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# Annual report 2024

## Urban areas that improve quality of life



“We see our approach to being a property developer in a greater context than merely in relation to a specific building in a given location, but rather as a part of the community and society at large.”



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# Ready for Growth

In 2024, we wrote yet another chapter in ALFA Development's journey of growth and innovative projects. Despite challenging odds, we navigated the year successfully and delivered the expected results. At the same time, we prepared for the next upswing by advancing development projects, assembling a strong new development team, securing a solid balance sheet, and maintaining robust liquidity reserves.

## Strong Progress in Our Development Projects

The year 2024 was marked by the preparation of several local plans for new projects in the Greater Copenhagen area. A significant milestone was reached when Gladsaxe Municipality approved the local plan for a new green urban district around the historic Mørkhøjgård at the end of the year. This project, which includes over 400 new homes, holds special significance as it embodies quality, community, and respect for the area's natural and cultural heritage—core values of our development work.

As part of the planning process, we engaged in close dialogue with the companies in the area, who have expressed a need for housing for their many expat specialists. To address their specific preferences for living in a strong community, we will establish the next Living By ALFA project on the Mørkhøj site. This concept offers attractive rental homes with shared facilities, activities, and services. The Mørkhøj project builds on the positive experiences from our first Living By ALFA project in IrmaByen, Rødovre.



In the Greater Copenhagen area Rødovre, we are also preparing a new residential area adjacent to IrmaByen. Here, we will transform the existing industrial area, known as Valhøj kvarteret, into a green and car-free neighbourhood with approximately 200 new homes. Quality and biodiversity, central to our development philosophy, will be key aspects of the new district. The local planning process is expected to conclude in Q2 2025.

#### **A New, Strong Development Team Ready for Growth**

Primo 2024, we hired new, highly skilled professionals in urban and residential development. In December 2024, we were thrilled to welcome Christian Wæver as COO and member of group management. He will lead the development team and play a key role in our business growth. With his deep market knowledge and extensive experience in collaborations with investors, authorities, and advisors, Christian will be vital to ALFA's growth in Denmark in the coming years.

Alongside current projects, including 60,000 60,000 square metres building rights with approved local plans and an additional 174,000 square metres building rights in the early stages, we will continue seeking new project opportunities throughout 2025.

#### **Living By ALFA —A Popular and Innovative Housing Concept**

In June 2023, the final residents moved into our serviced community BTR concept Living By ALFA in IrmaByen. The homes were quickly rented out, with many now on the waiting list for these attractive apartments offering a safe, community-focused environment. A satisfaction survey conducted in collaboration with leading Scandinavian housing analysts confirmed strong resident satisfaction with the shared facilities, services, and activities for all generations.

As previously mentioned, the next project in the pipeline is Living By ALFA in Mørkhøj.

#### **Thoughtful Insights from the Outside**

In October 2024, ALFA participated in the UN Biodiversity Conference COP16 in Colombia as the only Danish urban and residential developer in the Danish business delegation. This reinforced our commitment to addressing biodiversity crises—one of the greatest challenges of our time.

It was an exceptional and thought-provoking experience that underscored the biodiversity crisis as one of the greatest challenges of our time, perhaps even the greatest. We can make a difference through our development projects in Denmark by transforming old industrial and commercial areas

into green neighborhoods with favorable conditions for nature. However, the greatest contribution we can truly make is on a global scale, where the most precious natural areas with high biodiversity are often found in countries with limited economic resources. This global work is supported through the Planetary Responsibility Foundation (PRF). A portion of ALFA Development's annual profit is donated to the foundation, which invests internationally in nature restoration and biodiversity projects, as well as knowledge sharing in the field of sustainability. In 2024, ALFA donated 8 million DKK to the foundation.

#### **Results Through Collaboration**

In a smaller organisation like ours, we cannot do everything ourselves. Therefore, it is also part of our strategy to invest in entrepreneurs and start-ups that contribute to the development of sustainable solutions both in Denmark and internationally. Through participation in COP16 and our ongoing involvement with the international organisation ULI, we gain new ideas that we apply to our development projects and hope will help drive progress in the industry.

This will be especially necessary as we look ahead to 2025 and beyond. A focus on ESG and increasing awareness of the climate and biodiversity crises, combined with economic priorities in

society, places entirely new demands on us. Fortunately, we enter 2025 with optimism and a strong foundation. Our focus will remain on creating high-quality housing and urban environments and expanding the Living By ALFA concept to more locations. At the same time, we will maintain a conservative financial management approach to ensure robust resilience and growth in an unpredictable time.

#### **Andreea Kaiser**

Co-founder and Group CEO

# Foundation for future growth has been laid

Stable operations from our investment portfolio and important milestones reached in our development projects.

We have taken a conservative approach to the property market over the past few years and have therefore increased our solvency and cash resources, preparing for the opportunities that may arise. Over the past few years, we have mainly acquired investment properties offering development potential. At the same time, we have sold off newly built investment properties developed, built and leased in-house.

We have optimised the operations of our portfolio of older investment properties, thereby increasing our rental and operating income. We recorded stable growth in operating income from the remaining properties in 2024, although our total operating income was reduced due to the divestment of the Njalsgade complex at the end of 2023.

With unchanged yield requirements for investment properties in the property market in 2024, our portfolio of investment properties improved, driven by growth in our regular rental and operating income. Value adjustments of investment properties for the year came to DKK 1 million in 2024.

Living By ALFA IrmaByen is continuing the positive developments with increased rental levels on reletting, which confirms our strategy of rolling out the concept to more geographical locations.

We are pleased with the growth in operating income from our investment properties, which ensures satisfactory operating cash flows for our investment portfolio thanks to our low loan-to-value ratios and long refinancing intervals.

Current market conditions with high construction costs, interest rates and yield requirements have affected our developer margins and the value of our building rights. Until market conditions support development for residential purposes, we will therefore continue to operate our investment properties with development potential at Smedeland and Mileparken/Marielundvej, which are generating stable cash flows from operations.

Current market conditions have affected particularly our expectations for the option sites around Aarhus, with the large supply of newly built residential units lowering our expectations for the short and medium term.

DKK -5m

Profit for the year

DKK 999m

Equity

-0.5%

ROE

11%

Avg. ROE 2020–2024

The current political discussions concerning the Marienlyst area in Aarhus have led us to lower our short-term expectations for the option areas around Aarhus. In the longer term, however, we remain positive about Aarhus.

The property industry is cyclical, and we have prepared for the downturn in the best way we can, making sure that we are ready for the next upturn by acquiring projects with different development and construction periods in order to stagger the timing of when the properties we sell or lease will hit the market and thereby spread risk.

Our solid balance sheet and strong cash position enable us to be opportunistic, and we expect to close deals and agreements at higher yields and

earnings than we have managed to deliver in recent years. In other words, we expect the next few years to provide better opportunities for acquiring attractive building rights and investment properties with development potential at reasonable prices.

We are preparing for the next cyclical upturn and are patient with our investments.

Over the past two years, we have aligned our organisation to our limited construction activity and projected revenue from project sales in 2025–2026. Not least, we have strengthened the Group's development capabilities, most recently with the appointment of COO and Development Director Christian Wæver in December 2024. Andreea Kaiser took over as CEO in February 2025.



**Kristian Hare**  
CFO



**Andreea Kaiser**  
CEO



**Christian Wæver**  
COO





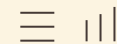
# ALFA at a glance

ALFA Development is a family-owned company engaged in urban and property development and in the development and management of a proprietary portfolio of investment properties. The company has grown steadily since it was founded in 2006, evolving into a strong organisation with a solid network of dependable business partners.

We are a young company with solid experience. Since 2006, we have been developing modern urban and residential areas.

We are family-owned. That means we think long term. We create places where people love to live, not just today, but also tomorrow. We are a niche player and choose our development projects carefully to ensure that we can realise our visions.

We work internationally, bringing the best inspiration from abroad to Denmark and the best from Denmark to the world. We build mixed communities, for owners and tenants, for young and old, for families and singles.



## 65,000

Sqm for rent

## 276,000

Sqm under development

## 64

Homes in production

## 30

Employees (FTE)



# Our purpose is to create the best conditions for people and nature by raising the standards of our industry.

We see our approach to being a property developer in a greater context than merely in relation to a specific building in a given location, but rather as a part of the community and society at large. We want to make a positive difference and focus consistently on the implications of our actions.

To that end, we always strive to improve. We listen to the needs of our clients and are at the forefront of innovation and technological developments. Only in this way can we heighten the standards of our building projects in terms of design, functionality and climate impact.



## Our commitment

### Focus on the client

We seek to understand the different life stages of our customers and to build housing and develop solutions that match their needs and make their lives easier. We do this by incorporating more functionality into our products in general: storage, terraces, entrances, etc. In addition, we conduct customer satisfaction surveys to continuously understand and meet our customers' needs.

### Quality of life

Our work is driven by an ambition to enhance the quality of life of our customers. Safety, more green spaces, better areas where children can play safely, better services, common areas that support the community spirit and feel cosy – places where people can come together and have shared experiences.

### Sustainability

In order to remain competitive, we must consistently become more innovative, more efficient and more sustainable. Working closely together with the operations team to optimise buildings, minimise waste and make better choices from the beginning while taking into account our product's life cycle is the key to our success.

# Values

## Credibility and trust

We stand by our word. We prioritise long-term and close relationships based on fairness and mutual respect.

## Passion

We work with dedication and passion to deliver excellent results for ourselves, our partners and our customers.

## Professionalism

We have in-depth market knowledge and work with a high degree of integrity. Being part of a competent and diverse group of people, we are agile, tolerant and work well together.

## Quality

We take responsibility for creating lasting value with well thought-through solutions. We work with reliable partners who deliver the quality we want to bring to our customers.

“We know that cities and homes shape people’s lives. We don’t just build, we put the customer at the center. We ask our future customers what they want and turn their dreams into reality.”

**Andreea Kaiser**  
Co-Founder & CEO





# Financial review

The profit for the year before tax amounted to DKK -5 million as expected, which lowered equity by less than 0.5%. Equity amounted to DKK 999 million after dividend, for an equity ratio of 52%.

## Revenue and earnings

Revenue for the year amounted to DKK 118 million (2023: DKK 257 million), of which DKK 37 million (2023: DKK 154 million) was attributable to project sales from the development portfolio. DKK 79 million (2023: DKK 100 million) was rental income stemming mainly from the investment portfolio.

Rental income did not increase as much as budgeted due to lower NPI adjustments. As a natural consequence, our operating profit, based on which we calculate value adjustments for the year, was lower. With unchanged yield requirements, the value adjustments of investment properties for the year amounted to DKK 1 million (2023: DKK -32 million).

Value adjustments of investment properties amounted to DKK 1 million (2023: DKK -32 million), of which DKK -1 million stems from investment properties under construction (2023: DKK -3 million), which are stated at fair value.

