

Annual Report

1 October 2023 - 30 September 2024

BDO Statsautoriseret revisionsaktieselskab

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BDO

BDO ANNUAL REPORT 2023/24

Publisher:

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Editorial staff:

Peter Berg Hansen, Partner, Chief Financial Officer

Simon Brondbjerg Riis, Director, Communications & Bid Office

Photography:

Simon Kristensen, Manager, Art Direction

Ruslans Merzlakovs, Senior Consultant, Art Direction

Graphic design:

Anne Friis Sørensen, Senior Manager, Art Direction

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Management Commentary

Preface

A financial year characterised by strategic execution

In the financial year 2023/24 we executed our new business strategy which was launched last year. While our strategy is dynamic, our purpose of being people helping people achieve their dreams remains unchanged. We are and will be a company driven by professionally and personally ambitious people, for people.

Therefore, personal well-being and development are essential for us and our purpose, as it plays a part in strengthening our proactive and supportive approach. It is essential to us that our employees have the best conditions and qualifications to help our clients. Our employees are and will be our most important resources.

The course has been set: Quality in everything we do

The quality is and will be the foundation of our ability to advise and help our clients with achieving their goals, ambitions and dreams. As part of our new business strategy we focused especially on the quality agenda, in the financial year 2023/24. We want to provide quality in everything we do, also in the future.

Based on our purpose and quality agenda, BDO has experienced a positive financial development. This has happened via organic growth and through acquisitions. We have not quite met our ambitious expectations for the development of the financial year, but in spite of this we have provided good results and impressive growth, which make the financial year 2023/24 satisfactory.

Our growth builds on our positive performance during the past several years and indicates that we have set the right course for our company with our objectives and new business strategy.

We are ready for change at BDO. We are abreast of the technological development. We include currently new technologies and systems in our client service, our internal processes and advice to our clients in relation to optimisation of their business. Both our clients and employees and our business gain from this.

In the coming years, we will focus on ensuring quality in everything we do and on creating better conditions for both employees and clients through the digital transformation and the opportunities which come along with said digital transformation.

Still the best of two worlds

As auditors we serve the public interest. We collaborate closely with our clients, and we use our in-depth knowledge and empathy to advise the clients. And at the same time, we are specialists with high professional standards and a strong global network ensuring that we are present in more than 166 countries. This is a security for our clients that they can always grow bigger together with BDO.

In any context, we always provide trustworthy and attentive advice, and with our presence at offices all over Denmark we are able to offer the best of two worlds through involvement and professional standards.

In short, we are driven by being decent, development-oriented and empathetic at BDO. This is our mindset when we advise locally, nationally and internationally. A combination which provides BDO with a strong and competitive mindset. To us, it is not “either... or” - it is always “both... and”.

At BDO we thank our clients, cooperative partners, employees and partners for a year in which we actively supported the business community, each other and thereby the entire society. We are looking forward to good working relationships in the new financial year.

Best Regards,

Executive Management and the Board of Directors of BDO

Principal activities

BDO is one the largest networks of audit and advisory firms in the country.

We have 35 offices across Denmark, from Skagen to Copenhagen, and 1 office in Greenland. From these office locations, our more than 1,800 employees offer our clients a high service level, professional back-and-forth and local commitment.

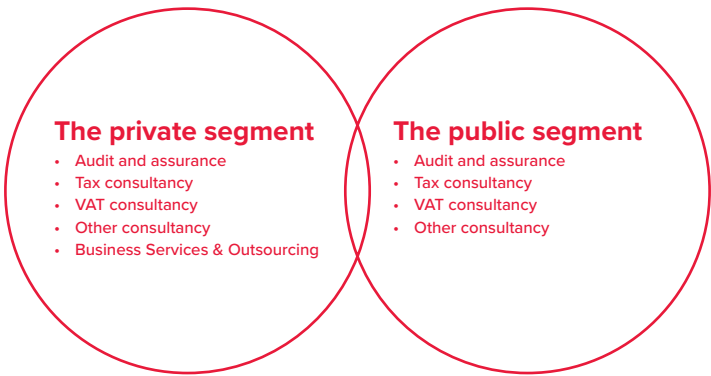
We offer our more than 43,000 clients a strong combination of present advice from local auditors and advisers based on in-depth knowledge and understanding of each client's day-to-day work and challenges and local conditions. We combine this with our highly specialised experts and direct access to a national and global network of specialists.
We call this: the best of two worlds.

BDO is 100% Danish-owned by BDO Holding VI, Statsautoriseret revisionsaktieselskab whose ownership consists of 84 shareholders who are all partners (equity partners) in the Company and thereby all active in the Company's day-to-day operations and activities.

BDO has 35 offices in Denmark
and 1 office in Greenland

Specialised segments: Different engagements and challenges require different approaches and competences

BDO's services and solutions are divided in two segments: private and public.



From both segments, BDO's employees provide audit and assurance, consulting and accounting assistance to small and medium-sized companies, public and private institutions, associations and private individuals.

Via our specialised Business Lines - Tax Legal, Indirect Tax and Advisory - we provide in-depth expertise, always up-to-date knowledge and value-adding advice to both the private business sector and the public sector.

BDO provides a wide range of services to the private business sector and the public sector as well as local communities; i.a. audit and other assurance engagements, management control, risk management, Business Services & Outsourcing and specialist advice on everything from tax, VAT, legal and ESG to IT, IT security, procurement/tendering, supervision, developer as well as acquisitions and divestments.

Business model and objective: People helping people

Our business is built on a strong DNA, in which our qualifications and personal competences comprise the strings.

Our professional standards are the basis for everything we do. Our auditors, advisers and consultants are up to date on legislation and provisions. At the same time, they have insight into national and international markets, industry expertise and specialist knowledge of or across the two segments.

The other string of our DNA is comprised by the personal competences. We not only expect that our employees are professionally competent but also that they have strong human qualities, such as commitment, empathy and responsibility. Because human relations add value.

BDO is a company by people for people, and all of our +1,800 employees go to work every day to conforming to the objective of being people helping people achieve their dreams for both clients, colleagues, suppliers and the community.



Development in activities and the financial and economic position

In the financial year 2023/24 BDO realised a record-high revenue of DKK 1,623m. The year before, the revenue amounted to DKK 1,408m. This is an increase of 15.3%.

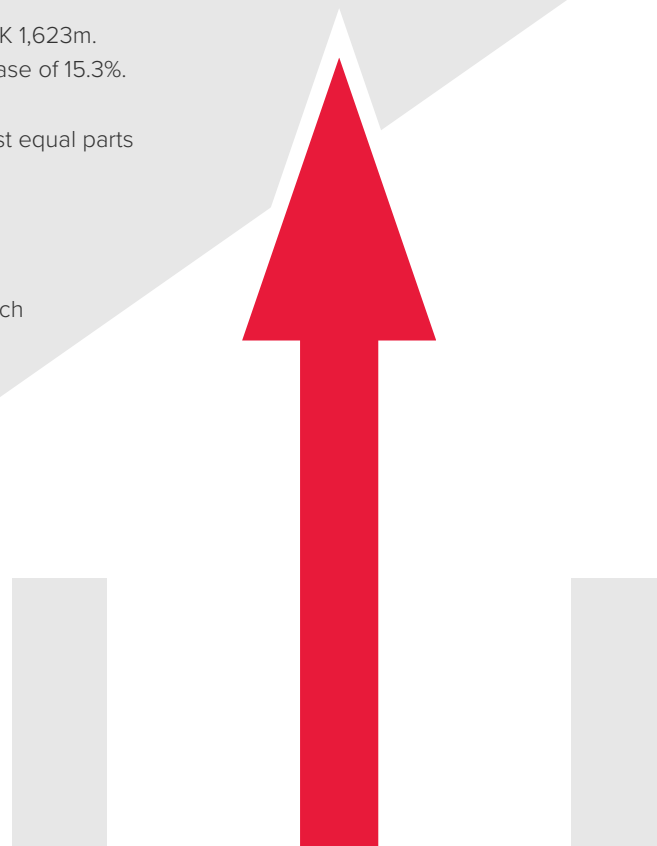
BDO's growth in the financial year 2023/24 was achieved through almost equal parts of acquisitions and organic growth.

Revenue growth in our segments

The growth for the year was primarily driven by the private segment which realised growth in revenue of 18% compared with the year before. The public segment achieved a minor growth of 1.7%.

Approximately half of our revenue growth in the segments is attributable to acquisitions. The remainder to organic growth in the form of new clients, more services to the existing client platform and price regulations.

The revenue growth constitutes **15.3 %**



Record-high revenue of **1.623 mio. kr.**

BDO's business and organisation are expanded through acquisitions

During the closed financial year we entered agreements with advisory and audit firms from the Danish cities of Esbjerg and Herning.

On the first day of the financial year 2023/24, employees and activities of the advisory and audit firm Vistisen & Lunde from the central part of Jutland transferred to BDO. This acquisition has ensured a long-term, professionally qualified presence in Herning together with the existing BDO office in Herning. As part of the acquisition we also gained a new office in the town of Vibjerg in Central Jutland. The acquisition carried 42 employees and a revenue of approximately DKK 50m.

Later in the financial year - on 1 December 2023 - we acquired Deloitte Denmark's activities and office in Esbjerg. The office was merged with BDO's existing Esbjerg office upon request by the former Deloitte employees. They wished to maintain their local presence in Esbjerg and actively decided - together with BDO - to create one of the biggest advisory and audit offices of the city of Esbjerg. The acquisition carried 87 employees and a revenue of approximately DKK 100m.

We have also currently attracted and hired employees and specialists within both new and existing consultancy areas.

The acquisitions were mainly financed through raising of loans. The raising of loans and a generally higher interest rate in the finance market have entailed an expected increase in the finance costs from DKK 6.3m to DKK 14.9m.

Increased requirements require more new investments

As advisory and audit firm we meet an increasing amount of external requirements for our work and duties. Requirements which we of course comply with. Among the requirements are increased focus on compliance, stricter quality management and higher data security standards.

