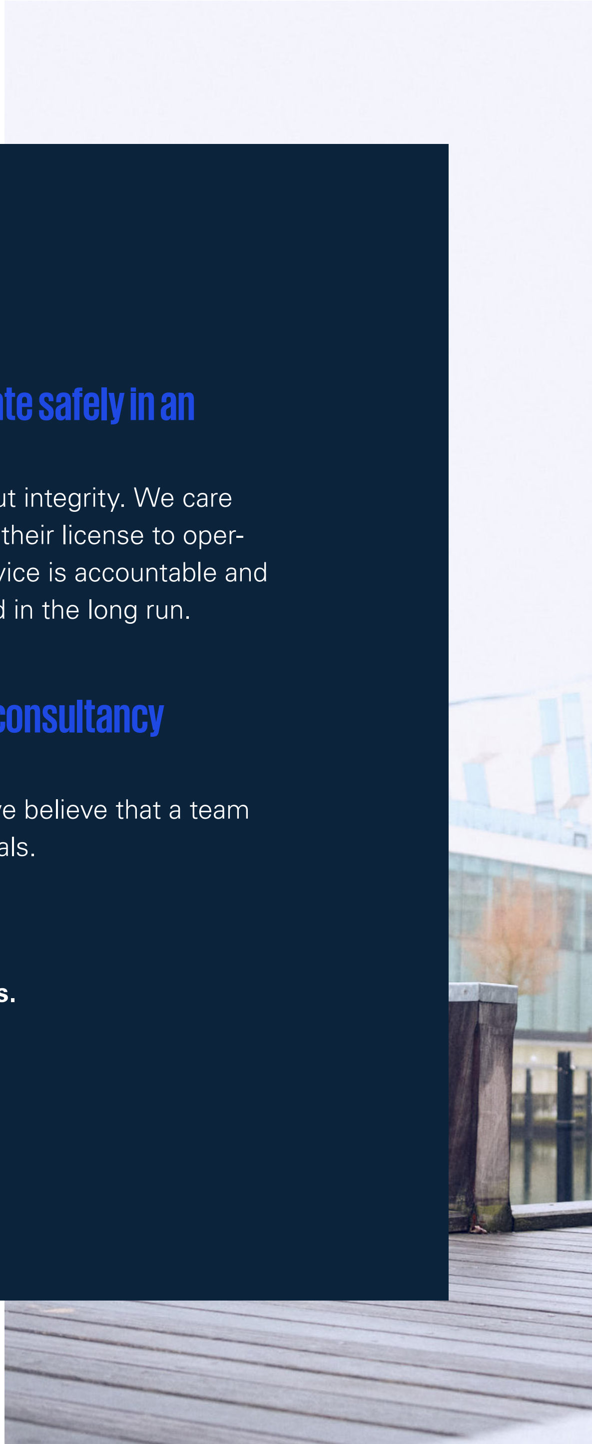
This is mission impossible without integrity. We care about our clients. We care about their license to operate. But we insist that our tax advice is accountable and sustainable – both short term and in the long run.

We shape the future of tax consultancy together with our clients.

We are people of all kinds, and we believe that a team always beats the sum of individuals.

Together, we solve tax matters.

Yours. Truly.



Outlook

Our Powerhouse – now and in the future

The future of tax holds more complexity, is digital and relies on the continuous acquirement of new skills both for our clients and ourselves. Our ambition is to continue shaping the future of tax consultancy. To ensure that we keep up the momentum that we have created up until, and throughout 2022, we recently launched our 2025 strategy that will enhance our ability to adapt and succeed in the rapidly changing tax and the business environment in which we operate.

During 2022, we spent quite some time developing this new strategy that has been shaped by all people at KPMG Acor Tax creating a very strong foundation for growth. Leveraging on our strongholds, we will focus on sustainable value creation for our clients, short term and in the long run while investing in the growth of our people. Together, we will continue to lead the way in the world of tax.

