
Habitus Holding ApS

Park Allé 290 1. th, DK-2605 Brøndby

Annual Report for 2022

CVR No. 35 52 95 86

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 2/6 2023

Brian Bisgaard
Chairman of the
general meeting



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's statement	1
Independent Auditor's report	2
Management's Review	
Company information	5
Financial Highlights	6
Management's review	7
Financial Statements	
Income statement 1 January - 31 December	10
Balance sheet 31 December	11
Statement of changes in equity	13
Cash Flow Statement 1 January - 31 December	14
Notes to the Financial Statements	15

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Consolidated Financial Statements and Parent Company Financial Statements of Habitus Holding ApS for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Consolidated Financial Statements and Parent Company Financial Statements be adopted at the Annual General Meeting.

Brøndby, 2 June 2023

Executive Board

Martin Godske
CEO

Brian Bisgaard
CFO

Board of Directors

Kristian Emborg
Chairman

Philip Søren Thorsen

Martin Godske

Brian Bisgaard

David Porter

Alexander David Martti
Cunynghame

Independent Auditor's report

To the shareholder of Habitus Holding ApS

Report on the Consolidated Financial Statements and the Parent Company Financial Statements

Opinion

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 2022 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Habitus Holding ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the 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.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the 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 financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's report

In preparing the 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 Financial Statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- 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.

Reporting obligations under section 7(2) of the Danish Executive Order on Approved Auditors' Reports

Independent Auditor's report

Non-compliance with the Danish Companies Act

Contrary to section 206 of the Danish Companies Act, the Company has granted loan for the parent company's financing of interest linked to the acquisition of capital shares in the company, and the management may be held liable for this. Reference is made to note 1 in the annual report.

Hellerup, 2 June 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Ulrik Ræbild
State Authorised Public Accountant
mne33262

Jesper Randall Petersen
State Authorised Public Accountant
mne34352

Company information

The Company	Habitus Holding ApS Park Allé 290 1. th DK-2605 Brøndby CVR No: 35 52 95 86 Financial period: 1 January - 31 December Incorporated: 1 November 2013 Financial year: 10th financial year Municipality of reg. office: Brøndby
Board of Directors	Kristian Emborg, chairman Philip Søren Thorsen Martin Godske Brian Bisgaard David Porter Alexander David Martti Cunynghame
Executive board	Martin Godske Brian Bisgaard
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

	Group				
	2022	2021	2020	2019	2018
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	404,883	342,474	274,515	231,945	230,319
Profit/loss of ordinary primary operations	17,589	29,439	13,403	6,474	4,302
Profit/loss of financial income and expenses	999	525	422	441	441
Net profit/loss	14,431	23,302	11,593	4,806	3,127
Balance sheet					
Balance sheet total	148,284	126,188	91,978	65,407	57,199
Investment in property, plant and equipment	22,383	15,508	5,357	2,714	9,632
Equity	63,958	49,528	26,226	17,633	12,827
Cash flows					
Cash flows from:					
- operating activities	25,178	30,746	17,099	2,837	7,516
- investing activities	-32,706	-15,760	-9,338	-2,705	-6,932
- financing activities	-2,348	0	-3,000	0	0
Change in cash and cash equivalents for the year	-9,875	14,985	4,762	132	584
Number of employees	625	503	422	369	364
Ratios					
Gross margin	82.7%	84.6%	84.2%	84.3%	84.5%
Profit margin	4.3%	8.6%	4.9%	2.8%	1.9%
Return on assets	11.9%	23.3%	14.6%	9.9%	7.5%
Solvency ratio	43.1%	39.2%	28.5%	27.0%	22.4%
Return on equity	25.4%	61.5%	52.9%	31.6%	27.8%

Management's review

Key activities

During the financial year, the company's most significant activities consisted of owning shares in subsidiaries that earns its living by running housing and daycare for adults and adolescents with autism spectrum disorders as well as other complex diagnoses.

Further the company oversees administration for subsidiaries and related companies.

Unusual conditions

As a result of the COVID-19 pandemic the Group has experienced an increase in sickness absence in Q1 2022.

In addition to COVID-19 the Group's balance sheet and financial position per December 31, 2022, is not affected by unusual circumstances.

Special risks

The Group's operational risks are related to the contracts entered with the Danish municipalities. The financial risks are limited in terms of the Group's financial preparedness, as well as the Group's credit risks are minimal given the spread in customers and business partners.

Environment

The Group is environmentally conscious and works continuously to minimize the environmental impact from operating activities.

