ACCUNIA A/S

Store Regnegade 5, 1, 1110 Copenhagen K

Business Registration Number 31 07 17 04

ANNUAL REPORT

1 JANUARY – 31 DECEMBER 2023

The Annual General Meeting adopted the annual report on / 2024

Chairman of the General Meeting

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Company details

Company

Accunia A/S

Store Regnegade 5, 1.

1110 Copenhagen K

Business Registration No: 31 07 17 04

Registered in: City of Copenhagen, Denmark

Phone: +45 33 32 70 70

Internet: www.accunia.com

E-mail: info@accunia.com

Board of Directors

Peter Aandahl (Chairman)

Jørgen Clausen

Carsten Krogh Gomard

Allan Gross-Nielsen

Executive Board

Henrik Nordby Christensen (Chief Executive Officer)

Company auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Statement by Management on annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Accunia A/S for the financial year 01.01.2023 to 31.12.2023.

The annual report is presented in accordance with the Danish Financial Business Act and Danish Investment Firms Act ("lov om fondsmæglerselskaber og investeringsservice og -aktiviteter").

In our opinion, the financial statements provide a true and fair view of the Investment Company's financial position at 31.12.2023 and of its financial performance for the financial year 01.01.2023 to 31.12.2023.

In our opinion, the management commentary contains a fair review of developments in the Investment Company's operations and financial matters, as well as a description of material risks and uncertainties by which the Investment Company may be influenced.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 8 April 2024

Executive Board

Henrik Nordby Christensen
Chief Executive Officer

Board of Directors

Peter Aandahl (Chairman)	Jørgen Clausen	Carsten Krogh Gomard
Allan Gross-Nielsen		

Independent auditor's report

To the shareholder of Accunia A/S

Opinion
We have audited the financial statements of Accunia A/S for the financial year 01.01.2023 to 31.12.2023, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, and notes, including the summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Business Act and the Danish Investment Firms Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31.12.2023 and of its financial performance for the financial year 01.01.2023 to 31.12.2023 in accordance with the Danish Financial Business Act and the Danish Investment Firms Act.

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

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

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

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

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

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

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

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

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

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

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

Statement on the management commentary
Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Business Act and the Danish Investment Firms Act.

Based on the work we have performed, we 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 Business Act and the Danish Investment Firms Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 8 April 2024

Deloitte
Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56

Jens Ringbæk	Rasmus Grynderup Kiær Steffensen
State-Authorised Public Accountant	State-Authorised Public Accountant
MNE-no. 27735	MNE-no. 44143

Management commentary

Primary activities
Accunia A/S is parent company of Accunia Fondsmæglerselskab A/S and ACM Fovaltning A/S.

The Group's focus is to provide asset management and investment services to high-net-worth individuals, companies, professional institutional investors, and mutual funds as well. ACM Forvaltning A/S serves as manager of the alternative investment funds (AIF) Kapitalforeningen Accunia Invest, AIF-Værdipapirfonden Accunia Invest I, and AIF-Værdipapirfonden Accunia Invest II. Accunia Fondsmæglerselskab A/S serves as collateral manager for Accunia European CLO I BV, Accunia European CLO II BV, Accunia European CLO III DAC and Accunia European CLO IV DAC.

Accunia Group specialises in managing structured credit portfolios. We adhere to an investment policy that emphasises substantial cash flows, combined with a high certainty of repayment at par. The firm possesses substantial expertise in complex debt instruments, including collateralized loan obligations (CLOs), asset-backed securities (ABS), credit-linked notes (CLN), and regulatory capital.

Management
The Board of Directors has four members. All four members are also members of the Board of Directors of the subsidiary Accunia Fondsmæglerselskab A/S and ACM Forvaltning A/S, which has two additional members. The Executive Board consists of Henrik Nordby Christensen, who is also the Executive Officer with Accunia Fondsmæglerselskab A/S and ACM Forvaltning A/S. The managerial posts held by the members of the Executive Board and the Board of Directors are listed in the section "Management duties".

Uncertainty relating to recognition and measurement
Please refer to note 2 to the financial statements for a description of accounting estimates. No recognition or measurement uncertainties are deemed to exist in relation to the presentation of the financial statements.

Development in activities and finances
Accunia Group's result after tax of was T.DKK 38,456 in 2023, compared to T.DKK 8,170 in 2022. The result for 2023 is satisfactory.

2023 showed good returns, and the year has resulted in a historical inflow of new assets under management from clients. Furthermore, Accunia launched three new funds: Stable Income 2028, Stable Income 2029, and High Dividend 2029. Accunia has now achieved a broad fund platform with 11 specialized credit funds which will be the basis for the growth in the coming years.

The number of full-time employees in the Group is 32 representing five nationalities.

Sale and repurchase of own shares are described in note 20.

Events after the balance sheet date
There have been no events that materially affect the assessment of this Annual Report 2023 after the balance sheet date and up to today's date.

Unusual circumstances
No unusual circumstances have occurred in the Parent Company or the Group during the year affecting recognition or measurement.

Expectations and other comments on the future
Accunia expects increasing AuM in Kapitalforeningen Accunia Invest and the mutual funds Accunia Invest I and II.

Knowledge resources
Accunia has many employees holding specialist competencies in investment areas particularly, and continuous efforts are made to attract and retain staff with much experience and many professional skills. This is key to the Company's ability to continue to perform well and maintain its business foundation.

