

Rödl & Partner Danmark A/S

**Store Kongensgade 40H, 2.
1264 København K**

CVR no. 39 18 86 78

Annual report for 2023

Adopted at the annual general meeting on 3
July 2024

Gitte Henckel
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Rödl & Partner Danmark A/S for the financial year 1 January - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Copenhagen, 3 July 2024

Executive board

Gitte Henckel

Supervisory board

Claus D. Bishaw-Witt
chairman

Lars-Göran Larsson

Gitte Henckel

Independent auditor's report

To the shareholders of Rödl & Partner Danmark A/S

Opinion

We have audited the financial statements of Rödl & Partner Danmark A/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 and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

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

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

Independent auditor's report

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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Independent auditor's report

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 Statements Act. We did not identify any material misstatement of management's review.

Søborg, 3 July 2024

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Ole Skou
Statsautoriseret Revisor
MNE no. mne15007

Company details

The company

Rödl & Partner Danmark A/S
Store Kongensgade 40H, 2.
1264 København K

CVR no.: 39 18 86 78

Reporting period: 1 January - 31 December 2023

Incorporated: 22 December 2017

Financial year: 6th financial year

Domicile: København K

Supervisory board

Claus D. Bishaw-Witt, chairman
Lars-Göran Larsson
Gitte Henckel

Executive board

Gitte Henckel

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab
Knud Højgaards Vej 9
2860 Søborg

General meeting

The annual general meeting is held at the company's address on 3 July 2024.

Management's review

Business review

The purpose of the company is auditing and advisory services and other related activities including business process outsourcing services etc.

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 808,828, and the balance sheet at 31 December 2023 shows negative equity of DKK 175,546.

The realised loss of the year is a result of investment in future growth. Thus recruitment cost and build up of staff has resulted in the loss realised.

As a consequence of the loss realised, the company has lost more than half of its share capital. Management expect that the share capital will be reestablished through own operation or debt conversion from capital owners.

The main share holder has issued a letter of support stating that they will support the company with the necessary financial support to ensure that the company can continue its operations until the company is self-supportive.

On this basis, Management has prepared the financial statements based on going concern assumption.

Significant events occurring after the end of the financial year

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

Accounting policies

The annual report of Rödl & Partner Danmark A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

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

The annual report for 2023 is presented in DKK

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

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

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

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue less other external expenses.

Accounting policies

Revenue

Income from services is recognised in the income statement as the services are provided, implying that revenue corresponds to the selling price of work completed (percentage-of-completion method). This method is applied where the total income and expenses at the balance sheet date can be estimated reliably and it is probable that future economic benefits will flow to the Company.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of tangible assets.

Other external costs

Other external costs include expenses related to sale, advertising, administration, premises, bad debts etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible and tangible assets

Depreciation, amortisation and impairment of intangible and tangible assets comprise the year's depreciation, amortisation and impairment of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, realised and unrealised foreign currency transactions and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement.

Accounting policies

Balance sheet

Intangible assets

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation and impairment losses.

Goodwill is amortised over the expected economic life of the asset. Goodwill is amortised on a straight-line basis over the amortisation period, which is 10 years. The amortisation period is based on the assessment that the entities in question are strategically acquired entities with a strong market position and a long-term earnings profile.

Tangible assets

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

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

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

		Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0 %

Gains and losses on the sale of items of other fixtures and fitting, tools and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of other fixtures and fitting, tools and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

Fixed asset investments

Other investments

Other financial assets, which consist of deposits, are measured at cost price.

Receivables

Receivables are measured at amortised cost.

Accounting policies

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise deposits at banks.

