Growing together

KPMG Acor Tax P/S Annual Report 2023

Contents

Company details

KPMG Acor Tax P/S
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Telephone: +45 3945 1700
Website: www.kpmgacor.dk
CVR no.: 34 08 22 00

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

Executive Board

Søren Dalby Madsen
Henrik Lund
Pia Konnerup
Line Breivik Østerbye

Board of Directors

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

General Partner

KPMG Acor Tax
Komplementar ApS

Auditors

Martinsen
Statsautoriseret
Revisionspartnerselskab
Øster Allé 42
DK-2100 Copenhagen Ø

The annual report was presented and adopted at the Company's annual general meeting on the 17th of April 2024.

KPMG Acor Tax at a glance

About us

KPMG Acor Tax's principal activities are professional tax advisory services. Our team of 249 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 a commercial understanding of tax matters and through the expertise, technology and global network required to provide tailored advice to each client.

249
Employees and partners

17
Different nationalities

12%
Revenue growth rate

52/48
Female/male ratio in %

Our global network

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 273,000+ 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 not-forprofit 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.

143
Countries where we operate

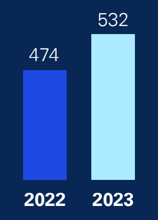
36,4
Combined revenue USD billion

8%
Revenue growth rate

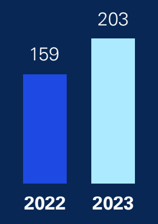
Management's review

Financial highlights

Revenue
DKK
532 mio
▲ 12%



Average number of employees
full time / 2023
203
▲ 10%



DKK'000	2023	2022	2021	2020	2019
Profit and loss account					
Revenue	532,465	473,750	388,867	326,625	269,543
Gross profit	290,157	259,003	226,426	196,641	162,317
Results from operating activities	3,047	1,511	1,593	1,117	1,095
Net financials	-3,047	-1,511	-1,593	-1,117	-1,095
Profit for the year	0	0	0	0	0
Balance sheet					
Balance sheet sum	317,186	281,031	264,378	231,585	189,664
Tangible assets investments	1,293	1,955	1,758	2,325	1,377
Equity	56,900	53,600	49,100	45,500	38,040
Cash flow					
Operating activities	9,505	-14,183	-23,421	9,951	2,694
Investing activities	-1,525	-2,092	-2,298	-5,221	-2,901
Financing activities	3,150	5,533	1,260	2,611	2,429
Cash flow in total	11,130	-10,742	-24,459	7,341	2,222
Employees					
Average number of full time employees	203	185	159	143	127
Key figures (%)					
Gross margin	54.5	54.7	58.2	60.2	60.2
Profit margin	0.6	0.3	0.4	0.3	0.4
Acid test ratio	118.6	119.5	118.3	119.3	121.0
Solvency ratio	17.9	19.1	18.6	19.6	20.1
Return on equity	-	-	-	-	-

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

Powerhouse of tax

In the world today, and especially when it comes to tax, the heated pace of change and unprecedented events make it seem impossible to predict what's around the next corner. Despite geopolitical turmoil and the pandemic's long-term effects on the future of work that we have all witnessed in the past year, 2023 proved to be another year of strong growth at KPMG Acor Tax, in terms of both the growth of our team and our business.

Our extraordinary team of people have put a dedicated effort into delivering those results, resulting in a revenue growth of 12%. Our results demonstrate our relevance in the market, serve not only as a testimony to the trust our clients continuously put in us, but also as a proof of our ability to combine our deep tax technical knowledge and expertise with emerging technologies, as well as a testimony to our successful 360 approach and our close collaboration with our clients.

Technology has been an area of both dedicated focus and investment throughout 2023 across our business, enabling us to continuously deliver value for and together with our clients. Technology is also a quintessential part for much of the innovation and the entrepreneurial spirit at KPMG Acor Tax. We see technology as one of the most important drivers and enablers to ensure efficiency and effectiveness with the ultimate goal of delivering services of the highest professional standards.

2023 was the first year of our 2025 strategy "Our Powerhouse", aiming at continuing shaping the world of tax, driven by our rebellious spirit and the determination to mastering our field of expertise. During the past year, we delivered on all our strategic focus areas. We strengthened and scaled our core business to drive growth while fuelling innovation and creating space for entrepreneurial initiatives.

Growing our business

In KPMG Acor Tax we solve complex tax matters. We collaborate closely with a broad range of different companies of all sizes across a wide range of tax and technology areas – whether navigating complex tax matters, getting ahead of future compliance requirements, driving

processes and boosting cost efficiencies or assisting our clients in rethinking the way in-house tax functions operate to make them fit for the future.

Compliance Management and Transformation is a strategic focus area for KPMG globally and continues to be a 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 assisting Danish companies with global presence with their corporate tax, indirect taxes, transfer pricing, annual accounts as well as other compliance filings in all group companies. Already in the first year, we transform existing compliance processes to achieve increased quality, standardisation, and insights, as well as provide efficiencies.

Transformation is the key to enable effective and efficient processes to ensure reduced cost of compliance over time. During the course of 2023, we have supported a number of our clients through their transformation journey. Using tried and tested frameworks and technology solutions, we are bringing our expertise and experience into the partnership with our clients to help them transform to meet ambitions, goals and KPIs. Through our thorough understanding of the complex compliance transformation, we are seeing an increase of business in this area.