Once a year the Board of Directors evaluates the Investment Company's remuneration policy, and because of the Investment Company's size, it has decided not to appoint a remuneration committee. The remuneration policy is evident from the website www.accunia.com.

Specific risks
The primary risks are estimated to be related to the significance of financial market conditions to the Investment Company's risk retention portfolio and returns for customers. Please refer to note 4 for further details on identified risks.

ESG Approach
Accunia takes a stance when it comes to responsible investing. This is done through clear goals and easily understood restrictions in place covering all investment decisions. Specifically, Accunia has restrictions in place for companies generating income from:

- Thermal coal mining or the generation of electricity using coal
- The production of or trade in controversial weapons
- The production of or trade in tobacco

Accunia's article 8-investment funds report separately on ESG-related criteria in the annual report, as mandated by SFDR (Sustainable Finance Disclosure Regulation (EU) 2019/2088).

Accunia became a signatory of the United Nations Principles of Responsible Investing (UNPRI) in 2018. Being responsible both environmentally and socially, practicing good corporate governance, and respecting human rights are all vital. More information on our ESG approach can be found on our website at accunia.com/esg. We continue to update our ESG approach to ensure that it is complying with applicable regulations and remains relevant for our stakeholders.

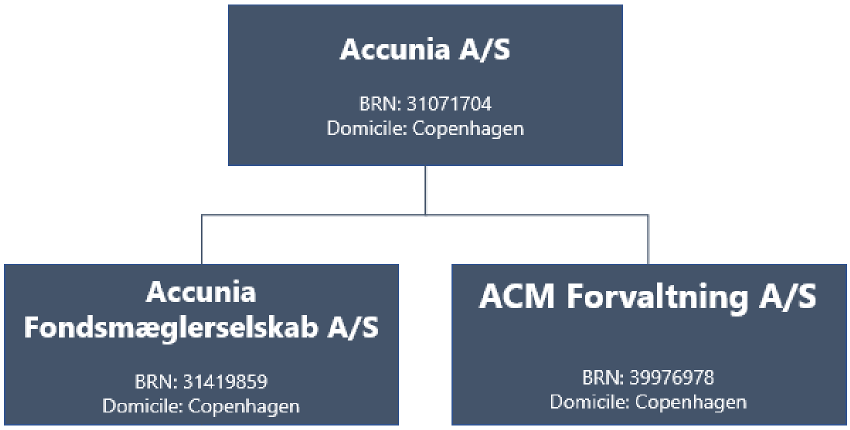
Accunia-BISTAD partnership – A social twist on biodiversity
Accunia entered a partnership with BISTAD in 2023 which continues in 2024. BISTAD is a social-economic enterprise that produces local honey and other beeswax products in eastern Jutland. The aim of BISTAD is to improve conditions for bees as well as for the community by engaging vulnerable citizens. Accunia's support is physically manifested by an Accunia beehive at BISTAD's premises.

Underrepresented gender
The Board of Directors and the Executive Board want a composition based on diversity in competencies and backgrounds and strive for diversity in relation to, among other things, differences in professionalism, professional experience, ethnicity, gender, and age. The Board of Directors and the Executive Board have decided on the setting of target figures for the share of the underrepresented gender; to strive for the Board of Directors to have at least one representative of the underrepresented gender.

For 2023 and the last four financial years, the number of representatives of the underrepresented gender on the Board of Directors and the Executive Board was zero.

Group structure

On 31 December 2023, Accunia's ownership structure is as follows:



Refer also to www.accunia.com.

The Board's proposed dividends

The Company proposes to pay 29,816 t.DKK in dividend for the financial year 01.01.2023 to 31.12.2023.

Management duties

Executive Board management duties

Henrik Nordby Christensen

Member of the Board:
Core Bolig VI Investoraktieselskab Nr. 1
Core Bolig VI Kommanditaktieselskab
Ejendomsselskabet Ryesgade Kommanditaktieselskab

Executive in:
Accunia A/S
Accunia Fondsmæglerselskab A/S
ACM Forvaltning A/S

Management duties – Board of Directors

Peter Aandahl

Chairman of the Board:
Accunia A/S
Accunia Fondsmæglerselskab A/S
ACM Forvaltning A/S

Member of the Board:
Aandahl A/S
United Cargo Handling ApS
Letinvest ApS
Hansen Specialized Transportation ApS
17. December P/S

Executive in:
Aandahl A/S
United Cargo Handling ApS
Kamhusene ApS
Hansen Specialized Transportation ApS
PMHN AA ApS
Selecta Ejendomme ApS
PAA 001 ApS
Komplementarselskabet 17. december ApS

Jørgen Clausen

Chairman of the Board:
Buresø Invest ApS

Member of the Board:
Accunia A/S
Accunia Fondsmæglerselskab A/S
ACM Forvaltning A/S

Executive in:
Buresø Invest ApS

Management duties (continued)

Carsten Krogh Gomard

Chairman of the Board:
Selma Diagnostics ApS
IT-Universitetet

Member of the Board:
Accunia A/S
Accunia Fondsmæglerselskab A/S
ACM Forvaltning A/S
ApS Komplementarselskabet Hillerød III
Brown Guy ApS
K/S Hillerød III
HØIBERG P/S
HØIBERG International ApS
Høiberg Komplementar ApS
EET Group Holdings ApS
OmegaPoint AB
Grosserer Emil Hjort og Hustru Therese Hjort, født Seidelins Legat