Lower revenue from project sales had been expected and guided for in 2024 as compared with 2023. We succeeded in selling the Nivå project at a price of DKK 33 million, which we had not expected, and the project contributed both revenue and earnings earlier than expected.

Gross profit before value adjustments amounted to DKK 35 million (2023: DKK 57 million) for a gross margin of 29.6% (2023: 22.0%).

Distribution costs, comprising sales and marketing costs, were reduced to DKK 7 million (2023: DKK 13 million), a drop from last year's figure due to the lower revenue. Administrative expenses dropped as well to about DKK 16 million (2023: DKK 20 million). Our organisation consisted of 30 full-time equivalents at 31 December 2024 (2023: 39 FTEs), the decline being due to the closing of our restaurant and takeaway service in the Living By ALFA community in IrmaByen.

Profit before financial items and tax (EBITDA) amounted to DKK 8 million (2023: DKK 41 million). Net financial items amounted to DKK -21 million (2023: DKK 39 million) including one-off financial income of DKK 10 million (2023: DKK 73 million).

Profit before tax amounted to DKK -12 million (2023: DKK 80 million) and tax on the profit for the year was DKK -7 million (2023: DKK 9 million), bringing the profit for the year to DKK -5 million (2023: DKK 71 million).

In our 2023 Annual Report, we guided for a loss for 2024 of DKK 0-10 million before value adjustments of investment properties and tax. Profit/loss for the year before value adjustments of investment properties and tax amounted to DKK -13 million (2023: DKK 112 million).

The negative deviation in the profit/loss before value adjustments was due to several factors. A significant part of the deviation was attributable to disappointing revenue and operating income from our restaurant and takeaway activities in IrmaByen. In spite of dedicated efforts from our employees and a good reception from the local community, this business area failed to generate the required earnings. Ever increasing raw materials prices, challenges in attracting qualified staff and general uncertainty in the restaurant industry were some of the factors contributing to our decision to close down this part

DKK -21m

EBIT

52%

Equity ratio

DKK 1,917m

Assets

DKK 999m

Equity

of our business. Instead, we have chosen to enter into agreements with experienced tenants to carry on the restaurant and takeaway activities going forward. This will ensure stable rental income and significantly reduce our operating risk.

Payroll costs were unchanged in spite of new hires needed in our development department to ensure the continued development of our project portfolio.

In addition, the Board of Directors chose to donate a total amount of DKK 8 million to the Planetary Responsibility Foundation. This decision reflects our long-term commitment to protecting and preserving our nature for coming generations. The foundation is working with specific nature preservation and sustainable development initiatives.

Overall, the profit/loss for the year was acceptable.

### Balance sheet and equity

Total assets amounted to DKK 1,917 million (2023: DKK 2,249 million), consisting of DKK 1,341 million attributable to the investment portfolio (2023: DKK 1,321 million), DKK 159 million attributable to the project and development portfolios (2023: DKK 155 million), DKK 280 million in cash and cash equivalents (2023: DKK 625 million) and DKK 137 million in other assets (2023: DKK 148 million).

The Group's head office at Knud Højgaards Vej 2 in Søborg is still not recognised as part of the invest-

ment portfolio, but is recognised as a long-term fixed asset measured at cost less depreciation.

Equity amounted to DKK 999 million (2023: DKK 1,129 million), for an equity ratio of 52%, which was 2 percentage points higher than in the previous year (2023: 50%).

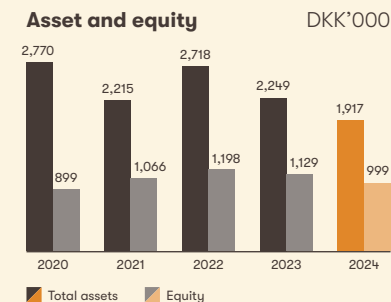
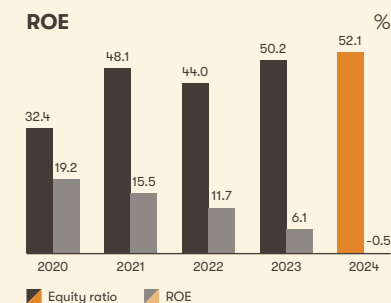
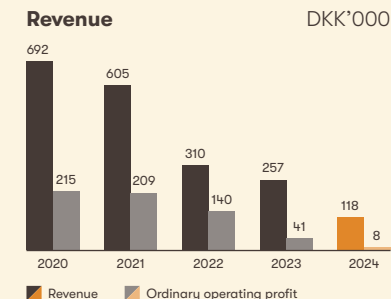
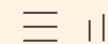
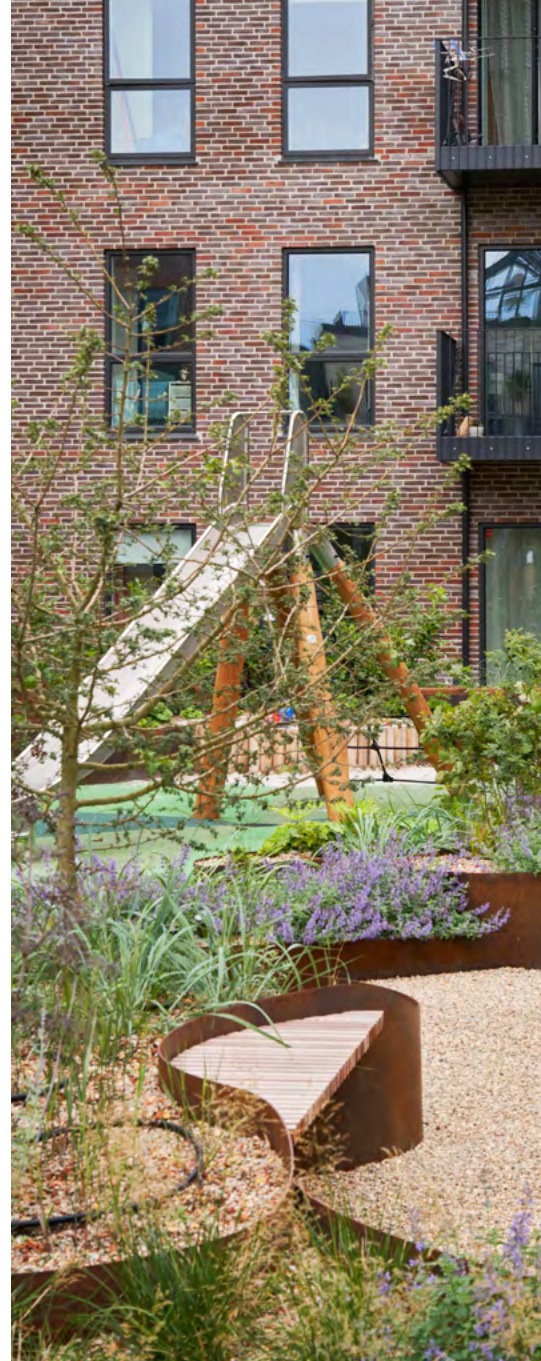
### Expectations for the coming year

The increase in earnings from the investment portfolio will be a key driver of our consolidated financial results for 2025, as we do not expect to make any handovers from project sales during the year. At the present time, we do not have plans for any significant handovers until in 2028-29.

On that background, we expect the result to be within the range of DKK 5 million to DKK -5 million before tax and value adjustments of investment properties, which includes a donation to the Planetary Responsibility Foundation of DKK 6 million.

Value adjustments of investment properties will depend on changes in operating profit and yield requirements. Yield requirements are affected by the general level of interest rates, inflation expectations and the risk premium determined by alternative investment options available to investors.

Assuming unchanged yield requirements, a 1.75% improvement in operations will produce a value adjustment of DKK 23 million before tax, all else being equal.



“In October 2024, ALFA participated in the UN Biodiversity Conference COP16 in Colombia as the only Danish urban and residential developer in the Danish business delegation. This reinforced our commitment to addressing biodiversity crises—one of the greatest challenges of our time.”





# Financial highlights for the Group

DKK'000	2024	2023	2022	2021	2020
<b>Income statement</b>					
Revenue	118,178	256,871	310,048	605,198	691,671
Gross profit	35,662	24,651	174,138	249,713	251,915
Ordinary operating profit	8,075	40,758	139,564	208,561	215,248
Net financials	-20,568	39,244	12,528	-15,370	-15,646
Profits before tax	-12,493	80,002	152,092	193,191	199,602
Profit for the year	-5,283	70,885	132,602	152,459	158,049
<b>Balance sheet</b>					
Total assets	1,917,352	2,249,429	2,718,136	2,215,179	2,769,936
Investments in property, plant and equipment	18,042	103,381	662,378	335,145	202,695
Equity	998,768	1,129,051	1,198,166	1,065,563	898,722
<b>Cash flow</b>					
Operating activities	-32,795	111,713	264,612	94,388	280,802
Investing activities	-28,767	646,826	-634,260	599,664	-197,131
Financing activities	-281,306	-283,583	441,321	-714,447	-74,712
Total cash flows	-342,868	474,956	71,673	-20,395	8,959

DKK'000	2024	2023	2022	2021	2020
<b>Employees</b>					
Average number of full-time employees	36	44	40	42	33
<b>Financial ratios in %</b>					
Current ratio	368.9	264.1	79.5	243.5	87.0
Equity ratio	52.1	50.2	44.1	48.1	32.4
Return on equity	-0.5	6.1	11.7	15.5	19.2

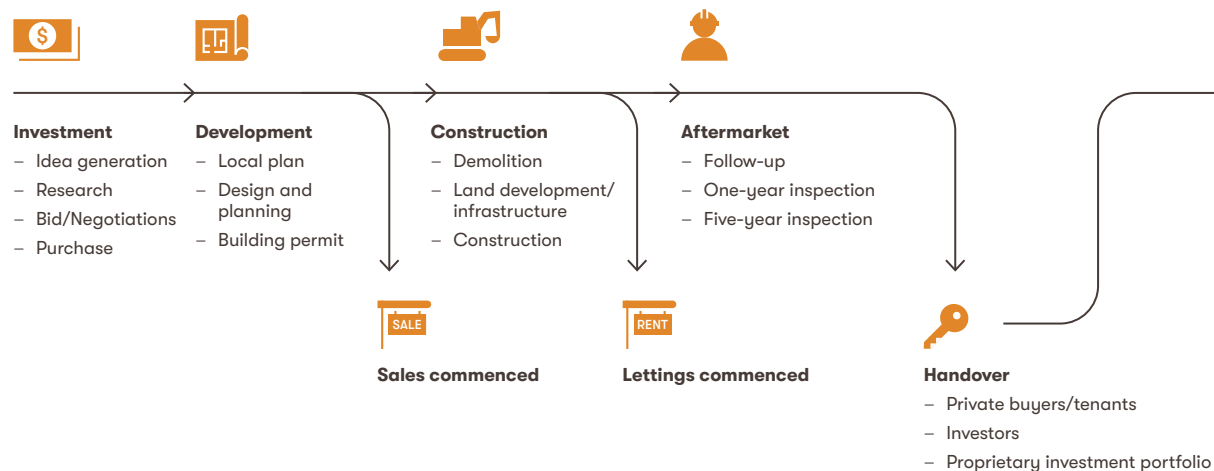
Financial highlights have been calculated in accordance with 'Recommendations & Ratios' issued by the Danish Finance Society.