These requirements make it more expensive to carry on economic activities, and investments which ensure that we comply with these requirements have had an impact on our results.

In the past financial year we focused our attention on ensuring compliance through increased engagement quality reviews and continued work on centralised client acceptance and client engagement acceptance.



BDO strengthened its presence in the cities of Herning and Esbjerg with acquisitions which in total added **129 employees** and **revenue of approx. DKK 150m.**

Consultancy and services with global reach

We are part of the global BDO network which consists of independent member firms. BDO is the brand name for the BDO network and for each of the BDO member firms. BDO Global is headquartered in Brussels.

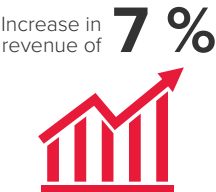
The financial year 2023/24 has been a good year for the international BDO network. The annual revenue of BDO Global amounts to US\$ 15bn which corresponds to growth of 7%, and BDO is now represented with 1,800 offices in 166 countries and almost 120,000 employees.

In contrast to other large international audit firms, the foundation of BDO's international cooperation and network is national ownership and national management.

As part of the international BDO organisation we offer our clients in both the private and public segments high quality standards in advisory, audit and accounting across borders. We use the same quality standards, audit procedures and tools all over the global BDO organisation. Therefore, our clients are guaranteed the same level of service and the same high quality whether they have activities in Denmark, USA, South Africa or some other country.

Thus, BDO Global provides us with direct access to specialist knowledge of national matters in other member countries, which is to the advantage of BDO's clients and employees.

During the year we experienced that more and more of our engagements are performed in cooperation with international specialists from our global organisation.



Profit for the year compared with the expected development

The expectations for 2023/24 were to reach a revenue at the level of DKK 1,700m.

At the completion of the Financial Statements, we had realised a revenue of DKK 1,623m. The reason that the revenue level is below expectations is primarily due to the fact that the revenues of the acquired companies not quite met the expected level and that the growth of our existing portfolio of clients did not meet the expectations either.

BDO is a partner-owned company which is owned and managed by the shareholders (equity partners), all of whom are also actively taking part in the day-to-day operations of the Company. Performance-based remuneration for the equity partners is recognised as staff costs in conformity with salaries and bonuses for our other partners and employees. With a profit for the year of DKK 72.4m we meet the expected level which was DKK 75m.

Despite we land on a revenue level - and thereby also growth - which is lower than expected at the end of the preceding financial year, BDO's Management considers the profit for the year satisfactory. The reasons for the lacking revenue growth are obviously included in our assessment of and expectations for the coming financial year.

In the financial year we had a positive development in the cash flows from our operating activities. We had expected cash flows at the level of DKK 0m, but land on DKK 26m. We have cash and cash equivalents of DKK 0.5m.

The improved liquidity is to a great extent owed to a focused effort on reducing our funds tied up in contract work in progress and accounts receivable, as it was expected that the big increase in activities would have entailed larger funds tied up.

Business and financial risks

Our financial risks:

Healthy liquidity management and capital structure

Management assesses that BDO's financial risks which primarily comprise credit risks, liquidity risks and interest rate risks have been handled and identified through our risk management in such a manner which ensures that they do not pose material risks for BDO, neither individually or in the aggregate.

BDO has a healthy liquidity management, and as a result of our capital structure we have only limited exposure to changes in the level of interest rates. Our credit risk is limited to contract work in progress and trade receivables, and we work continuously on reducing the funds tied up.

Our business risks:

Image and digitalisation

The Company's most material operational risks are related to the ability to be strongly positioned within audit, financial advice and services for small and medium-sized companies as well as municipalities and regions.

However, image and brand measurements and our annual client satisfaction survey show that the perception of BDO's services and brand within the target audience is strengthened year by year. Therefore, Management does not assess that there is a material risk for BDO in this area.

One of the most material business risks for our company is the digitalisation agenda. In a time with rapid technological advancements, including the entry of AI in our business and the rest of the business sector, it is crucial that we are able to keep up with and make use of the opportunities brought along by the digitalisation.

Lacking ability to navigate and adapt to this agenda may result in loss of relevance, both in relation to the market and our employees. Hence, it is essential that we invest in and prioritise digitalisation to ensure our continued growth and competitiveness.

Knowledge resources

We are proud of our corporate culture which built on a combination of high professional standards and good human qualities among our employees.

To us, it is essential that our employees not only have solid knowledge and experience within their specialist field but also have the ability to cooperate, communicate and develop their talents. We believe that to be the way to advise and service our clients within both the private and public segments in the best possible manner.

As a knowledge-based company we are deeply dependent on our employees and their commitment. Our employees are and will be our most important knowledge resources.

Career development and job-specific training via BDO Academy

BDO Academy is our internal training centre. Via BDO Academy we strengthen our employees' knowledge and competences, increase and retain the talent pool as well as further develop our special BDO culture. BDO Academy is both a training and career programme. At the same time it is a professional forum which ensures relevant and topical training for our employees throughout their entire career and at all organisational level.

When we provide training to our employees, it is with focus on individual, personal and professional development. We offer tools which support innovation, creativity and ambitions in BDO.

BDO ACADEMY

BDO Academy's offer of courses covers widely all levels and branch off naturally to both segments and our specialist areas which are spread over the 35 BDO offices. For instance, onboarding of our new employees starts already on the first day of work, and we believe that our focus on personal development throughout the entire career both attracts and retains good employees at BDO.

Managerial competences are developed with targeted and modern learning processes through our internal BDO Academy Leadership. In this way we strengthen the direct route to grow our business and create a high level of job satisfaction. Via managers who are continuously improving their managerial competences we expand the relations to our existing clients, to new markets and to new services.

BDO Academy also facilitates and coordinates BDO's internal trainee programme "Next Generation". The programme offers training and lectures which in combination with day-to-day work at the offices help create the BDO auditors and consultants of the future.

BDO trains the advisers, consultants and auditors of the future

At BDO we provide high quality in our professional consultancy services and audit and accounting services to both private and public clients. A prerequisite for this is that we have professionally good employees now and in the future.

Therefore, we have a responsibility for and are deeply dependent ourselves on training the next generations of advisers, consultants and auditors. Among others things, this occurs by virtue of our efforts and role as a place of education for young employees.

A record number of trainees start their education at BDO During the past years we have intensified our efforts and currently increased the number of trainees. On 1 September 2024 a record-high number of new trainees started their education at our BDO offices around Denmark. We welcomed no less than 124 new colleagues. 124 professionally curious and ambitious colleagues who will play a part in forming the audit and outsourcing services of today and not least the future of BDO.

At the end of the financial year 2023/24, 240 young employees are enrolled in our trainee programme across different year groups. Their education and training programme - during which they most often also concurrently are studying for a Graduate Diploma in Business Administration (Financial and Management Accounting) or a Master of Science in Business Economics and Auditing - are supported by well-working mentorships, well-planned courses and active network groups.

At BDO we manage learning processes, education and career paths in a safe and empathetic manner so that the potential of our young employees can fully unfold.

New training programme for consultants in BDO

In the financial year we launched a new concept, Consulting Training, to ensure that new consultants in our departments Advisory, Tax Legal and Indirect Tax get the best conditions to master the consultancy profession. The course is designed for both new consultants and those with a couple of years' experience from other consultancy companies.

We focus on training in project management, identification and solutions of problems, communication and tendering, among other things. At the same time, the attendees will gain a deep understanding of BDO's unique culture and values as well as our multi-disciplined cooperation.

The course spreads over a year, and 35 BDO consultants took part in the first training programme.

The number of state-authorised public accountants is on a steady increase year by year

By serving the public interest state-authorised public accountants play an important societal role by contributing to strengthened trust in society. However, they must complete one of Denmark's most demanding educations to earn the highest achievable title within the auditing profession.

In the financial year 2023/24 we celebrated 8 employees who joined the group of state-authorised public accountants and advisers in BDO after they deservedly passed their exams.

A group which now counts:

171 state-authorised public accountants.

Future expectations

The expectation is that the development continues and that our continued work of helping both existing and new clients at the same high professional and quality standards which in the current year and in the coming financial year will lead to progress.

Thus, Management expects a positive development in the coming financial year because our business model and selected focus areas have helped to secure a robust and promising starting point to acting out our ambitions in the years ahead.

Acquisitions strengthen the expectations for the coming financial year

At BDO we have a constant focus on growing in size. The size creates the foundation for viable and economic platform, from which we can further develop our advisory and audit services and our tools for the benefit of both clients and employees.

We focus on strengthening the current local presence. It is our ambition to be present where the clients and employees are. It is important to us that especially our clients experience a real personal and geographical proximity when we provide advice and auditing.

For these reasons, we are happy to have entered agreements with two smaller audit and advisory firms in the cities of Odense and Greve, at the end of the financial year 2023/24. Both firms transfer to BDO in the beginning of the financial year 2024/25.

In the coming financial year, we will be looking ambitiously into the opportunities of strengthening our market position via more strategic acquisitions. Therefore, we will be looking for opportunities with the right strategic and cultural match which will strengthen the continued positive development in BDO.



Except to helping our clients with standing strong in the sustainable transition, this consultancy area entails significant business potential for BDO, which we expect will contribute positively to our growth in the coming years.

Advisory services relating to sustainability and CSRD

Both the private and public segments face a significant task when they increasingly are expected and required to meet ESG requirements on carbon accounting, sustainability/CSRD reporting, mapping of value chains, etc.

