
Alpha HoldCo ApS

Ringager 2 A, DK-2605 Brøndby

Annual Report for 2023

CVR No. 42 47 35 10

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 27/6 2024

Jeppe Bo Petersen
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 | 11 |
| Balance sheet 31 December | 12 |
| Statement of changes in equity | 14 |
| Cash Flow Statement 1 January - 31 December | 15 |
| Notes to the Financial Statements | 16 |

Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Alpha HoldCo ApS for the financial year 1 January - 31 December 2023.

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

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

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

We recommend that the Annual Report be adopted at the Annual General Meeting.

Brøndby, 27 June 2024

Executive Board

Martin Godske
CEO

Jeppe Bo Petersen
CFO

Board of Directors

Kristian Emborg
Chairman

Philip Søren Thorsen

Martin Godske

Jeppe Bo Petersen

David Porter

Alexander David Martti
Cunynghame

Independent Auditor's report

To the shareholders of Alpha HoldCo ApS

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 2023 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 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Alpha HoldCo ApS for the financial year 1 January - 31 December 2023, 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.

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.

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Independent Auditor's report

- 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.

Hellerup, 27 June 2024

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 | Alpha HoldCo ApS Ringager 2 A 2605 Brøndby CVR No: 42 47 35 10 Financial period: 1 January - 31 December Municipality of reg. office: Brøndby |
| Board of Directors | Kristian Emborg, chairman Philip Søren Thorsen Martin Godske Jeppe Bo Petersen David Porter Alexander David Martti Cunynghame |
| Executive Board | Martin Godske Jeppe Bo Petersen |
| Auditors | PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup |

Financial Highlights

Seen over a 3-year period, the development of the Group is described by the following financial highlights:

| | Group | | |
|--|-------------------|-------------------|------------------|
| | 2023 | 2022 | 2021 |
| | TDKK 12 months | TDKK 12 months | TDKK 6 months |
| Key figures | | | |
| Profit/loss | | | |
| Revenue | 539,732 | 404,884 | 175,527 |
| Profit/loss of primary operations | 12,028 | -6,601 | 94 |
| Profit/loss of financial income and expenses | -30,553 | -21,802 | -11,235 |
| Net profit/loss for the year | -19,066 | -24,791 | -11,791 |
| Balance sheet | | | |
| Balance sheet total | 709,231 | 686,545 | 703,326 |
| Investment in property, plant and equipment | 43,390 | 36,590 | 15,679 |
| Equity | 265,009 | 284,073 | 308,864 |
| Cash flows | | | |
| Cash flows from: | | | |
| - operating activities | 37,947 | 22,685 | 4,733 |
| - investing activities | -48,706 | -46,656 | -519,323 |
| - financing activities | 20,999 | 0 | 544,580 |
| Change in cash and cash equivalents for the year | 10,240 | -23,971 | 29,990 |
| Number of employees | 796 | 629 | 506 |
| Ratios | | | |
| Gross margin | 87.3% | 86.3% | 90.4% |
| Profit margin | 2.2% | -1.6% | 0.1% |
| Return on assets | 1.7% | -1.0% | 0.0% |
| Solvency ratio | 37.4% | 41.4% | 43.9% |
| Return on equity | -6.9% | -8.4% | -7.6% |

Management's review

Main 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.

Unusual conditions

The Group's balance sheet and financial position per December 31, 2023, has 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.

Long term debt is in DKK. As income and expenses are also in DKK implies that the group is not exposed to currency fluctuations.

Statement of social responsibility

This section covers the statutory disclosure in accordance with §99a of the financial statements act.

For the company's business model see a section above.

Environment

The group has not currently developed a separate policy for environment and climate impact. In connection with the introduction of upcoming ESG reporting, targets for CO2 reduction will be set. These targets are part of the strategic plan, where a policy with action plans and metrics for the environment and climate area will be developed.

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.