As can be seen from the accounting policies, the Group has carried out, in relation to the statement of cash flows, reclassification of receivables from affiliated enterprises. The main figures for 2022 and 2021 are adapted accordingly. The changes have no significant impact on the main figures for the period 2020.

# Business model



## Development portfolio



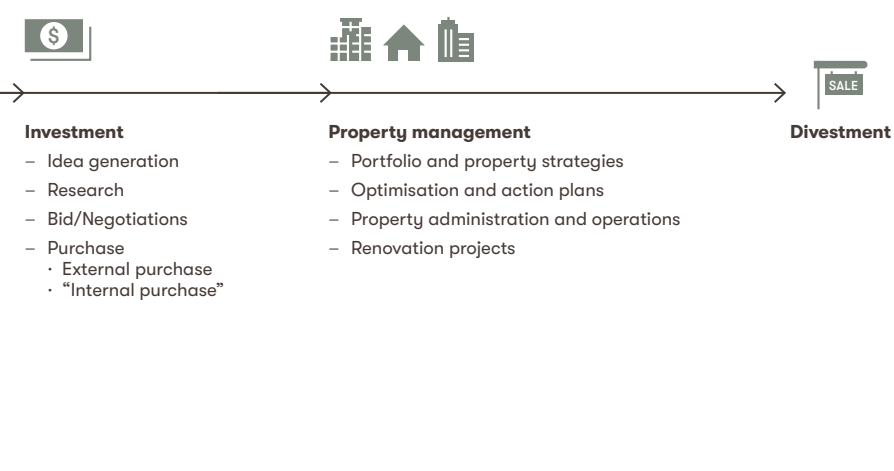
Our property development projects generally involve residential properties. We sell our projects to private buyers, either individually or to professional investors buying one or more properties in a single transaction.

We may also build residential units for our proprietary investment portfolio. Once

construction is completed and units are let, they are then transferred in-house from one core activity to the other. Our development projects may also involve commercial properties that either form an integral part of a residential project (typically retail space) or constitute the entire project, such as an office building, serviced/multi-tenant office facility or similar.



## Investment portfolio



Our portfolio of investment properties consists of a combination of residential and commercial properties. The portfolio is reviewed and adjusted on a regular basis through additions, divestments, optimising operations or extensive renovations. As an alternative to external acquisitions, we also add properties constructed by ALFA Development to the portfolio.

The following pages provide individual presentations of our respective business areas in terms of market overview, performance and an individual case from each area of the 2021 financial year.

# Market overview

The housing market was characterised by uncertainty in 2024, but prices increased and trading activity grew in spite of higher interest rates and new housing taxes.

Price developments, interest rate levels and external factors, such as conflicts and political turmoil outside Denmark, continued to cause uncertainty in 2024. In 2024, new housing taxes were introduced, but prices continued to increase in the owner-occupied housing market. Time on the market dropped further in 2024, indicating increased trading activity, and in the final part of 2024 interest rates fell, which could lead to a further increase in trading activity and price increases in the owner-occupied housing market in 2025.

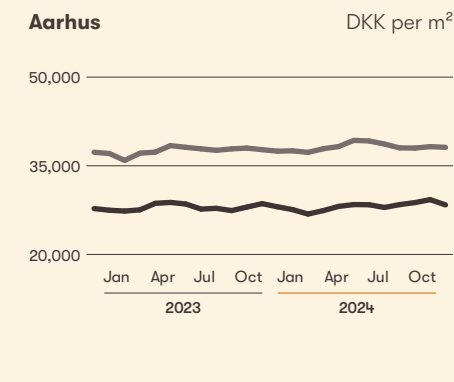
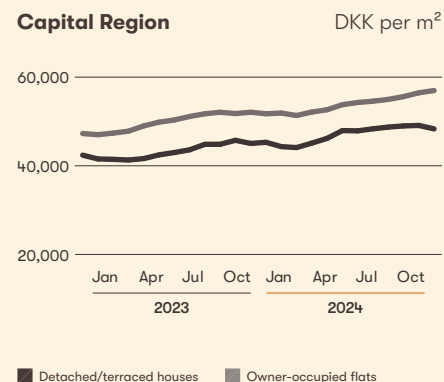
In Copenhagen\*, the supply of owner-occupied dwellings dropped by 31.9% for owner-occupied flats, while the figure for detached/terraced houses fell by 16.5%. The reduced supply was part of the reason for the 9.4% drop in prices

of owner-occupied flats and the 7.3% drop for detached/terraced houses. Time on the market fell by 11.1% for owner-occupied flats and by 7.3% for detached/terraced houses, indicating an increase in transaction activity.

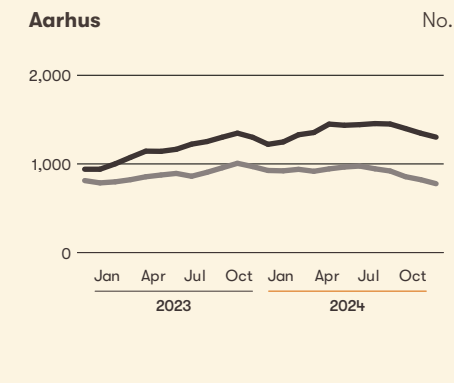
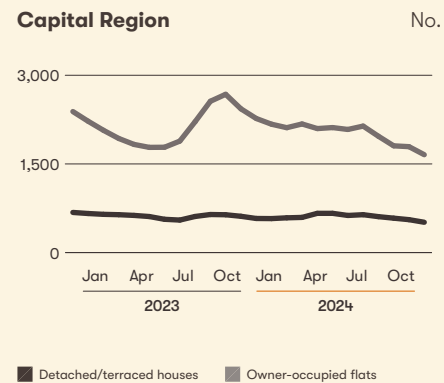
In Aarhus, the supply of owner-occupied flats dropped by 19.9%, while the supply of detached/terraced houses fell only marginally by 0.2%, which did not prevent a small price increase of 1% for owner-occupied flats and a slight decline of 0.7% for detached/terraced houses. However, that would still suggest that demand is robust enough to absorb the increased supply. Time on the market fell minimally by 2.4% over the course of the year for owner-occupied flats, while this led to an increase in the figure for detached/terraced houses, which rose by 7.3%.

\* Copenhagen includes Amager and is bounded by Rødovre to the West and includes Hellerup to the North

## Prices



## Supply

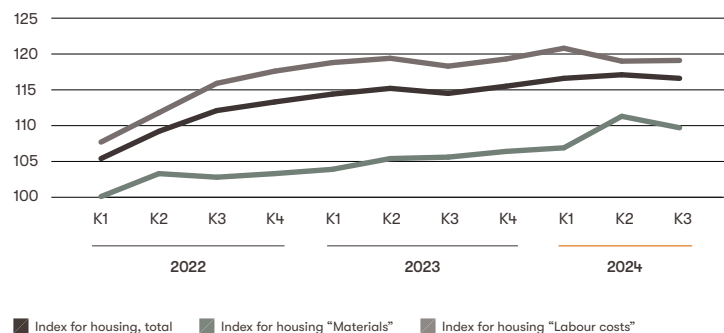


Source: Boligsiden



**Construction cost index**

Index, 2015 = 100



For several development projects, profitability remained challenged in 2024, especially due to sustained high construction costs, a sustained high level of interest rates and growing yield requirements from investors. This led to sustained restraint with respect to launching new residential projects. At the same time, several market players have chosen to postpone or restructure projects in order to navigate a difficult market. The low level of new residential project launches has already had a clear effect on the supply of new housing in Copenhagen and Aarhus, which may put housing prices under additional pressure in the coming years. The sustained tight lending conditions for property investments are expected to further amplify this trend at the risk of a further slowdown in construction activity.

*Living By ALFA IrmaByen is our flagship for housing concept development. In the years ahead, we aim to scale up and roll out the housing concept in Denmark and Sweden. The next projects are in the pipeline – all tailored to the specific area's future residents and their needs and dreams.*



# Performance

We continued to develop our project portfolio in 2024 with a focus on creating long-term value. We reached important milestones in our local planning processes on several projects, while adapting to market challenges at the same time. In spite of a challenging property market, we ensured progress in our investments and maintained our strategic focus on sustainable urban development.

In 2024, our main focus was on maturing future projects through local planning processes. Two key projects reached important planning process milestones. In our collaboration with the Municipality of Rødovre, local planning for the Valhøj district was completed, and a public enquiry process for the project was initiated. At the same time, we reached the same stage with the Municipality of Gladsaxe and local planning for the project at Mørkhøj Bygade. Both local plans are expected to be finally adopted without appeals in 2025, which will enable the realisation of these important development projects.

In relation to Mørkhøj Bygade, we have worked closely with the Municipality of Gladsaxe and Freja Ejendomme to develop the local plan for

a new urban area around the listed building Mørkhøjgård. Our acquisition of the project, which is subject to adoption of a final, unappealed local plan happened in 2025, comprises the development of a five hectare area with over 400 new units, of which 20% will be used for social housing and at least 10% for commercial purposes. The listed building Mørkhøjgård will be refurbished and converted into common facilities for the area's residents. As part of the project, a serviced coliving community will be established under the concept Living By ALFA, targeting employees of the area's knowledge-intensive businesses. The first residents are expected to move in in 2027.

In a collaboration with the Municipality of Rødovre, we have developed the local plan proposal for the

Valhøj project, which covers an area of 21,198 m<sup>2</sup> with an expected building right covering 18,018 m<sup>2</sup>. The project plan is for the establishment of 142 owner-occupied dwellings and social housing totalling 25% of the overall project. The housing units will have an average size of 95 m<sup>2</sup> and an underground car park. The project's three key elements, *Kvarterstien*, *Det grønne netværk* and *Klyngerne*, will ensure coherent urban development. *Kvarterstien* will be the central element of the area, connecting cluster housing and recreational areas with varying activity and urban space functions. By placing all parking spaces underground, *Kvarterstien* will be a car-free area for play and recreation, also providing a connection to the area's large sports facilities at Espelunden, Rødovre Hallen and the multi-purpose hall at Valhøj Skole. Realisation of the project is subject to adoption of the final local plan.