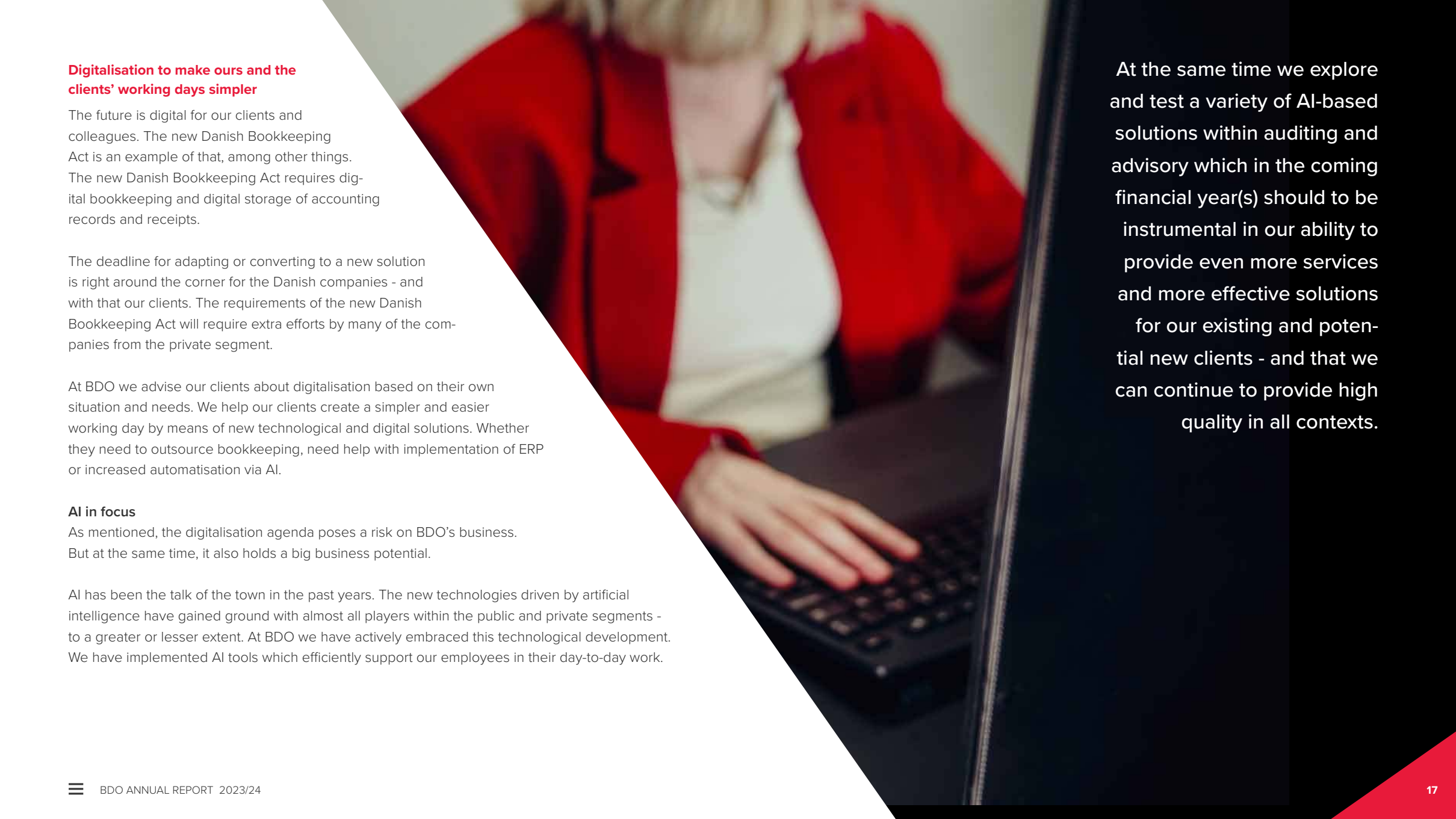
As adviser and auditor, for several thousand Danish companies and organisations we have a central role when it comes to providing extensive and action-oriented information to markets, clients and leaders about the risks and opportunities following the climate changes and other areas of sustainability.

A position with commitments

Our position imposes obligations on us, for which reason we in most recent years have worked on and invested in strengthening, expanding and formalising our consulting services, tools and our internal knowledge - especially in the area of sustainability.

The area of sustainability is a strategically important focus area and is one of the pillars of our business strategy towards 2026. Now, we have worked up an experienced unit working full-time with ESG, sustainability and CSRD. This unit helps our clients and other Danish companies with formulating strategies which partly support the companies' business potential and partly ensures that companies live up to the increasing ESG requirements and expectations which companies are faced by.

We view it as a significant structural job to assist Danish companies and public institutions with navigating risks and opportunities in the sustainable transition. We do that because we believe that we can make a difference.



Digitalisation to make ours and the clients' working days simpler

The future is digital for our clients and colleagues. The new Danish Bookkeeping Act is an example of that, among other things. The new Danish Bookkeeping Act requires digital bookkeeping and digital storage of accounting records and receipts.

The deadline for adapting or converting to a new solution is right around the corner for the Danish companies - and with that our clients. The requirements of the new Danish Bookkeeping Act will require extra efforts by many of the companies from the private segment.

At BDO we advise our clients about digitalisation based on their own situation and needs. We help our clients create a simpler and easier working day by means of new technological and digital solutions. Whether they need to outsource bookkeeping, need help with implementation of ERP or increased automatization via AI.

AI in focus

As mentioned, the digitalisation agenda poses a risk on BDO's business. But at the same time, it also holds a big business potential.

AI has been the talk of the town in the past years. The new technologies driven by artificial intelligence have gained ground with almost all players within the public and private segments - to a greater or lesser extent. At BDO we have actively embraced this technological development. We have implemented AI tools which efficiently support our employees in their day-to-day work.

At the same time we explore and test a variety of AI-based solutions within auditing and advisory which in the coming financial year(s) should to be instrumental in our ability to provide even more services and more effective solutions for our existing and potential new clients - and that we can continue to provide high quality in all contexts.

Our expectations for the coming financial year

BDO's Management expects that the revenue will increase by approximately 10% in the coming financial year.

We expect a revenue at the level of DKK 1,800m, including the most recent acquisitions.

The revenue growth will derive from development of the audit and accounting business and the advisory business. Add to this: additional but limited growth in revenue from the uniting of interests with other audit and advisory firms.

The profit for the year is expected to constitute DKK 75m after tax. At the assessment of BDO's financial statements and profit for the year it is important to note that performance-based remuneration for the equity partners is recognised as staff costs in conformity with salaries and bonuses for our other partners and employees.

In addition, we expect cash flows from our operating activities at the level of DKK 0m.



Social responsibility (CSR) report

In accordance with section 99a of the Danish Financial Statements Act

The Company's business model

Please refer to the paragraph "Principal activities" on page 6-7 for a description of BDO's general business model.

Our business model and our role as a company cooperating with thousands of private and public companies and organisations each year come with a lot of responsibility. Responsibility to guide and advise correctly as well as to serve as a role model in both words and actions.

By virtue of our work as an audit and advisory firm we must support our many clients in carrying on their activities financially sound and with regard to complying with applicable rules and requirements. This applies both financially and in relation to complying with applicable rules and requirements.

We must support and play a part in citizens' and companies' trust in the system. Trust in that taxes are collected correctly, that financial statements are correct, that support funds are not misused, and that public institutions are operated in accordance with their objectives.

Social matters and staff matters

BDO is a company by people for people. Our employees are our most important resources. That is why we are working on improving constantly the conditions for our employees.

Among other things, we do that by focusing on that:

- Invest in and prioritise in-service training of our employees and managers.
- Support a culture which is inclusive and makes room for flexibility and life balance for the individual.
- Ensure fair compensation and terms - equal pay for equal work.
- Demonstrate zero tolerance of offensive behaviour such as discrimination, harassment and bullying.
- Protect the safety and health of our employees.
- Enhance diversity by providing equal rights and opportunities irrespective of gender, ethnicity, age and religion, among other things.



We are currently working on new initiatives which are to enhance the conditions for our employees. Our internal network “Diversity Champions”, which aims to enhance opportunities and conditions for female talents and managers in BDO, is an active factor for the now second financial year. The ambition is still that the network will be of decisive importance for and have an influence on BDO’s realisation of the objectives and target figures which we are aiming at.

At the end of the financial year we also determined the final framework of “BDO Vision Board”, which will take off in the beginning of 2025. The Vision Board intends to represent the diversity of BDO and will be composed of one member from each business line who are to contribute with input and recommendations for those charged with governance of BDO.

Initiatives such as the above are to contribute to BDO being the place where our employees wish to be. A good place to work. A good place to start and develop one’s career. We see that our initiatives have already contributed positively. Among other issues, this is the case with our previous challenges of recruiting the necessary employees and competences.

BDO's zero-tolerance policy

Our zero-tolerance policy is integrated in our DNA, our managerial training programme, introduction courses, etc. The policy is enforced via our internal whistleblower system which makes it possible for the employees of BDO to report anonymously any violations.

In addition, the policy is part of our annual employee satisfaction survey in the form of questions which aim to shed light on whether the policy is being breached and if so, act thereupon. The policy is available for the employees via BDO’s intranet. It must ensure that employees in any context have the best conditions and environment to thrive and perform their duties. To sum up the policy:

- BDO has a very clear policy when it comes to violations. To put it short and to the point: Sexism, harassment, bullying, racism and other forms of offensive behaviour are not tolerated at BDO. To manage any violations at the workplace we have established a set-up to ensure that all complaints are managed professionally, seriously and confidentially.

As a knowledge-based company which bases its services on human capital, it is Management’s assessment that social matters and staff matters involve risks for BDO. Our employees are our most important asset. We are dependent on capable and competent employees.

Thus, it is important that we ensure a good working environment as it is of importance for both recruitment new employees and retention of current employees. We focus on strengthening the working environment in BDO via the six areas of focus mentioned above. Continuous improvements of the working environment is to be instrumental in minimising risks within the area.

The employee commitment remains at an impressive level

Our employee satisfaction survey aims to identify what is important for our employees, what is of importance for their job satisfaction and not least how we together can boost the job satisfaction and make BDO an even more exciting and attractive workplace.

We measure the employee commitment in BDO by means of the well-known Net Promoter Score method. The annual survey shows that we have managed to retain a significantly unchanged score compared with the previous financial year, in which the score was 71. Thus, the employee satisfaction survey shows a score of 70 for the financial year 2023/24. An utmost satisfactory result which we are very proud of.

The result places BDO in top 5% of companies within our industry for “Professional Services” when it comes to areas such as working environment, the employees’ relations to their colleagues, meaningful work and autonomy.