Equity

Dividends

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

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

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

Accounting policies

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

Liabilities

Liabilities, which include bank, trade payables, payables to group entities, payables to shareholders and management and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Gross profit		10,086,067	10,582,501
Staff costs	2	<u>-10,366,215</u>	<u>-8,703,343</u>
Profit/loss before amortisation/depreciation and impairment losses		-280,148	1,879,158
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-687,939	-740,265
Other operating costs		<u>-10,218</u>	<u>0</u>
Profit/loss before net financials		-978,305	1,138,893
Financial income	3	3,273	1,009
Financial costs	4	<u>-57,925</u>	<u>-38,573</u>
Profit/loss before tax		-1,032,957	1,101,329
Tax on profit/loss for the year	5	<u>224,129</u>	<u>-246,736</u>
Profit/loss for the year		<u>-808,828</u>	<u>854,593</u>
Proposed dividend for the year		0	800,000
Retained earnings		<u>-808,828</u>	<u>54,593</u>
		<u>-808,828</u>	<u>854,593</u>

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Assets			
Goodwill		2,279,606	2,722,651
Intangible assets	6	<u>2,279,606</u>	<u>2,722,651</u>
Other fixtures and fittings, tools and equipment	7	207,589	493,158
Tangible assets		<u>207,589</u>	<u>493,158</u>
Deposits	8	328,339	328,339
Fixed asset investments		<u>328,339</u>	<u>328,339</u>
Total non-current assets		<u>2,815,534</u>	<u>3,544,148</u>
Trade receivables		2,818,416	3,369,259
Contract work in progress	9	1,134,127	1,154,209
Receivables from Group entities		104,517	0
Other receivables		205,275	224,277
Prepayments		93,881	57,400
Receivables		<u>4,356,216</u>	<u>4,805,145</u>
Total current assets		<u>4,356,216</u>	<u>4,805,145</u>
Total assets		<u>7,171,750</u>	<u>8,349,293</u>

Balance sheet 31 December

	Note	2023 DKK	2022 DKK
Equity and liabilities			
Share capital		500,000	500,000
Retained earnings		-675,546	133,282
Proposed dividend for the year		0	800,000
Equity	10	-175,546	1,433,282
Provision for deferred tax	11	64,575	288,704
Total provisions		64,575	288,704
Payables to Group entities		0	1,023,249
Total non-current liabilities		0	1,023,249
Short-term part of long-term debt		0	750,430
Banks		243,401	218,282
Trade payables		276,123	352,013
Payables to Group entities		4,451,999	1,312,110
Payables to shareholders and management		398,068	6,068
Corporation tax		0	263,076
Other payables		1,913,130	2,702,079
Total current liabilities		7,282,721	5,604,058
Total liabilities		7,282,721	6,627,307
Total equity and liabilities		7,171,750	8,349,293

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
Equity at 1 January 2023	500,000	133,282	800,000	1,433,282
Ordinary dividend paid	0	0	-800,000	-800,000
Net profit/loss for the year	0	-808,828	0	-808,828
Equity at 31 December 2023	500,000	-675,546	0	-175,546

Notes

1 Uncertainty about the continued operation (going concern)

As a consequence of the loss realised, the company has lost more than half of its share capital. Management expect that the share capital will be reestablished through own operation or debt conversion from capital owners. The main share holder has issued a letter of support stating that they will support the company with the necessary financial support to ensure that the company can continue its activities until the company is self supportive. On this basis, Management has prepared the financial statements based on going concern assumption.

	<u>2023</u> DKK	<u>2022</u> DKK
2 Staff costs		
Wages and salaries	9,148,284	7,822,860
Pensions	631,336	503,875
Other social security costs	102,854	85,321
Other staff costs	483,741	291,287
	<u>10,366,215</u>	<u>8,703,343</u>
Number of fulltime employees on average	<u>15</u>	<u>14</u>
3 Financial income		
Exchange gains	<u>3,273</u>	<u>1,009</u>
	<u>3,273</u>	<u>1,009</u>
4 Financial costs		
Interest paid to Group Entities	7,164	11,379
Other financial costs	<u>50,761</u>	<u>27,194</u>
	<u>57,925</u>	<u>38,573</u>