The Group's vehicles comply with Euronorm6. When replacing vehicles, the appropriateness of hybrid or electric vehicles is assessed.

When refurbishing premises, environmental impact is part of the decision basis for choosing energy sources. In addition to traditional energy sources, we use geothermal heat.

We continuously work with IT support in everyday life, including reducing paper and toner consumption.

Given the group's operations within care for adults and adolescents with autism spectrum disorders as well as other complex diagnoses we consider this area does not constitute a significant risk in our business which is why there is no specific policy within this area.

Anti-corruption and bribery

We have zero tolerance for corruption and bribery.

We cooperate with public authorities and neither offer nor receive any form of bribery in that regard. We are subject to several supervisory agencies and transparency is therefore an important part of the way we work.

As our clients are all public and we only operate in Denmark, which is one of the less corrupt countries in the world, this area does not constitute a significant risk in our business. We therefore have no specific policy within this area.

Management's review

Knowledge resources

It is essential for the Group's continued growth to attract and retain skilled and well-trained employees with expertise in autism spectrum disorders, as well as other complex diagnoses, which is seen as a significant risk.

The Group offers employees a comprehensive course program, where employees are trained and updated within the subject area.

All unskilled employees are offered paid educational training as a pedagogue. During 2022 we have continuously, and especially in connection with employee development interviews, encouraged unskilled employees to take the training and teams are started twice a year. We expect to see a large participation in our education program going forward.

Our policy in this area is that all employees working with residents must undergo compulsory modules and pass tests in the Habitus Academy before providing support to our residents. With this, we ensure a high and uniform quality across the group's housing offers, which is also reflected in the supervision reports from the social supervision.

Human rights

We consider it a human right that everyone should have equal rights.

As all the Group's activities are in Denmark, which we consider to be a regulated market, this area does not constitute a significant risk in our business. We therefore have no specific policy within this area.

Gender composition

It will remain the policy for the Group to work for equal rights and opportunities for male and female employees.

Our recruitment policy is that the most suitable candidate is chosen regardless of gender. We strive for and have a goal of increasing the underrepresented gender.

The Board of Directors consist of 6 males. The Board of Directors has a goal that by 2028 there must be at least one female representative on the board. This objective has not yet been raised as the Board of Directors has not found it appropriate to make a change in the Board of Directors.

The composition in the management team is 1/3 female and 2/3 male, which composition we find satisfying.

In the following subsidiaries, the composition of the Board of Directors is 1/3 female and 2/3 male, which composition we find satisfying:

- HabitusHuset Nordahl ApS
- HabitusHuset Ny Mårumvej ApS
- HabitusHuset Frederiksværksgade ApS
- HabitusHuset Kæderupvej ApS
- HabitusHuset Jernstøbervænget ApS
- HabitusHuset Sølyst ApS
- HabitusHuset Drachmannsvej ApS
- HabitusHusene Vestegnen ApS
- HabitusHuset Skellebjerg ApS
- HabitusHusene Midtjylland ApS
- HabitusHusene Nordjylland ApS
- HabitusHuset Gødstrup ApS
- HabitusHuset Børsholt
- HabitusHusene Fyn
- Habitus Åkandehuset

The distribution between male and female in the Group in 2022 is 54% male and 46% female, which is a satisfactory distribution.

Management's review

Data ethics

In our business, the most sensitive data is related to employees and residents. GDPR legislation satisfactorily covers this area, which is why we do not have a separate policy on data ethics.

Research and development activities

The Group does not carry out any systematized research, but continuous adaptation is carried out and development of the Group's concepts within the Group's main activities.

Development in the year

The income statement of the Group for 2022 shows a profit of DKK 14,430,520, and at 31 December 2022 the balance sheet of the Group shows positive equity of DKK 63,958,405.

The Group's growth in revenue is considered unsatisfactory.

As a result of the COVID-19 pandemic, the Group experienced an increase in sickness absence in Q1 2022. In addition, during the year, there has been a too large turnover of staff in some of the Group's subsidiaries, which has led to increased staff costs.

In 2022, there has been a continued focus on competence development with "outrage" as the theme, as well as other health related aspects.

Expected development

The current organizational structure has contributed positively to the year result, which is expected to continue in the coming year.