The score has been calculated based on the employees’ responses to questions about loyalty, satisfaction and wanting to recommend BDO on a scale from 0 to 10 with 10 as best. Responses of 7-8 are left out. The percentage of the responses from 0 to 6 is subtracted from the percentage of the responses from 9 to 10. Thus, the score may vary from -100 to 100.

The high level of employee commitment is an indication of the fact that we as a company have succeeded in creating an attractive workplace where our employees generally thrive.



The response rate of the employee satisfaction survey of the year was record high and landed on

97%

Policy for the fight against corruption and bribery

Under no circumstances does BDO accept or tolerate corruption and any form of bribery, including grease payment, neither in relation to partners and employees nor clients, suppliers and other cooperative partners.

BDO considers it a very serious misconduct if partners or employees partake in or are contributors to corruption, including bribery and grease payment. It is irrelevant whether it is in relation to BDO, the partner or employee, their spouse/children/parents or other related parties. Such misconduct may entail consequences related to employment law, among other things.

Based on a risk assessment, guidelines have been determined within the following risk areas:

- Gifts
- Attendance at special occasions and other representation
- Sponsorships
- Political remuneration and charity donations
- Employment and recruiting
- Commissions, rewards and other payments
- Tenders, marketing and procurement.



It is an indispensable requirement that all of BDO's partners and employees act objectively and honestly as well as observe the independence requirements when providing any service to BDO's clients. We must avoid at any time any situation which may damage BDO's reputation or question BDO's objectivity, integrity and independence.

Employees must be able to report corruption and bribery, etc., their suspicion of it or other matters conflicting with the policy to their immediate manager, the chairman of the board of directors, Chief Compliance Officer or via the whistleblower system.

If BDO becomes aware of any violation of the law on corruption and bribery, it must be communicated to BDO Global Head of Risk, Quality and Governance. We have not recorded any notifications of violations in the preceding and the newly-closed financial years nor do we expect to do so in the coming financial year.

BDO's Board of Directors approves the policy and is responsible for supervising its compliance. The supervision is delegated to BDO's department Risk & Compliance and consists of documenting that the policy has been implemented and complied with, including whether it is suitable, adequate and efficient.

Human rights

We consider respect for human rights a prerequisite for doing business as a serious advisory and audit firm in Denmark. We support and respect the protection of internationally declared human rights as they are formulated in UN's Declaration of Human Rights and in ILO's conventions and recommendations.

Thus, in BDO there is a natural focus on respecting human rights, for which reason our Board of Directors believes that the implementation of formal policies will not impact our commitment in this area.

As we primarily operate in Denmark where human rights are basically under control, it is considered that there are no material risks for BDO in this area.

Environment and climate

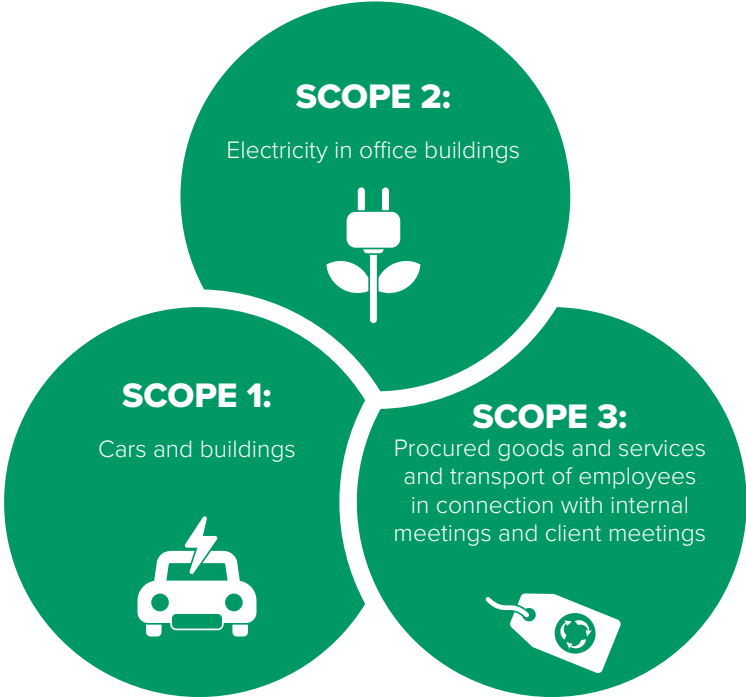
At BDO in Denmark we have committed to being CO2 neutral in 2050 at the latest with a subgoal of having reduced minimum 42% of our emissions before the end of 2030 based on our baseline measurement from the financial year 2022/23. It is a commitment with an important focus and which arises out of our accession to Net Zero Financial Service Providers Alliance through BDO's global member network.

In addition to Net Zero, BDO Global and BDO Denmark take part in SBTi - Science Based Targets initiatives. An international alliance which commits companies to set scientific goals of reducing greenhouse gas emissions.

Thus, as a company we have committed to reducing our direct greenhouse gas emissions (scope 1) and indirect emissions from procuring electricity and heat (scope 2) and the residual indirect emissions from procuring products and services and employee transport (scope 3).

As a knowledge-based company with industrial production and significant upstream activities in our value chain, the majority of our CO2 emissions derive from our energy consumption and use of resources at our offices, procured goods and services and from client meetings, employees' transport to and from work as well as business travel. In the coming years our focus will be on minimising our carbon footprint within these areas.

Our primary sources of CO2 emission are divided in scope 1, 2 and 3:



The GHG protocol (The Greenhouse Gas Protocol) is the basis for the calculation of BDO's carbon footprint. Emissions in scope 1 and 2 are calculated primarily by using an activity-based approach and by using actual consumption data in units such as kWh, m3, litre and kg. If an activity-based approach is not possible, a spend-based approach will be used. In scope 3 we also use a spend-based approach.

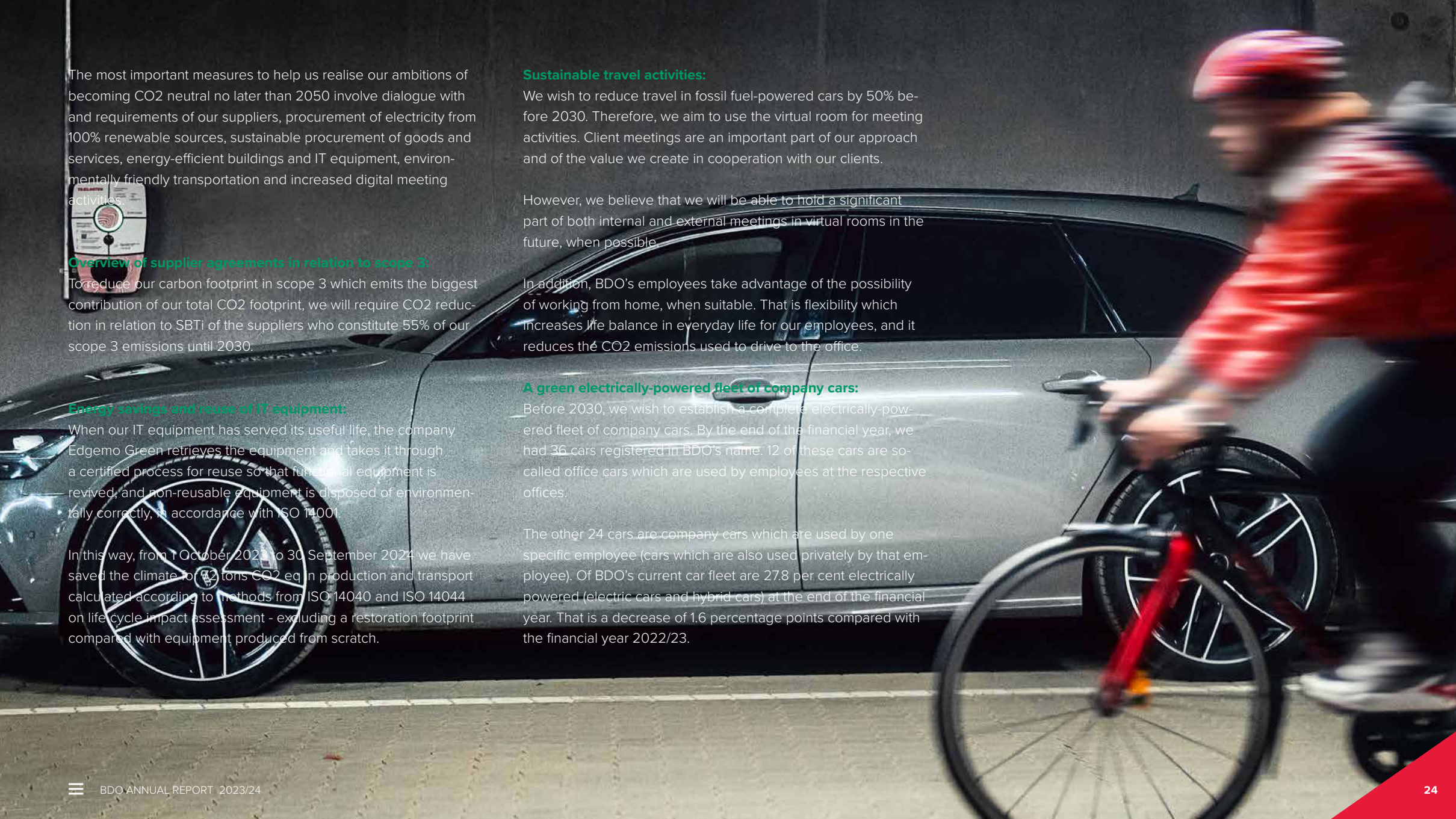
The data obtained from scope 1, 2 and 3 are multiplied with the relevant emission factor to reach the most precise CO2 emission.

In the 2021/22 report we presented a baseline for our emissions in scope 1, 2 and 3 based on the GHG protocol. In 2022/2023, we made the first collection measurement of the three scopes and prepared new climate accounts.