In March 2024, we acquired a project in Nivå, which was subject to a local plan that we had been working on in 2023. In November 2024, we succeeded in selling the Nivå project at a satisfactory profit. The project comprised the development of the former Stark site into a new residential area with 43 one- and two-storey terraced houses with an average size of 85-120 m<sup>2</sup>. The build was designed with a special focus on sustainability and the history of the area, boasting a DGNB Gold certification and façades in yellow brick tiles in different shades, marking a reference to the area's

historic brickworks at Nivågård Teglværk. The local plan was adopted with a built-up area of 35%, comprising extensive green areas with a focus on biodiversity, including preservation of existing trees and establishment of green corridors.

Since the end of 2018, we have worked actively to ensure local plans for our option sites in the new Marienlyst urban district and our own land at Brendstrup Gaard. While the option sites are included directly in the new urban district being planned 6-8 kilometres from the Aarhus city centre with the capacity to house 12-14,000 residents, Brendstrup Gaard is only expected to be part of the area's future climate and nature solutions.

The large supply of newly built rental housing and owner-occupied dwellings in Aarhus has had a negative impact on the market. In particular, the large supply of rental housing has put a damper on market expectations in the short to medium term. Although we continue to be confident about the long-term development potential of the owner-occupied housing market in Aarhus, we have lowered our expectations for the near future. Given the current prices and high construction costs, we see a limited potential for our option agreements in this area.

Our presence around Aarhus also includes 18 hectares of rural land in Malling, some 13 kilometres south of Aarhus, which we acquired in 2020. We



consider this area to be an attractive location for residential development in the long term.

The only construction project underway at the end of the year was Astas Have at Sundholmsvej, Copenhagen. The bankruptcy in 2022 of the turnkey contractor Q-Construction caused a delay in this project, as work was suspended in 2022. Construction resumed at the beginning of 2023, when the shell of the basement for underground parking was built. Astas Have involves the building of 31 residential units for the VIBO housing association and 33 residential units that we expect to put up for sale in 2025/2026, with dedicated parking spaces and commercial space scheduled for handover in 2026. The final financial results of the project will not be known until new construction contracts for the entire project have been concluded and the last residential units have been sold.

The project development portfolio represented assets of DKK 159 million at 31 December 2024 (2023: DKK 155 million). This amount does not include residential rental units being built for our proprietary investment portfolio, which is categorised – for accounting purposes – as investment properties under construction, nor does it include development properties with development potential.

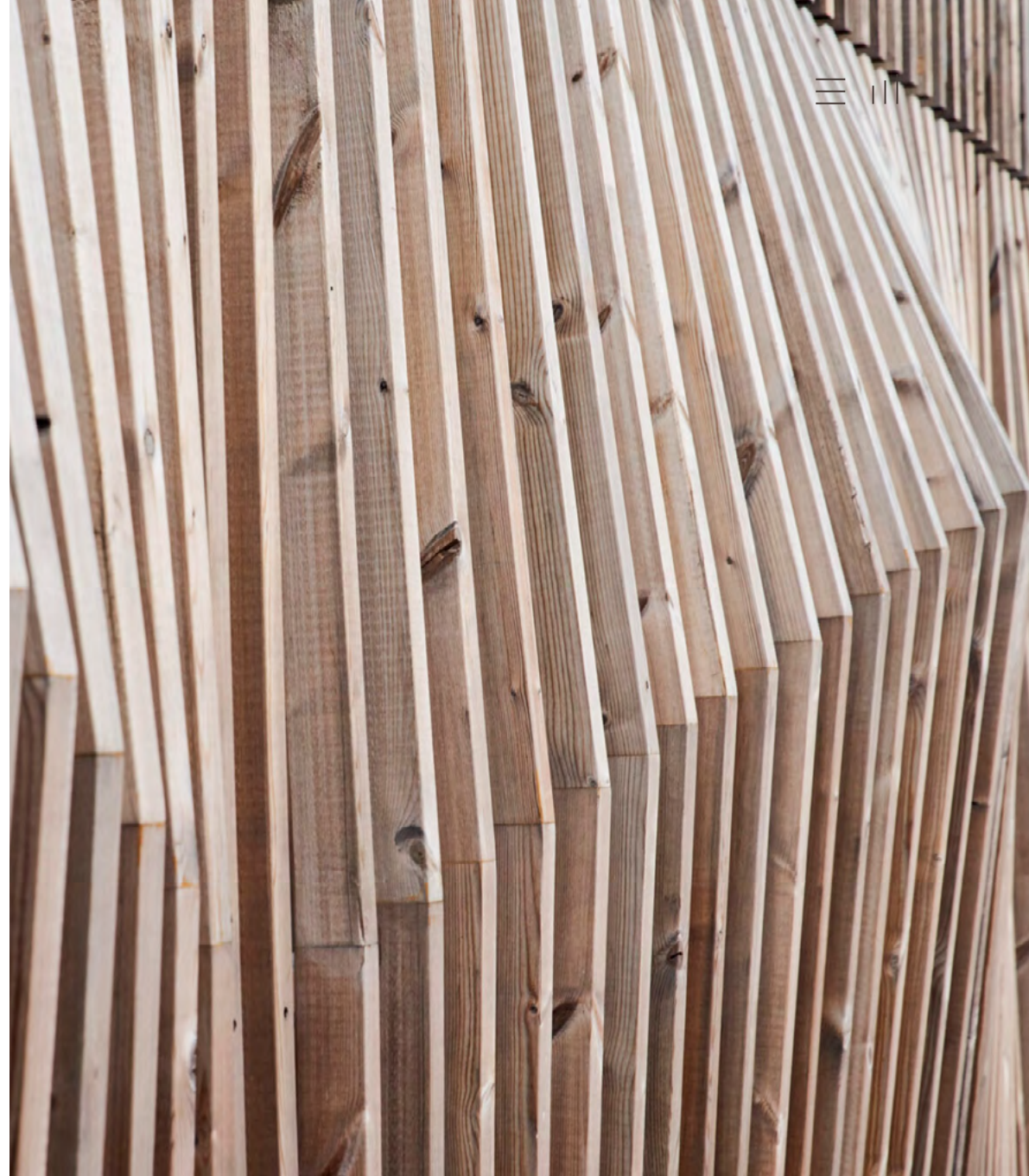
We define as our ‘land bank’, the proportion of the project portfolio where actual construction projects have not yet commenced. At the end

of the year, our land bank had assets of DKK 92 million (2023: DKK 99 million), consisting of land with and without building rights, options for land with building rights and project properties with potential for building rights.

The usual one-year and five-year inspections with customers and contractors for housing projects were conducted in accordance with applicable statutory rules. In the vast majority of cases, we concur with buyers on the issues raised during the inspections, and these are rectified in collaboration with the design-and-build contractor on an ongoing basis. In a few cases, we disagree with the issues and claims raised. We seek to resolve such cases through dialogue to the greatest extent possible, but in some cases when an agreement cannot be reached, a matter will have to be resolved through an expert survey or, in a very limited number of cases, a legal assessment and decision.

The Group is a party to an expert valuation case, for which the full gross claim of DKK 11.3 million has been set off in the consolidated financial statements.

Furthermore The Group is a party to a small number of legal disputes, but based on internal and external legal reviews, we believe that we have a strong position in these matters and have not therefore made extraordinary provisions to cover the associated financial risks.





# Mørkhøj Bygade

## From historic cultural heritage to modern green urban district

ALFA Development is ready to begin one of its most ambitious projects in Gladsaxe – a new green district centered around the protected Mørkhøjgård. The area will include more than 400 units, of which 20% will be used for social housing and at least 10% for commercial purposes, while preserving the existing nature, including forest, mature trees, and parks. The historic courtyard will be refurbished and converted into a central gathering point with common facilities for the residents.

A new urban district situated in beautiful surroundings is under development at Mørkhøj Bygade in Gladsaxe. In the coming years, the 54,000 m<sup>2</sup> area will be transformed into a diverse and modern urban district, where quality, community and green surroundings are in focus.

The project comprises more than 400 units of different sizes and types of housing. All units are designed with a focus on architectural quality, optimal use of daylight and modern housing standards.

The listed building Mørkhøjgård will be a central gathering point in the district, which will create space for shared facilities and social activities. In addition, the surrounding green areas will be integrated into the development to create a recreational area of natural beauty.

The award-winning IrmaByen in Rødovre forms the basis for the development of the new urban district in Gladsaxe.

[Read more about Mørkhøj](#)



LOCATION	MUNICIPALITY OF GLADSAXE
EXPECTED CONSTRUCTION START	2026
LAND AREA	54,000 m <sup>2</sup>
UNITS	MORE THAN 400 UNITS, INCLUDING 20% SOCIAL HOUSING



# Market overview

Although inflation began to stabilise, the Danish investment landscape continued to be characterised by economic uncertainty in 2024. The persistently high level of interest rates and investors' sustained high yield requirements prompted a continued subdued investment level for both residential and commercial properties. Despite a slight improvement in some segments in the second half of the year, activity levels remained historically low, as many investors remained reluctant due to market uncertainty and tighter financing conditions.

## Residential properties in Copenhagen

For the Copenhagen rental housing market, 2024 was a year of rising net initial yields and unchanged rents, reflecting a continued alignment with market and economic conditions. The net initial yield now stands at 3.9%, while rents increased by only 2% compared to 2023. Vacancy rates fell over the year, reaching 2% at the end of the year, reflecting a sustained low level of vacancy. This came on the back of a temporary increase at the beginning of 2024, when vacancy rates rose to 2.7% from 2.3% at the end of 2023. Falling interest rates and increased disposable

incomes strengthen our expectations of continued stable and possibly rising rent levels in Copenhagen. The drop in building starts is putting supply under pressure, which may also contribute to increased rent levels for residential properties in the future.