For the year 2023, a profit margin of at least the same level as the year 2022 is expected.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	Group		Parent company	
		2022	2021	2022	2021
		DKK	DKK	DKK	DKK
Revenue	2	404,883,466	342,474,381	28,339,724	25,246,180
Other operating income		0	12,000	0	12,000
Other external expenses		-69,925,222	-52,885,122	-7,256,067	-5,896,914
Gross profit		334,958,244	289,601,259	21,083,657	19,361,266
Staff expenses	3	-308,888,577	-254,897,329	-20,956,498	-16,429,539
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	4	-8,480,401	-5,253,341	-813,231	-378,729
Profit/loss before financial income and expenses		17,589,266	29,450,589	-686,072	2,552,998
Financial income	5	1,799,548	1,105,895	593,797	139,454
Financial expenses	6	-800,267	-581,237	-284,614	-272,285
Profit/loss before tax		18,588,547	29,975,247	-376,889	2,420,167
Tax on profit/loss for the year	7	-4,158,027	-6,673,613	54,307	-532,147
Net profit/loss for the year	8	14,430,520	23,301,634	-322,582	1,888,020

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2022	2021	2022	2021
		DKK	DKK	DKK	DKK
Acquired other similar rights		5,605,350	1,924,005	766,676	866,672
Goodwill		5,189,335	0	0	0
Intangible assets	9	10,794,685	1,924,005	766,676	866,672
Land and buildings		3,696,512	3,850,784	0	0
Other fixtures and fittings, tools and equipment		6,466,760	6,611,470	317,556	412,162
Leasehold improvements		36,851,046	22,253,785	17,383	1,157
Property, plant and equipment	10	47,014,318	32,716,039	334,939	413,319
Investments in subsidiaries	11	0	0	16,521,891	4,849,891
Deposits	12	5,006,168	4,454,405	244,672	229,764
Fixed asset investments		5,006,168	4,454,405	16,766,563	5,079,655
Fixed assets		62,815,171	39,094,449	17,868,178	6,359,646
Trade receivables		2,702,372	0	0	0
Receivables from group enterprises		63,349,179	58,794,426	79,252,111	62,704,373
Other receivables		4,450,754	3,374,610	0	844
Deferred tax asset	13	1,253,017	1,460,710	189,000	169,000
Corporation tax		0	0	0	796,000
Corporation tax receivable from group enterprises		0	0	34,307	0
Prepayments	14	2,636,198	2,511,920	241,260	472,915
Receivables		74,391,520	66,141,666	79,716,678	64,143,132
Cash at bank and in hand		11,076,856	20,952,127	35,725	8,425,658
Current assets		85,468,376	87,093,793	79,752,403	72,568,790
Assets		148,283,547	126,188,242	97,620,581	78,928,436

Balance sheet 31 December

Liabilities and equity

	Note	Group		Parent company	
		2022	2021	2022	2021
		DKK	DKK	DKK	DKK
Share capital		80,000	80,000	80,000	80,000
Retained earnings		63,878,405	49,447,885	2,126,479	2,449,061
Equity		63,958,405	49,527,885	2,206,479	2,529,061
Other payables		14,323,803	0	798,428	0
Long-term debt	15	14,323,803	0	798,428	0
Credit institutions		0	0	1,496,277	0
Prepayments received from customers		33,241,125	26,332,213	0	0
Trade payables		6,638,306	6,390,837	695,028	444,283
Payables to group enterprises		877,850	3,225,589	90,458,366	73,292,605
Corporation tax		4,966,125	6,030,411	0	511,038
Other payables	15	24,230,090	34,607,845	1,966,003	2,151,449
Deferred income	16	47,843	73,462	0	0
Short-term debt		70,001,339	76,660,357	94,615,674	76,399,375
Debt		84,325,142	76,660,357	95,414,102	76,399,375
Liabilities and equity		148,283,547	126,188,242	97,620,581	78,928,436
Unusual conditions	1				
Contingent assets, liabilities and other financial obligations	20				
Related parties	21				
Fee to auditors appointed at the general meeting	22				
Subsequent events	23				
Accounting Policies	24				

Statement of changes in equity

Group

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	80,000	49,447,885	49,527,885
Net profit/loss for the year	0	14,430,520	14,430,520
Equity at 31 December	80,000	63,878,405	63,958,405

Parent company

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	80,000	2,449,061	2,529,061
Net profit/loss for the year	0	-322,582	-322,582
Equity at 31 December	80,000	2,126,479	2,206,479