In 2023/24, we recalculated the two previous climate accounts. This recalculation was made based on the GHG protocol as BDO has acquired significant offices impacting significantly our CO2 emissions. Furthermore, the recalculation allowed to optimise data, emission factors and methods for recalculating our CO2 emissions. Therefore, the recalculated climate accounts provide a more precise view of BDO's situation.

Based on this, we decided that our climate accounts for 2022/24 must be a baseline measurement. This measurement, which involves all three scopes, shows that we had an emission of 12,863 tCO2e in 2022/23. Of these, scope 3 constitutes the far majority of 92.8%, and scope 1 and 2 constitute 1.9% and 5.3%, respectively, of our total emissions.

In 2023/24, we had a total emission across scope 1, 2 and 3 of 14,671 tCO2e. Of these, scope 3 constitutes the far majority of 93.9%, and scope 1 and 2 constitute 1.4% and 4.7%, respectively, of our total emissions. There was an increase per full-time employee from 8.5 tCO2e in 2022/23 to 9.1 tCO2e in 2023/24. This increase is primarily a result of procurement of inventory in connection with relocation to new headquarters and increased expenses for licences.



The most important measures to help us realise our ambitions of becoming CO2 neutral no later than 2050 involve dialogue with and requirements of our suppliers, procurement of electricity from 100% renewable sources, sustainable procurement of goods and services, energy-efficient buildings and IT equipment, environmentally friendly transportation and increased digital meeting activities.

Overview of supplier agreements in relation to scope 3:

To reduce our carbon footprint in scope 3 which emits the biggest contribution of our total CO2 footprint, we will require CO2 reduction in relation to SBTi of the suppliers who constitute 55% of our scope 3 emissions until 2030.

Energy savings and reuse of IT equipment:

When our IT equipment has served its useful life, the company Edgemo Green retrieves the equipment and takes it through a certified process for reuse so that functional equipment is revived, and non-reusable equipment is disposed of environmentally correctly, in accordance with ISO 14001.

In this way, from 1 October 2022 to 30 September 2024 we have saved the climate for 42 tons CO2 eq in production and transport calculated according to methods from ISO 14040 and ISO 14044 on life cycle impact assessment - excluding a restoration footprint compared with equipment produced from scratch.

Sustainable travel activities:

We wish to reduce travel in fossil fuel-powered cars by 50% before 2030. Therefore, we aim to use the virtual room for meeting activities. Client meetings are an important part of our approach and of the value we create in cooperation with our clients.

However, we believe that we will be able to hold a significant part of both internal and external meetings in virtual rooms in the future, when possible.

In addition, BDO's employees take advantage of the possibility of working from home, when suitable. That is flexibility which increases life balance in everyday life for our employees, and it reduces the CO2 emissions used to drive to the office.

A green electrically-powered fleet of company cars:

Before 2030, we wish to establish a complete electrically-powered fleet of company cars. By the end of the financial year, we had 36 cars registered in BDO's name. 12 of these cars are so-called office cars which are used by employees at the respective offices.

The other 24 cars are company cars which are used by one specific employee (cars which are also used privately by that employee). Of BDO's current car fleet are 27.8 per cent electrically powered (electric cars and hybrid cars) at the end of the financial year. That is a decrease of 1.6 percentage points compared with the financial year 2022/23.

Report on the gender distribution of Management

In accordance with section 99b of the Danish Financial Statements Act

The Board of Directors of BDO has determined a policy for even distribution of women and men in the supreme management body and a policy which sets the framework for increasing the share of the under-represented gender at the other management levels, when required.

Target figures and policies are prepared pursuant to section 139 c of the Danish Companies Act on target figures and policies for the under-represented gender which must be accounted for in the management commentary of the annual report, in accordance with section 99b of the Danish Financial Statements Act.

The objective of the guidelines and BDO's policy for the subject

The objective is to achieve a balanced gender distribution of the Management for the purpose of:

- Realising BDO's objective.
- Ensuring job satisfaction and equal terms for everybody.
- Attracting, developing and strengthening attachment of the best employees.
- Supporting the culture and working climate which BDO strive towards.

We achieve the objective by defining target figures and preparing policies for the gender distribution of Management and thereby promoting and creating increased openness and transparency of

our work with even distribution of women and men in the supreme management body and the other management levels in BDO

BDO's target figures

Target figures of and status on BDO's Board of Directors

The supreme management body of BDO is the Board of Directors which is partly elected among the equity partners of BDO Holding VI Statsautoriseret revisionsaktieselskab and partly by the employees of BDO. Efforts of even distribution of women and men will be made in the future when it comes to the six members appointed by the General Meeting for the Board of Directors. Genders will be distributed evenly with two and four of either gender, corresponding to 33.33% and 66.67%.

The actual number is unchanged from previous financial years and continues to be two women and four men, which corresponds to the target figures set.

Target figures for the other management levels

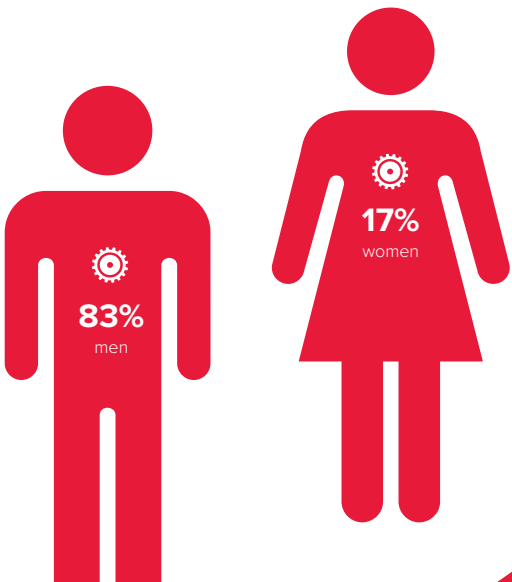
The other management levels of BDO comprise two management levels under the Board of Directors:

- The first level of management is the Executive Management and those organised at the same management level. Pursuant to company law, the Board of Directors has determined that the following roles are organised at the first level of management: Chief Executive Officer, Chairman of the Quality Management Committee, Head of Internal Audit and Chief Compliance Officer.

- The second level of management consists of employees with staff responsibility who refer directly to the Executive Management. Pursuant to company law, the Board of Directors has determined that the following are organised at the second level of management: C-level executives of Business Services and heads of Business Lines.

The total number of persons at the other management levels is 18.

The actual distribution is 17% women and 83% men. The distribution is unchanged from the financial year 2021/2022 when the target figure was defined. Efforts are being made for a distribution of 27.8% women and 72.2% men before the end of 2026, and before the end of 2030 an even distribution.



Policy for increasing the share of the under-represented gender

BDO's policy for achieving the determined target figures includes - but is not limited to - the following general focus areas:

- Employment and recruiting.
- Staff policies for promotions, development and attachment.
- Attendance in relevant fora and networks.

Employment and recruiting

At BDO, we wish that everyone experiences fair advertisement and screening of candidates for internal and external recruiting.

We seek to actively illustrate our endeavours to create equal terms for everyone at BDO by attempting to eliminate unconscious bias, among other things.

We seek to create a recruiting base making it possible to achieve a balanced gender distribution in BDO's governance and other management levels in 2023.

We wish to achieve this by the following examples of initiatives:

- We want to focus on drawing up advisements and posts with gender-neutral language.
- Eliminating bias in the process of recruiting new employees by removing pictures in job applications.
- Active search of women who may potentially join BDO's other management levels.
- Employer branding aimed at women and a balanced life to accommodate family, career, leisure time and health.
- Analysis of where, when and why the women at BDO defect in their career.

Guidelines for promotions, development and association

We want to create equal career and life opportunities for all BDO employees so that everyone at BDO may live out the life they dream of.

We want to create settings and possibilities to support BDO employees' development and attachment to each other and BDO.

We want to initiate - and do have initiated - measures to identify leadership potential of the under-represented gender at BDO.

Our initiated measures include, among other things:

- Further developing policy for promotions in BDO by identifying specific professional and personal managerial qualities to eliminate unconscious bias in the promotion process.
- Reversed mentoring for the purpose of bridging generations and genders internally in BDO. Selected managers in BDO get the opportunity of learning directly from the younger generation about their experiences and needs.
- Train all managers and employees in how we create an environment which promotes inclusion and psychological safety.
- Measure and analyse our inclusiveness and inclusion skills in BDO via our annual employee satisfaction survey. The questions of this year's employee satisfaction survey have specifically contributed to identification of the areas which we can improve.
- Recruitment of female talent and managers - both internally and externally. We work currently on creating an attractive work environment and developing tools to ensure that we can succeed in identifying and retaining our female talents.

Attendance in relevant fora and networks

Since the last financial year we have invested in our internal Diversity Champions network which together with BDO's Executive Management and People & Culture department is the driving force behind the realisation of our subgoals and that we by 2030 achieve a balanced gender distribution amongst those charged with governance and at the other management levels of BDO.

During the financial year 2023/24 we held several meetings and workshops in the network which among other things have prepared the ground for an internal analysis in the coming financial year with the purpose of identifying our challenges, and based on these change structures or implement specific initiatives to accommodate the challenges through management training, for instance.

We wish to strengthen our cooperation with our Nordic BDO neighbours to promote together diversity and inclusion in the Scandinavian countries.

We wish to work together with other relevant educational institutions, companies and external players to ensure that we have the right knowledge and resources to achieve a balanced gender distribution amongst those charged with governance and at other management levels of BDO.

To achieve this we will include external specialist knowledge to increase our competences within diversity, inclusion and unconscious bias.

Report on data ethics

In accordance with section 99d of the Danish Financial Statements Act

The Board of Directors determines in BDO's policy for data ethics the framework for the data-ethical behaviour which is to ensure professionally correct, responsible and secure processing of data in Business Lines and Business Services so that BDO through openness and transparency may appear with the integrity and credibility expected of BDO by clients, employees, authorities and other stakeholders.

The policy for data ethics is a supplement to BDO's policies for information security which determines the general requirements for confidentiality, integrity and accessibility in the processing of data, including personal data, based on relevant information security standards. The policy for data ethics also supplements BDO's privacy policies, cookie policies and policies for CSR and sustainability.