Executive in:
Carsten Gomard Holding ApS

Allan Gross-Nielsen

Chairman of the Board:
AS3 BtB A/S
MCE Holding A/S
MC Emballage A/S
MCE Ejendom A/S
Dansk Erhvervspsykologi A/S
GL21 I A/S
AS3 Norge
AS3 Finland

Member of the Board:
Accunia A/S
Accunia Fondsmæglerselskab A/S
ACM Forvaltning A/S
AS3 A/S
Ejendomsselskabet AAS A/S
Kysing ApS
AS3 Sverige

Executive in:
AS3 A/S
Ejendomsselskabet AAS A/S
Gross-Nielsen Holding A/S
Kysing ApS
Juni Invest 2022 ApS

Income statement and statement of comprehensive income for 2023

Parent Company				Group	
2022	2023			2023	2022
DKK'000	DKK'000	**Income statement**	Note	DKK'000	DKK'000
7	58	Financial income	7	19,746	14,427
(561)	(71)	Financial expenses	8	(5,471)	(3,508)
(554)	**(13)**	**Net financial income**		**14,275**	**10,919**
0	0	Fee and commission income		98,418	79,133
(28)	(30)	Fee and commission expenses		(502)	(500)
(582)	**(43)**	**Net financial income, fee, and commission income**	**6**	**112,191**	**89,552**
(3)	(8)	Market value adjustments	9	2,544	(15,399)
(864)	(786)	Staff costs and administrative expenses	10	(61,715)	(61,947)
0	0	Depreciation and amortisation of intangible and tangible assets		(1,663)	(1,578)
9,364	39,075	Income from investments in associates and subsidiaries		0	0
7,915	**38,238**	**Profit before tax**		**51,357**	**10,628**
255	218	Income tax	11	(12,901)	(2,458)
8,170	**38,456**	**Profit/loss for the year**		**38,456**	**8,170**
		Parent Company		38,456	8,170
0	0	Other comprehensive income		0	0
0	**0**	**Other comprehensive income after tax**		**0**	**0**
8,170	38,456	Comprehensive income for the year		38,456	8,170
		Distribution of comprehensive income for the year			
		Dividend for the financial year		29,816	35,000
		Retained earnings		8,640	(26,830)

Balance sheet at 31.12.2023

Parent Company				Group	
2022 DKK'000	**2023** DKK'000		Note	**2023** DKK'000	**2022** DKK'000
4	791	Receiv. from credit institutions and central banks	12	33,142	20,577
0	0	Bonds at fair value	13	47,130	49,048
0	0	Bonds at amortised cost	13	447,415	502,809
272,441	273,617	Investments in subsidiaries	14	0	0
0	0	Land and property	15	1,531	2,951
0	0	Other tangible assets	16	454	250
0	0	Intangible assets		37,209	37,209
3,033	5,854	Current tax assets		0	0
0	198	Deferred tax assets		250	40
48	99	Other assets	17	39,452	26,791
5	0	Prepayments		2,280	5,052
275,531	**280,559**	**Total assets**		**608,863**	**644,727**
1,730	0	Debt to credit institutions and central banks	18	0	0
0	0	Current tax liabilities		7,357	7,894
683	780	Other liabilities	19	321,727	363,715
2,413	**780**	**Total liabilities**		**329,084**	**371,609**
1,476	1,491	Share capital	20	1,491	1,476
139,730	115,150	Retained earnings		248,472	236,642
96,912	133,322	Reserve for net revaluation according to equity method		0	0
35,000	29,816	Proposed dividend		29,816	35,000
273,118	**279,779**	**Total equity**		**279,779**	**273,118**
		Parent Company		279,779	273,118
275,531	**280,559**	**Total equity and liabilities**		**608,863**	**644,727**

Other notes, including contingent liabilities	21-24	

Statement of changes in equity (Group)

2023	Share Capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Minority interests DKK'000	Total DKK'000
Equity 01.01.2023	**1,476**	**236,642**	**35,000**	**0**	**273,118**
Profit/loss for the year	0	8,640	29,816	0	38,456
Other comprehensive income	0	0	0	0	0
Comprehensive income for the year	**0**	**8,640**	**29,816**	**0**	**38,456**
Paid dividend	0	387	(35,000)	0	(34,613)
Fair value adjustments	0	0	0	0	0
Repurchase/sale of own shares	0	102	0	0	102
Capital increase	15	2,701	0	0	2,716
Equity 31.12.2023	**1,491**	**248,472**	**29,816**	**0**	**279,779**

2022	Share Capital DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Minority interests DKK'000	Total DKK'000
Equity 01.01.2022	**1,470**	**261,737**	**15,000**	**0**	**278,207**
Profit/loss for the year	0	(26,830)	35,000	0	8,170
Other comprehensive income	0	0	0	0	0
Comprehensive income for the year	**0**	**(26,830)**	**35,000**	**0**	**8,170**
Paid dividend	0	162	(15,000)	0	(14,838)
Fair value adjustments	0	0	0	0	0
Repurchase/sale of own shares	0	355	0	0	355
Capital increase	6	1,218	0	0	1,224
Equity 31.12.2022	**1,476**	**236,642**	**35,000**	**0**	**273,118**

Notes to the financial statements

Significant notes

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1. Significant accounting policies and changes in accounting policies

The annual report is presented in accordance with the Danish Investment Firm Act ("lov om fondsmæglerselskaber og investeringsservice og -aktiviteter") and the Danish Financial Business Act ("Lov om Finansiel virksomhed"), including the Executive Order on Financial Reports for Credit Institutions and Asset Management Companies etc.