Cash flow statement 1 January - 31 December

	Note	Group	
		2022	2021
		DKK	DKK
Result of the year		14,430,520	23,301,634
Adjustments	17	11,639,147	10,641,592
Change in working capital	18	3,123,727	-211,507
Cash flow from operations before financial items		29,193,394	33,731,719
Financial income		1,799,548	1,105,895
Financial expenses		-800,267	-581,239
Cash flows from ordinary activities		30,192,675	34,256,375
Corporation tax paid		-5,014,620	-3,510,784
Cash flows from operating activities		25,178,055	30,745,591
Purchase of property, plant and equipment		-22,245,574	-15,507,826
Fixed asset investments made etc		-200,763	-252,533
Business acquisition	19	-10,259,250	0
Cash flows from investing activities		-32,705,587	-15,760,359
Repayment of payables to group enterprises		-2,347,739	0
Cash flows from financing activities		-2,347,739	0
Change in cash and cash equivalents		-9,875,271	14,985,232
Cash and cash equivalents at 1 January		20,952,127	5,966,895
Cash and cash equivalents at 31 December		11,076,856	20,952,127
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		11,076,856	20,952,127
Cash and cash equivalents at 31 December		11,076,856	20,952,127

Notes to the Financial Statements

1. Unusual conditions

The company has, in violation of Section 206 of the Danish Companies Act, granted loan for the parent company's financing of interest linked to the acquisition of capital shares in the company, and the management may be held liable for this. The management will correct the financing relationship between the company and the parent company via extraordinary dividends to the parent company. The amount granted as loan is interest calculated in accordance with current regulations.

Group		Parent company	
2022	2021	2022	2021
DKK	DKK	DKK	DKK

2. Revenue

Geographical segments

Denmark	404,883,466	342,474,381	28,339,724	25,246,180
	404,883,466	342,474,381	28,339,724	25,246,180

Group		Parent company	
2022	2021	2022	2021
DKK	DKK	DKK	DKK

3. Staff Expenses

Wages and salaries	273,193,618	224,487,493	19,086,417	14,674,149
Pensions	28,922,333	25,274,077	1,763,781	1,601,278
Other social security expenses	6,772,626	5,135,759	106,300	154,112
	308,888,577	254,897,329	20,956,498	16,429,539

Including remuneration to the Executive Board and Board of Directors:

Executive board		3,366,401		3,366,401
Board of directors		60,000		60,000
		3,426,401		3,426,401

Average number of employees	625	503	20	17
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Notes to the Financial Statements

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
4. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment				
Amortisation of intangible assets	415,457	221,996	99,996	99,996
Depreciation of property, plant and equipment	8,064,944	5,031,345	713,235	278,733
	8,480,401	5,253,341	813,231	378,729

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
5. Financial income				
Interest received from group enterprises	1,433,646	1,046,129	227,895	71,616
Other financial income	365,902	59,766	365,902	67,838
	1,799,548	1,105,895	593,797	139,454

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
6. Financial expenses				
Interest paid to group enterprises	27,451	8,072	0	0
Other financial expenses	772,816	573,165	284,614	272,285
	800,267	581,237	284,614	272,285

Notes to the Financial Statements

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
7. Income tax expense				
Current tax for the year	4,827,340	6,826,520	-34,307	511,147
Deferred tax for the year	-669,313	-261,917	-20,000	21,000
Adjustment of tax concerning previous years	0	109,010	0	0
	4,158,027	6,673,613	-54,307	532,147

	Parent company	
	2022	2021
	DKK	DKK
8. Profit allocation		
Retained earnings	-322,582	1,888,020
	-322,582	1,888,020

9. Intangible fixed assets

Group

	Acquired other similar rights	Goodwill
	DKK	DKK
Cost at 1 January	2,220,000	0
Additions for the year	3,986,391	5,299,746
Cost at 31 December	6,206,391	5,299,746
Impairment losses and amortisation at 1 January	295,995	0
Amortisation for the year	305,046	110,411
Impairment losses and amortisation at 31 December	601,041	110,411
Carrying amount at 31 December	5,605,350	5,189,335
Amortised over	10-20 years	20 years

Notes to the Financial Statements

Parent company

	Acquired other similar rights
	DKK
Cost at 1 January	1,000,000
Cost at 31 December	1,000,000
Impairment losses and amortisation at 1 January	133,328
Amortisation for the year	99,996
Impairment losses and amortisation at 31 December	233,324
Carrying amount at 31 December	766,676
Amortised over	10 years

Acquired other similar rights in group contains Concepts and Customer relations.