Even though the group is currently in the process of developing a specific policy for this area, the group has continuously worked in 2023 to minimize CO2 emissions by continually investing in energy-efficient heating sources, retrofitting properties to minimize CO2, and acquiring hybrid and/or electric cars for all our facilities.

It is also expected that there will be even more of these CO2-reducing retrofits, energy-efficient heating sources, and more electric vehicles in the coming years.

Management's review

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.

Social and employment conditions

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. We continue 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.

In 2023, the group has increased its focus on improving employee well-being, which has resulted in lower employee turnover and, consequently, a healthier work environment within the group. Additionally, in 2023, there has been an emphasis on further enhancing the group's professionalism, service, and integrity to provide the necessary quality within our industry.

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 in management ÅRL 99B

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

Management's review

Alpha HoldCo has an almost equal distribution of female and male employees, though there is a slight overrepresentation of men. In the board of directors and executive management, it is currently 100% men in 2023. Alpha HoldCo goal is for the board of directors to be composed such that the proportion of women is at least 40% by the end of 2028, with a long-term aim of achieving an equal share.

| Top Management Body | | 2023 |
|-----------------------------|--|------|
| Total number of members | | 6 |
| Underrepresented Gender | | 0 |
| Target Percentage | | 40 |
| Year for Target Achievement | | 2028 |

| Other Management levels | | 2023 |
|-------------------------|--|------|
| Total number of members | | 2 |

Alpha HoldCo has fewer than 50 employees and has 2 or fewer in top management levels, and therefore is not required to provide an overview of top management levels.

The company's board of directors comprises 6 members, including owners and members of the executive management. All members are men who possess the necessary competencies required within the company's sector. In 2023, there were no new elections to the board as there were no qualified candidates.

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

Alpha BidCo ApS
Habitus Bolig ApS
Habitus Holding ApS
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

Management's review

HabitusHuset Børsholt ApS
Habitushusene Fyn ApS
Habitus Åkandehuset ApS
HabitusHuset Bøgelund ApS
Habitus Bøgelund Job & Uddannelse ApS
Habitus Faglig Omsorg ApS

The distribution between male and female in the Group in 2023 is 53% male and 47% female, which is a satisfactory distribution.

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.

Developments in activities and economic conditions

The Group's growth in revenue is considered unsatisfactory.

During the year, there has been turnover of staff in some of the Group's subsidiaries, which has led to increased staff costs.

In 2023, there has been a continued focus on competence development with "outrage" as the theme, as well as other health related aspects.

The result for the year shows a loss of DKK 19.0 million which is line with the expectations provided in the previous annual report.

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 2024, the management expects a net negative result before tax of DKK 15 - 25 million.

Significant events occurred after the end of the financial year

After the financial year has ended, the group has decided to close on of the housing offers, as it is Group Management assessment that this will improve overall quality in the Habitus Group.

The effect of closing down the offer, is expected to have a limited financial impact to the group.

No other significant events have occurred after the end of the financial year.

Income statement 1 January - 31 December

| | Note | Group | | Parent company | |
|---|------|----------------|----------------|----------------|-------------|
| | | 2023 | 2022 | 2023 | 2022 |
| | | TDKK | TDKK | TDKK | TDKK |
| Revenue | 2 | 539,732 | 404,884 | 0 | 0 |
| Other operating income | | 360 | 19 | 0 | 0 |
| Other external expenses | | -68,895 | -55,377 | -111 | -174 |
| Gross profit | | 471,197 | 349,526 | -111 | -174 |
| Staff expenses | 3 | -413,993 | -315,454 | 0 | 0 |
| Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment | 4 | -45,176 | -40,673 | 0 | 0 |
| Profit/loss before financial income and expenses | | 12,028 | -6,601 | -111 | -174 |
| Financial income | 5 | 1,138 | 588 | 0 | 0 |
| Financial expenses | 6 | -31,691 | -22,390 | -46 | -54 |
| Profit/loss before tax | | -18,525 | -28,403 | -157 | -228 |
| Tax on profit/loss for the year | 7 | -541 | 3,612 | 27 | 40 |
| Net profit/loss for the year | 8 | -19,066 | -24,791 | -130 | -188 |