The international tax landscape is evolving rapidly, and staying on top of developments and new legislation can be challenging. The Organisation for Economic Co-operation and Development's (OECD) Inclusive Framework on Base Erosion and Profit Shifting (BEPS) has been continuously evolving to include an agreement on a two-pillar approach to help address tax avoidance, ensure coherence of international tax rules, and, conclusively, a more transparent tax environment. Today, BEPS 2.0 also looks to address the challenges arising from the taxation of the digital economy. As of fiscal year 2024, multinational enterprises will need to comply with yet another layer of fiscal legislation: a global minimum tax of 15% (also referred to as "Pillar 2"). Our dedicated Pillar 2 team, consisting of both tax technical

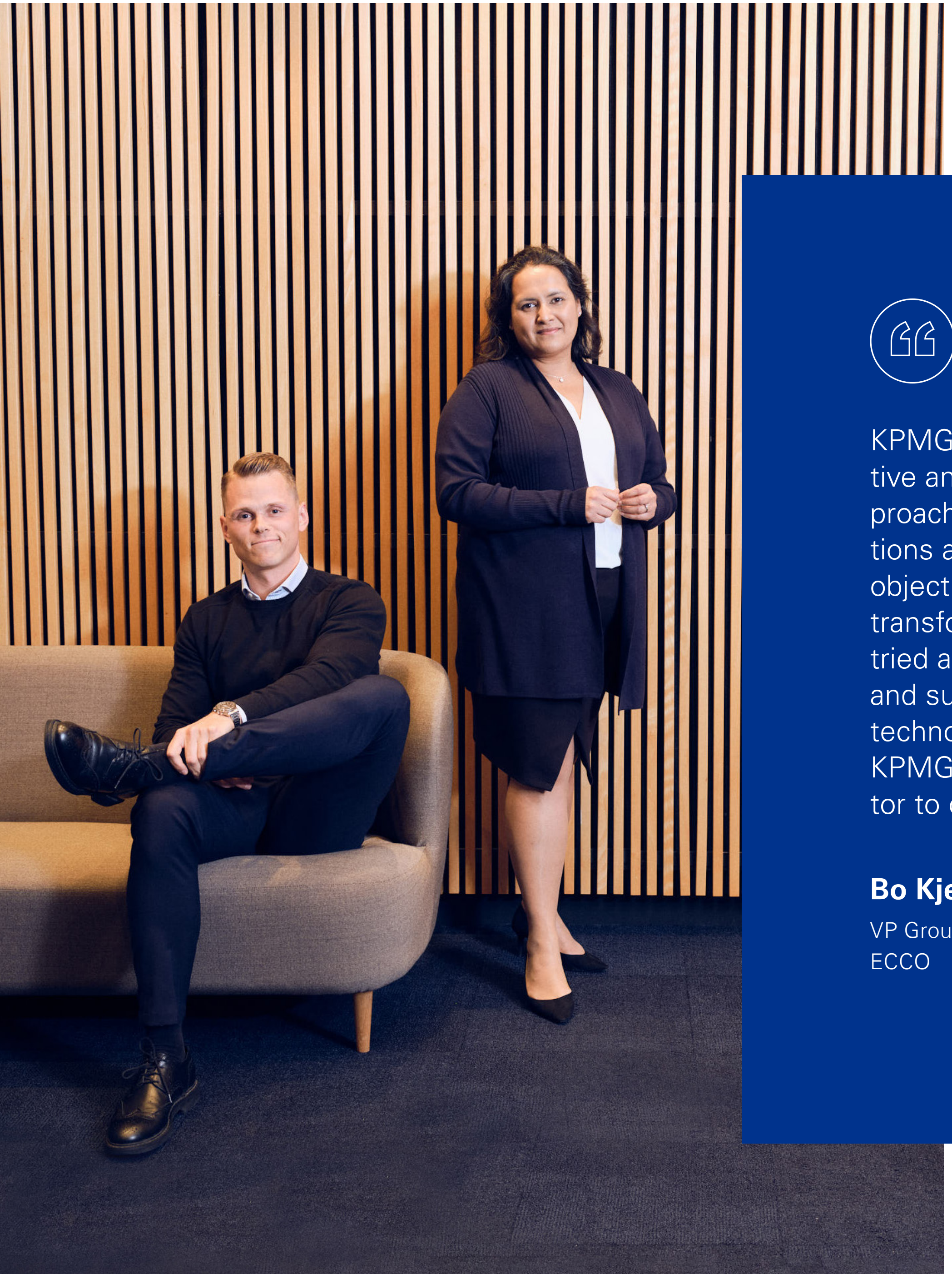
> In a tax landscape of constant change and unpredictability, we are proud of our continued growth, which stands as a testament to our extraordinary people. Rooted in our deep tax technical expertise and combined with our exceptional data know-how and the use of technology, we continue to grow together and shape the future of tax.

Søren Dalby Madsen

CEO & Senior Partner,
KPMG Acor Tax

and data transformation experts support our clients with gaining an essential understanding of how these rules operate, how to deal with them in daily practice and what the implications for their businesses are.

In the area of Indirect Taxes, the interest charge to be added to all VAT and excise corrections has brought about significant changes and challenges for companies in Denmark throughout 2023. The new rules came into effect on 1 July 2023, where it is no longer interest-free to be in non-compliance for VAT and duties. The rules have retrospective effect, and interest will therefore also be calculated on retrospective declarations that cover old duty periods. In parallel with that, the Danish Tax Agency increased their focus on controls and audits in this area, which affected many



> KPMG Acor Tax have a proactive and value-creating approach and bring practical solutions aligned to our business objectives. Their approach to transformation is enabled by tried and tested frameworks, and supported by strong technology solutions such as KPMG Data Factory, a key factor to our transformation.
>
> **Bo Kjelgaard Iversen**
> VP Group Tax, Group VP, ECCO

companies. Consequently, our Indirect Tax Team have been assisting an increasingly larger number of clients in navigating this landscape and ensuring compliance within the area.