The title of our 2025 strategy is 'Our Powerhouse', because we believe that we are the Powerhouse of Tax, each of us mastering a field of expertise that we transform into solutions and value for our clients. The real power lies in our people, and the combination of their personal, technical and digital skills and the entrepreneurial mindset. Our people are at the heart of our business, and we are committed to empowering individual growth to shape a better future together.

Looking ahead, we are optimistic about the future, and we have set ambitious targets for the strategic journey ahead of us. We will reach those by growing together as individuals and thereby as a team. We will scale our core services, develop new ones and offer innovative solutions matching the needs of our clients.

In the ever-changing tax landscape, we strive to be recognised as leading experts, driven by high quality and insights. Our strategic aspirations and goals will be enabled by a client-centric 360-degree approach in everything we do and a digital mindset that will pave the way for the future.

Reporting on corporate social responsibility

cf. section 99a of the Financial Statements Act

Business model

KPMG Acor Tax P/S, ('KPMG Acor Tax'), is a Danish limited liability partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited. KPMG Acor Tax is owned by the Company's equity partners and provides tax services.

KPMG's culture and ethics have their roots in our international Code of Conduct. The essence in this is the protection of the KPMG brand and the public trust, which means the trust our clients, potential clients, public authorities and society have in KPMG. KPMG has a comprehensive quality management system to ensure this trust. The consequence of focus on public trust is that KPMG is not a company that wishes to take great risks in our business model. This includes clients as well as products, supply channels, business partners and geography. In our view, our business model does not carry special risks for negative impact on the environment, social matters and employee matters, human rights, anti-corruption and bribery.

The operational risk facing our business include those we have in common with other professional services firms. These include a notable deterioration in market conditions, attracting, developing and retaining the best talent in the market, claims and reputational damage caused by either an actual or a suspected failure to deliver services of appropriate quality, or by taking on inappropriate clients or engagements.

Environmental matters, including our work reducing the climate impact of our activities

The Global KPMG network of member firms has announced its intention to become a net-zero carbon organisation by 2030. This will see us:

- Cut greenhouse gas emissions (directly and indirectly) by 50% between 2019 and 2030 as part of a 1.5oC science-based target
- Source 100% renewable electricity by 2022 in KPMG's Global Board countries, and by 2030 for the wider global organisation (including KPMG Acor Tax)
- Offset any remaining emissions, which we cannot remove from our operations and supply chain, by investing in externally accredited carbon removal projects

We continuously take small steps towards sustainability, such as reducing waste and being mindful of our energy usage.

One step was ensuring that all KPMG offices run on energy purchased from Ørsted and Dansk Havvind, which supports the growth of renewable energy sources essential for reducing greenhouse gas emissions and mitigating the impacts of climate change.

Social matters and matters concerning respect for human rights

At KPMG Acor Tax, we recognise that our people are our most valuable asset. We remain committed to continuously supporting and developing our team members, as well as attracting and retaining talent to the company.

We place great importance on empowering our employees to achieve a meaningful career while maintaining a healthy work-life balance in all stages of their lives. Our internal network 'Successful Parents' is just one example of this. The network is led by an external business coach who conducts workshops for employees who are new parents across all levels of the organisation.

The focus is on sharing ideas, experiences, and tools to help achieve what they consider a good work-life balance. In addition to group workshops, each member is also able to request individual coaching sessions with the coach, which are designed to provide personalised support for both the practical and emotional challenges that come with parenthood.

Due to our commitment to KPMG International, we follow the UN Guiding Principles on Business and Human Rights. This is outlined in our International Business and Human Rights Statement. We expect all our stakeholders, including our suppliers and clients, to respect human rights and to take action if a human rights risk is identified. We will work towards ensuring that all our stakeholders, including our suppliers and clients, respect human rights, and we will take action if a human rights risk is identified.

