

Bain & Company Denmark Holding ApS

Kristen Bernikows Gade 1, 1105 Copenhagen

Company reg. no. 41 05 78 07

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 10 July 2024.

Matthew Hirshfield
Chairman of the meeting

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Notes to users of the English version of this document:

- This document is a translation of a Danish version of the document. In the event of any dispute regarding the interpretation of any part of the document, the Danish version of the document shall prevail.
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Management's statement

Today, the Managing Director has approved the annual report of Bain & Company Denmark Holding ApS for the financial year 1 January - 31 December 2023.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2023, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2023.

Further, in my opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 10 July 2024

Managing Director

Matthew Hirshfield

Independent auditor's report

To the Shareholder of Bain & Company Denmark Holding ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Bain & Company Denmark Holding ApS for the financial year 1 January to 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes for both the Group the Parent Company, as well as consolidated statement of cash flows. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

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

Basis for conclusion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

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

Independent auditor's report

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

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

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

Statement on Management's Review

Management is responsible for Management's Review.

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

Independent auditor's report

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

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

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

Copenhagen, 10 July 2024

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Dennis Nielsen
State Authorised Public Accountant
mne47768

Rune Gottlieb Nielsen
State Authorised Public Accountant
mne49139

Company information

The company

Bain & Company Denmark Holding ApS
Kristen Bernikows Gade 1
1105 Copenhagen

Company reg. no. 41 05 78 07
Established: 1 January 2020
Domicile: Copenhagen
Financial year: 1 January - 31 December

Managing Director

Matthew Hirshfield

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Parent company

Bain & Company Denmark, LLC, USA

Subsidiaries

Bain & Company Denmark Komplementar ApS, Denmark
Bain & Company Denmark P/S, Denmark
Bain Innovation P/S*, Denmark
Qvartz AB*, Sweden
Bain & Company Norway AS*, Norway
=,*Owned by Bain & Company Denmark P/S, Denmark

Consolidated financial highlights

DKK in thousands.	2023	2022	2021	2020
Income statement:				
Revenue	815.537	718.353	836.449	454.324
Gross profit	397.525	411.765	502.808	297.970
Profit from operating activities	-63.667	-136.604	-111.439	-100.072
Net financials	-7.140	-147.242	-5.581	-28.546
Net profit or loss for the year	-70.807	-283.846	-131.818	-115.144
Statement of financial position:				
Balance sheet total	230.104	244.887	682.462	529.729
Investments in property, plant and equipment	3.605	14.255	14.671	0
Equity	-559.312	-514.343	-243.244	-110.977
Cash flows:				
Operating activities	49.688	73.066	254.946	-224.288
Investing activities	-3.549	-14.624	-28.299	-208.051
Financing activities	-32.851	-73.172	-160.867	415.374
Total cash flows	13.288	-14.730	65.780	-16.965
Employees:				
Average number of full-time employees	306	297	295	296
Key figures in %:				
Gross margin ratio	48,7	57,3	60,1	65,6
Profit margin (EBIT-margin)	-7,8	-19,0	-13,3	-22,0
Solvency ratio	-234,2	-202,3	-34,9	-16,0

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

Management's review

Description of key activities of the company

The principal activities of the group are to provide management consulting services as well as any other business incidental thereto.

The principal activities of the parent company is to be parent company of subsidiaries.

Development in activities and financial matters

The revenue for the group for the year totals DKK 815,5m against DKK 718,4m last year. Income or loss from ordinary activities after tax totals DKK -70,8m against DKK -283,8m last year.

The result is in line with expectations.

The group is off for a very strong start in 2024 and expects to have a positive result for the financial year 2024.

Financial resources

The parent company Bain & Company, Inc. has in a support letter of 21 March 2024 given commitment to support the group, so that the group's normal business activities will continue and the capital resources are intact until 1 January 2025.

Know-how resources

Bain & Company's strategy is to hire or promote the best suited employees. For us it is important to offer a challenging and stimulating working environment, in which skills and flexible career paths are part of our main focus.

Research and development activities

The group uses programs and platforms both developed in-house combined with such bought and licensed by established companies.

Expected developments

The group has continued its expansion in the Nordic market and in Denmark, in collaboration with Bain & Company's global organization. The competitive situation remains intense.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have a material impact on the financial position of the group.

Corporate social responsibility report pursuant to section 99 a of the Danish Financial Statements Act

Business model and engagement

The group is a management consulting firm. The group advise leaders on strategy, marketing, organization, operations, IT and M&A across all industries and geographies.