We see organisations are recalibrating their approach to flexible work arrangements, leaning towards requiring that employees be more present in the office. Businesses, however, also recognise that attracting and retaining the best professionals entails accommodating the diverse needs and preferences of a global workforce. As part of designing these flexible work and employment arrangements across borders, we leverage on both our in-depth specialist competencies in all mobility areas and our 360 holistic approach ensuring that not just employee taxation, social security and immigration are factored into the solutions, but also that corporate tax implications such as permanent establishment and the transfer pricing aspects are part of the design. The fact that permanent establishment and other corporate tax considerations are embedded in the Mobility services is also crucial for many of our clients who are in the business of delivering on large scale

projects. Ensuring the right team are in the right place at the right time, with the skills and expertise to drive their organisation forward, requires seamless end-to-end compliance processes managed by us freeing time for our clients to focus on their businesses. Our ability to handle compliance by exploiting technology to support employers with their various obligations has a profound impact on the way that organisations manage their global workforces. Our Global Mobility & People Services team have supported a large number of clients, also during the past year, with solutions that are embedded in these trends reflecting the evolving preferences of a mobile and versatile workforce, as companies continue to prioritise an agile and adaptable workforce.

Our Tax Dispute Resolution and Controversy team works shoulder to shoulder with clients to protect against, prepare for, and resolve disputes with tax authorities. Our services within this expert area are continuously recognised as market-leading in Denmark both by our clients and according to the global tax publication International Tax Review, where a number of experts from KPMG Acor Tax are recognised as leading tax dispute resolution and controversy experts. We help our clients take control of the dispute resolution process to get effective results both locally and globally. Our highly specialised team work collaboratively with tax leaders to help them protect against risks, as well as manage and resolve issues in order for them to gain control over the uncertainty inherent in tax dispute both within jurisdictions and across borders. Our approach is designed to help organisations address local and multijurisdictional tax disputes through effective strategies for their mitigation, management and prompt resolution.

In the Financial Services tax area, our market-leading team is helping many of the largest Danish clients within banking, pension funds, life and non-life insurance as well as asset management. The deep industry knowledge of our professionals leads to seamless collaboration and practical execution across all sectors including asset and wealth management, banking and capital markets, insurance and private equity. New challenges and opportunities are quickly reshaping financial services – from AI

to fintech, to open platforms and data analytics, to greater customer centricity and workforce shaping – all of which financial institutions need to address while navigating the evolving risk and regulatory landscape. Organisations are looking at a future that is more interconnected, more collaborative and frictionless – one where trust, growth and delivering value are paramount.

In the past year, renewable investments have also seen a significant rise with more investment operators in the market, which has made the competition in this area a bit tougher than we have seen before. The market demands a high level of specialised knowledge and sector-specific insights and expertise from their advisors to help them navigate the landscape. As a result of this, our cross-functional team of tax experts within Renewables have been assisting an increased number of clients within this sector, and we expect this development to continue in the coming year as well.

Tax is key in a sustainable world

The world is evolving. The growing climate crisis is driving increasing demands on businesses to implement sustainable initiatives and turn ESG into action. We support heads of tax and their companies as they navigate the changing sustainability landscape.

As national and international tax policymaking shapes behaviour towards a sustainable world, and with tax revenues being a key lever to deliver on the UN's Sustainable Development Goals, tax is becoming a strategic governance focus for companies. Also this year, our cross-functional team of experienced professionals has provided advice to many companies on key tax and ESG areas, from responsible tax and transparency to green taxation and ESG funding opportunities.

In 2023, we hosted our first *Sustainability and ESG in Tax* conference, where we explored the practical and strategic role a tax function can and must play in

partnership with the business and sustainability teams. ESG is pivotal for the future of tax and by inviting both tax leaders and their sustainability teams to our conference, it was a great opportunity to discuss key ESG topics in relation to tax, the challenges that tax functions are facing – and how to solve them – all seen through a 360 lens.

Our internally developed tool that helps companies analyse their tax footprint has, to date, helped several companies in Denmark and abroad gain better control and understanding of their tax payment data not only enabling better public tax reporting, but also improving the internal reporting process to their Boards, and supporting compliance with other initiatives such as Pillar 2. The solution now forms part of the global KPMG tax technology suite.

Our expert colleagues also continue to contribute to the global conversation on tax and ESG, through the publication of a range of articles and blogs, as well as our quarterly newsletter *Responsible Tax Matters*. Furthermore, they were invited to speak at various forums, both in Denmark and abroad. And for a second year, together with our colleagues in the Nordic countries, we analysed the tax disclosures of about 150 companies and published our results in the Nordic GRI 207 benchmark report giving an overview of the state of tax.

> It is always a pleasure to work with our trusted tax advisor KPMG Acor Tax. They bring proactivity, a constructive mindset and holistic tax advice to the table. They provide a cross-functional team with strong capabilities and are our go-to tax advisor on transfer pricing, corporate income tax, indirect tax and payroll tax.

Anders Vase Hyldedal
Head of Group Treasury & Liquidity, Flying Tiger Copenhagen

Growing our people

At KPMG Acor Tax, we are committed to unleash the potential of our employees within the ever-changing world of tax.

Deeply rooted in our refreshed core Values introduced company-wide at the start of 2023, it is our firm belief that by prioritising our people and organisation, we are able to maintain a positive work culture that drives sustainable performance and value creation. We are proud that, also in 2023, we have demonstrated that this is the foundation for a solid financial result.