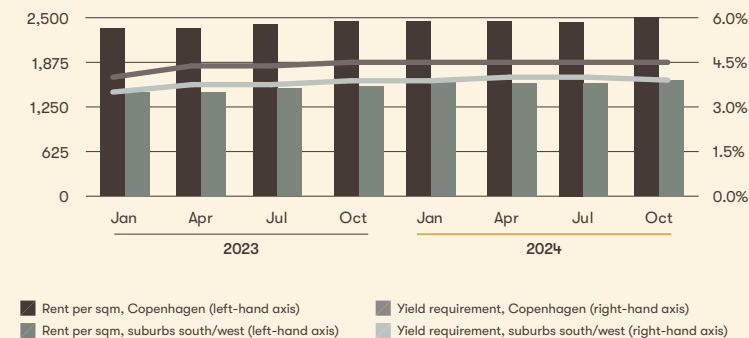
## Office properties in Copenhagen

Net initial yields in the market for primary location office properties in Copenhagen increased slightly during 2024 and are now at around 4.1%. While relatively stable in recent years, rent levels rose by 4.5% during 2024. Vacancy rates have trended

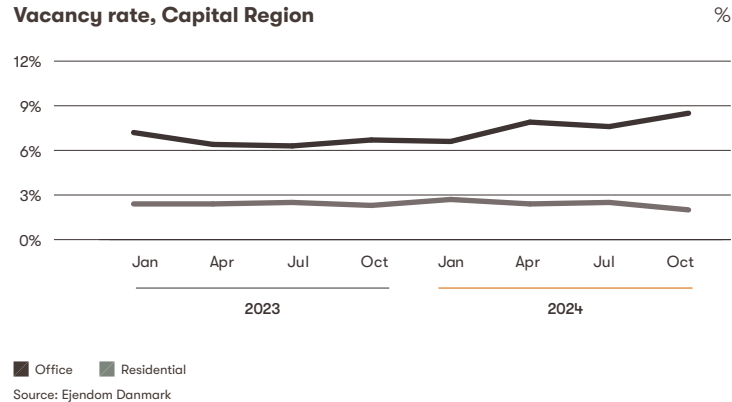
## Office properties, Copenhagen, primary location



## Residential rental properties, prime location



Source: Colliers

**Vacancy rate, Capital Region**

lower in recent years, but increased to 8.5% in the Capital Region at the end of 2024. This may indicate an emerging shift in the market, although demand for primary location office space remains fairly strong. The expectation is therefore that we will continue to experience stable demand for office space at these locations, with stable rent levels and low vacancy in the long term. The office market in Denmark remains stable, feeling only minor effects, compared to other countries, for example the UK and the USA, which are experiencing significant vacancy.

*IrmaByen is designed with a focus on community, encouraging residents to meet – indoors and outside. This applies to the entire district, but especially to the newest addition, Living By ALFA.*





# ALFA Work

ALFA Development's headquarters, ALFA Work, is located at Knud Højgaards Vej 2 in Søborg. ALFA Work won the award for best commercial redevelopment project in Denmark at the European Property Awards 2022, and in 2024 the talented canteen team at ALFA Work won the award for Best Canteen in Denmark.



The property at Knud Højgaards Vej, which previously served as the headquarters of the Stark Group, has undergone a radical transformation. Once a typical office building with closed offices, it has been transformed into ALFA Work: a modern, flexible multi-office building with a focus on innovation, aesthetics, usability and sustainability.

The environment at ALFA Work provides companies with the best conditions for growth, exchanging ideas and inspiring each other. In addition, it is an office building boasting a wide range of eye-catching and original details. Among other features, the building has more than 100 living plants, moss walls and an atrium with “floating” meeting rooms.

The canteen at ALFA Work is not only a place to eat, but also a gathering point where employees working in the building can enjoy a break in a welcoming and socially inspiring setting. The canteen is known for its high quality, tasty food and fresh ingredients, impressing and inspiring canteen users every day. The dedication and creativity of the canteen team were officially recognised when the canteen was named Best Canteen in Denmark at the 2024 Canteen Awards.

*“We are incredibly proud to be named winners at the 2024 Canteen Awards. We are good at communicating sustainability, focusing on food waste and circular workflows. Many canteens, like us, are good at working with local producers and suppliers, but we stand out from the crowd how we communicate our sustainability initiatives,”* says Sine Andersen, head chef at ALFA Work.

At ALFA Work, ALFA Development is joined by other companies sharing the same values and ambitions, especially when it comes to inspiring and making a positive impact on the outside world. The innovative solutions and the stylish design of ALFA Work have also contributed to the property winning the award for best commercial redevelopment project in Denmark at the European Property Awards 2022.

Each year, the European Property Awards recognise and awards the most original and innovative initiatives in the property and construction industry across various categories.

[Read more here](#)



LOCATION	2860 SØBORG
YEAR OF CONSTRUCTION	2001
AREA	4,638 M²
UNITS	3,450 M² OFFICE SPACE, 932 M² BASEMENT, 75 PARKING SPACES



# Performance

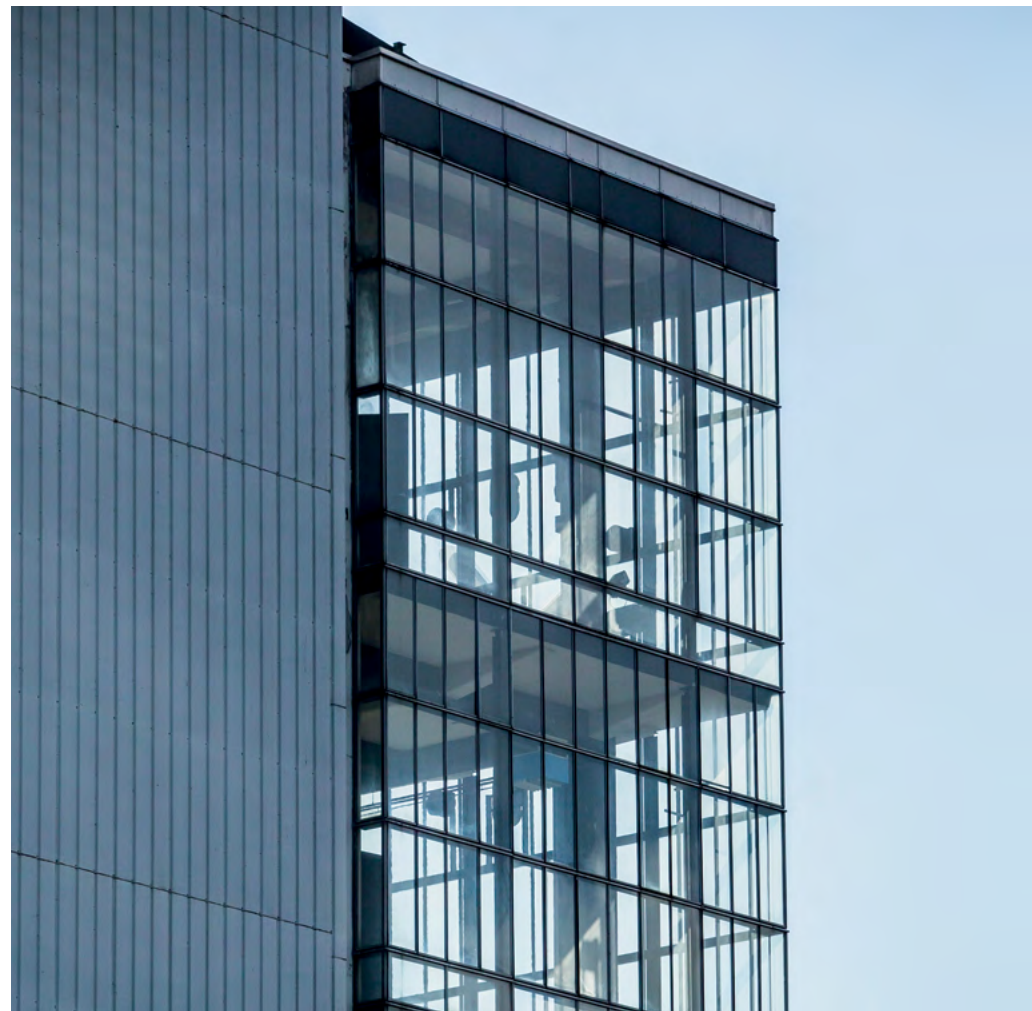
Operating profit and cash flow improvements were achieved despite divestments. Demand for housing remains high, development projects are being planned in collaboration with the municipality, and we continue to operate other properties.

We recorded stable growth in operating income from the remaining properties in 2024, although our total operating income was reduced due to the divestment of the Njalsgade complex at the end of 2023. The remaining investment properties performed in line with expectations with stable operations and positive cash flows from operations.

Value adjustments of investment properties for the financial year amounted to a total of DKK 1 million. Positive value adjustments amounted to DKK 17 million and were driven by the improved operating profit and rent increases at unchanged yields and negative market-related adjustments of DKK -16 million. By way of comparison, total value adjustments were negative at DKK -32 million in 2023, composed of positive operational adjustments of DKK 81 million and negative market-related

adjustments of DKK -63 million. In 2023, the value of acquired building rights and incurred development costs was written down by DKK 50 million on investment properties with development potential.

Living By ALFA IrmaByen continues the positive development, and we are experiencing strong demand for the dwellings. We have consistently been able to achieve higher rent levels on reletting, which confirms the concept's strength and attractiveness in the market. The property still consists of 101 rental units, 62 dwellings for adults without children living at home and a number of popular common areas, including a lounge area, a home cinema and an events room. The commercial units with a restaurant, supermarkets and small service businesses continue to contribute positively to overall operations.







Investment properties amounted to DKK 1,341 million by the end of December, against DKK 1,321 million at the year-earlier date. The value of investment properties under construction was unchanged at DKK 0 million and includes only Kaffetårnet in IrmaByen, which is the only ongoing project after the completion of Living By ALFA in 2023. Kaffetårnet is recognised at DKK 0, because it is a preservation-worthy building for which we are currently awaiting approval of the submitted renovation proposals from the Danish Agency for Culture and Palaces. The expected remaining renovation budget amounts to DKK 40.3 million, of which DKK 30.8 million has been recognised under provisions.

Acquired in September 2022, the investment properties in Røvsingsgade are currently let to car dealerships. The plot where the investment properties are located covers just over 20,000 m<sup>2</sup> in the old industrial estate where the districts of Nørrebro, Østerbro and Nordvest meet. Røvsingsgade connects Tagensvej with Lyngbyvej and extends from the old railway line that has now been converted to a very popular park, Nørrebropark. Our goal at Røvsingsgade is to support local planning in close cooperation with the City of Copenhagen and the other landowners in the area and to create a new, safe urban area shared by the Nørrebro, Østerbro and Nordvest districts, with particular focus on diversity, community and sustainability.

The plan is to create a mixed-use urban area with a combination of housing and light commercial operations, and for the new urban area in Røvsingsgade to accommodate a broad target group, ranging from small families, who value city life, a secure neighbourhood and proximity to schools and day care institutions, to active mid-life singles or couples looking for close communities, green areas and good infrastructure.

Other investment properties with development potential are located at Smedeland in Glostrup and Mileparken/Marielundvej in Herlev. These properties were acquired with a view to future development of residential rental properties. Due to the current market conditions for new builds, we have chosen to continue the existing operations as investment properties until market conditions again support a profitable conversion for residential purposes. This flexible approach ensures a stable cash flow while we wait for market conditions for development to improve.

The investment portfolio is exclusively financed by mortgage loans which, according to the Danish Financial Statements Act, are recognised at amortised cost.

# Living By ALFA IrmaByen

Living By ALFA IrmaByen in Rødovre is our serviced Build-to-Rent concept, offering residents a residential experience focused equally on privacy and community. Living By ALFA has 101 rental units aimed at families, singles and couples, as well as 62 dwellings for adults without children living at home. Common to all residential units is their access to The Clubhouse, which serves as a central meeting place featuring facilities such as a lounge, a home cinema, a playroom, an event room with kitchen, guest rooms, and a community team supporting social life in the building.