The financial statements have been presented in Danish kroner, rounded to the nearest thousand.

The financial statements have been presented applying the accounting policies consistently with last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Investment Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Investment Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Investment Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at market value. However, intangible and tangible assets are measured at cost on initial recognition. Measurement subsequent to initial recognition is affected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at for recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

The purchase and sale of financial instruments are recognised on the trading day, and such recognition ceases when the right to have cash inflow and outflow from the financial asset or liability has expired, or if such right has been transferred, and the Investment Company has transferred substantially all risks and rewards of ownership. The Investment Company does not apply the rules of classification of certain financial assets from fair value to amortised cost.

Translation of foreign currency

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables, and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company Accunia A/S and the wholly-owned subsidiaries Accunia Fondsmæglerselskab A/S, ACM Forvaltning A/S and Accunia Oy.

The consolidated financial statements are prepared based on the financial statements of Accunia A/S and its wholly owned subsidiaries mentioned above. The consolidated financial statements are prepared combining uniform financial statement items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions involving consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Investments in subsidiaries are eliminated by net assets of such subsidiaries.

Income statement and statement of comprehensive income

Financial income, fees, and commissions

Interest income and expenses are recognised in the income statement for the period in which they arise. Commissions and fees on services rendered over a period, e.g. fees on asset management, are accrued over the period. Fees for carrying out a certain transaction, e.g. commissions and custodian fees, are recognised as income/expenses when the transaction is completed.

Staff costs and administrative expenses

Staff costs comprise salaries and wages as well as social security costs etc. for the Company's staff. Costs for services and benefits to the employees are recognised when achieved by the employee entitling them to the services and goods.

Depreciation and amortisation of tangible assets

Straight-line depreciation is made based on the following estimated useful lives of the assets:

Fixtures and furniture 3-5 years

Other tangible assets are impairment tested when there is evidence of losses, and the asset is written down to its recoverable amount which is the higher of net selling price and value in use.

Other operating income and expenses

Other operating income and expenses comprise income and expenses of a nature secondary to the Company's activities.

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit/loss for the year and in other comprehensive income or recognised directly in equity by the portion attributable to other comprehensive income and entries directly in equity, respectively.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

When computing the current tax for the year, the tax rates and tax rules in effect at the balance sheet date are used.
Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities. Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net assets.

The Parent Company is jointly taxed with all Danish enterprises in which a controlling interest is exercised. Current Danish income tax is allocated among the jointly taxed Danish enterprises proportionally to their taxable income (full allocation with a refund concerning tax losses).

Deferred tax assets, including the tax base of tax loss carryforwards, are recognized in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets. At every balance sheet date, it is assessed whether sufficient taxable income is likely to arise in the future for the deferred tax asset to be used.

Balance sheet
Financial assets

Initially, financial assets are recognised at fair value at the time of recognition. Financial assets are subsequently measured at amortised cost or fair value depending on the classification of the individual instrument.

Financial assets are classified in the following categories:

- Bonds carried at fair value are measured through the income statement. These are traded on active markets and the fair value is calculated based on the closing price at the balance sheet date. Bonds redeemed are measured at present value.
- Bonds at amortised cost that the Company intends, and is obliged as risk retention holder, to hold until maturity are classified as held-to-maturity bonds, if they fulfil the criteria of possession for enforcement of contractual conditions and that the cash flows solely consist of principal instalments and interests. Bonds classified as held-to-maturity are measured at amortised cost. Amortisation premiums or allowances are recognised in profit or loss under the effective interest method.

According to IFRS 9, an assessment of each tranche in the CLO must be made to determine whether it shall be measured at fair value or amortised cost (SPPI-test).

To comply with the SPPI-test and thereby for the position to be carried at amortised cost, firstly, the CLO position in it of itself must be characterised by contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on the position. The cashflow generated by the rated CLO notes are made of up quarterly interest payments calculated based on the principal amount outstanding and redemption at par on or ahead of maturity. Hence, the criteria is fulfilled.

Secondly, the underlying asset pool must contain one or more instruments that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. As CLOs, hereunder the Accunia CLOs must contractually consist predominantly of secured loans this criteria is per definition be fulfilled.

Thirdly, the credit rating on each position should be higher than the average rating of the underlying portfolio to be carried at amortised costs. If the rating is lower than the average, the tranches will be carried at fair value. The Company has processes in place to assess whether the condition is fulfilled.

Bonds at fair value
The classification of the risk retention portfolio at fair value is recognised and measured in accordance with IFRS 9. The classification of risk retention positions at fair value are based on an assessment of the rating compared to the average rating of the underlying portfolio.

Bonds at amortised cost
Positions carried at amortised cost are measured as the nominal value adjusted for instalments, currency adjustments, estimation of amortisation premiums, and other accounting adjustments as applicable.

According to IFRS 9, positions carried at amortised cost should be divided into three stages. First stage includes bonds measured at amortised cost without significant increase in credit risk compared to the time of recognition. In this group, write-downs are made at the time of first recognition corresponding to the expected credit loss due to default in the first 12 months. The initial write-down for risk retentions positions carried at amortised cost was assumed to be close to DKK zero, as the value of the tranches at the time of recognition is based on the nominal value (cf. IFRS 13). If significant changes to the credit risk occurs, the tranches will move to stage 2 or 3, and write-downs corresponding to the expected credit loss are made.

Receivables from credit institutions and central banks
Receivables from credit institutions and central banks include receivables from other credit institutions and time deposits with central banks. Receivables are measured at current value. Payables are measured at amortised cost.