Scope

The policy for data ethics comprises BDO's data-ethical principles and values as well as the ethical choices made for BDO's processing and application of data based on applied technologies compared with societal values and norms and with a focus on supporting BDO's mission and vision, basic values and business model.

The policy covers all types of data which are processed in relation to clients, employees, suppliers, cooperative partners and

other stakeholders as well as those data which BDO creates itself when using technological solutions or collects, including data from external sources.

The policy includes any form of processing and application of data and supplements the GDPR principles on lawfulness, reasonableness and transparency in the processing of personal data, the provisions of the Danish Auditors' Act and the Danish Criminal Code on professional secrecy, the provisions of the Danish Anti-Money Laundering Act on know-your-client (KYC) procedures and other relevant legislation.

The policy applies to all Business Lines and Business Services and applies to all partners and managers and their employees at BDO.

Data ethics strategy

The development in society and the increasing digitalisation are expected to lead to increased use of new technologies and automatisation in the development and improvement of BDO's products and services and in how BDO addresses its market. The same applies to BDO's current work on optimising and enhancing the efficiency of its processes and procedures.

Use of new technologies, such as artificial intelligence, machine learning or training of algorithms requires descriptions of how and for what purposes those are applied as well as it requires inclusion of data-ethical principles and values and thereby conduct

data-ethical assessments in any future project of processing and application of data.

In this connection, BDO is aware that the use of new technologies may not entail discrimination, bias or presumptions of patterns of behavioural data, without the right of self-determination is respected. Furthermore, BDO is aware that the new technologies for processing and application of data must be easy accessible and understandable.

Concurrently with the digital development, new tools and methodologies will currently be developed where new data-ethical issues are to be clarified. The Information Security Committee must currently take a position on issues which have not been clarified in the policy for data ethics, and if necessary, update the policy in accordance with the guidelines for follow-up on the policy.

Data-ethical principles and values

The data-ethical principles and values are defined based on the ethical dimension of the aspect of BDO's application of data and use of technologies for processing of data on one side and on the other side peoples' fundamental rights of privacy and data protection, law and order and the fundamental societal values which BDO acknowledges and respects.

BDO has implemented the below fundamental data-ethical principles and values which are part of the work of ensuring safe data-ethical processing and application of data.

Welfare and dignity

BDO prioritises people before commercial interests, and the processing and application of data may not harm the individual person and must take place with respect for and in consideration of social matters, society and democracy.

Privacy and freedom

BDO respects the privacy and fundamental rights of freedom of a democracy. The processing and application of data must be limited to necessary data from approved sources. Data may not be stored longer than strictly necessary, and sharing data must be limited as much as possible.

Law and order

BDO respects the law and order of society, and processing and application of data must take place in accordance with legislation applicable at any time.

Autonomy

BDO supports its employees in making well-informed and independent choices and as far as possible lets each individual control own data in the processing and application, including control which data are collected and what data are used for and in which contexts.

Equality

In its processing and application of data, BDO ensures equality by not discriminating on ethnicity, religion, gender, sexuality, political beliefs or other private information and by ensuring diversity in development and application of new technologies.

Transparency

BDO provides insight into own data and informs clearly and comprehensibly about the processing and application of data, including its objective, security and limitations.

Security

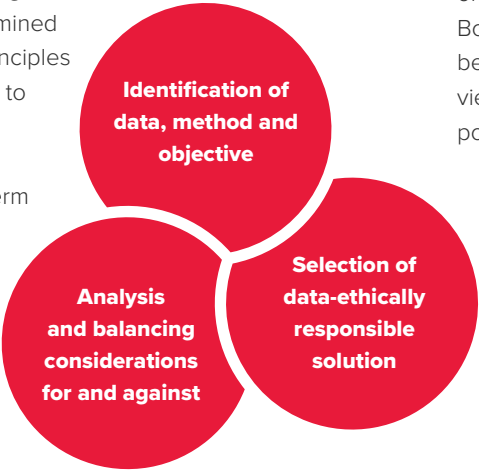
BDO ensures that the processing and application of data are sufficiently secure, robust and reliable, that monitoring and supervision and control are efficient, and that potential errors and ethical consequences may be identified, evaluated, documented and minimised.

Responsibility

BDO is responsible for each processing and application of data and development of new technologies for this, and BDO will take measures to avoid misuse of data or other unintended actions.

Processing and application of data

Secure data-ethical processing and application of data are determined based on the data-ethical principles and values, where BDO aims to find a reasonable balance between advantages and consequences in the short term and the long term, within the legislative framework. This work comprises:



Processing and application of data are divided in the following data types and processing categories:

- Production data: Data of advisory and audit engagement and Business Services & Outsourcing.
- Client master data: Data in the form of clients’ company details and personal data.
- Marketing data: Data from website, communication systems and social media.
- Employee data: Data on employees and applicants.
- Other data: Data on suppliers and cooperative partners.

Follow-up on the policy

Monitoring and control are currently conducted of whether the policy is complied with, just as training and awareness campaigns on data ethics are organised.

The policy is also reviewed, evaluated and assessed at least once a year and in connection with application of new technology or new methods for the processing and application of data by the Board of Directors of BDO. BDO’s Risk & Compliance department bears the operational responsibility for monitoring, control, review, evaluation and assessment of the focus areas and the focus points of BDO’s policy for data ethics.

Transparency Report

In accordance with EU regulation 537/2024 on specific requirements for statutory audit of public-interest entities (PIEs) we must publish a range of information to ensure transparency in relation to our activities.

We do that through our transparency report which will be made available on BDO's website once it is ready.

The transparency report provides an insight into BDO's legal structure and ownership, organisational and management structure, and our international organisation "BDO International Limited" is described, just as the basis for our equity partners' remuneration is accounted for.

The report describes our system for engagement quality reviews, policies for independence and post-qualifying training, the most recent external quality assurance reviews, and Management's statement on the Transparency Report are also included. Financial information is reviewed, and BDO's public-interest entity (PIE) clients are listed in accordance with applicable requirements.

Financial highlights

	2023/24 DKK million	2022/23 DKK million	2021/22 DKK million	2020/21 DKK million	2019/20 DKK million
Income statement					
Revenue	1,623	1,408	1,273	1,180	1,099
Financial income and expenses, net	-10	-2	2	-1	0
Profit from operating activities	105	96	86	66	69
Pre-tax profit	95	94	88	65	69
Net profit for the year	72	72	68	50	53
Balance sheet					
Balance sheet total	733	649	606	680	649
Equity	146	143	146	119	118
Cash flows					
Cash flows from operating activities	26	107	36	228	72
Cash flows from investing activities	-171	-36	-20	-20	-23
Cash flows from financing activities	76	-76	-45	-57	-3
Investments in tangible assets	32.0	15.6	9.2	7.2	2.5
Financial ratios					
Solvency ratio (Equity in % of assets, end-of-year)	19.9	22.0	24.1	17.5	18.2
Number of employees in total, end-of-year	1,813	1,564	1,450	1,322	1,261
Average number of full-time employees	1,610	1,379	1,244	1,167	1,163
Revenue per average number of full-time employees	1.008	1.021	1.023	1.011	0.945
Revenue index	148	128	116	107	100

The ratios and figures shown in the statement of financial highlights and

Solvency ratio:
Equity x 100

Total assets, end-of-year

In all material respects, the financial ratios follow the recommendations of CFA Society Denmark.

BDO in numbers

Company details

The Company

BDO Statsautoriseret revisionsaktieselskab

Vestre Ringgade 28, 8000 Aarhus C

Telephone: +45 89 30 78 00

Website: www.bdo.dk

E-mail: bdo@bdo.dk

CVR no.: +45 20 22 26 70

Established: 15 August 1997

Domicile: Aarhus

Financial year: 1 October - 30 September

Board of Directors

Ole Christian Kastberg Nielsen, Chairman

John Bøgehus Pedersen, Deputy Chairman

Jeanette Staal

John Richardt Damkier

Dorte Larsen

Sussie Dresler Clausen, Employee Representative

Lasse Jensen, Employee Representative

Pernille Hallen Lynggaard, Employee Representative

Executive Board

Frank Lau

Auditor

Martinsen Statsautoriseret

Revisionspartnerselskab

Dandyvej 3B

7100 Vejle

General Meeting

The annual general meeting is held on 12 December 2024.

Management's Statement

Today the Board of Directors and Executive Management have discussed and approved the annual report of BDO Statsautoriseret revisionsaktieselskab for the financial year 1 October 2023 - 30 September 2024.

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

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2024 and the results of the Company's operations and cash flows for the financial year 1 October 2023 - 30 September 2024.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

The Annual Report is submitted for adoption by the Annual General Meeting.

Aarhus, 27 November 2024

Direktion:



Frank Lau,
Chief Executive Officer

Bestyrelse:



Ole Christian Kastberg
Nielsen, Chairman



John Bøgehus Pedersen,
Deputy Chairman



Jeanette Staal



John Richardt Damkier



Dorte Larsen



Sussie Dresler Clausen,
Employee Representative



Lasse Jensen,
Employee Representative



Pernille Hallen Lynggaard,
Employee Representative

Independent Auditor's Report

To the Shareholders of BDO Statsautoriseret revisionsaktieselskab

Opinion

I have audited the Financial Statements of BDO Statsautoriseret revisionsaktieselskab for the financial year 1 October 2023 - 30 September 2024 which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies. The Financial Statements are prepared under the Danish Financial Statements Act.

In my opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 30 September 2024 and the results of the Company's operations and cash flows for the financial year 1 October 2023 - 30 September 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

I have performed my audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. My responsibilities under these standards and requirements are described in detail in the paragraph "Auditor's Responsibilities for the Audit of the Financial Statements" of this report. I am independent of the Company in accordance with the International Code of Ethics for Professional Accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, just like I have fulfilled my additional ethical obligations according to these rules and requirements.

I believe that the audit evidence obtained is sufficient and suitable to form the basis of my opinion.