10. Property, plant and equipment

Group

	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK	DKK
Cost at 1 January	3,947,663	16,259,636	38,381,001
Additions for the year	0	4,724,279	17,659,151
Disposals for the year	0	-20,208	0
Transfers for the year	0	-1,249,236	1,249,236
Cost at 31 December	3,947,663	19,714,471	57,289,388
Impairment losses and depreciation at 1 January	96,879	9,648,166	16,127,216
Depreciation for the year	154,272	3,720,900	4,189,772
Transfers for the year	0	-121,355	121,354
Impairment losses and depreciation at 31 December	251,151	13,247,711	20,438,342
Carrying amount at 31 December	3,696,512	6,466,760	36,851,046
Amortised over	20 years	2-5 years	5-10 years

Notes to the Financial Statements

Parent company

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	3,726,280	336,236
Additions for the year	616,975	17,880
Cost at 31 December	<u>4,343,255</u>	<u>354,116</u>
Impairment losses and depreciation at 1 January	3,314,118	335,079
Depreciation for the year	711,581	1,654
Impairment losses and depreciation at 31 December	<u>4,025,699</u>	<u>336,733</u>
Carrying amount at 31 December	<u>317,556</u>	<u>17,383</u>
Amortised over	<u>2-5 years</u>	<u>5-10 years</u>

Notes to the Financial Statements

	Parent company	
	2022	2021
	DKK	DKK
Cost at 1 January	4,849,891	4,809,891
Additions for the year	11,672,000	40,000
Cost at 31 December	<u>16,521,891</u>	<u>4,849,891</u>
Carrying amount at 31 December	<u>16,521,891</u>	<u>4,849,891</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership	Equity	Net profit/loss for the year
HabitusHusene Vestegnen ApS	Brøndby	80.000	100%	6,688,560	1,549,958
HabitusHuset Jernstøbervænget ApS	Køge	125.000	100%	5,106,387	2,045,970
HabitusHuset Kæderupvej ApS	Gribskov	50.000	100%	18,601,140	3,254,616
HabitusHuset Ny Mårumvej ApS	Gribskov	133.333	100%	11,128,910	2,422,658
HabitusHuset Gødstrup ApS	Brøndby	40.000	100%	-3,150,172	-2,140,043
Habitushusene Nordjylland ApS	Thisted	50.000	100%	18,167,816	3,554,865
HabitusHusene Midtjylland ApS	Brøndby	50.000	100%	5,591,425	2,111,015
Habitushuset Drachmannsvej APS	Brøndby	50.000	100%	5,788,124	1,731,788
HabitusHuset Sølyst ApS	Faxe	50.000	100%	1,544,620	923,756
HabitusHuset Skellebjerg ApS	Brøndby	50.000	100%	-873,760	-106,419
HabitusHuset Frederiksværksgade ApS	Hillerød	40.000	100%	-1,420,815	681,082
HabitusHuset Nordahl ApS	Brøndby	80.000	100%	-415,235	125,281
Habitus Åkandehuset ApS	Odsherred	80.000	100%	3,856,834	1,166,021
HabitusHusene Fyn ApS	Brøndby	40.000	100%	-443,505	-483,505
HabitusHuset Børsholt ApS	Brøndby	40.000	100%	-1,168,101	-1,208,101

In connection with the purchase of shares in 2020, surplus values corresponding to the cost price of shares were identified. These consist of TDKK 1,220 in concepts, TDKK 610 in other assets and deferred tax of TDKK 330. Assets and liabilities are recognized in the consolidated financial statements.

In connection with the purchase of shares in 2022, surplus values corresponding to the cost price of shares

Notes to the Financial Statements

were identified. These consist of DKK 3.9 million in concepts and deferred tax of DKK 0.9 million. Assets and liabilities are recognized in the consolidated financial statements.

12. Other fixed asset investments

Group

	<u>Deposits</u> DKK
Cost at 1 January	4,454,405
Additions for the year	1,055,829
Disposals for the year	<u>-504,066</u>
Cost at 31 December	<u>5,006,168</u>
Carrying amount at 31 December	<u>5,006,168</u>

Parent company

	<u>Deposits</u> DKK
Cost at 1 January	229,764
Additions for the year	<u>14,908</u>
Cost at 31 December	<u>244,672</u>
Carrying amount at 31 December	<u>244,672</u>

<u>Group</u>		<u>Parent company</u>	
2022	2021	2022	2021
DKK	DKK	DKK	DKK

13. Deferred tax asset

Deferred tax asset at 1 January	1,460,710	1,198,793	169,000	190,000
Amounts recognised in the income statement for the year	669,313	261,917	20,000	-21,000
Amounts recognised in equity for the year	<u>-877,006</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred tax asset at 31 December	<u>1,253,017</u>	<u>1,460,710</u>	<u>189,000</u>	<u>169,000</u>

There are no special assumptions for the recognition and measurement of the tax asset. The tax asset largely relates to time variances on tangible fixed assets that management expects to be realized within the coming years.