Land and property
At first recognition, the lease asset concerning properties is measured at the present value of the lease liability, with the addition of costs and prepayments. The rented property is subsequently measured at cost price less accumulated depreciation and amortization. Linear depreciation is charged over the expected rental period.
Depreciations are linear and based on the following expected rental period:

Leased properties	5 years

Leases for properties are assessed for impairment when there are indications of depreciation and are written down to the recoverable amount, which is the highest of the net selling price and value in use.

Other tangible assets
On initial recognition tangible assets are measured at cost. Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when the asset is ready to be put into operation.

Investments in subsidiaries
Investments in subsidiaries are recognised according to the equity method. This means that, in the balance sheet, investments are measured at the pro rata share of the enterprises' equity plus or minus unrealised intra-group profits and losses.

The Parent Company's share of the enterprises' profits or losses after the elimination of unrealised intra-group profits and losses are recognised in the income statement.

Net revaluation of investments in subsidiaries and associates is taken to reserve for net revaluation according to the equity method if the carrying amount exceeds cost.

Other assets
Other assets comprise other assets not belonging to other assets. Other assets include revenue not due until after the reporting period, retaining receivable financial income, and dividends. On initial recognition, other assets are measured at cost, and subsequently at amortised cost.

Prepayments (assets)
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Provisions
Liabilities, guarantees, and other liabilities, which are uncertain in terms of amount or time of settlement, are recognised as provisions when it is probable that the liability will lead to an outflow of the Investment Company's financial resources, and the liability can be measured reliably. The liability is stated at the present value of the costs that are necessary to meet the obligation. Liabilities due more than 12 months after the vesting period are discounted.

Other financial liabilities
Other financial liabilities are measured at amortised cost which usually corresponds to nominal value. Other financial liabilities include risk retention financing arrangements, provisions for staff costs, and liabilities to creditors.

Equity
Treasury shares
Acquisition and selling prices as well as dividends on treasury shares are recognised directly in retained earnings in equity.

Financial highlights
Financial highlights are compiled in accordance with the requirements of the Danish Executive Order on Financial Reports for Credit Institutions and Investment Companies etc., as well as in accordance with the Recommendations & Ratios of CFA Society Denmark.

2. Significant judgements and estimates, assumptions, and uncertainties

The financial statements are prepared based on specific assumptions which involve the use of judgements and estimates. These judgements and estimates are made by the Investment Company's Management in accordance with the accounting policies and based on historical experience as well as assumptions which Management considers reasonable and conservative.

Bonds at amortised cost and fair value
The value of financial assets carried at fair value is determined using a price from a third-party pricing source. If no such price can be obtained, the value is determined using a generally accepted valuation technique, such as the use of reference to similar new transactions among independent parties, reference to other similar instruments, analyses of discounted cash flows as well as other models based on observable market data. The Company has a portfolio (non-risk retention positions) of various bonds, which are carried at fair value. This portfolio has been recognised at T.DKK 20,647 (2022: T.DKK 23,960). Furthermore, the part of the risk retention portfolio carried at fair value has been recognised at T.DKK 26,483 (2022: T.DKK 25,088).

Furthermore, all risk retention notes carried at amortised cost remain in stage 1, as there has been no significant adverse change to their credit risk, taking into account, among other things, changes in credit ratings and payments due within the next 12 months. The portfolio measured at amortised cost has been recognised at T.DKK 447.415 (2022: T.DKK 502,809) in the financial statements.

Intangible assets
The value of intangible assets is tested yearly unless a more frequent test is deemed necessary. The test assesses the need for a write-down and is based on budgeted future cash flows. The test shows a large excess capital and therefore no write-down is recognised.

3. Capital and solvency

	2023 DKK'000	2022 DKK'000
Composition of capital		
Equity	279,778	273,118
Proposed dividend	(29,816)	(35,000)
Goodwill	(37,209)	(37,209)
Deferred tax assets	(250)	(40)
Core capital and capital	**212,503**	**200,869**
Key ratios		
Common equity tier 1 capital ratio	460.5	453.1
Core capital ratio	460.5	453.1
Capital ratio	460.5	453.1

4. Financial risks, policies and targets for managing financial risks

The Company is exposed to various types of risks. The objective of the Company's risk management policies is to minimise potential losses arising due to unpredictable changes in, for example, the financial markets.

General

The Company continuously develops tools to identify and manage relevant risks. The Board of Directors lays down the overall framework and principles for risk management and receives regular risk reporting. The daily risk management is conducted by the Executive Board.

The largest share of assets are the risk retention assets. As sponsor, the Company is required to retain economic risk on its vertical risk retention holdings in the four Accunia CLOs (Accunia European CLO I DAC, Accunia European CLO II DAC, Accunia European CLO III DAC, and Accunia European CLO IV DAC). The risk retention requirements are governed by Regulation 575/2013 (the CRR Regulation) and Regulation 2017/2402 (the STS Regulation).

As risk retention holder, Accunia Fondsmæglerselskab A/S, is required to retain economic risk on a minimum of 5 pct. of each risk class issued by the four Accunia CLOs under management. Risk retention requirements serve to impose on risk retention holder a share of risk in the structure, aligning the risk with that of investors. Risk retention exposures may not be hedged.
A minor share of Company assets is held on its own book (the non-risk retention positions).