Management's Responsibilities for the Financial Statements

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

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

My objective is to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to error or fraud, and to issue an auditor's report including my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit performed in accordance with international standards on auditing and additional requirements applicable in Denmark, will always detect material misstatements, should such have occurred.

Misstatements can arise from fraud or error and are considered material if, individual or in the aggregate, they could reasonably be expected to influence the economic decisions of the financial statement users taken on the basis of these Financial Statements.

As part of an audit performed in accordance with international standards on auditing and the additional requirements applicable in Denmark, I exercise professional judgment and maintain professional skepticism during the audit. I also:

- Identify and assess the risk of material misstatements in the Financial Statements, whether due to fraud or errors, design and perform audit procedures responsive to these risks, and obtain audit evidence which is sufficient and appropriate to form basis for my opinion. The risk of not detecting material misstatements caused by fraud is higher than of material misstatements caused by errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures which are appropriate according to circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We consider whether the accounting policies applied by Management are appropriate and the reasonableness of the accounting estimates and relating 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 and matters which may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or matters 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 in the notes and whether the Financial Statements represent the underlying transactions and events in such a manner that gives a true and fair view.

I communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control, which we may identify during the audit.

Statement on the Management Commentary

Management is responsible for the Management Commentary. My opinion on the Financial Statements does not cover the

Management Commentary, and I do not express any form of assurance conclusion thereon. In connection with my audit of the Financial Statements, my responsibility is to read the Management Commentary and, in doing so, consider whether the Management Commentary is materially inconsistent with the Financial Statements or my knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is my responsibility to consider whether the Management Commentary provides the information required under the Danish Financial Statements Act. Based on the work performed, I conclude that the Management Commentary is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act.

I did not identify any material misstatement in the Management Commentary.

Vejle, 27 November 2024

Martinsen Statsautoriseret Revisionspartnerselskab,

CVR no. 32 28 52 01

Michael Rechnagel
State-Authorised Public Accountant
MNE no. mne34140

Income Statement

1 October - 30 September

	2023/24 DKK ('000)	2022/23 DKK ('000)	Note
Revenue	1,623,047	1,407,698	1
Other operating income	22,299	16,389	
Other external charges	-334,893	-278,958	2
Staff costs	-1,165,881	-1,020,385	3
Depreciation, amortisation and impairment losses	-39,637	-29,143	
Profit from operating activities	104,935	95,601	
Financial income	5,415	4,479	4
Financial expenses	-15,059	-6,316	5
Pre-tax profit	95,291	93,764	
Tax on profit for the year	-22,923	-21,399	6
Net profit for the year	72,368	72,365	7

Balance Sheet

30 September

	2024 DKK ('000)	2023 DKK ('000)	NOTE
Assets			
Goodwill	241,662	124,081	
IT programs	6,640	9,952	
Intangible assets	247,302	133,133	8
Leasehold improvements	10,377	3,479	
Other fixtures, fittings, tools and equipment	9,693	20,710	
Tangible assets	12,070	24,189	
Leasehold deposits	219		
Investment in group enterprises			
Finansielle anlægsaktiver	22,015	22,370	10
Non-current assets	311,387	179,692	
Fees receivable	250,762	222,672	
Contract work in progress	148,011	158,205	11
Other receivables	325	1,503	
Prepayments and accrued income	1,000	17,199	12
Receivables	421,519	399,579	
Cash and cash equivalents	474	562	
Current assets	421,993	469,337	
Assets	733,380	649,029	

Balance Sheet

30 September

Equity and liabilities	2024 DKK ('000)	2023 DKK ('000)	Note
Share capital	4,950	4,950	13
Retained earnings	70,764	68,396	
Proposed dividend for the financial year	70,000	70,000	
Equity	145,714	143,346	
Provision for deferred tax	33,656	32,674	14
Provisions for liabilities	33,656	32,674	
Debt to banks	109,994	0	
Debt instruments	158	473	
Other payables	63,948	62,614	
Non-current liabilities	174,100	63,087	15
Debt to banks	35,433	94	
Accounts payable	30,880	35,134	
Amounts owed to group enterprises	0	1,500	

Equity and liabilities	2024 DKK ('000)	2023 DKK ('000)	Note
Contract work in progress	44,328	43,724	11
Income tax	22,104	17,625	
Other payables	247,165	311,845	
Current liabilities	379,910	409,922	
Liabilities	554,010	473,009	
Equity and liabilities	733,380	649,029	
Contingencies, etc.			16
Charges and securities			17
Significant events occurred after the end of the financial year			18
Related parties			19
Consolidated Financial Statements			20

Statement of Changes in Equity

	Share capital DKK ('000)	Proposed dividend DKK ('000)	Retained earnings DKK ('000)	In total DKK ('000)
Equity 1 October 2023	4,950	70,000	68,396	143,346
Proposed distribution of net profit for the year	0	70,000	2,368	72,368
Dividend paid in the year	0	-70,000	0	-70,000
Equity 30 September 2024	4,950	70,000	70,764	145,714

Cash Flow Statement

	2023/24 DKK ('000)	2022/23 DKK ('000)
Net profit for the year	72,368	72,365
Amortisations for the year reversed	39,637	29,143
Tax on profit for the year	22,923	21,399
Income tax paid	-17,462	-25,870
Changes to receivables	-22,144	-40,754
Changes to current liabilities	-69,339	50,903
Cash flows from operating activities	25,983	107,186
Purchase of intangible assets	-140,774	-15,236
Sale of intangible assets	491	613
Purchase of tangible assets	-31,977	-15,565
Sale of tangible assets	573	0
Purchase of financial non-current assets	-3,341	-6,278
Sale of financial non-current assets	3,696	0
Cash flows from investing activities	-171,332	-36,466

	2023/24 DKK ('000)	2022/23 DKK ('000)
Loan repayment	-12,514	-1,254
Proceeds from non-current borrowing	140,000	-704
Change in bank balance	17,528	0
Other payables	847	1,440
Dividend paid in the financial year	-70,000	-75,000
Cash flows from financing activities	75,861	-75,518
Change in cash and cash equivalents	-69,488	-4,798
Cash and cash equivalents 1 October	69,962	74,760
Cash and cash equivalents 30 September	474	69,962

Notes

	2023/24 DKK ('000)	2022/23 DKK ('000)	Note
Revenue			1
Revenue divided in categories:			
Private segment	1,355,882	1,145,169	
Public segment	267,165	262,529	
	1,623,047	1,407,698	
Remuneration for statutory auditor			2
Fee for statutory audit	239	302	
Assurance engagements	11	25	
	250	327	
Staff costs			3
Average number of full-time employees	1,610	1,379	
Wages and salaries	1,014,171	893,374	
Pensions	147,031	122,799	
Other social security costs	4,679	4,212	
	1,165,881	1,020,385	

Remuneration for the Executive Management is not disclosed, as it consists of only the Chief Executive Officer. Remuneration has not been paid to the Board of Directors.

	2023/24 DKK ('000)	2022/23 DKK ('000)	Note
Financial income			4
Other interest income	5,415	4,479	
	5,415	4,479	
Financial expenses			5
Interest expenses to group enterprises	1,500	1,500	
Other interest expenses	13,559	4,816	
	15,059	6,316	
Tax on profit for the year			6
Computed tax on the taxable profit for the year	21,519	17,360	
Regulation of deferred tax, current year	982	4,039	
Regulation of of tax related to previous years	422	0	
	22,923	21,399	
Proposed distribution of profit			7
Proposed dividend for the financial year	70,000	70,000	
Retained earnings	2,368	2,365	
In total	72,368	72,365	

Notes

	Goodwill DKK ('000)	IT programs DKK ('000)	Note
Intangible assets			8
Cost 1 October 2023	480,165	40,231	
Correction, beginning-of-year	333	0	
Addition	138,647	2,127	
Disposals	-491	-738	
Cost 30 September 2024	618,654	41,620	
Depreciation, amortisation and impairment losses 1 October 2023	356,084	31,179	
Correction, beginning-of-year	333	0	
Amortisations for the year	20,686	5,207	
Reversal of amortisations of assets disposed	-111	-406	
Depreciation, amortisation and impairment losses 30 September 2024	376,992	35,980	
Carrying amount 30 September 2024	241,662	5,640	
	Leasehold im- provements DKK ('000)	Other fixtures, fittings, tools and equipment DKK ('000)	Note
Tangible assets			9
Cost 1 October 2023	24,669	61,930	
Addition	8,962	23,537	
Disposals	-1,423	-4,323	
Cost 30 September 2024	32,208	81,144	

	Leasehold improvements DKK ('000)	Other fixtures, fittings, tools and equipment DKK ('000)	Note
Tangible assets (continued)			9
Depreciation, amortisation and impairment losses 1 October 2023	21,190	41,220	
Amortisations for the year	1,516	11,884	
Reversal of amortisations of assets disposed	-875	-3,653	
Depreciation, amortisation and impairment losses 30 September 2024	21,831	49,451	
Carrying amount 30 September 2024	10,377	31,693	
	Investments in group enterprises DKK ('000)	Leasehold deposit DKK ('000)	
Financial non-current assets			10
Cost 1 October 2023	0	22,370	
Addition	41	3,300	
Disposals	0	-3,696	
Cost 30 September 2024	41	21,974	
Carrying amount 30 September 2024	41	21,974	
Investments in group enterprises			
Company	Equity DKK ('000)	Net profit for the year DKK ('000)	Share of equity
Selskabet af 26. september 2024 ApS, Aarhus	41	0	41

Notes

	2024 DKK ('000)	2023 DKK ('000)	Note
Contract work in progress			11
Total production on work in progress	310,514	272,335	
Invoiced on account	-206,831	-157,858	
Work in progress, net	103,683	114,477	
Recognised as:			
Work in progress (asset)	148,011	158,201	
Work in progress (liability)	-44,328	-43,724	
	103,683	114,477	
Prepayments and accrued income, assets			12
The item Prepayments and accrued income comprises prepaid expenses, primarily insurances, subscriptions and membership fees relating to the following financial year.			
Share capital			13
The share capital is divided like this:			
Shares, 49 units at a nominal value of DKK 100,000 each	4,900	4,900	
Shares, 1 units at a nominal value of DKK 50,000 each	50	50	
	4,950	4,950	