Our whistleblower function has been and is in place where anyone can raise their hand and speak up in confidentiality, without fear of reprisals to report issues or concerns. We encourage all those interested in applying for a job to apply regardless of age, gender, sexuality, disability, race, religion or ethnic affiliation.

Fighting anti-corruption and bribery

Compliance with laws, regulations and standards is a key aspect for everyone at KPMG. We have zero tolerance of bribery and corruption. The KPMG policy prohibits its involvement in any type of bribery — even if such conduct is legal or permitted under applicable law or local practice. We also do not tolerate bribery by third parties, including by KPMG firm clients, suppliers or public officials. Our supplier agreement and third-party agreement templates include anti-bribery clauses.

KPMG has appropriate internal controls in place to mitigate the risk of involvement in bribery by the firm and its partners and employees. We have policies and procedures regarding permissible gifts, entertainment, charitable donations and sponsorships and mechanisms for monitoring these.

All KPMG partners and employees are required to take training covering compliance with laws, regulations and professional standards relating to anti-bribery and corruption, including the reporting of suspected or actual non-compliance. Such training is required to be completed annually, with new hires completing the training shortly after joining. Training on anti-bribery and corruption is included in KPMG International's 'We Do What is Right: Integrity at KPMG' course, which

also includes modules on areas such as compliance with laws, regulations and professional standards and the Global Code of Conduct.

Outlined in KPMG's Global Code of Conduct are the responsibilities all KPMG people have to each other, our clients, and the public. It shows how our values inspire our greatest aspirations and guide all of our behaviours and actions. It defines what it means to work at and be part of KPMG, as well as our individual and collective responsibilities. All personnel are requested annually to provide confirmation that they have complied with their individual responsibilities under the Code, including compliance with firm policies related to gifts and entertainment. Internal controls have also been established by our finance function to ensure compliance with anti-bribery and corruption policies and monitoring procedures are in place.

KPMG's client and engagement acceptance and continuance policies and processes are designed to identify and evaluate potential risks prior to accepting or continuing a client relationship or performing a specific engagement. The client evaluation includes obtaining background information on the client, its key management, directors and significant beneficial owners and includes among other things an assessment of potential risks related to the integrity of the client's management and their involvement in bribery and corruption. Where client/engagement acceptance decisions pose risks, additional approvals are required.

Should potential non-compliance with laws and regulations at a client be identified, this will be dealt with by the engagement partner together with the Quality and Risk Management Partner in accordance with company procedures and to the extent needed reported to the authorities.

We commit to continuously improving, and this involves monitoring compliance with anti-bribery and corruption policies of our personnel, clients, third parties and suppliers and taking prompt action when non-compliance is identified.

Reporting on gender composition in management

cf. section 99b of the Financial Statements Act

At KPMG Acor Tax, we are committed to fostering an inclusive workplace culture that provides equal opportunities for talent. We recognise that a diverse and inclusive workplace is essential for our success, and we are dedicated to ensuring that our employees feel valued, respected and supported.

As part of this commitment, we have set a target to have gender equality on our Board of Directors, as well as at other management levels (Senior Managers, Directors and Partners) by 2030. Going forward, we strongly believe that our culture remains the best suitable catalyst for true diversity.

We will continue to focus on improving gender equality and sustain our inclusive culture via key organisational processes such as recruitment, performance development and promotions, while eradicating unconscious biases.

Our split in management at the end of 2022 is as follows: 8 female Partners vs. 20 male Partners, 5 female Directors vs. 10 male Directors, 11 female Senior Managers vs. 9 male Senior Managers.

52%
Female

48%
Male

Reporting on data policy

cf. section 99d of the Financial Statements Act

The importance of maintaining client confidentiality is emphasised through a variety of mechanisms, including the KPMG Global Code of Conduct (the Code).

We have policies on information security, confidentiality, personal information and data privacy. KPMG firms have a document retention policy concerning the retention period for audit documentation and other records relevant to an engagement in accordance with the relevant IESBA requirements as well as other applicable laws, regulations and professional standards.