Credit risks

The Company has substantial risk linked to the credit risk on the underlying assets in the Accunia CLOs. Firstly, for its risk retention positions, the Company has an indirect credit risk on the underlying loans (leveraged loans), as it effectively holds a 5% unitranche in each of the four Accunia CLOs. The value of the risk retention positions will therefore be adversely affected by adverse credit changes in the underlying assets. Each CLO has a waterfall structure, which means that the losses will be absorbed by the lowest-ranking tranches first. If losses pass a certain threshold, tests in the waterfall ensure that senior notes are protected by diverting interest payments from lower ranking notes to amortise senior notes.

Secondly, the company received collateral manager fees from the CLOs. Some of the collateral management fees being paid when due, is dependent on losses in the underlying portfolios. Namely, if losses occur in the underlying portfolios lowering the collateral cushions in a given CLO below a certain threshold, the subordinated part of the collateral management fee will be deferred to later and instead diverted to pay down the principal on senior notes.

Further, the Company has credit risk on its investment portfolio. Most assets have an investment grade rating.

Market risks

As the Company is required to hold the risk retention position in the four Accunia CLOs until maturity, the risk retention notes except for certain low-ranking notes are carried at amortised cost and pose no market risk. The remaining investments are carried at fair value and therefore do have a market risk attached to them. Depending on the particular asset, market risks may materialise due to a general increase in the credit spread for that type of financial assets or due to specific risk factors for the individual asset. The market price of a given CLO note may be affected by changes to market prices or losses on underlying assets. The majority of the company's financial assets are debt securities, which are expected to be redeemed at par on or before legal maturity.

Liquidity risks

The Company maintains adequate cash and cash equivalents in the form of bank deposits and liquid bonds. Most of the company's cash flow stems from CLO management fees, which the company receives quarterly. Most other cash flow, such as interest and amortisation payments on investments are also received quarterly.

Operational risks

To reduce losses from operational risks, the Company has developed a number of policies, business procedures, and control procedures. Key elements are the policies and business procedures dealing with the employee's use of the Company's portfolio management systems, IT in general, customer data and other sensitive information, and emergency plans.

Settlement risks

Being an investment company, the Company is not an account-holding institution and do not accept deposits. Both when investing own funds and when carrying out customer orders, the term "payment against delivery" is generally applied.

5. Five-year summary

	2023 DKK'000	2022 DKK'000	2021 DKK'000	2020 DKK'000	2019 DKK'000
Group financial highlights					
Profit and loss					
Net financial income, fees and commission	112.191	89,552	101,287	91,867	98,054
Market value adjustments	2.544	(15,399)	(2,557)	(14,101)	(247)
Staff costs and administrative expenses	(61,715)	(61,947)	(55,743)	(55,796)	(62,425)
Profit after tax	38.456	8,170	32,257	16,174	26,822
Balance sheet					
Equity	279.779	273,118	278,207	248,981	230,978
Total assets	608.863	644,727	728,563	740,983	601,778
Key ratios					
Capital ratio (%)*	460.5	453.1	416.8	19.0	20.6
Core capital ratio (%)*	460.5	453.1	416.8	19.0	20.6
Return on equity before taxes (%)	18.58	3.86	15.8	8.6	15.4
Return on equity after taxes (%)	13.91	2.96	12.2	6.7	12.0
Profit per unit of costs	1.8	1.2	1.7	1.3	1.6
Return on capital employed	6.3	1.3	4.4	2.2	4.5

**As described in the annual report for 2021 under "changes to accounting policies", the implementation of Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 has resulted in changes to the Investment companies' calculation of capital percentages. Thus, the capital ratios are not directly comparable with the periods prior 2021.*

Parent Company			Group	
2022	2023	**6. Net financial income, fee income and commission by geographical markets**	2023	2022
DKK'000	DKK'000		DKK'000	DKK'000
(582)	(43)	Denmark	51,849	27,582
0	0	Europe	60,342	61,970
(582)	**(43)**	**Total**	**112,191**	**89,552**

		Market value adjustments by geographical markets		
(3)	(8)	Denmark	(8)	(3)
0	0	Europe	2,552	(15,396)
(3)	**(8)**	**Total**	**2,544**	**(15,399)**

The asset management company has not split its net financial- and fee income and value adjustments on areas of activity, as there are no significant deviations between the asset management company's activities. Thus, there is no segment information provided.

		7. Financial income		
7	58	Receivables from credit institutions and central banks	620	98
0	0	Bonds	18,847	14,329
0	0	Other financial income	279	0
7	**58**	**Total financial income**	**19,746**	**14,427**

		8. Financial expenses		
(561)	(71)	Credit institutions and central banks	(93)	(775)
0	0	Other financial expenses	(5,378)	(2,733)
(561)	**(71)**	**Total financial expenses**	**(5,471)**	**(3,508)**

		9. Market value adjustments		
0	0	Bonds	2,161	(14,861)
0	0	Repo	0	(283)
0	0	Note payable	0	(78)
(3)	(8)	Currency	383	(177)
(3)	**(8)**	**Value adjustments**	**2,544**	**(15,399)**

Parent Company			Group	
2022	2023		2023	2022
DKK'000	DKK'000	**10. Staff costs and administrative expenses**	DKK'000	DKK'000
(664)	(671)	Staff costs	(45,537)	(43,789)
(200)	(115)	Other administrative expenses	(16,178)	(18,158)
(864)	**(786)**	**Total staff costs and administrative expenses**	**(61,715)**	**(61,947)**
		Staff costs		
(576)	(581)	Salaries and other staff costs	(38,187)	(36,006)
0	0	Pension	(554)	(407)
(1)	(1)	Other social security costs	(577)	(785)
(87)	(89)	Charges calculated on the basis of number of staff in the payroll	(5,490)	(6,061)
0	0	Stock-based compensation	(729)	(530)
(664)	**(671)**	**Total staff costs**	**(45,537)**	**(43,789)**
1	1	Average number of employees converted to full-time employees	32	35