We onboard around 30 new colleagues every year on average, while continuously maintaining a high level of engagement. We are proud to demonstrate this ability year after year while running and growing the business powered by our culture. The voice from our people is clear and so are the results from our Global People Survey. They are highly engaged (87%), and they are thrilled to contribute to our essential cultural elements. All leveraged by a leadership they trust (93%). We believe in a "one size fits one" approach where all our people create unique outcomes that are determined by who they are as individuals. Our talented "class of 2023" were onboarded and assigned a welcoming buddy and took part in a socialising company introduction event where all newcomers were acknowledged as important new players to the company and encouraged to bring their unique personality to work.

"For me, one of the most motivating elements of working at KPMG Acor Tax is the high level of responsibility with which you are entrusted in your daily work. Even as a student assistant, I was encouraged to take ownership of the assignments I assisted with, which, in turn, gave me the confidence to step more and more out of my comfort zone."

Emma Møngaard Smith
Senior Consultant, Indirect Tax

96%

"Would recommend KPMG Acor Tax as a great place to work"

*KPMG Acor Tax People Survey 2023

93%

"Believe KPMG Acor Tax is a great place to build their career"

*KPMG Acor Tax People Survey 2023

Our Values

Courage to differ

The courage to challenge everyone;
Your customers, your colleagues, yourself.
Even gravity if you wear a parachute.

Collaborate to thrive

Collaboration is creation.
Work together to make everyday revolutions for our clients.

Trust to engage

Trust is the currency that makes us human, and trust earns trust. It is an invisible handshake and without it we are lost.

Improve to last

We strive to get better personally.
We want our team to get better.
We want to master our field.

> At the very core of KPMG Acor Tax lies the power of our Values fortified by a strong employer value proposition. Our individual commitment to collective unity in 2023 has been second to none, and development is evidently a top driver of our people's motivation and engagement.

Claus Kristoffersen

Head of People and Culture,
KPMG Acor Tax

In general, our people greatly enjoy their sense of belonging as unique individuals. 93% feel treated with dignity and respect and 87% believe that their job provides them with a sense of personal accomplishment. 86% of our people believe that there are equal opportunities to advance regardless of differences, and 87% believe that they receive recognition and praise for good work. For a tailor-made career journey, our Successful Parents company network allow our ambitious parents to have an ongoing dialogue about their individual work-life balance.

Our performance development process, appropriately named ADVANCE, also makes room for intimate conversations about individual strengths, dreams, drivers, and commitments. Similarly, our career milestone events for our Senior Consultants, Managers and Senior Managers paid attention to how a promotion could be accelerated by adding a distinctive personal touch to the role.

Culture of kindness

Our Values are not just what bind us together, they are our social contract. They direct our focus and attention by allowing teams to govern themselves without lots of oversight and management, and they help people understand what success looks like. Throughout 2023 we have proactively communicated to our people how our 360 approach and our Values are vital to doing good business; when we have won new work, when we have delivered stellar work and when we have had valuable feedback on projects.

Overall, our people's narrative is characterised by our ability to being caring, compassionate and supportive. That is what we call a culture of kindness. In exit interviews and surveys, we are praised for treating each other with respect, gratitude, trust and integrity. Together, we have all created and continue to contribute to our culture, where the team always beats the sum of individuals.

Learning with a growth mindset

Our talented people invest energy and passion into developing their skills so that they are always prepared to do well, succeed at their highest level and stay ahead of the curve. Their passion for personal and professional growth is a huge asset for the firm's high-quality standards and an attractive value proposition for ambitious people: gratification from stepping up, the opportunity to learn in the flow of work, seek out new challenging work experiences and constantly progressing to a higher level of performance. According to results from our Global People Survey, 80% of our people are sufficiently satisfied with the learning and development opportunities available to improve their knowledge and skills. This is thanks to our underlying engine for all this – our 70:20:10 approach to learning and development

with 90% of our learning dedicated to action learning with proficient peers and Partners making time to offer feedback and coaching according to 81% of our people.

"In the Transfer Pricing team, we heavily rely on each other for feedback to grow together. I have often been given the opportunity to learn by exploring new, unfamiliar workflows and areas. Although it can be a bit challenging and intimidating, I know that my colleagues have my back and meet me with understanding and support through feedback, focusing on areas of improvement rather than mistakes. It is a simple strategy, but it instills a sense of security, allowing me to dare and strive for that extra mile."

Steven Scott Brown
Consultant, Transfer Pricing

Through ADVANCE, our performance development process, our people set their future destination by defining their personal business and development goals, which are supported by frequent check-in meetings with their performance development managers with the purpose of enabling high quality conversations. Finally, professional training is provided by our Tax Academy for Consultants and Senior Consultants, supported by service line specific training via our global KPMG learning management platform.

Our passion for tax extends beyond our roles at work. Many colleagues at KPMG Acor Tax also take an active role in teaching and mentoring students in the field of tax and legislation. Passion goes a long way at KPMG Acor Tax, and we are happy to provide our colleagues with the flexibility of pursuing interests that contribute to the education and encouragement of young people.

Fuelling our digital mindset

The past year has seen the demand for technology-enabled transformation rise dramatically, reshaping many businesses, including our own.

During 2023, we continued to make significant investments in and to have immense focus on the technology agenda across the whole organisation, including enabling and elevating our digital mindset.

We are, in particular, proud of the tailored programme drawn-up 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 digitalisation 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.