Living By ALFA exemplifies our commitment to creating modern residential environments that meet the residents' needs for privacy and community. The common areas have been developed in collaboration with designer Ulrik Wang, who has designed an exclusive experience for the residents.

*In 2022, Living by ALPHA was named the Best Emerging Coliving Concept at the international Coliving Awards in recognition of the project's innovative approach to coliving communities.*



LOCATION	RØDOVRE MUNICIPALITY
CONSTRUCTION YEAR	2023
AREA	17,305 m <sup>2</sup>
UNITS	163 RENTAL UNITS AND 400 M <sup>2</sup> COMMON AREAS



### Technology and community – an integrated experience

A customised app connects the residents, the community team and local area shops on a single platform. The app makes it easy for residents to stay up to date on the latest news at Living By ALFA and IrmaByen, communicate with fellow residents, book services and sign up for communal activities and events. The digital platform thereby supports the community on which the concept is built.

### Foundation of Living By ALFA

From the outset, the foundation of Living By ALFA has been to tap into mega trends, such as the sharing economy, community, convenience, intergenerational interaction, social responsibility and sustainability. The concept has drawn inspiration from successful living concepts around the world that encompass the real estate, hotel and hospitality industries and create a holistic living experience transcending conventional housing models.

“We dare to ask the difficult questions and find answers. Can we live in smaller spaces and share more? How do we create well-functioning communities? We find the answers by investing in thorough research and by testing innovative development concepts in practice.”

**Andreea Kaiser**  
Co-Founder and CEO

### Customer satisfaction in focus

As part of our efforts to meet the needs of residents in our residential units and initiatives, we have teamed up with *Prognosecenteret* to conduct customer satisfaction surveys among the residents of IrmaByen. *Prognosecenteret* has more than 45 years of experience in preparing forecasts and analyses for the construction and property industry, which they are doing with great success in Norway and Sweden. By conducting the survey, we help establish a benchmark for customer satisfaction in the Danish property market.

The objective is to understand the residents' experience of their dwellings and create the foundation for improving future housing projects. By collecting data from tenants in Living By ALFA, we can work purposefully to optimise the living experience and ensure that our property development is always aligned with our residents' expectations.

[Read more here](#)





# Risk management

Risk is inherent in running our business. The purpose of the risk management process is to assess on a regular basis the risks associated with our business activities to ensure that we use our efforts and resources efficiently and thereby minimise the most significant risks.

We define risks as non-recurring events or trends that may have an impact on our business activities or ability to execute strategic decisions in the best possible way as well as have an adverse impact on our earnings capacity and reputation.

Our flat organisational structure and agile business approach secure swift and timely reactions to any risks identified. The risk management is based on a structured process with a view to analysing, acting on and evaluating measures initiated to reduce the impact of the risks identified. Subsequently, we follow up on an ongoing basis to ensure that risks remain at an acceptable level.

The risk management process may be divided into two parallel processes:

- **Strategic risk management**  
Managing short- and long-term strategic scenarios of the business.
- **Operational risk management**  
Managing identified risks in connection with the daily business operations.

## Strategic risk management

ALFA Development's Board of Directors meets four times a year to discuss short- and long-term strategic risks. Significant risks identified are analysed and recommendations for risk mitigation measures are communicated to senior management as part of the risk management process. Senior management monitors the risk management process and will verify whether adequate measures have been initiated to reduce risks to an acceptable level.

## Operational risk management

Senior management meets weekly and holds monthly meetings with the department management team concerning significant incidents, activities and events in the business. Moreover, they evaluate and follow up on any risk mitigation measures initiated by the department management team.

The department management team is responsible for identifying risks, initiating risk mitigation measures, evaluating the measures and for following up on managed risks associated with their business area. The functions help support and facilitate the implementation of the risk management processes as well as handling the day-to-day operational risk management. Follow-up on managed risks are documented and discussed at status meetings to provide an insight into and an understanding of any risks occurred and their future impact on the business activities.

## Continuous risk assessment

### Research

Risks will be identified and analysed to determine the cause, consequences and the likelihood of occurrence.

### Action

Significant risks are prioritised and departments responsible for the individual risks are appointed. Necessary actions are initiated to reduce the risk.

### Evaluation

Completed risk mitigation measures are evaluated and implemented in the daily business practices. Reporting to stakeholders.

## Monitoring

### Follow-up

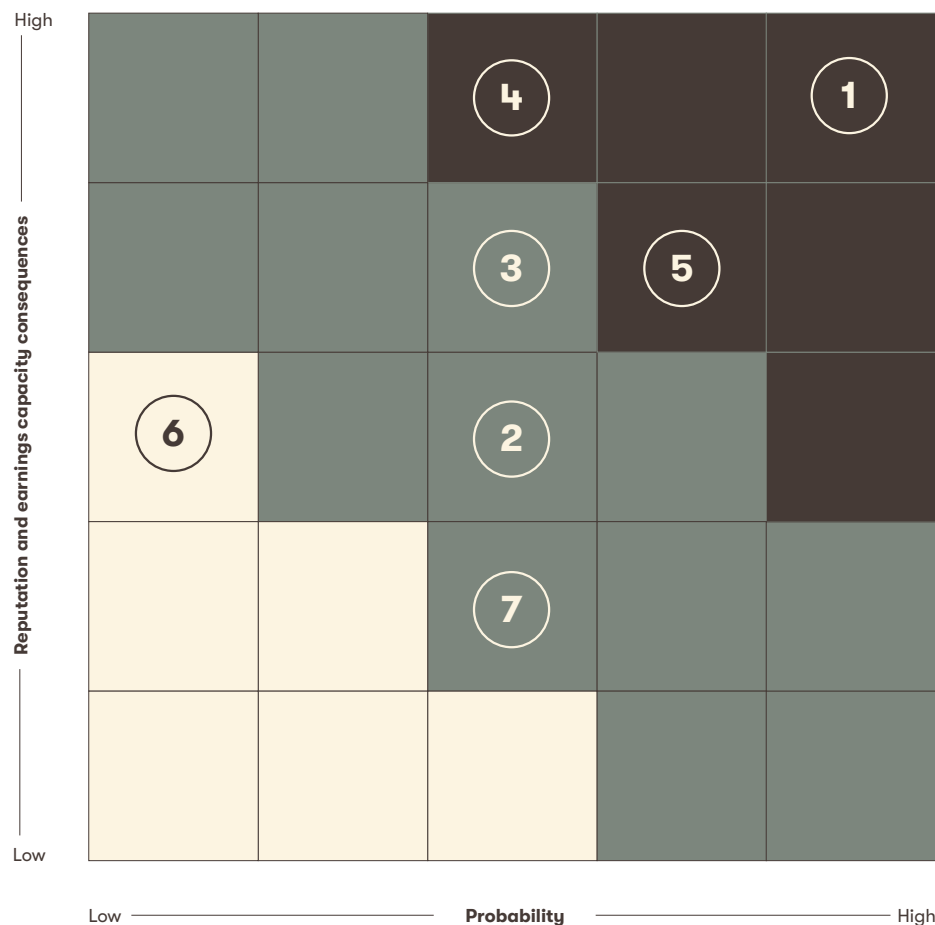
Ongoing follow-up on implemented measures and verification that managed risks remain at an acceptable level.

# Risk analysis in 2024

ALFA Development's latest strategic and operational risk analysis was conducted in the fourth quarter of 2024.

The analysis identified seven risks that may have a significant impact on our earnings capacity and reputation as well as their likelihood of occurrence.

The identified risks and risk mitigation measures are described below and on the following pages.



- 1 **Macroeconomics**
  - Economic slowdown
  - Increased competition
  - Force majeure
- 2 **Political conditions**
  - Changes to statutory framework
  - Changed infrastructural planning and local plan
- 3 **Credit facilities**
  - Inadequate financing
  - Impaired credit terms
  - Market rate fluctuations
- 4 **Liquidity**
  - Higher vacancy rate
  - Decline in sales
  - Unforeseen costs
- 5 **Valuation**
  - Subjective estimates
  - Volatile external and internal cost drivers
- 6 **Compliance**
  - Non-compliance with legislation
  - Unethical conduct
- 7 **IT**
  - Cyberattacks
  - System failure
  - Unsuccessful IT implementations

	1 <b>Macroeconomics – The property market and macroeconomics</b>	2 <b>Political conditions – Legislation and local plans</b>	3 <b>Credit facilities – The capital market and interest rate developments</b>	4 <b>Liquidity – Payment obligations</b>
<b>Key risks</b>	<p>Positive demand and price trends in relation to buildings and rental properties require a healthy competitive environment, a well-balanced property market and a stable economy.</p> <p>Increased competition may reduce the supply of investment opportunities and limit access to competent staff resources. A decline in the property market may affect our sales opportunities and earnings capacity.</p>	<p>Changes to legislation or infrastructural planning may have an impact on our business activities.</p> <p>Changes to tax and VAT legislation, tenancy legislation, credit legislation or changes to infrastructural and local planning may potentially affect our development and rental business activities, the pipeline and future investment opportunities.</p>	<p>Access to credit facilities is a requirement for maintaining the desired level of investments in both the development and investment portfolios.</p> <p>Reduced access to financing, impaired financing terms or market rate fluctuations may affect the pipeline, the profitability of the development portfolio as well as the valuation of the investment portfolio.</p>	<p>Insufficient liquidity to meet our payment obligations in a timely manner or to finance the Company's development is referred to as liquidity risk.</p> <p>Declining sales in the development portfolio, a low occupancy rate in the investment portfolio or unforeseen costs are factors that may have a cash flow impact.</p> <p>Lastly, our liquidity may be affected by tenants' inability or unwillingness to pay.</p>
<b>Risk-mitigating actions</b>	<p>ALFA Development continuously monitors the market to foresee changes to market conditions and competition as early as possible.</p> <p>It is our ambition to be an agile business with a flat organisational structure which enables us to transform the business swiftly in the event of changing market conditions.</p> <p>Our business model provides a natural hedge, reducing the sensitivity to the cyclicity of the property market.</p> <p>Weaker demand in one business area, i.e. the development and sale of properties, may be absorbed by greater demand in the other business area, purchase and letting of properties.</p>	<p>In order to reduce political risks, ALFA Development actively monitors the political landscape so as to be able to respond in a timely manner to changes that may affect our business operations.</p> <p>We make every effort to influence the political process by being an active participant when decisions are made. This entails that to the extent possible we are involved in local politics and play an active role in the preparation of future local plans.</p>	<p>ALFA Development has detailed and risk-focused business procedures and a well-balanced capital structure.</p> <p>A prudent mortgaging and interest rate risk profile with an overweight of long-term financing commitments in the investment portfolio ensures appropriate risk hedging in terms of the asset side.</p> <p>In addition, we have built good relationships with several of Denmark's largest financial institutions during many years based on transparency, influence and trust.</p> <p>The above-mentioned issues reduce the funding risk to an acceptable level.</p>	<p>ALFA Development operates with a fixed minimum level of liquidity to secure our ability to pay.</p> <p>The liquidity resources are secured by a structured forecast process, regularly monitoring and forecasting future cash flows.</p> <p>In the event of any signs of deviations relative to the minimum level, timely actions may be initiated to ensure that we always maintain optimum financing and adequate liquidity.</p>
<b>Risk</b>	<p>Force majeure: Natural disasters, pandemics, war, etc.</p> <p>Decreasing property values</p> <p>Construction costs</p>	<p>Changes to statutory framework</p> <p>Changed infrastructural planning and local plan</p>	<p>Inadequate financing</p> <p>Impaired credit terms</p> <p>Market rate fluctuations</p>	<p>Higher vacancy rate</p> <p>Decline in sales</p> <p>Unforeseen costs</p>