Parent Company			Group	
2022	2023	**Remuneration of the Executive Board, Board of Directors**	2023	2022
DKK'000	DKK'000	**and staff with significant influence on the risk profile**	DKK'000	DKK'000
(37)	(38)	Contractual remuneration - Staff	(1,959)	(1,827)
0	0	Pension contributions - Staff	(8)	0
(540)	(543)	Contractual remuneration – Executive Board and BoD	(4,957)	(4,602)
(577)	(581)	Total contractual remuneration	(6,923)	(6,429)
0	0	Variable cash remuneration - Staff	(60)	(140)
0	0	Variable cash remuneration – Executive Board & BoD	0	0
0	0	Variable share-based remuneration – Staff	0	0
0	0	Variable share-based remuneration – Executive Board & BoD	(463)	(568)
0	0	Total variable remuneration	(523)	(708)
(577)	**(581)**	**Total remuneration**	**(7,386)**	**(7,137)**
1	1	Number of members of the Executive Board	1	1
4	4	Number of members of the Board of Directors	4	4
2	2	Number of employees with significant influence on the risk profile	2	2

For detailed information on remuneration to employees with impact on the risk profile, executive board and the board of directors, see remuneration report on www.accunia.com/dokumenter.

Special incentive programmes
No special incentive programmes exist for the Board of Directors.

A bonus agreement has been set up with the Chief Executive Officer, under which any bonus earned may be granted through share options, deferred shares and shares. The termination benefit amounts to 18 months' salary should the Executive Board be terminated by the Board of Directors. In the event of termination of the employment, the term of notice on the part of the Investment Company is 18 months and it is 12 months on the part of the Chief Executive Officer.

Parent Company			Group	
2022	**2023**		**2023**	**2022**
DKK'000	DKK'000	**Audit fee**	DKK'000	DKK'000
27	30	Statutory audit of the financial statements	268	247
0	0	Other assurance engagements	54	51
11	12	Tax advisory	24	22
0	0	Other non-audit services	1,891	233
38	**42**	**Total fees to the audit firm elected by the Annual General Meeting to carry out the statutory audit**	**2,237**	**553**

11. Income tax

253	198	Current tax	(13,001)	(2,475)
0	0	Change in deferred tax	80	16
2	20	Adjustments for previous years	20	1
255	**218**	**Tax on profit/loss for the year**	**(12,901)**	**(2,458)**

The current income tax for the financial year is computed on the basis of a tax rate of 25.2% for the Group (2022: 22%) and 22% for the Parent Company (2022: 22%). For foreign enterprises, the current tax rate in the country in question is used.

-3.22%	**-0.57%**	**Effective tax rate**	**25,12%**	**23,13%**

12. Receivables from credit institutions and central banks according to maturity

4	791	Request	33,142	20,577
4	**791**	**Receivables from credit institutions**	**33,142**	**20,577**

Parent Company			Group	
2022	2023		2023	2022
DKK'000	DKK'000	**13. Bonds**	DKK'000	DKK'000
-	-	Collateral Loan Obligations	19,356	23,280
-	-	Risk Retention - CLO	26,483	25,088
-	-	Other bonds	1,291	680
-	**-**	**Total bonds at fair value**	**47,130**	**49,048**
-	-	Bonds at amortised cost	447,415	502,809
-	**-**	**Total bonds at amortised cost**	**447,415**	**502,809**
-	-	Impairment losses on bonds at amortised cost (year-end)	0	0
-	**-**	**Total bonds at amortised cost**	**447,415**	**502,809**
-	-	Fair value of bonds at amortised cost	435,836	478,445

14. Investments in subsidiaries

64,874	52,433	Cost at 01.01.
0	0	Additions for the year
(12,441)	0	Disposals during the year
52,433	**52,433**	**Cost at 31.12.**
220,301	220,008	Net revaluations at 01.01.
9,364	39,075	Net share of profit for the year
(15.000)	(38,000)	Dividend received from subsidiaries
357	101	Repurchase/sale of own shares
4,986	0	Revaluations
0	0	Impairment losses
220,008	**221,184**	**Net revaluations at 31 December**
272,441	**273,617**	**Carrying amount at 31 December**

The group enterprises comprise:		**Ownership**	**Voting rights**
Accunia Fondsmælgerselskab A/S	Denmark	100%	100%
ACM Forvaltning A/S	Denmark	100%	100%

Parent Company			Group	
2022	2023		2023	2022
DKK'000	DKK'000	**15. Land and property**	DKK'000	DKK'000
-	-	Cost at 01.01.	6,955	6,678
-	-	Additions for the year	69	277
-	-	Disposals during the year	0	0
		Cost at 31.12.	**7,024**	**6,955**
-	-	Depreciation and impairment losses at 01.01	(4,004)	(2,621)
-	-	Depreciation for the year	(1,489)	(1,383)
-	**-**	**Depreciation and impairment losses at 31.12**	**(5,493)**	**(4,004)**
-	**-**	**Carrying amount at 31.12**	**1,531**	**2,951**