Outlook

Looking ahead, we remain optimistic about the future and stay confident that we will be able to deliver on our 2025 strategy and the ambitions and goals that we have set.

2024 marks the year of our 10-year anniversary as a firm – a journey of creating a Powerhouse of tax. This occasion calls for both reflecting on and celebrating all the amazing achievements and milestones we have accomplished together as a team, but also for looking ahead and identifying what opportunities lie ahead – now with the solid foundation we are standing on and all the experience and learning we have gained over the past ten years.

In 2024, we will in particular put emphasis on the following strategic focus areas:

- Growing together as individuals and as a team, ensuring that KPMG Acor Tax is fit for the future by igniting our people agenda.
- Increased focus and investments in the Technology and in the AI agenda, both internally but definitely also a continued and integrated part of our services and deliverables to our clients.
- Evolving the overall client experience by further developing our 360 mindset and approach.
- The "now" and "the future" of ESG – drive and deliver on identified key ESG-related initiatives internally and continue to lead the conversation and agenda of ESG in tax locally and contribute to the conversation globally.

Leveraging on our strongholds, we will focus on sustainable value creation, while investing in the growth of our people. Together, we will continue to lead the way in the world of tax.

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 view, our business model does not entail significant risks in relation to the environment, social matters and employee matters, human rights, corruption and bribery.

The operational risk facing our business include those we have in common with other professional services firms. These include notably 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 high-risk 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)
- Reduce consumption and waste (only purchase and produce what is needed)
- Offset any remaining emissions, which we cannot remove from our operations and supply chain by investing in externally accredited carbon removal projects

KPMG Acor Tax continues to take steps towards reducing our carbon footprint through waste reduction and conscientious energy consumption. A crucial step in this process involves ensuring that all KPMG offices operate on energy sourced from Ørsted and Dansk Havvind. This initiative supports the expansion of renewable energy sources, vital for curbing greenhouse gas emissions and addressing climate change impacts.

Social matters and matters concerning respect for human rights

At KPMG Acor Tax, we want to empower our people, and prioritise their development to attract and retain talent in KPMG Acor Tax. We have a clear commitment to foster a culture that is free from discrimination whether based on nationality, race, ethnicity, gender, gender identity, sexual orientation, disability, age, marital status and religious beliefs.

Due to our commitment to KPMG International, we follow the UN Guiding Principles on Business and Human Rights, as outlined in KPMG's International Business and Human Rights Statement. We expect all stakeholders, including suppliers and clients, to respect human rights and to take appropriate action if a human rights risk is identified.

Our whistle-blower function has been and is in place, providing a platform for anyone to confidentially report concerns and without fear of reprisals. We encourage all those interested in applying for a job to apply regardless of age, gender, sexuality, disability, race, religion or ethnic affiliation.

Our average age in the company is 34 years. We are dedicated to continuing strengthening our employee satisfaction focusing on the needs for everyone in the company both junior and senior profiles.

In the Management's review in the section "Growing our people", we elaborate on how we support our employees through different stages of their lives and with a focus on ongoing development.

In 2023, our internal ESG working group defined and implemented an internal ESG strategy with a clear vision and ambition to increase our efforts in combating climate change. Following an internal approval process, the management team approved specific initiatives with a dedicated Partner sponsoring and leading the agenda, together with the working group. These initiatives include paid time off for volunteering purposes and the implementation of a travel policy. We are committed to developing a timeline and process for implementing these initiatives and remain dedicated to this purpose in 2024, as well as to pursuing further initiatives to enhance our efforts in the future.

During the past year, we donated laptops and other IT equipment to support students in communities in Malawi through our continued partnership with the social enterprise Kwera. We also supported the Maternity Foundation by assisting with the administration of laptops so they can focus on the important task of ensuring safer childbirth for women and supporting the vulnerable new-borns all around the world.

Throughout 2023, we also supported other organisations working for important causes, such as Save the Children (Red Barnet), The Danish Multiple Sclerosis Society (Scleroseforeningen) and The Danish Cancer Society (Kræftens Bekæmpelse).

Fighting corruption and bribery

Compliance with laws, regulations, and standards is essential for everyone at KPMG. We follow a zero-tolerance policy on bribery and corruption. Our KPMG policy prohibits involvement in any type of bribery, even if such conduct is legal or permitted under applicable law or local practice. We do not tolerate bribery by third parties, including by our clients, suppliers, or public officials. Anti-bribery clauses are included in our supplier agreement and third-party agreement templates. 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 formal criteria around permissible gifts, entertainment, charitable donations and sponsorships, together with a mechanism for monitoring these. Everyone at KPMG is required to undergo 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. The training also covers our Global Code of Conduct ("Code").

Outlined in the Code are the responsibilities all KPMG people have towards 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. On an annual basis, we conduct and document an annual assessment of bribery and corruption risks facing our firm. The assessment

includes an evaluation of anti-bribery and corruption risk factors, mitigation and evidence of effectiveness.

Our processes relating to acceptance and continuance of clients and engagements are designed to identify, evaluate and document any potential risks related to the integrity of the client management and their involvement in bribery and corruption. Additional approval procedures are in place when risks are identified.

Engagement teams may, when performing engagements, identify suspicions of non-compliance with laws and regulations. These are dealt with by the Engagement Partner together with the Quality and Risk Management Partner in accordance with company procedures and, if required, reported to the authorities. We commit to continuously improving our standards by monitoring compliance with anti-bribery and corruption policies of our personnel, clients, third parties and suppliers and take 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 strongly believe in fostering an inclusive culture that provides equal opportunities for all of our employees. It is a fundamental part of our success and involves commitment to addressing unconscious biases and integrating gender equality considerations into our recruitment, performance development, and promotion processes.