	5 Valuation – Accounting estimates	6 Compliance – Rules and standards	7 IT – System failure and cyberattacks
<b>Key risks</b>	<p>The fair value of the investment portfolio is based on estimates, and thus the valuation is subject to some degree of uncertainty.</p> <p>Factors that may affect the valuation include initial yield requirements, developments in conditions in the property market and in the financial markets as well as fluctuations in matters related to the individual property, e.g. occupancy rates, maintenance, etc.</p> <p>The above-mentioned factors have a direct effect on valuations and could impact the earnings of ALFA Development.</p>	<p>It is important that we and our business partners operate within the rules of law, comply with policies and ethical standards and that we act responsibly in every respect.</p> <p>Many of our business activities are regulated, whereas in some areas we are responsible for setting high standards. Failure to comply with legislation or to meet external expectations may have an adverse impact on our business.</p>	<p>Stable IT systems are essential for day-to-day operations – from managing investments, servicing customers to analysis and reporting.</p> <p>We rely on safe, up-to-date and scalable systems to ensure that we may continuously make data-driven decisions, increase productivity and strengthen our business.</p>
<b>Risk-mitigating actions</b>	<p>The financial management process consists of business procedures and controls, ensuring that operating and balance sheet items are optimised and that the basis of valuation is true and fair.</p> <p>Regardless of these controls, valuation is based on an estimated rental income and any expected future costs for operations and maintenance.</p> <p>The controls initiated ensure that the estimates made are well-founded and objectively justified based on the experience amassed in the organisation, which reduces the risk to an acceptable level.</p>	<p>Responsible and ethical conduct is deeply embedded in our organisation. Communication, politics, guidelines, internal controls and business processes provide the framework for how we and our business partners should address particularly risky situations or issues.</p> <p>Business partners are expected to meet the same high standards. Partners are selected not only on the basis of their finances and skills, but also on values such as integrity, honesty and responsibility to ensure a mutual understanding of good business practice.</p> <p>Ongoing follow-up from the functions and management ensures that we and our partners are compliant to the full extent possible.</p>	<p>The IT strategy is focused on cloud migration, standardisation and centralisation of systems and processes. Having systems which support the users with the focus on efficient business procedures and value creation is essential to obtaining a stable platform with high user acceptance.</p> <p>The platform is managed centrally in order to handle and reduce the volume of applied software and hardware. Centralisation provides better opportunities for managing and monitoring the platform, master data, standards, controls and security.</p> <p>Our IT supplier handles maintenance and operation of systems, security standards and controls.</p>
<b>Risk</b>	<p>Subjective estimates</p> <p>Volatile external and internal cost drivers</p>	<p>Non-compliance with legislation</p> <p>Unethical conduct</p>	<p>Cyberattacks</p> <p>System failure</p> <p>Unsuccessful IT Implementations</p>



# Corporate governance

ALFA Development is owned by SeedALFA Holding S.A.R.L., which elects the members of the Board of Directors. The Board of Directors is responsible for the Company's overall vision and strategy, while the Executive Management is responsible for day-to-day management.

ALFA Development A/S is wholly owned by Seed ALFA Holding S.A.R.L., which is owned equally by the married couple Andreea Ioana Kaiser and Ludvig Find.

The Board of Directors currently consists of Andreea Ioana Kaiser and Ludvig Find and the external and independent members Chairman Anders Wahrer, Klaus Kaae and Peter Winther. Jan Kristensen resigned from the Board of Directors in August 2024 in connection with his appointment as CEO of C.W. Obel Ejendomme.

The Board of Directors is responsible for the Company's overall vision and strategy as well as following up on their implementation, with a view

to ensuring value creation in the Company in the short as well as long term.

The Board of Directors determines the division of duties between the Board of Directors and the Executive Management, as well as the Executive Management's tasks and employment conditions. In addition, the Board of Directors ensures clear guidelines for accountability, planning, follow-up and risk management.

The Board of Directors supervises the Executive Management and lays down guidelines for the exercise of supervision. In its supervision, the Board of Directors must ensure that day-to-day operations and management are satisfactory and

that the Executive Management possesses the right competencies.

Throughout the financial year, the Executive Board comprised only Chief Financial Officer Kristian Hare. Chief Executive Officer Andreea Kaiser and Chief Operating Officer Christian Wæver were both appointed to the Executive Board in February 2025.

In the coming years, the focus will be on growing the Danish business and finding new attractive projects for the development business and the investment portfolio. The strategy remains a long-term presence in Aarhus, where we see opportu-



nities with our current landholdings and options, which means that the organisation in Aarhus can be expanded in the longer term when conditions allow.

Based on the Board of Directors' guidelines, the Executive Management is responsible for the day-to-day management of ALFA Development A/S, which, among other things, includes ensuring reasonable liquidity and capital resources. In addition, the Executive Management works to achieve a professional organisational structure and a corporate culture that, based on skilled and dedicated employees, focuses on quality and customer satisfaction. The organisation works with quality, environment and safety, as well as the optimisation and streamlining of the Company's business processes with a view to creating quality buildings and integrated urban neighbourhoods within a financially and sustainably satisfactory framework.

Furthermore, the Executive Management is responsible for ALFA Development's financial development, planning and reporting systems, as well as internal controls and risk management processes.

#### Internal controls

The purpose of ALFA Development's control environment is to minimise significant risks associated with the business activities as well as to ensure that the financial reporting gives a true and fair

view of the assets, liabilities and financial position of the Company.

The Board of Directors and the Executive Management are responsible for supervising the efficiency of ALFA's control environment. The Executive Management is responsible for implementing and following up on internal controls for the staff functions and together with the management team for implementing and following up on internal controls in the various functions.

Under the staff functions, the finance department is responsible for the financial reporting control environment.

The control environment of the business activities consists of a number of mandatory standard processes such as segregation of functions, powers of procurement and powers to bind the company, authorisation procedures and documentation requirements.

Internal controls in relation to financial reporting are planned with a view to ensuring that the reporting is free from material misstatement, whether due to error or fraud.

The efficiency of the internal controls is continuously monitored, and ongoing efforts are made to improve the control environment.

## Management structure





“In December 2024, we were thrilled to welcome Christian Wæver as COO and member of group management. He will lead the development team and play a key role in our business growth.”



# Responsibility at ALFA Development

ALFA Development's business principles are based on professionalism, quality, credibility and passion. We work systematically with these principles within the framework of the UN Sustainable Development Goals, focusing on the six goals in relation to which we believe that our efforts will matter the most.

Society is becoming increasingly aware of players assuming responsibility for the challenges the world is facing today. Employees want to work for companies that share their values and perform meaningful tasks. Investors increasingly value corporate social responsibility as well as financial performance.

It is our responsibility to contribute to finding solutions to some of the challenges the world is facing. Doing business responsibly has been part of our organisation from the very beginning, and we consider sustainability to be one of the corner-

stones of our business. Being a responsible and environmentally conscious business may at times be cost-intensive and demanding, but it represents a strategic position we have taken because it makes sense and will be to the advantage of our business in the long term.

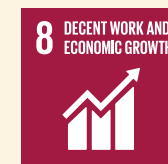
In 2024, ALFA Development initiated a focused effort on ESG (Environmental, Social, Governance), marking a significant shift in our approach to sustainability and representing a clear departure from previous practices. We are working actively to embed ESG into our core business

model - an ambition that presents both challenges and new opportunities previously outside our scope.

While the Omnibus proposal and efforts to streamline sustainability reporting are expected to pass in the European Parliament, we continue to feel a strong sense of responsibility towards the world around us, our stakeholders, and our industry. Our ambition is not merely to report ESG data, but to translate it into concrete action plans and measurable targets that will strengthen our ESG performance over time.

That is why we are preparing to begin voluntary ESG reporting as of the 2025 financial year. This will enable us to generate real value by sharpening our focus and ensuring our efforts are both strategic and impactful.

## Selected SDGs



# Environment and climate

At ALFA Development, we continuously work with our advisers and contractors to become more environment and climate focused so that we may reduce our climate footprint. At ALFA Development, we have set specific climate targets that we aim to meet in connection with construction. In 2024, we continued to work on our Core Programme and the associated Sustainability Plan. This enables us not only to evaluate our own starting point, but also to create a mutual commitment to our community and ourselves.

The construction industry is a major contributor to the emission of greenhouse gases as well as the consumption of raw materials and natural resources. Acknowledging the industry's significant climate footprint, we are in the process of identifying how we can reduce our future climate footprint.

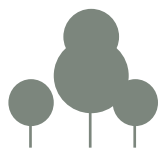
## Core Programme and Sustainability Plan

In the Sustainability Plan, we have defined three fundamental principles of climate improvement, which guide us in the planning and execution of all ALFA development projects: Climate impact, Social

impact and Biodiversity impact, covering both a local and a global perspective. The programme and the three principles should be seen as a tool for ourselves and our partners, through which we highlight what is important for ALFA Development. In this context, we have prioritised focus on design, materials, construction, operation and disposal when developing and executing specific projects. That way, we define the framework and our expectations for collaboration, processes and targets, while seeking to render some of our ambitions very practical and tangible.