Balance sheet 31 December

Assets

| | Note | Group | | Parent company | |
|---|------|----------------|----------------|----------------|----------------|
| | | 2023 | 2022 | 2023 | 2022 |
| | | TDKK | TDKK | TDKK | TDKK |
| Completed development projects | | 320 | 0 | 0 | 0 |
| Acquired other similar rights | | 221,363 | 232,230 | 0 | 0 |
| Goodwill | | 268,502 | 279,883 | 0 | 0 |
| Development projects in progress | | 362 | 0 | 0 | 0 |
| Intangible assets | 9 | 490,547 | 512,113 | 0 | 0 |
| Land and buildings | | 174,187 | 151,757 | 0 | 0 |
| Other fixtures and fittings, tools and equipment | | 9,964 | 6,467 | 0 | 0 |
| Leasehold improvements | | 4,834 | 2,025 | 0 | 0 |
| Property, plant and equipment | 10 | 188,985 | 160,249 | 0 | 0 |
| Investments in subsidiaries | 11 | 0 | 0 | 321,505 | 320,655 |
| Deposits | 12 | 3,158 | 1,746 | 0 | 0 |
| Other receivables | 12 | 1 | 0 | 0 | 0 |
| Fixed asset investments | | 3,159 | 1,746 | 321,505 | 320,655 |
| Fixed assets | | 682,691 | 674,108 | 321,505 | 320,655 |
| Trade receivables | | 3,076 | 2,702 | 0 | 0 |
| Receivables from group enterprises | | 0 | 0 | 0 | 1,085 |
| Other receivables | | 2,359 | 1,048 | 486 | 0 |
| Corporation tax receivable from group enterprises | | 0 | 1 | 27 | 40 |
| Prepayments | 13 | 4,846 | 2,667 | 0 | 0 |
| Receivables | | 10,281 | 6,418 | 513 | 1,125 |
| Cash at bank and in hand | | 16,259 | 6,019 | 42 | 0 |
| Current assets | | 26,540 | 12,437 | 555 | 1,125 |
| Assets | | 709,231 | 686,545 | 322,060 | 321,780 |

Balance sheet 31 December

Liabilities and equity

| | Note | Group | | Parent company | |
|--|------|----------------|----------------|----------------|----------------|
| | | 2023 | 2022 | 2023 | 2022 |
| | | TDKK | TDKK | TDKK | TDKK |
| Share capital | | 2,000 | 2,000 | 2,000 | 2,000 |
| Reserve for development costs | | 537 | 0 | 0 | 0 |
| Retained earnings | | 262,472 | 282,073 | 318,283 | 318,413 |
| Equity | | 265,009 | 284,073 | 320,283 | 320,413 |
| Provision for deferred tax | 14 | 43,721 | 47,744 | 0 | 0 |
| Provisions | | 43,721 | 47,744 | 0 | 0 |
| Credit institutions | | 290,206 | 267,919 | 0 | 0 |
| Other payables | | 17,891 | 14,391 | 0 | 0 |
| Long-term debt | 15 | 308,097 | 282,310 | 0 | 0 |
| Credit institutions | 15 | 0 | 0 | 0 | 1,157 |
| Prepayments received from customers | | 38,232 | 33,241 | 0 | 0 |
| Trade payables | | 5,962 | 6,938 | 81 | 79 |
| Payables to group enterprises | | 0 | 0 | 521 | 0 |
| Corporation tax | | 5,701 | 983 | 0 | 0 |
| Payables to group enterprises relating to corporation tax | | 0 | 0 | 575 | 131 |
| Other payables | 15 | 42,168 | 31,208 | 600 | 0 |
| Deferred income | 16 | 341 | 48 | 0 | 0 |
| Short-term debt | | 92,404 | 72,418 | 1,777 | 1,367 |
| Debt | | 400,501 | 354,728 | 1,777 | 1,367 |
| Liabilities and equity | | 709,231 | 686,545 | 322,060 | 321,780 |
| Subsequent events | 1 | | | | |
| Contingent assets, liabilities and other financial obligations | 20 | | | | |
| Related parties | 21 | | | | |
| Fee to auditors appointed at the general meeting | 22 | | | | |
| Accounting Policies | 23 | | | | |