		16. Other tangible assets		
-	-	Cost at 01.01.	607	517
-	-	Additions for the year	378	90
-	-	Disposals during the year	0	0
-	**-**	**Cost at 31.12.**	**985**	**607**
-	-	Depreciation and impairment losses at 01.01	(357)	(162)
-	-	Depreciation for the year	(174)	(195)
-	-	Disposals during the year	0	0
-	**-**	**Depreciation and impairment losses at 31.12**	**(531)**	**(357)**
-	**-**	**Carrying amount at 31.12**	**454**	**250**

		17. Other assets		
0	0	Trade receivables	35,193	22,707
48	99	Receivables from related companies	0	0
0	0	Security deposit	816	724
0	0	Interest receivable	3,405	3,012
0	0	Other assets	38	348
48	**99**	**Total other assets**	**39,452**	**26,791**

Parent Company			Group	
2022	2023	**18. Debt to credit institutions and central banks according to maturity**	2023	2022
DKK'000	DKK'000		DKK'000	DKK'000
1,730	0	Demand	0	0
1,730	**0**	**Total**	**0**	**0**

		19. Other liabilities		
0	0	Debt to subsidiaries	0	0
505	744	Provisions for staff costs	9,844	7,214
178	36	Creditors	3,513	2,445
0	0	Repo CLO *)	102,328	131,970
0	0	Retention loan CLO II	0	0
0	0	Repo CLO III **)	109,032	108,757
0	0	Repo CLO IV ***)	92,445	107,165
0	0	Other liabilities	4,565	6,164
683	**780**	**Total other liabilities**	**321,727**	**363,715**

*) The loan will be repaid no later than 15 July 2030
**) The loan will be repaid no later than 20 January 2031
***) The loan will be repaid no later than 10 March 2027

20. Share capital

The share capital amounts to DKK 1,490,804 and consists of shares in denominations of DKK 1, distributed on 1,086,524 class A shares, 295,080 class B shares, and 109,200 class C shares.

Share capital at 01.01.	1,476
Issue (exchange of shares)	15
Share capital at 31.12.	**1,491**

	No. of shares	Nominal Value	Share (%)
Own shares 01.01.2022	19,389	19,389	1,32%
Purchase	7	7	0,00%
Sale	(1,468)	(1,468)	0,10%
Own shares 31.12.2022	**17,928**	**17,928**	**1,21%**
Purchase	0	0	0,00%
Sale	(1,435)	(1,435)	0,10%
Own shares 31.12.2023	**16,493**	**16,493**	**1,12%**
Purchase price of shares			175,8-261,0
Sales price of shares			175,8-261,0

Sale and repurchase of shares relates to share-based remuneration to employees.

21. Contingent liabilities

	2023 DKK'000	2022 DKK'000
The Group has the following contingent liabilities:		
Warranty to the Danish Deposit Guarantee Fund	455	404
The Investment Company has entered into a lease on office premises which includes an obligation of refurbishment in the event of termination and vacation	1,116	1,087

Apart from this, the Group has no assets charged, collateral or similar obligations.

In addition, Accunia A/S has the following contingent liabilities:

	2023	2022
Accunia A/S has provided a guarantee on the business credit facilities of Accunia Fondsmæglerselskab A/S	25,000	25,000

Accunia A/S serves as administration company in a joint taxation arrangement with the Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed Danish companies proportionally to their taxable income. Each company in the joint taxation arrangement is liable for the portion of income taxes, tax prepayments and residual taxes, including surcharges and interest, related to the portion of income allocated to the company.

When using losses sustained by group companies, Accunia A/S is as the administration company obliged to pay the tax-based value of the loss to the company having sustained such loss. The group companies using the losses are obliged to pay Accunia A/S an amount equivalent to the tax-based value of the loss used. When receiving payment from the subsidiaries for the losses used, liability will fall to Accunia A/S.

Accunia A/S and its Danish subsidiaries are jointly registered for VAT. The jointly registered entities are jointly and severally liable for payment of taxes for the respective tax years in which they have been subject to joint registration.

22. Related parties

All related party transactions have been conducted on an arm's length basis or a cost recovery basis.

Related parties with controlling influence on the Company:

There are no related parties with a controlling interest in the Company.

Transactions with related parties during the year

Accunia A/S has had the following transactions with related parties in the financial year:

Name	Basis of influence	Nature and scope of transactions
Peter Aandahl	Chairman of the Board	Asset management fee
Jørgen Clausen	Member of the Board	Asset management fee
Carsten K. Gomard	Member of the Board	Asset management fee
Allan Gross-Nielsen	Member of the Board	Asset management fee
Accunia Fondsmæglerselskab A/S	Affiliated company	Dividend

In addition, the Parent Company Accunia A/S has transactions in the form of taxation (joint taxation) and purchase and sale of bonds. All related party transactions have been conducted on an arm's length basis.

23. Consolidation

Accunia A/S is parent company in the Group for which consolidated financial statements are prepared.

24. Shareholder relations

The Investment Company has registered the following shareholders to hold more than 5% of the voting share capital or of the nominal value of the share capital:

Buresø Invest ApS
Tværvej 29
Buresø
3550 Slangerup

Kysing ApS
Jelshøjvej 15
8270 Højbjerg

Aandahl A/S
Trørødvej 38
2950 Vedbæk

Droob ApS
Kongensgade 18, 1
6700 Esbjerg

Hempel Invest A/S
Amaliegade 8
1256 København K

Carsten Gomard Holding ApS
Dronningsgade Alle 100
2840 Holte

The shareholders have signed a shareholders' agreement.