Environmental issues – including climate change

The business performed is not considered to cause pollution or emissions that may be detrimental to environment. The group has a thorough environmental thinking and the group takes part of the green thinking with less prints and extensive recycling plans.

For further information about environmental issues policies refer to <https://www.bain.com/about/further/our-sustainability/>.

Management's review

Social issues and employee issues

The group wants to be the best possible work place for their employees on which, they all have a good and secure working environment and exciting challenges.

The group believes that diversity creates the most creative dynamics and the best preconditions for development and results.

For further information about social issues and employee issues policies refer to <https://www.bain.com/about/further/our-sustainability/>.

Human rights

The group's policy for human rights is to apply with relevant legislation and EU-convections. The group does not allow a behaviour that restricts the employee's freedom of action, just as there is a group policy of securing equal conditions for all employees without regard to ethnic origin, skin colour, gender, nationality, religion or other characteristics. The group acknowledges the employee's right to organize.

For further information about human rights policies refer to <https://www.bain.com/about/further/diversity-equity-inclusion/>.

Fighting corruption and bribery

Guided by True North, the group believe in winning business through expertise, people and integrity. The group promote the same values in suppliers, employees and clients. This includes abiding by all applicable laws in all the countries in which the group operates, gifts and entertainment policies, insider trading policies, supplier code of conduct and whistle blower hotlines.

Target figures and policies for the underrepresented gender

Overview of the status of target figures for the underrepresented gender

	2023	2022
Board of Directors		
Total number of members of board of Directors, excluding employee-elected members	1	1
Underrepresented gender in board of Directors	0 %	0 %
Target figure of underrepresented gender in board of Directors	0 %	0 %
Year of expected fulfillment	2023	2022

The policy of the group is to hire or promote the best suited employees irrespective of gender. The policy of the group in relation to the part of the underrepresented gender is reconsidered frequently with an eye to increase the equality between the gender.

The management of the group consists of 1 man.

At present, there is no women in the management or in the board.

Management's review

Report on the company's policy on data ethics according to section 99 d of the Danish Financial Statements Act

Whilst the group has not as yet created a specific policy for data ethics, at the group, we're guided by our True North – one of our operating principles, our unwavering and shared commitment to always do the right thing by our clients, our people and our communities. The group does invest in data driven technologies, which allow our organization and our clients to improve our ways of working, and in order to ensure the group delivers the best in class and secure services, we have developed and are applying corresponding practices, such as Responsible Research & Development in a form of Bain's Building Tools Hosting Sensitive Information Policy, professional codes, privacy and data handling policies. Our internal processes and procedures have been designed based on ethical principles and frameworks, and are driven by anticipation and assessment of potential implications on individuals and the society at large. As a result the group runs on a genuine commitment to specific actions during the entire lifecycle of technologies deployed to ensure positive impact on our organization and our clients.

Accounting policies

The annual report for Bain & Company Denmark Holding ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (large enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the group and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it seems probable that future economic benefits will flow out of the group and the value of the liability can be reliably measured.

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

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

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

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

The consolidated financial statements

The consolidated income statements comprise the parent company Bain & Company Denmark Holding ApS and those group enterprises of which Bain & Company Denmark Holding ApS directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' fair value of net assets and liabilities at the acquisition date.

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Purchases and sales of minority interests under continuing control are recognised directly in equity as a transaction between shareholders.

Non-controlling interests

Non-controlling interests constitute a share of the group's total equity. By distribution of net profit, profit or loss for the year is distributed on the share attributable to the non-controlling interests and the share attributable to the parent's shareholders respectively.

Acquisitions completed by the 1 July 2018 or later

Accounting policies

At the first recognition, non-controlling interests are measured at fair value. Thus, goodwill relating to the non-controlling interests' share of the acquired company is recognised.

Income statement

Revenue

Revenue is recognised in the income statement according to the production method. According to the production method contract work is recognized in the revenue concurrently with the production process.

Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

Cost of sales included costs for the purchase of consultants discounts.

Other operating income

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

Other external costs

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual entities are recognised in the income statement of the parent as a proportional share of the entities' post-tax profit or loss.

Accounting policies

Statement of financial position

Intangible assets

Goodwill

Acquired goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Acquired goodwill is amortised on a straight-line basis over the amortisation period, which represent 10-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earning profile.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

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

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	2-7 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

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

Accounting policies

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in subsidiaries are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

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

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

Leasehold improvements

Leasehold improvements are measured at cost less accrued depreciations. Depreciation is done on a straightline basis over the estimated useful life of the asset, which is set at 3-7 years.

Investments

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 10-20 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterprises with a strong market position and a long-term earnings profile.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover a negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

Accounting policies

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value. In order to meet expected losses, impairment takes place at the net realisable value.