Statement of changes in equity

Group

| | Share capital | Reserve for development costs | Retained earnings | Total |
|--------------------------------|---------------|-------------------------------------|----------------------|----------------|
| | TDKK | TDKK | TDKK | TDKK |
| Equity at 1 January | 2,000 | 0 | 282,075 | 284,075 |
| Development costs for the year | 0 | 537 | -537 | 0 |
| Net profit/loss for the year | 0 | 0 | -19,066 | -19,066 |
| Equity at 31 December | 2,000 | 537 | 262,472 | 265,009 |

Parent company

| | Share capital | Retained earnings | Total |
|------------------------------|---------------|----------------------|----------------|
| | TDKK | TDKK | TDKK |
| Equity at 1 January | 2,000 | 318,413 | 320,413 |
| Net profit/loss for the year | 0 | -130 | -130 |
| Equity at 31 December | 2,000 | 318,283 | 320,283 |

Cash flow statement 1 January - 31 December

| | Note | Group | |
|---|------|----------------|----------------|
| | | 2023 | 2022 |
| | | TDKK | TDKK |
| Result of the year | | -19,066 | -24,791 |
| Adjustments | 17 | 76,270 | 58,863 |
| Change in working capital | 18 | 9,853 | 12,222 |
| Cash flow from operations before financial items | | 67,057 | 46,294 |
| Financial income | | 1,138 | 588 |
| Financial expenses | | -30,403 | -21,102 |
| Cash flows from ordinary activities | | 37,792 | 25,780 |
| Corporation tax paid | | 155 | -3,095 |
| Cash flows from operating activities | | 37,947 | 22,685 |
| Purchase of intangible assets | | -686 | 0 |
| Purchase of property, plant and equipment | | -42,617 | -36,451 |
| Fixed asset investments made etc | | -774 | 54 |
| Business acquisition | 19 | -4,629 | -10,259 |
| Cash flows from investing activities | | -48,706 | -46,656 |
| Raising of loans from credit institutions | | 20,999 | 0 |
| Cash flows from financing activities | | 20,999 | 0 |
| Change in cash and cash equivalents | | 10,240 | -23,971 |
| Cash and cash equivalents at 1 January | | 6,019 | 29,990 |
| Cash and cash equivalents at 31 December | | 16,259 | 6,019 |
| Cash and cash equivalents are specified as follows: | | | |
| Cash at bank and in hand | | 16,259 | 6,019 |
| Cash and cash equivalents at 31 December | | 16,259 | 6,019 |

Notes to the Financial Statements

1. Subsequent events

After the financial year has ended, the group has decided to close on of the housing offers, as it is Group Management assessment that the offer could no longer deliver the overall quality that are expected of the Habitus Group.

The effect of closing down the offer, is expected to have a limited financial impact to the group.