	2024 DKK ('000)	2023 DKK ('000)	Note
Provision for deferred tax			14
Provision for deferred tax comprises deferred tax on accelerated depreciations for tax purposes and concerns work in progress, receivables, intangible and tangible assets.			
Deferred tax 1 October 2023	32,674	28,635	
Deferred tax for the year in the income statement	982	4,039	
Deferred tax 30 September 2024	33,656	32,674	

Long-term liabilities other than provisions	30 September 2024 total debt DKK ('000)	Repayment next year DKK ('000)	Outstanding debt after 5 years DKK ('000)	1 October 2023 total debt DKK ('000)	Short-term part, begin- ning of year DKK ('000)	Note
						15
Debt instruments	473	315	0	885	412	
Debt to banks	127,898	17,905	27,617	0	0	
Other payables	65,222	1,274	57,381	64,375	1,761	
	193,593	19,494	84,998	65,260	2,173	

Notes

	Note
Contingencies, etc.	16
Contingent liabilities	
Lease agreements have been entered for leasing of office premises. The leases are non-cancellable for periods between 3 months to 126 months. With the current rent the annual liability constitutes DKK 51.4m The total liability constitutes DKK 194.5m at 30 September 2024.	
Operating lease agreements have been entered with an annual rent of DKK 5.7m.	
In addition, the Company is party to individual actions for damages and disputes. The expected financial risks of these have been provided for.	
Joint liabilities	
The Company and the Parent Company are jointly and severable liable for tax on the Group's jointly taxed income and any possible dividend taxes, such as dividend tax.	
Tax due on the Group's jointly taxed income constitutes DKK 11.2m at 30 September 2024.	
Charges and securities	17
Company charge of DKK 200m has been provided to bank in the form of operating equipment and inventory, work in progress, fees receivable and goodwill. The carrying amount constitutes DKK 672.1m	

	Note
Significant events occurred after the end of the financial year	18
No events have occurred after the end of the financial year of material importance for the Company's financial position.	
Related parties	19
BDO Statsautoriseret revisionsaktieselskab's related parties with controlling influence comprise the Company's parent company BDO Holding VI, Statsautoriseret revisionsaktieselskab, Vestre Ringgade 28, 8000 Aarhus C, CVR no. 42 70 90 26 and the Board of Directors and Executive Management of this company.	
The Company did not have transactions with related parties which were not entered on an arm's length basis. In accordance with section 98c (7) of the Danish Financial Statements Act, transactions are solely disclosed when they have not been made on an arm's length basis.	
Consolidated Financial Statements	20
The Company is included in the Consolidated Financial Statements of BDO Holding VI Statsautoriseret Revisionsskieselskab, Vestre Ringgade 28, 8000 Aarhus C, CVR no. 42 70 90 26	

Accounting Policies

The Annual Report of BDO Statsautoriseret revisionsaktieselskab for 2023/24 has been presented in accordance with the rules of the Danish Financial Statements Act on recognition and measurement for companies in reporting class C, large company. The Annual Report is prepared consistently with the same accounting policies as applied last year.

Consolidated Financial Statements

Consolidated financial statements have not been prepared because the Group fulfils the exemption provisions of section 112 of the Danish Financial Statements Act on sub-groups. The Company is included in the Consolidated Financial Statements of BDO Holding VI, Statsautoriseret revisionsaktieselskab, Vestre Ringgade 28, 8000 Aarhus C, CVR no. 42 70 90 26.

The income statement

Revenue

Revenue from the sale of services is recognised concurrently with the performance of the service, whereby the revenue corresponds to the selling price of the performed work. In general, the selling price is recognised based on a measurable stage of completion. If the stage of completion is not measurable or the selling price or total costs of completion are uncertain, the revenue is recognised maximally by the amount which the Company believes to be owed and is expected to be receive for provided services on the balance sheet date.

Other operating income

Other operating income includes items of secondary nature in relation to the Company's principal activities, including profit from sale of intangible and tangible assets as well as salary refunds.

Other external charges

Other external expenses include cost of education, marketing, administration, premises, bad debts, rental expenses under operating leases, etc.

Payments related to operating leases and other lease agreements are recognised in the income statement over the term of the agreement. The Company's total liability concerning operating leases and other lease agreements is disclosed under Contingencies, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other social security costs, etc. for the Company's employees.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of financial leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts which relates to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

The balance sheet

Intangible assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 20 years. The period of amortisation is determined based on industry-specific conditions and reflects Management's assessment of the economic life for goodwill while also considering the expected future net income from the activity to which the goodwill is related.

IT programs are measured at cost less accumulated amortisation. IT programs are amortised on a straight-line basis over the estimated useful life which is estimated to 3 years. Intangible assets are generally written down to the recoverable amount if that amount is lower than the carrying amount.

Profit or loss from sale of intangible assets is calculated as the difference between the selling price less selling costs and the carrying amount at the time of sale. Profit and loss are recognised in the income statement under other operating income or other operating expenses.

Tangible assets

Tangible assets are measured at cost less accumulated depreciation, amortisation and impairment losses. The depreciation base is cost less the estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line amortisation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value as follows:

	Useful life	Residual value
Tools and equipment	2-8 years	0%
Leasehold improvements	5-10 years	0%

Profit or loss from sale of tangible assets is calculated as the difference between the selling price less selling costs and the carrying amount at the time of sale.

Profit or loss are recognised in the income statement under other operating income or other operating expenses.

Lease agreements

Lease agreements relating to tangible assets for which the Company bears all material risks and benefits attached to the ownership (finance leases) are recognised in the balance sheet as assets.

The assets are measured at the initial recognition in the balance sheet at determined cost equal to the fair value or (if lower) the

present value of the future lease payments. The internal interest rate of the lease agreement is used as discount rate or an approximation when calculating the present value. Finance leased assets are amortised similarly to the Company’s other tangible assets.

The capitalised residual lease obligation is recognised in the balance sheet as a liability and the interest element of the lease payment is recognised in the income statement over the term of the agreement.

All other lease agreements are considered to be operating leases. Payments related to operating leases and other lease agreements are recognised in the income statement over the term of the agreement. The Company’s total liability concerning operating leases and other lease agreements is disclosed under Contingencies, etc.

Finansielle anlægsaktiver

Investments in subsidiaries are measured at cost. In cases where the cost exceeds the recoverable amount it is amortised to this lower amount.

Leasehold deposits comprise rent deposits which are recognised and measured at cost.

Impairment of non-current assets

The carrying amount of intangible and tangible assets as well as financial non-current assets, which are not measured at fair value, are assessed on an annual basis for indications of impairment other than what is reflected by amortisation.

If there are indications of impairment, an impairment test is carried out of each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the assets are written down to the lower amount.

The recoverable amount is the highest amount of the net selling price and value in use. The value in use is determined as the present value of the expected net cash flows from the use of asset or the group of the asset and expected net cash flows from sale of the asset or group of asset after the end of its useful life.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by impairment to meet expected losses.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed.

The selling price is measured based on the stage of completion at the balance sheet date and the total expected income on the specific work in progress.

The specific work in progress is recognised in the balance sheet under receivables or liabilities, depending on the net value of the selling price less invoicing and payments on account.

Costs in relation to sales promotion and obtaining contracts are recognised in the income statement as and when they are incurred.

Prepayments and accrued income, assets

Prepayments and accrued income recognised as assets comprise incurred costs, such as rent and insurances relating to the the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as computed tax on the taxable income for the

year adjusted for tax on previous years' taxable incomes and for taxes paid on account.

The Company is subject to joint taxation with Danish consolidated companies. The current income tax is allocated between the joint taxable companies in proportion to their taxable income and with full allocation and refund concerning tax losses. The jointly taxed companies are part of the tax-on-account scheme.

Payable and receivable joint taxation contributions are recognised in the balance sheet as current assets and debt, respectively.

Deferred tax is measured by temporary differences between the carrying amount and tax base of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carry-forward, are measured at the value to which the asset is expected to be realised, either by elimination in tax on future earnings or offsetting against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates which will be applicable by law on the balance sheet date when the deferred tax is expected to crystallise as current tax.

Any changes in deferred tax resulting from changes in tax rates are recognised in the income statement, except items which are recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs incurred. In subsequent periods, the financial liabilities are measured at am-

ortised cost equal to the capitalised value when using the effective interest rate, so that the difference between the proceeds and the nominal value are recognised in the income statement over the term of the loan.

Other liabilities which include trade payables, amounts owed to group companies and other debt are measured at amortised cost which is usually equal to the nominal value.

The capitalised residual lease liability on finance lease agreements is also recognised as financial liabilities.

Prepayments and accrued income, liabilities

Prepayments and accrued income recognised as liabilities include received payments concerning income in the subsequent years.

Foreign currency translation

Transactions in foreign currencies are translated at the exchange rate on the transaction date. Exchange differences arising between the exchange rate on the transaction date and the exchange rate on the payment date are recognised in the income statement as an item under financial income and expenses.

If the currency position is considered a future cash flow hedge, unrealised value adjustments are recognised directly in Equity.

Receivables, payables and other monetary items in foreign currencies which have not been recognised at the balance sheet date are translated at the exchange rate on the balance sheet date.

The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receiv-

ables or payables is recognised in the income statement as an item under financial income and expenses.

Non-current assets acquired in foreign currencies are translated at the exchange rate on the transaction date.

Cash flow statement

The cash flow statement shows the cash flows for the year divided between operating activities, investing activities and financing activities during the year, any change in in cash and cash equivalents for the year and cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are determined as the profit or loss for the year adjusted for non-cash operating items, any change in working capital and paid income tax.

Cash flows from investing activities

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible assets as well as financial non-current assets.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or composition of share capital and related costs and borrowings and repayment of interest-bearing debt and payment of dividend to equity partners.

Cash and cash equivalents

Cash and cash equivalents comprise bank deposits and cash at bank and in hand.

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