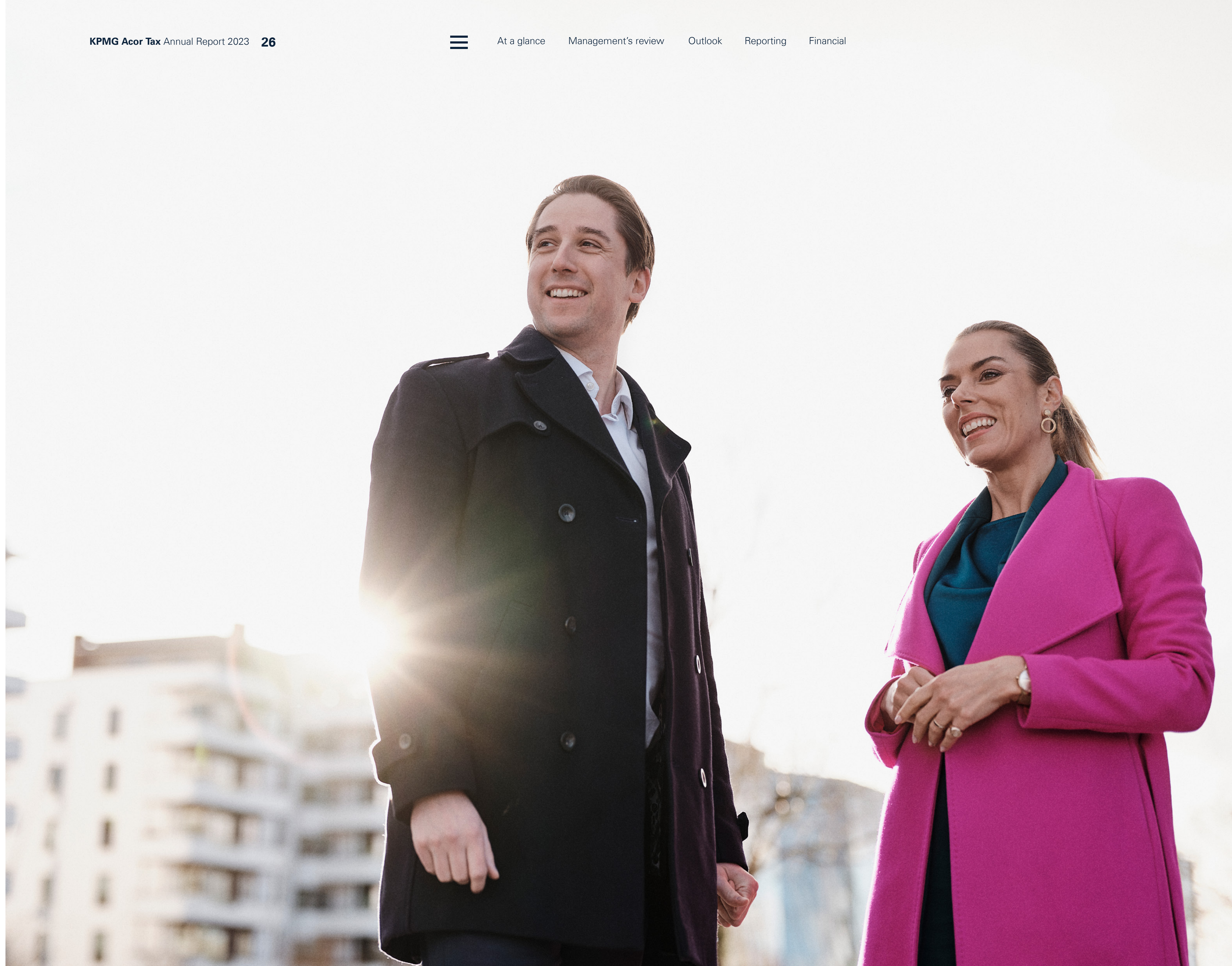
It is important for us that everyone feels encouraged and welcomed to apply for jobs at KPMG Acor Tax regardless of gender. Therefore, in 2023, we ensured the use of gender-sensitive language in our communications in our recruitment process, meaning that job opportunities and our employee value proposition was proofread for gender-neutral language.

By 2030, we aim to achieve gender equality on our Board of Directors, as well as at all other management levels (Senior Managers, Directors, and Partners).

The current gender split on our Board of Directors is 1 female chair and 2 male board members and the split for our Senior Leadership Team is two female and two male members. In 2023, the split in partners is 19 male Partners and 9 female Partners.

As for the split between Directors and Senior Managers in 2023, there were 13 male Directors and 3 female Directors, along with 16 female Senior Managers and 11 male Senior Managers.

52%	48%
Female	Male



Reporting on policy on Data Ethics

cf. section 99d of the Financial Statements Act

At KPMG we define Data Ethics as ethical considerations related to how our use of data, development and use of artificial intelligence etc. affects our society.

Our Data Ethics policy governs the way we handle and protect data in a compliant, relevant and responsible way.