No other significant events have occurred after the end of the financial year.

| | Group | | Parent company | |
|------------------------------|----------------|----------------|----------------|----------|
| | 2023 | 2022 | 2023 | 2022 |
| | TDKK | TDKK | TDKK | TDKK |
| 2. Revenue | | | | |
| Geographical segments | | | | |
| Denmark | 539,732 | 404,884 | 0 | 0 |
| | 539,732 | 404,884 | 0 | 0 |

| | Group | | Parent company | |
|---|----------------|----------------|----------------|----------|
| | 2023 | 2022 | 2023 | 2022 |
| | TDKK | TDKK | TDKK | TDKK |
| 3. Staff Expenses | | | | |
| Wages and salaries | 366,296 | 278,999 | 0 | 0 |
| Pensions | 39,175 | 29,652 | 0 | 0 |
| Other social security expenses | 8,518 | 6,803 | 0 | 0 |
| Other staff expenses | 4 | 0 | 0 | 0 |
| | 413,993 | 315,454 | 0 | 0 |
| | | | | |
| Including remuneration to the Executive Board and Board of Directors: | | | | |
| Executive board | 7,464 | 5,054 | 0 | 0 |
| Board of directors | 400 | 570 | 0 | 0 |
| | 7,864 | 5,624 | 0 | 0 |
| | | | | |
| Average number of employees | 796 | 629 | 0 | 0 |

The incentive scheme offered to the Executive Board and senior officers includes an option on new subscription, in the period from 2022 to 2034, of shares of up to 15% of the present share capital. The subscription may take place at a maximum of 1/4 per year. Consequently, in the period until 2034, new shares of a nominal value of maximum DKK 1 at a price of DKK 1 may be subscribed.

Notes to the Financial Statements

| | Group | | Parent company | |
|---|---------------|---------------|----------------|----------|
| | 2023 | 2022 | 2023 | 2022 |
| | TDKK | TDKK | TDKK | TDKK |
| 4. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment | | | | |
| Amortisation of intangible assets | 27,907 | 27,514 | 0 | 0 |
| Depreciation of property, plant and equipment | 17,269 | 13,159 | 0 | 0 |
| | 45,176 | 40,673 | 0 | 0 |

| | Group | | Parent company | |
|----------------------------|--------------|------------|----------------|----------|
| | 2023 | 2022 | 2023 | 2022 |
| | TDKK | TDKK | TDKK | TDKK |
| 5. Financial income | | | | |
| Other financial income | 1,138 | 588 | 0 | 0 |
| | 1,138 | 588 | 0 | 0 |

| | Group | | Parent company | |
|------------------------------------|---------------|---------------|----------------|-----------|
| | 2023 | 2022 | 2023 | 2022 |
| | TDKK | TDKK | TDKK | TDKK |
| 6. Financial expenses | | | | |
| Interest paid to group enterprises | 0 | 0 | 1 | 0 |
| Other financial expenses | 31,691 | 22,390 | 45 | 54 |
| | 31,691 | 22,390 | 46 | 54 |

| | Group | | Parent company | |
|------------------------------|------------|---------------|----------------|------------|
| | 2023 | 2022 | 2023 | 2022 |
| | TDKK | TDKK | TDKK | TDKK |
| 7. Income tax expense | | | | |
| Current tax for the year | 5,006 | 712 | -27 | -40 |
| Deferred tax for the year | -4,465 | -4,324 | 0 | 0 |
| | 541 | -3,612 | -27 | -40 |

Notes to the Financial Statements

| | Parent company | |
|-----------------------------|-----------------------|-------------|
| | 2023 | 2022 |
| | TDKK | TDKK |
| 8. Profit allocation | | |
| Retained earnings | -130 | -188 |
| | -130 | -188 |

9. Intangible fixed assets Group

| | Completed development projects | Acquired other similar rights | Goodwill | Develop- ment projects in progress |
|--|--------------------------------------|-------------------------------------|----------------|--|
| | TDKK | TDKK | TDKK | TDKK |
| Cost at 1 January | 0 | 251,021 | 302,266 | 0 |
| Additions for the year | 329 | 1,843 | 3,812 | 362 |
| Cost at 31 December | 329 | 252,864 | 306,078 | 362 |
| Impairment losses and amortisation at 1 January | 0 | 18,791 | 22,383 | 0 |
| Amortisation for the year | 9 | 12,710 | 15,193 | 0 |
| Impairment losses and amortisation at 31 December | 9 | 31,501 | 37,576 | 0 |
| Carrying amount at 31 December | 320 | 221,363 | 268,502 | 362 |
| Amortised over | 10 years | 10-20 years | 20 years | |