Notes

	2023 DKK	2022 DKK
5 Tax on profit/loss for the year		
Current tax for the year	0	263,076
Deferred tax for the year	-224,129	-16,340
	<u>-224,129</u>	<u>246,736</u>
6 Intangible assets		
		<u>Goodwill</u>
Cost at 1 January 2023		4,430,444
Cost at 31 December 2023		<u>4,430,444</u>
Impairment losses and amortisation at 1 January 2023		1,707,793
Depreciation for the year		443,045
Impairment losses and amortisation at 31 December 2023		<u>2,150,838</u>
Carrying amount at 31 December 2023		<u><u>2,279,606</u></u>
7 Tangible assets		
		<u>Other fixtures and fittings, tools and equipment</u>
Cost at 1 January 2023		1,189,575
Additions for the year		58,251
Disposals for the year		-98,925
Cost at 31 December 2023		<u>1,148,901</u>
Impairment losses and depreciation at 1 January 2023		696,417
Depreciation for the year		244,895
Impairment losses and depreciation at 31 December 2023		<u>941,312</u>
Carrying amount at 31 December 2023		<u><u>207,589</u></u>

Notes

8 Fixed asset investments

	<u>Deposits</u>
Cost at 1 January 2023	<u>328,339</u>
Cost at 31 December 2023	<u>328,339</u>
Carrying amount at 31 December 2023	<u><u>328,339</u></u>

9 Contract work in progress

	<u>2023</u>	<u>2022</u>
	DKK	DKK
Work in progress, selling price	2,541,556	4,283,739
Work in progress, payments received on account	<u>-1,407,429</u>	<u>-3,129,530</u>
	<u><u>1,134,127</u></u>	<u><u>1,154,209</u></u>
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	1,134,127	1,154,209
Prepayments received recognised in debt	<u>0</u>	<u>0</u>
	<u><u>1,134,127</u></u>	<u><u>1,154,209</u></u>

10 Equity

The share capital consists of 5,000 shares of a nominal value of DKK 100. No shares carry any special rights.

Notes

	<u>2023</u>	<u>2022</u>
	DKK	DKK
11 Provision for deferred tax		
Provision for deferred tax at 1 January 2023	288,704	305,044
Deferred tax recognised in income statement	<u>-224,129</u>	<u>-16,340</u>
Provision for deferred tax at 31 December 2023	<u>64,575</u>	<u>288,704</u>
Provisions for deferred tax on:		
Intangible assets	254,756	212,984
Property, plant and equipment	-51,994	-28,425
Trade receivables	0	-29,750
Contract work in progress	117,227	133,895
Tax loss carry-forward	<u>-255,414</u>	<u>0</u>
	<u>64,575</u>	<u>288,704</u>

Notes

12 Commitments and contingent liabilities

Rent obligations

The company has rent commitments regarding office premises totalling DKK 1,834 thousand until 1 December 2025

13 Mortgages and collateral

Securities at a carrying amount of DKK 500 thousand have been put up for the bank debt totalling DKK 243 thousand and covering securities in debtors, tangible and intangible assets etc. in a total amount of DKK 5,306 thousand.

14 Related parties and ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

Henckel Holding ApS
Vibemosen 48
2690 Karlslunde

R P Rödl GmbH Wirtschaftsprüfungsgesellschaft
Äussere Sulzbacher Strasse 100
90491 Nürnberg
Germany

Consolidated financial statements

The company's financial statements are reflected in the consolidated financial statements for R P Rödl GmbH Wirtschaftsprüfungsgesellschaft

The consolidated financial statements for R P Rödl GmbH Wirtschaftsprüfungsgesellschaft can be obtained at the following address:

R P Rödl GmbH Wirtschaftsprüfungsgesellschaft
Äussere Sulzbacher Strasse 100
90491 Nürnberg
Germany