We provide training on confidentiality, information protection and data privacy requirements to all KPMG personnel annually.

Relevant information is shared with the public on our website: **www.kpmgacor.dk**

Financial review

Development in activities and financial position

In 2022 we realised revenue of DKK 474 million compared to DKK 389 million in 2021, corresponding to a growth of 22%. The growth comes from a purely organic expansion of our business. Our growth in revenue exceeded our expectations. Our overall net cash flow was negative, impacted mainly by higher receivables. At year end our total assets amounted to DKK 281 million, compared to DKK 264 million last year.

Operational risk

The operational risks facing our business include those we share with other professional services firms. We have implemented quality assurance procedures that are based on KPMG International's Quality Framework, and we regularly conduct risk assessments where we identify potential risks and their impact on our business. Based on this, we plan to remediate our actions and check the quality of the work done and whether it complies with the rules we as a consultancy are subject to. We are committed to consistently achieving the highest standard of quality, ethics and integrity in our day-to-day activities as a responsibility we bear for our customers, the authorities and the community.

Financial risks

We are exposed to credit risk although we do not have any material credit risk on individual debtors.

Events after the balance sheet date

No events have occurred after the balance sheet date that could significantly affect the financial statements.

I'm proud to report another year of strong and sustainable growth with solid financial performance. Our revenue increased by 22% compared to last year, which is a testament to the capabilities of all the people at KPMG Acor Tax and the trust our clients put in our ability to solve complex tax matters.

Henrik Halvas
CFO, KPMG Acor Tax

Ole Steen Schmidt
Partner and member of the
Board of Directors

Ria Falk
Partner and Chair of the
Board of Directors

Fredrik Lundgren
Partner and member of the
Board of Directors

Financial statements

1 January 2022 – 31 December 2022

In this section

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report for KPMG Acor Tax P/S for the 2022 financial year.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2022 and of the company's results of activities and cash flows in the financial year 1 January – 31 December 2022.

We are of the opinion that the Management's Review presents a fair account of the issues dealt with.

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

Hellerup, 13 April 2023

Executive Board

Søren Dalby Madsen
CEO & Senior Partner

Henrik Lund
Partner

Rune Grøndahl
Partner

Pia Konnerup
Partner

Board of Directors

Ria Falk Due
Chair

Ole Steen Schmidt
Partner

Lars Olle Fredrik Lundgren
Partner

Pia Konnerup
Partner

Henrik Lund
Partner

Søren Dalby Madsen
CEO & Senior Partner

Rune Grøndahl
Partner

Independent auditor's report

To the shareholders of KPMG Acor Tax P/S

Opinion

We have audited the financial statements of KPMG Acor Tax P/S for the financial year 1 January - 31 December 2022, which comprise an income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policy. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2022 and of the results of the company's activities and cash flows 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 the International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section 'Auditor's responsibilities for the audit of the financial statements'. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that provide a true and fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management deems necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting 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 this is due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents 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 the internal control that we identify during our audit.

Statement on the Management's Review

Management is responsible for the Management's Review.

Our opinion on the financial statements does not cover the Management's Review, and we express no assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the 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.

Furthermore, it is our responsibility to consider whether the Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's Review is in accordance with the financial statements and has been prepared in accordance with the provisions of the Danish Financial Statement Act.

We did not discover any material misstatement in the Management's Review.