Notes to the Financial Statements

10. Property, plant and equipment Group

| | Land and buildings | Other fixtures and fittings, tools and equipment | Leasehold improve- ments |
|---|-----------------------|---|--------------------------------|
| | TDKK | TDKK | TDKK |
| Cost at 1 January | 196,137 | 11,151 | 2,951 |
| Net effect from merger and acquisition | 0 | 3,708 | 696 |
| Additions for the year | 35,157 | 5,832 | 2,401 |
| Disposals for the year | -175 | -444 | 0 |
| Transfers for the year | 0 | -441 | 441 |
| Cost at 31 December | <u>231,119</u> | <u>19,806</u> | <u>6,489</u> |
| Impairment losses and depreciation at 1 January | 44,380 | 4,684 | 926 |
| Net effect from merger and acquisition | 0 | 1,122 | 210 |
| Depreciation for the year | 12,552 | 4,198 | 519 |
| Impairment and depreciation of sold assets for the year | 0 | -5 | 0 |
| Reversal of impairment and depreciation of sold assets | 0 | -157 | 0 |
| Impairment losses and depreciation at 31 December | <u>56,932</u> | <u>9,842</u> | <u>1,655</u> |
| Carrying amount at 31 December | <u>174,187</u> | <u>9,964</u> | <u>4,834</u> |

Notes to the Financial Statements

| | Group | | Parent company | |
|--|----------|----------|----------------|----------------|
| | 2023 | 2022 | 2023 | 2022 |
| | TDKK | TDKK | TDKK | TDKK |
| 11. Investments in subsidiaries | | | | |
| Cost at 1 January | 0 | 0 | 320,655 | 320,655 |
| Additions for the year | 850 | 0 | 1,700 | 0 |
| Cost at 31 December | 850 | 0 | 322,355 | 320,655 |
| Other equity movements, net | -850 | 0 | -850 | 0 |
| Value adjustments at 31 December | -850 | 0 | -850 | 0 |
| Carrying amount at 31 December | 0 | 0 | 321,505 | 320,655 |

Investments in subsidiaries are specified as follows:

| Name | Place of registered office | Share capital | Ownership | Equity | Net profit/loss for the year |
|---------------------------------------|----------------------------|---------------|-----------|-------------|------------------------------|
| Alpha BidCo ApS | Brøndby | 40.000 | 100% | 306,660,119 | 12,967,948 |
| Habitus Holding ApS | Brøndby | 80.000 | 100% | 4,159,603 | 38,243,146 |
| Habitus Bolig ApS | Brøndby | 110.000 | 100% | 1,311,536 | 1,140,162 |
| HabitusHusene Vestegnen ApS | Brøndby | 80.000 | 100% | 9,814,415 | 3,125,855 |
| Jernstøbervænget ApS | Køge | 125.000 | 100% | 6,892,612 | 1,786,224 |
| HabitusHuset Kæderupvej ApS | Gribskov | 50.000 | 100% | 4,996,429 | 3,895,289 |
| HabitusHuset Ny Mårumsvej ApS | Gribskov | 133.333 | 100% | 12,072,833 | 943,923 |
| HabitusHuset Gødstrup ApS | Brøndby | 40.000 | 100% | -7,963,520 | -4,813,348 |
| Habitushusene Nordjylland ApS | Thisted | 50.000 | 100% | 6,211,649 | 5,543,833 |
| Habitushuset Drachmannsvej ApS | Brøndby | 50.000 | 100% | 7,697,839 | 1,909,715 |
| HabitusHuset Sølyst ApS | Faxe | 50.000 | 100% | 3,647,005 | 2,102,384 |
| HabitusHuset Skellebjerg ApS | Brøndby | 50.000 | 100% | 1,074,669 | 1,948,429 |
| HabitusHuset Frederiksværksgade ApS | Hillerød | 40.000 | 100% | 3,116,305 | 4,537,120 |
| HabitusHuset Nordahl ApS | Brøndby | 80.000 | 100% | -577,951 | -162,716 |
| HabitusHusene Midtjylland ApS | Brøndby | 50.000 | 100% | 7,630,942 | 2,039,517 |
| Habitus Åkandehuset ApS | Odsherred | 80.000 | 100% | 5,385,909 | 1,529,075 |
| HabitusHusene Fyn ApS | Brøndby | 40.000 | 100% | -2,067,581 | -1,624,076 |
| HabitusHuset Børsholt ApS | Brøndby | 40.000 | 100% | -1,253,119 | -85,018 |
| Habitus Bøgelund Job & Uddannelse ApS | Jelling | 40.000 | 100% | 1,311,097 | 744,541 |
| HabitusHuset Bøgelund CFU ApS | Jelling | 40.000 | 100% | 2,102,957 | 846,776 |