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

Financial review

Development in activities and financial position

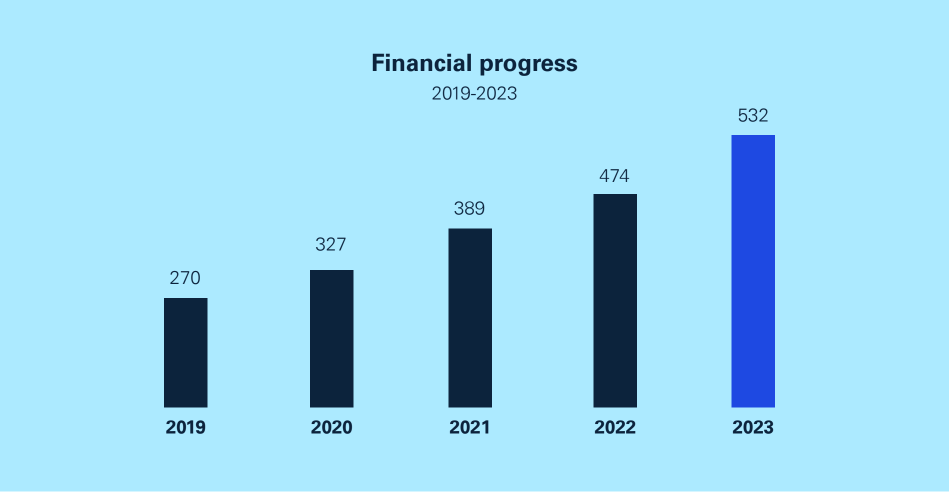
In 2023, we realised revenue of DKK 532 million compared to DKK 474 million in 2022, corresponding to a growth of 12%. The growth comes from a purely organic expansion of our business. Our growth in revenue exceeded our expectations given the uncertainty and geopolitical challenges. As KPMG Acor Tax is an equity partner-owned company, the remuneration to the equity partners in terms of their performance is included under Staff costs. Our net cash flow was overall positive, impacted mainly by increased working capital and a capital increase. At year end, our total assets amounted to DKK 317 million, compared to DKK 281 million last year.

Financing and capital reserves

Our equity amounted to DKK 56.9 million compared to DKK 53.6 million last year, following a cash capital increase from existing equity partners. The equity includes DKK 30.3 million in unpaid contributed capital.

Operational risk

The operational risks facing our business include those we share with other professional services firms. These include notably 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. It is vital for us to uphold the highest public trust with employees, clients, capital markets, regulators and society. We have implemented a system of quality management based on KPMG International's Quality Framework and we regularly conduct enterprise risk assessments where we identify potential risks and their impact on our business. Based on that, we plan remediating actions as well as quality performance and risk compliance reviews.



Financial risks

We are exposed to credit risk through our ongoing work-in-progress and receivables, which is mitigated by a broad and diverse client base across several industries. The current economic situation does not pose an overall elevated credit risk, and Management has factored this into the accounting policy. 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.

In the face of uncertainty and geopolitical challenges, 2023 proved to be a testament to our resilience and strategic agility, as evidenced by our consistent double-digit growth. Our success is a tribute to the dedication and expertise of the people at KPMG Acor Tax, who navigated through this uncertainty with courage, earning and maintaining our clients' trust in our ability to solve complex tax matters.

Henrik Halvas

CFO,
KPMG Acor Tax

Financial Statements

1 January 2023 - 31 December 2023

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 financial year 1 January 2023 - 31 December 2023.

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 2023 and of the company's results of activities and cash flows in the financial year 1 January – 31 December 2023.

In our opinion 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, 17 April 2024

Executive Board

Søren Dalby Madsen
CEO & Senior Partner

Henrik Lund
Partner

Pia Konnerup
Partner

Line Breivik Østerbye
Partner

Board of Directors

Ria Falk Due
Chair

Ole Steen Schmidt
Partner

Lars Olle Fredrik Lundgren
Partner

Søren Dalby Madsen
CEO & Senior Partner
Leadership Team

Pia Konnerup
Partner
Leadership Team

Henrik Lund
Partner
Leadership Team

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 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity, statement of cash flows and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's review

Management is responsible for Management's review.

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

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

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

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

Copenhagen, 17 April 2024

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 2023

Note	DKK '000	2023	2022
2	**Revenue**	532,465	473,750
	Other operating income	5,798	2,050
	Other external expenses	-248,106	-216,797
	Gross profit	**290,157**	**259,003**
4	Staff costs	-284,675	-254,945
5	Depreciation, amortisation and impairment	-2,435	-2,547
	Operating profit	**3,047**	**1,511**
	Financial income	1,480	938
	Financial expenses	-4,527	-2,449
	Profit for the year	0	0

Balance sheet

31 December 2023

Assets

Note	DKK '000	2023	2022
	Fixed assets		
6	Acquired concessions, patents, licences, trademarks and similar rights	272	688
	Total intangible assets	*272*	*688*
7	Other plants, operating assets and fixtures	3,939	4,662
8	Leasehold improvements	25	36
	Total tangible assets	*3,964*	*4,698*
9	Deposits	4,124	3,884
	Total financial assets	*4,124*	*3,884*
	Total fixed assets	**8,360**	**9,270**
	Current assets		
	Trade receivables	197,252	198,861
10	Services in progress	52,875	27,849
	Other receivables	1,945	8
	Claims for payment of contributed capital	30,316	30,167
11	Accrued income and deferred expenses	10,891	9,153
		293,279	*266,038*
	Cash at bank and in hand	15,547	5,723
	Total current assets	*308,826*	*271,761*
	Total assets	**317,186**	**281,031**

Balance sheet

31 December 2023

Equity and liabilities

Note	DKK '000	2023	2022
	Equity		
	Contributed capital	55,800	52,500
	Reserve for unpaid contributed capital	30,316	30,167
	Retained earnings	-29,216	-29,067
	Total equity	**56,900**	**53,600**
	Liabilities		
	Bank debts	0	381
10	Services in progress	13,709	1,894
	Trade payables	19,540	21,302
	Other payables	227,037	203,854
	Total short-term liabilities	***260,286***	***227,431***
	Total liabilities	**260,286**	**227,431**
	Total equity and liabilities	**317,186**	**281,031**