Notes to the Financial Statements

14. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

15. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group		Parent company	
	2022	2021	2022	2021
	DKK	DKK	DKK	DKK
Other payables				
After 5 years	0	0	0	0
Between 1 and 5 years	14,323,803	0	798,428	0
Long-term part	14,323,803	0	798,428	0
Other short-term payables	24,230,090	34,607,845	1,966,003	2,151,449
	38,553,893	34,607,845	2,764,431	2,151,449

16. Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

	Group	
	2022	2021
	DKK	DKK
Financial income	-1,799,548	-1,105,895
Financial expenses	800,267	581,237
Depreciation, amortisation and impairment losses, including losses and gains on sales	8,480,401	5,253,341
Tax on profit/loss for the year	4,158,027	6,673,613
Other adjustments	0	-760,704
	11,639,147	10,641,592

17. Cash flow statement - Adjustments

Notes to the Financial Statements

	Group	
	2022	2021
	DKK	DKK
18. Cash flow statement - Change in working capital		
Change in receivables	-5,218,469	-13,751,923
Change in trade payables, etc	8,342,196	13,540,416
	<u>3,123,727</u>	<u>-211,507</u>

	Group	
	2022	2021
	DKK	DKK
19. Cash flow statement - Business acquisition		
Intangible assets	3,986,391	0
Property, plant and equipment	117,649	0
Fixed assets	351,000	0
Other receivables	3,239,078	0
Provision for deferred tax	-877,006	0
Tax and other payables	-1,857,608	0
Goodwill	5,299,746	0
Net cash, at acquisition	<u>1,332,750</u>	<u>0</u>
	11,592,000	0
Net cash, at acquisition	<u>-1,332,750</u>	<u>0</u>
	<u>10,259,250</u>	<u>0</u>

20. Contingent assets, liabilities and other financial obligations

Charges and security

Rental and lease obligations

The Group has entered into rental contracts with up to 5 years' non-termination and a total payment of DKK 10.2 million.

The Group has entered into operational leasing agreements with a residual term of 2 months to 51 months and a total payment of a total of DKK 7.4 million.

The Group has entered into a telephony/data agreement with 9 months' non-termination and a total payment of DKK 0.3 million.

Guarantee obligations

Notes to the Financial Statements

Habitus Holding ApS submitted statements of support to HabitusHuset Skellebjerg ApS, HabitusHuset Frederiksværksgade ApS, HabitusHuset Nordahl ApS, HabitusHuset Gødstrup ApS, HabitusHuset Børsholt ApS and HabitusHuset Fyn ApS

21. Related parties and disclosure of consolidated financial statements

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

There have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions and normal management remuneration.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
Alpha HoldCo ApS	Brøndby

Group	
2022	2021
DKK	DKK

22. Fee to auditors appointed at the general meeting

PricewaterhouseCoopers

Audit fee	322,000	287,000
Tax advisory services	100,500	78,000
Non-audit services	186,000	145,000
	608,500	510,000

23. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

24. Accounting policies

The Annual Report of Habitus Holding ApS for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2022 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Habitus Holding ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Notes to the Financial Statements

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Income statement

Net sales

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Notes to the Financial Statements

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Intangible fixed assets

Acquires other similar rights and goodwill acquired is measured at cost less accumulated amortisation. Acquires other similar rights and goodwill is amortised on a straight-line basis over its useful life, which is assessed at 10-20 year.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other buildings	20 years
Other fixtures and fittings, tools and equipment	2-5 years
Leasehold improvements	5-10 years

The residual values are estimated at the following percentage of the cost:

Other buildings	0-20 %
Other fixtures and fittings, tools and equipment	0-20 %
Leasehold improvements	0-20 %

The residual value of other fixed assets is determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Notes to the Financial Statements

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

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

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Cash Flow Statement

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Notes to the Financial Statements

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand" and "Overdraft facilities".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Gross margin	$\text{Gross profit} \times 100 / \text{Revenue}$
Profit margin	$\text{Profit before financials} \times 100 / \text{Revenue}$
Return on assets	$\text{Profit before financials} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity	$\text{Net profit for the year} \times 100 / \text{Average equity}$