Copenhagen, 17 April 2023

Martinsen
Statsautoriseret Revisionspartnerselskab
CVR no. 32 28 52 01

Leif Tomasson
State-Authorised Public Accountant
mne25346

Chris Winter Bjørholm Dyhr
State-Authorised Public Accountant
mne34473

Income statement

1 January – 31 December 2022

Note	DKK '000	2022	2021
2	Revenue	473,750	388,867
	Other operating income	2,050	0
	Other external expenses	-216,797	-162,441
	Gross profit	**259,003**	**226,426**
4	Staff costs	-254,945	-222,755
5	Depreciation, amortisation and impairment	-2,547	-2,078
	Operating profit	**1,511**	**1,593**
	Financial income	938	240
	Financial expenses	-2,449	-1,833
	Profit for the year	**0**	**0**

Balance sheet

31 December 2022

Assets

Note	DKK '000	2022	2021
	Fixed assets		
6	Acquired concessions, patents, licences, trademarks and similar rights	688	1,302
	Total intangible assets	*688*	*1,302*
7	Other plants, operating assets and fixtures	4,662	4,633
8	Leasehold improvements	36	47
	Total tangible assets	*4,698*	*4,680*
9	Deposits	3,884	3,742
	Total financial assets	*3,884*	*3,742*
	Total fixed assets	**9,270**	**9,724**
	Current assets		
	Trade receivables	198,861	159,878
10	Services in progress	27,849	39,566
	Other receivables	8	604
	Claims for payment of contributed capital	30,167	31,200
11	Accrued income and deferred expenses	9,153	6,864
		266,038	*238,112*
	Cash at bank and in hand	5,723	16,542
	Total current assets	*271,761*	*254,654*
	Total assets	**281,031**	**264,378**

Balance sheet

31 December 2022

Equity and liabilities

Note	DKK '000	2022	2021
	Equity		
	Contributed capital	52,500	48,000
	Reserve for unpaid contributed capital	30,167	31,200
	Retained earnings	-29,067	-30,100
	Total equity	**53,600**	**49,100**
	Liabilities		
	Bank debts	381	0
10	Services in progress	1,894	17,171
	Trade payables	21,302	17,668
	Other payables	203,854	180,439
	Total short-term liabilities	***227,431***	***215,278***
	Total liabilities	**227,431**	**215,278**
	Total equity and liabilities	**281,031**	**264,378**

1 Accounting policies

3 Fees, auditor

12 Mortgages and securities

13 Contingencies

14 Related parties

Statement of changes in equity

DKK '000	Contributed capital	Reserve for unpaid contributed capital	Retained earnings	Total
Equity at 1 January 2021	44,400	28,860	-27,760	45,500
Capital increase	3,600	0	0	3,600
Unpaid contributed capital for the year	0	2,340	-2,340	0
Equity at 1 January 2022	48,000	31,200	-30,100	49,100
Capital increase	4,500	0	0	4,500
Unpaid contributed capital for the year	0	2,925	-2,925	0
Paid contributed capital for the year	0	-3,958	3,958	0
Equity at 31 December 2022	**52,500**	**30,167**	**-29,067**	**53,600**

Cash flow statement

1 January 2022 – 31 December 2022

Note	DKK '000	2022	2021
15	Adjustments	4,057	3,670
16	Changes in working capital	-17,188	-25,780
	Cash flow from operating activities before net financials	-13,131	-22,110
	Interest received and similar amounts	78	0
	Interest paid and similar amounts	-1,130	-1,311
	Cash flow from operating activities	**-14,183**	**-23,421**
	Acquisition of intangible assets	0	-174
	Acquisition of tangible assets	-1,955	-1,758
	Sale of tangible assets	5	2
	Acquisition of financial assets	-142	-368
	Cash flow from investing activities	**-2,092**	**-2,298**
	Cash capital increase	1,575	1,260
	Cash capital increase from sales	3,958	0
	Cash flow from financing activities	**5,533**	**1,260**
	Changes in cash flow	**-10,742**	**-24,459**
	Cash and cash equivalent at 1 January 2022	16,543	41,285
	Foreign currency translation adjustments	-459	-284
	Cash and cash equivalents at 31 December 2022	**5,342**	**16,542**
	Cash and cash equivalents	5,723	16,542
	Short-term bank debts	-381	0
	Cash and cash equivalents at 31 December 2022	**5,342**	**16,542**

Notes to the financial statements

1. Accounting policies

The annual report of KPMG Acor Tax P/S has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

The accounting policies used are unchanged compared to last year, and the financial statements are presented in Danish kroner (DKK).