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 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 1 January 2023	52,500	30,167	-29,067	53,600
Capital increase	3,300	0	0	3,300
Unpaid contributed capital for the year	0	1,896	-1,896	0
Paid contributed capital for the year	0	-1,747	1,747	0
Equity at 31 December 2023	**55,800**	**30,316**	**-29,216**	**56,900**

Cash flow statement

1 January 2023 - 31 December 2023

Note	DKK '000	2023	2022
15	Adjustments	5,482	4,057
16	Changes in working capital	6,144	-17,188
	Cash flow from operating activities before net financials	11,626	-13,131
	Interest received and similar amounts	650	78
	Interest paid and similar amounts	-2,771	-1,130
	Cash flow from operating activities	**9,505**	**-14,183**
	Acquisition of tangible assets	-1,293	-1,955
	Sale of tangible assets	8	5
	Acquisition of financial assets	-240	-142
	Cash flow from investing activities	**-1,525**	**-2,092**
	Cash capital increase	3,150	1,575
	Cash capital increase from sales	0	3,958
	Cash flow from financing activities	**3,150**	**5,533**
	Changes in cash flow	**11,130**	**-10,742**
	Cash and cash equivalents at 1 January 2023	5,342	16,543
	Foreign currency translation adjustments	-925	-459
	Cash and cash equivalents at 31 December 2023	**15,547**	**5,342**
	Cash and cash equivalents	15,547	5,723
	Short-term bank debts	0	-381
	Cash and cash equivalents at 31 December 2023	**15,547**	**5,342**

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-down 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.

Leases
The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.
At their initial recognition in the balance sheet, leases concerning property, plant and equipment where the Company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the Company. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The Company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets
The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively.

Write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

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 on 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	2023	2022
2. Revenue		
Revenue arises from tax advisory services, mainly delivered in Denmark		
Tax advisory services	532,465	473,750
Revenue	**532,465**	**473,750**
3. Fees, auditor		
Total fee for Matinsen Statsautoriseret Revisionspartnerselskab	314	278
Statutory audit	167	132
Other services	147	146
Fees, auditor	**314**	**278**
4. Staff costs		
Salaries and wages	283,449	253,572
Other social security costs	1,226	1,373
Staff costs	**284,675**	**254,945**
Average number of employees	203	185
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.		

DKK '000	2023	2022
5. Depreciation, amortisation, and impairment		
Amortisation of concessions, patents and licenses	416	615
Depreciation of leasehold improvements	11	11
Depreciation of other plants, operating assets and fixtures	2,016	1,926
Profit/loss on the sale of property, plant, and equipment	-8	-5
Depreciation, amortisation, and impairment	**2,435**	**2,547**
6. Acquired concessions, patents, licenses, trademarks, and similar rights		
Cost at 1 January 2022	3.890	3,890
Additions	0	0
Cost at 31 December 2022	**3,890**	**3,890**
Amortisation and write-down 1 January 2023	-3.202	-2.587
Amortisation and depreciation for the year	-416	-615
Amortisation and write-down 31 December 2023	**-3,618**	**-3,202**
Carrying amount, 31 December 2023	**272**	**688**

DKK '000	2023	2022
7. Other plants, operating assets and fixtures		
Cost at 1 January 2023	14,614	12,684
Additions	1,293	1,955
Disposals	0	-25
Cost at 31 December 2023	**15,907**	**14,614**
Amortisation and write-down 1 January 2023	-9,952	-8,051
Depreciation for the year	-2,016	-1,926
Reversal of depreciation, amortisation and impairment loss, assets disposed of	0	25
Amortisation and impairment losses at 31 December 2023	**-11,968**	**-9,952**
Carrying amount, 31 December 2023	**3,939**	**4,662**
8. Leasehold improvements		
Cost 1 January 2023	108	108
Cost 31 December 2023	**108**	**108**
Depreciation and write-down 1 January 2022	-72	-61
Depreciation for the year	-11	-11
Depreciation and write-down 31 December 2022	**-83**	**-72**
Carrying amount at 31 December 2023	**25**	**36**

DKK '000	2023	2022
9. Deposits		
Cost at 1 January 2023	3,884	3,742
Additions	240	142
Cost 31 December 2023	**4,124**	**3,884**
Carrying amount, 31 December 2023	**4,124**	**3,884**
10. Services in progress		
Selling price of work performed	66,231	48,269
Progress billings	-27,065	-22,314
Services in progress	**39,166**	**25,955**
The following is recognised:		
Work in progress (assets)	52,875	27,849
Work in progress (liabilities)	-13,709	-1,894
Services in progress	**39,166**	**25,955**
11. Accrued income and deferred expenses		
Prepaid expenses	10,891	9,153
Accrued income and deferred expenses	**10,891**	**9,153**

12. Mortgages and securities

The Company has no mortgages or securities at 31 December 2023.

13. Contingencies

Contingent liabilities

Remaining rental obligation at the balance sheet date amounts to DKK 26,522 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	2023	2022
15. Adjustments		
Depreciation and amortisation	2,435	2,546
Other financial income	-1,480	-938
Other financial costs	4,527	2,449
Adjustments	**5,482**	**4,057**
16. Changes in working capital		
Change in receivables	-27,088	-28,960
Change in current liabilities other than provisions	33,232	11,772
Adjustments	**6,144**	**-17,188**

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