Contract work in progress

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

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

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

As administration company, Bain & Company Denmark Holding ApS is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Accounting policies

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Statement of cash flows

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

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

Cash flows from operating activities

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

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Accounting policies

Cash flows from financing activities

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand with deduction of short-term bank debts and short-term securities with a maturity less than 3 months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Segmental statement

Information on geographical markets is provided. The segmental statement complies with the consolidated accounting policies, risks, and management control systems of the company.

Income statement 1 January - 31 December

DKK thousand.

Note	Group		Parent	
	2023	2022	2023	2022
3 Revenue	815.537	718.353	0	0
Other operating income	6.295	23.335	1.873	17.523
Costs of raw materials and consumables	-251.007	-155.186	0	0
Other external expenses	-173.300	-174.737	-318	-933
Gross profit	397.525	411.765	1.555	16.590
5 Staff costs	-450.678	-537.562	0	0
Depreciation, amortisation, and impairment	-10.514	-10.807	-1.855	-1.853
Operating profit	-63.667	-136.604	-300	14.737
Income from investments in subsidiaries	0	0	-8.669	-15.372
Other financial income	11.570	6.254	0	17
Impairment of financial assets	0	-151.164	0	0
6 Other financial expenses	-18.710	-2.332	-2.439	-10
Pre-tax net profit or loss	-70.807	-283.846	-11.408	-628
7 Net profit or loss for the year	-70.807	-283.846	-11.408	-628
Break-down of the consolidated profit or loss:				
Shareholders in Bain & Company Denmark Holding ApS	-68.215	-273.457		
Non-controlling interests	-2.592	-10.389		
	-70.807	-283.846		

Balance sheet at 31 December

DKK thousand.

Note	Group		Parent		
	2023	2022	2023	2022	
Assets					
Non-current assets					
8	Goodwill	1.159	1.444	0	0
	Total intangible assets	1.159	1.444	0	0
9	Other fixtures and fittings, tools and equipment	17.406	23.622	5.148	6.303
10	Leasehold improvements	15.402	17.445	3.060	3.759
	Total property, plant, and equipment	32.808	41.067	8.208	10.062
11	Investments in group enterprises	0	0	105	95
	Total investments	0	0	105	95
	Total non-current assets	33.967	42.511	8.313	10.157
Current assets					
	Trade receivables	81.478	87.744	0	0
12	Contract work in progress	1.630	0	0	0
	Receivables from group enterprises	0	0	4.828	0
	Other receivables	7.842	18.784	0	0
13	Prepayments	307	1.564	0	0
	Total receivables	91.257	108.092	4.828	0
	Cash and cash equivalents	104.880	94.284	2.431	261
	Total current assets	196.137	202.376	7.259	261
	Total assets	230.104	244.887	15.572	10.418

Balance sheet at 31 December

DKK thousand.

Note	Group		Parent	
	2023	2022	2023	2022
Equity and liabilities				
Equity				
Contributed capital	103	103	103	103
Retained earnings	-538.944	-495.621	-177.544	-189.929
Equity before non-controlling interest.	-538.841	-495.518	-177.441	-189.826
Non-controlling interests	-20.471	-18.825	0	0
Total equity	-559.312	-514.343	-177.441	-189.826
Liabilities other than provisions				
14 Other payables	46.746	93.498	41.346	82.692
Total long term liabilities other than provisions	46.746	93.498	41.346	82.692
Current portion of long term liabilities	41.346	36.130	41.347	36.130
Prepayments received from customers	8.781	0	0	0
Trade payables	1.754	6.206	0	0
Payables to group enterprises	563.416	470.865	109.890	81.122
Other payables	127.373	152.531	430	300
Total short term liabilities other than provisions	742.670	665.732	151.667	117.552
Total liabilities other than provisions	789.416	759.230	193.013	200.244
Total equity and liabilities	230.104	244.887	15.572	10.418
1 Support letter				
2 Subsequent events				
4 Fees, auditor				
15 Contingencies				
16 Related parties				

Consolidated statement of changes in equity

DKK thousand.

	Contributed capital	Retained earnings	Non-controlling interests	Total
Equity 1 2023	103	-495.621	-18.825	-514.343
Adjustment	0	0	946	946
Profit or loss for the year brought forward	0	-68.215	-2.592	-70.807
Group contribution	0	23.793	0	23.793
Foreign currency adjustments	0	1.099	0	1.099
	103	-538.944	-20.471	-559.312

Statement of changes in equity of the parent

DKK thousand.