Recognition and measurement in general
Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciation, amortisation, write-downs for impairment, provisions and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it seems 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 seems probable that future economic benefits will flow out of the Company and the value of the liability can be measured reliably.

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

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisation of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Income statement

Revenue
The Company will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue. Revenue is recognised in the income statement if delivery and the passing of risk to the buyer have taken place before the end of the year, and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Other operating income
Other operating income comprises items of a secondary nature as regards the principal activities of the Company, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognised when it is overwhelmingly probable that the Company will receive the compensation.

Other external expenses
Other external expenses include costs of distribution, sales, advertising, administration, premises, losses on debtors and operational lease costs.

Staff costs
Staff costs include salaries and wages, including holiday allowances, pensions, as well as other costs for social security, etc. for the Company's employees.

Depreciation, amortisation and write-down
Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of tangible and intangible assets, respectively.

Financial income and expenses
Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses

comprise interest income and expenses, financial expenses from financial leases, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on the profit for the year
Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Balance sheet

Intangible assets
Development projects, patents and licences
Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year. Patents and licences are measured at cost less accrued amortisation. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the contract period, however, for a maximum of 10 years.

Tangible assets
Other tangible assets are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined on the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, depreciation is discontinued.

If the depreciation period or the residual value is changed, the effect on depreciation will, in future, be recognised as a change in accounting estimates.The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use. The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual component are differentiated, and the individual component represents a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual Value
Other plants, operating assets and fixtures	3-5 years	0-20%

Minor assets with an expected useful life of less than one year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of tangible assets are measured as the difference between the sales price less selling costs and the carrying amount on the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leasehold improvements
Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 5 years.

Investments
Deposits
Deposits are measured at amortised cost and represent lease deposits, etc.

Receivables
Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, impairment takes place at the net realisable value. The Company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Services in progress

Services in progress are measured at the selling price of the work performed. The selling price is measured on the basis of the stage of completion on the reporting date and the total expected income from the individual work in progress. The stage of completion is calculated as the share of costs incurred in proportion to the estimated total costs of the individual work in progress.

When the selling price of the individual work in progress cannot be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual services in progress are recognised in the balance sheet under accounts receivable or accounts payable. Net assets consist of the sum of the services in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the services in progress, where invoicing on account exceeds the selling price. Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Accrued income and deferred expenses

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash at bank and in hand

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Reserve for unpaid contributed capital

Unpaid contributed capital is recognised on a gross basis, according to which the unpaid contributed capital is recognised and treated as a receivable in the balance sheet under 'Claims on contributed capital', an amount corresponding to the unpaid contributed capital is reclassified from 'Retained earnings' to 'Reserve for unpaid contributed capital'.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Also, capitalised residual lease liabilities associated with finance leases are recognised in financial liabilities.

Liabilities other than provisions relating to investment properties are measured at amortised cost. Other liabilities concerning payables to suppliers, group enterprises and other payables are measured at amortised cost which usually corresponds to the nominal value.

Cash flow statement

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investing activities. In the cash flow statement, cash flows derived from acquiring parties are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flow from operating activities
Cash flow from operating activities is calculated as the Company's share of the profit adjusted for non-cash operating items, changes in working capital and income tax paid. Dividend income from equity investments are recognised under "interest income and dividend received".

Cash flow from investing activities
Cash flow from investing activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, tangible assets and investments.

Cash flow from financing activities
Cash flow from financing activities include changes in the size or the composition of the Company's share capital and costs attached to it, as well as the raising of loans, repayments of interest-bearing loans and payment of dividend to shareholders.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits as well as short-term financial instruments with a term of less than three months, which can easily be converted into cash and cash equivalents and are associated with an insignificant risk of value change.