Notes to the Financial Statements

| Name | Place of registered office | Share capital | Ownership | Equity | Net profit/loss for the year |
|---------------------------|----------------------------|---------------|-----------|-----------|------------------------------|
| Habitus Faglig Omsorg ApS | Brøndby | 40.000 | 100% | 1,997,578 | 1,957,578 |

12. Other fixed asset investments

Group

| | Deposits | Other receivables |
|---------------------------------------|--------------|-------------------|
| | TDKK | TDKK |
| Cost at 1 January | 1,746 | 0 |
| Additions for the year | 1,396 | 1 |
| Disposals for the year | 16 | 0 |
| Cost at 31 December | 3,158 | 1 |
| Carrying amount at 31 December | 3,158 | 1 |

13. Prepayments

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

| | Group | | Parent company | |
|--|-------|------|----------------|------|
| | 2023 | 2022 | 2023 | 2022 |
| | TDKK | TDKK | TDKK | TDKK |

14. Provision for deferred tax

| | | | | |
|---|---------------|---------------|----------|----------|
| Deferred tax liabilities at 1 January | 47,744 | 51,176 | 0 | -15 |
| Amounts recognised in the income statement for the year | -4,465 | -4,324 | 0 | 0 |
| Amounts recognised in equity for the year | 442 | 892 | 0 | 15 |
| Deferred tax liabilities at 31 December | 43,721 | 47,744 | 0 | 0 |

Notes to the Financial Statements

| Group | | Parent company | |
|-------|------|----------------|------|
| 2023 | 2022 | 2023 | 2022 |
| TDKK | TDKK | TDKK | TDKK |

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:

Credit institutions

| | | | | |
|--|----------------|----------------|----------|--------------|
| After 5 years | 0 | 0 | 0 | 0 |
| Between 1 and 5 years | 290,206 | 267,919 | 0 | 0 |
| Long-term part | 290,206 | 267,919 | 0 | 0 |
| Other short-term debt to credit institutions | 0 | 0 | 0 | 1,157 |
| | 290,206 | 267,919 | 0 | 1,157 |

Other payables

| | | | | |
|---------------------------|---------------|---------------|------------|----------|
| After 5 years | 0 | 0 | 0 | 0 |
| Between 1 and 5 years | 17,891 | 14,391 | 0 | 0 |
| Long-term part | 17,891 | 14,391 | 0 | 0 |
| Other short-term payables | 42,168 | 31,208 | 600 | 0 |
| | 60,059 | 45,599 | 600 | 0 |

16. Deferred income

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

| Group | |
|-------|------|
| 2023 | 2022 |
| TDKK | TDKK |

17. Cash flow statement - Adjustments

| | | |
|---|---------------|---------------|
| Financial income | -1,138 | -588 |
| Financial expenses | 31,691 | 22,390 |
| Depreciation, amortisation and impairment losses, including losses and gains on sales | 45,176 | 40,673 |
| Tax on profit/loss for the year | 541 | -3,612 |
| | 76,270 | 58,863 |