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	103	-189.929	-189.826
Profit or loss for the year brought forward	0	-11.408	-11.408
Group contribution	0	23.793	23.793
	103	-177.544	-177.441

Statement of cash flows 1 January - 31 December

DKK thousand.

Note	Group	
	2023	2022
Net profit or loss for the year	-70.807	-283.846
17 Adjustments	20.101	160.659
18 Change in working capital	105.245	194.921
Cash flows from operating activities before net financials	54.539	71.734
Interest received, etc.	2.095	3.569
Interest paid, etc.	-6.946	-2.239
Cash flows from ordinary activities	49.688	73.064
Income tax paid	0	2
Cash flows from operating activities	49.688	73.066
Purchase of property, plant, and equipment	-3.549	-14.624
Cash flows from investment activities	-3.549	-14.624
Repayments of long-term payables	-41.530	-88.773
Group contribution	8.679	15.601
Cash flows from investment activities	-32.851	-73.172
Change in cash and cash equivalents	13.288	-14.730
Cash and cash equivalents at 1 January 2023	96.276	110.530
Foreign currency translation adjustments (cash and cash equivalents)	-5.297	476
Cash and cash equivalents at 31 December 2023	104.267	96.276
Cash and cash equivalents		
Cash and cash equivalents	104.267	96.276
Cash and cash equivalents at 31 December 2023	104.267	96.276

Notes

DKK thousand.

1. Support letter

The parent company Bain & Company, Inc. has in a support letter of 21 March 2024 given commitment to support the group, so that the group's normal business activities will continue and the capital resources are intact until 1 January 2025.

Management expects the positive development to continue and based on this management expects an improved result for the coming year.

2. Subsequent events

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the group.

3. Revenue

Segmental statement

Geographical – primary segment:

	<u>Europe</u>	<u>Other</u>	<u>Total</u>
Group	709.896	105.641	815.537

4. Fees, auditor

	Group	
	<u>2023</u>	<u>2022</u>
Total fee for Grant Thornton, State Authorised Public Accountants	1.715	1.802
Fee concerning compulsory audit	1.024	1.089
Tax consultancy	46	70
Other services	645	643
	<u>1.715</u>	<u>1.802</u>

Notes

DKK thousand.

	Group		Parent	
	2023	2022	2023	2022
5. Staff costs				
Salaries and wages	430.321	520.075	0	0
Pension costs	13.318	13.929	0	0
Other costs for social security	7.039	3.558	0	0
	450.678	537.562	0	0
Average number of employees	306	297	0	0

Remuneration to the executive board of the parent company has not been disclosed in accordance with the section 98 B(3) of the Danish Financial Statement Act.

6. Other financial expenses				
Financial costs, group enterprises	11.134	1.092	2.396	0
Other financial costs	7.576	1.240	43	10
	18.710	2.332	2.439	10

	Parent	
	2023	2022
7. Proposed distribution of net profit		
Allocated from retained earnings	-11.408	-628
Total allocations and transfers	-11.408	-628

Notes

DKK thousand.

	Group			
	31/12 2023	31/12 2022		
8. Goodwill				
Cost 1 January 2023	201.233	201.458		
Translation by use of the exchange rate valid on balance sheet date 31 December 2023	-258	-225		
Cost 31 December 2023	200.975	201.233		
Amortisation and writedown 1 January 2023	-199.789	-47.336		
Translation by use of the exchange rate valid on balance sheet date 31 December 2023	166	135		
Amortisation for the year	-193	-1.425		
Writedown for the year	0	-151.163		
Amortisation and writedown 31 December 2023	-199.816	-199.789		
Carrying amount, 31 December 2023	1.159	1.444		
	Group		Parent	
	31/12 2023	31/12 2022	31/12 2023	31/12 2022
9. Other fixtures and fittings, tools and equipment				
Cost 1 January 2023	41.544	55.080	7.506	7.506
Translation by use of the exchange rate valid on balance sheet date 31 December 2023	-124	-599	0	0
Additions during the year	913	8.167	0	0
Disposals during the year	-3.339	-21.104	0	0
Cost 31 December 2023	38.994	41.544	7.506	7.506
Amortisation and writedown 1 January 2023	-17.922	-32.231	-1.203	-48
Translation by use of the exchange rate valid on balance sheet date 31 December 2023	257	306	0	0
Depreciation for the year	-6.869	-7.069	-1.155	-1.155
Reversal of depreciation, amortisation and writedown, assets disposed of	2.946	21.072	0	0
Amortisation and writedown 31 December 2023	-21.588	-17.922	-2.358	-1.203
Carrying amount, 31 December 2023	17.406	23.622	5.148	6.303

Notes

DKK thousand.