DKK '000	2022	2021

2. Revenue

Revenue arises from tax advisory services, mainly delivered in Denmark

Tax advisory services	473,750	388,867
Revenue	**473,750**	**388,867**

3. Fees, auditor

Total fee for Matinsen Statsautoriseret Revisionspartnerselskab	278	189
Statutory audit	132	100
Other services	146	89
Fees, auditor	**278**	**189**

4. Staff costs

Salaries and wages	253,572	221,530
Other social security costs	1,373	1,225
Staff costs	**254,945**	**222,755**

The Board of Directors and the Executive Board do not receive separate remuneration for the performance of duties in the Leadership Team or Executive Board.

Average number of employees, including partners	185	159

DKK '000	2022	2021

5. Depreciation, amortisation, and impairment

Amortisation of concessions, patents and licenses	615	618
Depreciation of leasehold improvements	11	11
Depreciation of other plants, operating assets and fixtures	1,926	1,451
Profit/loss on the sale of property, plant, and equipment	-5	-2
Depreciation, amortisation, and impairment	**2,547**	**2,078**

6. Acquired concessions, patents, licences, trademarks and similar rights

Cost at 1 January 2022	3,890	3,716
Additions	0	174
Cost at 31 December 2022	**3,890**	**3,890**
Amortisation and impairment losses at 1 January 2022	-2,587	-1,969
Amortisation for the year	-615	-618
Amortisation and impairment losses at 31 December 2022	**-3,202**	**-2,587**
Carrying amount at 31 December 2022	**688**	**1,302**

7. Other plants, operating assets and fixtures

DKK '000	2022	2021
Cost at 1 January 2022	12,684	10,926
Additions	1,955	1,758
Disposals	-25	0
Cost at 31 December 2022	**14,614**	**12,684**
Amortisation and write-down 1 January 2022	-8,051	-6,599
Depreciation for the year	-1,926	-1,452
Reversal of depreciation, amortisation and impairment loss, assets disposed of	25	0
Amortisation and impairment losses at 31 December 2022	**-9,952**	**-8,051**
Carrying amount, 31 December 2022	**4,662**	**4,633**

8. Leasehold improvements

DKK '000	2022	2021
Cost 1 January 2022	108	108
Cost 31 December 2022	**108**	**108**
Depreciation and write-down 1 January 2022	-61	-50
Depreciation for the year	-11	-11
Depreciation and write-down 31 December 2022	**-72**	**-61**
Carrying amount at 31 December 2022	**36**	**47**

9. Deposits

DKK '000	2022	2021
Cost 1 January 2022	3,742	3,374
Additions	142	368
Cost 31 December 2022	**3,884**	**3,742**
Carrying amount, 31 December 2022	**3,884**	**3,742**

10. Services in progress

DKK '000	2022	2021
Selling price of work performed	48,269	39,566
Progress billings	-22,314	-17,171
Services in progress	**25,955**	**22,395**
The following is recognised:		
Work in progress (assets)	27,849	39,566
Work in progress (liabilities)	-1,894	-17,171
Services in progress	**25,955**	**22,395**

11. Accrued income and deferred expenses

DKK '000	2022	2021
Prepaid expenses	9,153	6,864
Accrued income and deferred expenses	**9,153**	**6,864**

12. Mortgages and securities

The Company has no mortgages or securities at 31 December 2022.

13. Contingencies

Contingent liabilities
Remaining rental obligation at the balance sheet date amounts to DKK 32,473 thousand within six years.

14. Related parties

Transactions
During the financial year, the Company has had balances and remuneration with partner shareholders. Balances and remuneration are subject to market interest rates.

DKK '000	2022	2021
15. Adjustments		
Depreciation and amortisation	2,546	2,079
Other financial income	-938	-4
Other financial costs	2,449	1,595
Adjustments	**4,057**	**3,670**
16. Changes in working capital		
Change in receivables	-28,960	-54,976
Change in current liabilities other than provisions	11,772	29,196
Changes in working capital	**-17,188**	**-25,780**

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