Notes to the Financial Statements

18. Cash flow statement - Change in working capital

| | Group | |
|-------------------------------|--------------|---------------|
| | 2023 | 2022 |
| | TDKK | TDKK |
| Change in receivables | -2,912 | 1,529 |
| Change in trade payables, etc | 12,765 | 10,693 |
| | 9,853 | 12,222 |

19. Cash flow statement - Business acquisition

| | Group | |
|-------------------------------|--------------|---------------|
| | 2023 | 2022 |
| | TDKK | TDKK |
| Intangible assets | 1,843 | 3,986 |
| Property, plant and equipment | 3,388 | 118 |
| Other receivables | 951 | 3,239 |
| Trade payables | 0 | 0 |
| Provision for deferred tax | -405 | -877 |
| Tax and other payables | -5,599 | -1,858 |
| Long debt | 0 | 0 |
| Net cash, at acquisition | 3,187 | 1,333 |
| Deferred income | 0 | 0 |
| Goodwill | 3,812 | 5,300 |
| Fixed assets | 639 | 351 |
| | 7,816 | 11,592 |
| Net cash, at acquisition | -3,187 | -1,333 |
| | 4,629 | 10,259 |

Notes to the Financial Statements

| | Group | | Parent company | |
|---|---------|---------|----------------|------|
| | 2023 | 2022 | 2023 | 2022 |
| | TDKK | TDKK | TDKK | TDKK |
| 20. Contingent assets, liabilities and other financial obligations | | | | |
| Charges and security | | | | |
| The following assets have been placed as security with mortgage credit institutes | | | | |
| Land and buildings with an accounting value of | 174,187 | 151,757 | 0 | 0 |

Rental and lease obligations

The Group has entered into rental contracts with up to 5 years' non-termination and a total payment of DKK 10.6 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 11.2 million.

The Group has entered into purchase agreements on a number of properties, which they are obliged to buy after 1-51 months for a total value of DKK 12.6 million.

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax. Any subsequent adjustments of corporation taxes may increase the Company's liability.

21. Related parties

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.

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Apposite Healthcare III LLP

Apposite Healthcare CoInvestment II L.P.

Dreyer og Jepsen Holding af 12.10.2010 ApS

Notes to the Financial Statements

22. Fee to auditors appointed at the general meeting

PricewaterhouseCoopers

Audit fee

Tax advisory services

Non-audit services

| Group | |
|------------|------------|
| 2023 | 2022 |
| TDKK | TDKK |
| 559 | 402 |
| 152 | 129 |
| 258 | 282 |
| 969 | 813 |

Notes to the Financial Statements

23. Accounting policies

The Annual Report of Alpha HoldCo ApS for 2023 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 2023 are presented in TDKK.

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, Alpha HoldCo 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.

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.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Segment information on revenue

Information on geographical segments is based on the Group's risks and returns and its internal financial reporting system.

Income statement

Revenue

Revenue from the sale of goods includes invoiced sales of services and subsistence payments that are recognized in the period to which it relates.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales 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.

Notes to the Financial Statements

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.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for 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 danish companies. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Goodwill

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 20 years.

Acquired other similar rights is measured at cost less accumulated amortisation. Concepts is amortised on a straight-line basis over its useful life, which is assessed at 10-20 years.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

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.

Notes to the Financial Statements

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

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:

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

The fixed assets' residual values are 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.

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.

Notes to the Financial Statements

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 liabilities

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.

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".

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 | $\text{Profit/loss of ordinary primary operations} \times 100 / \text{Revenue}$ |
| Return on assets | $\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$ |
| Solvency ratio | $\text{Equity at year end} \times 100 / \text{Total assets at year end}$ |
| Return on equity | $\text{Net profit for the year} \times 100 / \text{Average equity}$ |