	Group		Parent	
	<u>31/12 2023</u>	<u>31/12 2022</u>	<u>31/12 2023</u>	<u>31/12 2022</u>
10. Leasehold improvements				
Cost 1 January 2023	22.551	19.655	4.488	7.165
Translation by use of the exchange rate valid on balance sheet date 31 December 2023	-1.285	-319	0	0
Additions during the year	2.692	6.087	0	0
Disposals during the year	<u>-3.111</u>	<u>-2.872</u>	<u>0</u>	<u>-2.677</u>
Cost 31 December 2023	<u>20.847</u>	<u>22.551</u>	<u>4.488</u>	<u>4.488</u>
Depreciation and write-down 1 January 2023	-5.106	-5.846	-729	-47
Translation by use of the exchange rate valid on balance sheet date	85	30	0	0
Depreciation for the year	-3.219	-2.162	-699	-682
Depreciation, amortisation and writedown for the year, assets disposed of	<u>2.795</u>	<u>2.872</u>	<u>0</u>	<u>0</u>
Depreciation and write-down 31 December 2023	<u>-5.445</u>	<u>-5.106</u>	<u>-1.428</u>	<u>-729</u>
Carrying amount, 31 December 2023	<u>15.402</u>	<u>17.445</u>	<u>3.060</u>	<u>3.759</u>

Notes

DKK thousand.

	Group		Parent	
	31/12 2023	31/12 2022	31/12 2023	31/12 2022
11. Investments in group enterprises				
Acquisition sum, opening balance 1 January 2023	0	0	203.479	203.479
Cost 31 December 2023	0	0	203.479	203.479
Writedown, opening balance 1 January 2023	0	0	-163.308	-163.322
Results for the year before goodwill amortisation	0	0	10	14
Writedown 31 December 2023	0	0	-163.298	-163.308
Amortisation of goodwill, opening balance 1 January 2023	0	0	-40.076	-40.076
Depreciation on goodwill 31 December 2023	0	0	-40.076	-40.076
Carrying amount, 31 December 2023	0	0	105	95

Group enterprises:

	Domicile	Equity interest
Bain & Company Denmark Komplementar ApS	Denmark	100 %
Bain & Company Denmark P/S	Denmark	96,34 %
Bain Innovation P/S*	Denmark	96,34 %
Qvartz AB*	Sweden	96,34 %
Bain & Company Norway AS*	Norway	96,34 %

=,*Owned by Bain & Company Denmark P/S

	Group	
	31/12 2023	31/12 2022
12. Contract work in progress		
Sales value of the production of the period	1.630	0
Contract work in progress, net	1.630	0

Notes

DKK thousand.

	Group	
	31/12 2023	31/12 2022
13. Prepayments		
Prepayments	307	1.564
	307	1.564

Prepayments consists of prepaid rent, insurances etc., which will be taken to the profit and loss account in subsequent financial year.

14. Other payables

Total other payables	88.093	129.628	82.693	118.822
Share of amount due within 1 year	-41.347	-36.130	-41.347	-36.130
Total other payables	46.746	93.498	41.346	82.692
Share of liabilities due after 5 years	0	0	0	0

15. Contingencies

Contingent assets

The group has an unrecognized tax asset of DKK 62m.

Contingent liabilities

	DKK in thousands
Within 1 year	10.413
Between 1 and 5 years	34.154
After 5 years	7.733
Total contingent liabilities	52.300

Comprising:

Lease of buildings	51.504
Other rental obligations	796

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

Notes

DKK thousand.

15. Contingencies (continued)

Joint taxation (continued)

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

16. Related parties

Controlling interest

Bain & Company Denmark, LLC, Delaware, USA

Majority shareholder

Bain & Company Inc., Massachusetts, USA

Majority shareholder

Transactions

The group has the following related party transactions:

	Group 2023
Revenue	230.435
Raw materials and consumables used	244.266
Other operating income	6.295
Management fee and allocated costs	71.399
Interest income	0
Interest expenses	11.134
Payables	563.416

Notes

DKK thousand.

	Group	
	<u>2023</u>	<u>2022</u>
17. Adjustments		
Depreciation, amortisation, and impairment	10.514	10.807
Impairment of financial assets	0	151.164
Loss from disposal of non-current assets	341	37
Other financial income	-2.105	-3.588
Other financial expenses	11.261	2.239
Other adjustments	90	0
	<u>20.101</u>	<u>160.659</u>
18. Change in working capital		
Change in receivables	16.343	374.254
Change in trade payables and other payables	88.902	-179.333
	<u>105.245</u>	<u>194.921</u>