## Climate impact

Responsible and sustainable solutions

### Locally

- The climate impact from construction and operation of a building should not exceed 8 kg of CO<sub>2</sub>e/sqm/year for a minimum of 50 years (in accordance with the threshold values of the voluntary low-energy class)
- Choosing climate-friendly materials that minimise overall CO<sub>2</sub> emissions over the life of the building and prioritising Swan-labelled products
- Applying circular design strategies, promoting reuse and recycling of materials
- Prioritising passive measures and design solutions before applying technical solutions (e.g. in terms of daylight, heating, cooling and ventilation opportunities)
- Buildings must incorporate energy-efficient systems and technical solutions that reduce operational CO<sub>2</sub> emissions

### Globally

- ALFA Development's sister company, ALFA Ventures, invests in innovative, sustainable startup that develop proptech solutions for the future for the benefit of the entire property industry
- Donating funds to the Planetary Responsibility Foundation established by Andreea Kaiser and Ludvig Find to promote biodiversity and raising awareness of innovative and sustainable solutions in the property industry
- Serving as a model for the industry in terms of reducing the climate footprint globally by continuously seeking to increase our requirements for CO<sub>2</sub> emissions



## Social impact

Quality of life, diversity and community

### Locally

- All development projects focus on fostering community and supporting residents' quality of life and sense of security
- The design and layout of the residential areas must ensure pockets of space, meeting places and shelter zones that support a sense of community and invite people to meet and socialise on both a large and small scale
- Residential planning and layout must support diversity among residents
- Choosing building materials that ensure the residents' health and well-being
- All development projects must respect the history and cultural heritage of the local neighbourhood

### Globally

- ALFA Development has developed the Living By ALFA housing concept, which is a serviced coliving community across generations. The concept supports our values of putting the customer first, ensuring the quality of life of residents and taking care of future generations
- The UN Sustainable Development Goals are reflected in our target group and corporate culture, including a focus on equality and diversity



## Biodiversity impact

In harmony with nature

### Locally

- Building design and orientation should enhance the natural experience all year round
- All landscapes should be designed with a focus on improving local biodiversity and supporting the rich variety of all flora and fauna. A regenerative landscape that improves the local biodiversity and biofactor
- Designing maintenance-friendly landscapes with room for natural habitats
- Incorporating urban farming, e.g. in the form of edible trees and plants
- Local rainwater drainage and harvesting for recreational purposes

### Globally

- Through our donations to the Planetary Responsibility Foundation, which was established by Andreea Kaiser and Ludvig Find, we re-establish and protect areas of land where plant and animal life is threatened
- We plant trees for the benefit of people and nature, e.g. 250,000 trees in collaboration with #teamtrees

## Objectives for 2025

In our role as an employer, ALFA Development has the ability to influence how we want our business partners and suppliers to approach climate and environmental issues on our projects. By enforcing distinct environment and climate requirements, we hope to inspire other construction industry players to make positive changes based on a philosophy similar to ours, just as we are continuously being inspired and motivated ourselves.

In 2025, we will further increase our efforts to implement value-adding environment and climate initiatives in our work procedures and processes, based on the identified principles and our Sustainability Plan. In 2025, we will continue to pursue our specific climate goals for our journey towards reducing our climate footprint. These climate goals will be a benchmark against which we can evaluate our starting point and gauge whether we are on the right track. We will also create a mutual commitment between our community and ourselves to ensure that our ambitions do not merely remain ambitions but are put into effect in our day-to-day operations. In 2025, we will continue our collaboration with FRAME, a digital DGNB management platform, ensuring that all projects are planned, monitored and documented

according to our sustainability strategy going forward. We will also continue collaborating with our sustainability consultant, who will help us define, prioritise and monitor climate and environment improvement initiatives across our project portfolio. We aim to accomplish this through the Core Programme, which must be complied with both internally at ALFA and externally by our suppliers and business partners.

Properties account for a significant part of our total CO<sub>2</sub> footprint, and the property industry accounts for approximately 40% of the total energy consumption. As part of our ambition to reduce our environmental impact, we began to systematically collect energy consumption data on our existing properties in 2024. To support these data, we use the NorthESG platform, which is an automated ESG accounting program.

At the same time, we are aware of the stricter requirements that are expected to be introduced by banks and mortgage banks in the coming years, which will be focused on how a property operator's property portfolio performs in relation to energy consumption. By using these data as a basis, we can prepare targeted transition plans that reduce energy consumption and contribute to a more climate-friendly property portfolio. That way, we can meet the requirements of the future and take responsibility for the climate.



## Our achievements in 2024

- We achieved DGNB Gold certification of Living By ALFA IrmaByen\*.
- We continued our collaboration with FRAME and our sustainability consultant.
- Formed a partnership with NorthESG.
- We employed our ESG specialist.
- Our Swedish sister company was awarded the Swan Ecolabel Karnaphuset in Malmö.

\* The certification was achieved under the DGNB manual version for 2016.



### Nordic Swan ecolabelled construction

The Swan label is a certification derived from the Nordic Swan Ecolabel. Swan-labelled construction projects meet a number of strict requirements in relation to health, environment and economy. A Swan-labelled construction project is characterised by low energy consumption, a healthy indoor climate and use of sustainable materials. Being Swan-labelled also means the construction project is monitored closely by an objective third party to ensure that the entire construction process and the finished building meet all requirements.

At ALFA Development, our ambition is for Swan labelling to form part of our future sustainable construction guidelines. We have already taken the first steps towards achieving this ambition with Trongården, our first Swan-labelled construction project. Our goal is to increase the number of Swan-labelled buildings in our development portfolio as well as in our investment portfolio over the coming years.

### DGNB Gold certification

At ALFA Development, we are in the process of identifying the new requirements and criteria set out in the DGNB manual for 2025. On this basis, we will assess our future level of ambition for certification within the categories DGNB New Construction and Renovation and DGNB Districts.

The DGNB is a sustainability certification of buildings that provides a framework for the Danish construction industry when it comes to sustainability and how it can be made measurable. The DGNB certification assesses buildings according to three main areas: Environmental (40%), Economic (30%) and Social (30%). The Danish Council for Sustainable Construction is responsible for DGNB certification in Denmark.

The DGNB Buildings in Use (DGNB BIU) is a transformation and management tool that supports the development of a sustainable and action-oriented property strategy, allowing us to use the standard where it seems relevant in relation to the period of ownership and the lifetime of the building.





# People and corporate culture

At ALFA Development, we know that our ability to deliver top-quality products and services to our customers and business partners relies on the commitment, well-being and dedication of our employees.

ALFA Development is a business run by people and for people. Our goal is to have an organisation based on trust, collaboration and mutual respect. A workplace where we support each other and work as a team. Combined with the unique skills and expertise our employees bring to the business, this forms the basis of a corporate culture that promotes positive energy, innovation and strong results.

## Having a good working environment is essential

Our employees are the heart of ALFA Development. For our success, we rely on our highly skilled, talented and motivated employees. We are therefore pleased that we recorded a high level of employee satisfaction again in 2024.

In November, we conducted an employee satisfaction survey in which we scored particularly high on engagement and collaboration – two areas that are very important to us. When we held the annual team-building event in March, collaboration was a focus area. The 2024 results demonstrate once again that ALFA Development is a workplace with a good working environment and a high level of employee engagement.

At ALFA Development, we are truly committed to our health and safety initiatives. In October, in collaboration with Falck, we held a first aid course, which was attended by many of our employees. The mental and physical health of our employees

is a priority for us, and we make fitness facilities available to our employees, our canteen serves healthy food, and employees are able to book massage treatments or participate in our 'Monday night cycling team'.

## The collegiate spirit is important to us

Social relationships among our employees play a key role. We spend many hours together, and it is crucial that we know each other and look after each other. For that purpose, we have a cross-organisational events committee which organises quarterly social events, profession-specific excursions and physical activities. In 2024, we organised a go-kart trip, a professional event focused on coliving concepts, an evening of architecture and a family day at Experimentarium.

We also prioritise our annual Christmas and summer parties, and at our monthly information meetings, we serve breakfast for all and give our employees an insight into how the company is doing as well as any relevant projects and plans.

In 2024, we also organised a study trip to Helsinki for the entire organisation. Here, we delved into Finnish building practises, culture and coliving concepts. The trip greatly helped to promote cohesion in our organisation and contributed professional and cultural inspiration to all of us.

## Sustainable Development Goals (SDG) for people and corporate culture

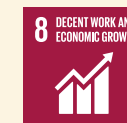
5

Gender equality



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Decent work and economic growth



### We focus on good leadership

Good leadership plays a crucial role in the motivation, commitment and well-being of our employees. This is why it is also an important focus area for us. In 2024, we launched a development programme for our senior management. For instance, they have undergone a psychological test and one-on-one coaching sessions. The development of our managers will continue in the 2025 financial year.

### Diversity and gender composition

ALFA Development is a modern and attractive workplace. We consider diversity and inclusion to be a key part of our value system. Our fundamental ideology is tolerance and welcoming anyone – regardless of their background, gender and conviction.

We promote diversity and gender equality by ensuring that all candidates are assessed on the basis of qualifications and potential, regardless of gender, age and nationality. That is why we always strive to ensure that qualified women are represented among the candidates in our recruitment processes. Construction is traditionally a male-dominated industry. Attracting female employees can therefore be a challenge, and the composition of employees in ALFA Development will inevitably reflect the diversity of the industry.

### Our ambitions for this area are:

1. To aspire for our employees and business partners to see us as an organisation with an inclusive culture that provides equal opportunities for all
2. To aspire for overall gender balance for employees in management positions in 2026

### Composition of the Board of Directors and the Executive Management

We aspire for ALFA Development, also at management level, to reflect the gender distribution of the industry, and that the overall distribution of female and male employees in the company reflects the gender distribution of the labour market. Accordingly, we have set a target figure for the gender distribution at management level and on our Board of Directors pursuant to section 99b of the Danish Financial Statements Act.

We aim for our Board of Directors to be composed on the basis of relevant qualifications and the needs of our organisation. The Board of Directors is currently composed of five members, one of whom is a woman. With reference to the report on the gender composition of management, cf. section 99b of the Danish Financial Statements Act, ALFA Development decided in 2022 to aim to have at least one more woman on the Board of Directors in 2026 at the latest, which would mean that we would have at least 33% female board members.

We said goodbye to one of our male board members in 2024, and the Board of Directors thus currently consists of 20% women. In 2024, the Board of Directors did not consider it necessary to recruit additional members to the Board of Directors. The target was therefore not met for the 2024 financial year.

In 2024, we expanded our top tier management by another man and at the same time said goodbye to a female manager at our second management level. At the beginning of 2025, Andreea took up the position as CEO, which again ensures female representation in our management. This means that we are now closer to meeting our target of 33% women at senior management level and 40% women at the second management level, compared to 2024 when, for a short period of time, we had no female representation in management.

Women account for 23% of our total workforce, which is also, unfortunately, a decline compared to 2023. During the year, we said goodbye to a number of employees, several of whom were women. Only a few of these vacancies have been filled and, unfortunately, it has proved difficult to recruit female candidates.

At ALFA Development, we believe that differences in age and nationalities support diversity. The average age of our employees is currently just under 41 years, with an age range from 26 to

64 years. Our focus is on ensuring an attractive working environment for all age groups, as we believe that this creates and supports the best framework for knowledge sharing and collaboration across the organisation. To keep this a reality, we know that – as far as possible – we must meet the needs and wishes of every individual employee. This means, for example, that two of our employees work for us part time, because they both thrive having a short working week. In addition, we have flexible working hours and arrangements for working from home. Therefore, we are also pleased that our employee satisfaction survey, in which we achieved a score of 83 out of 100, confirms that our employees consider ALFA Development to be a flexible workplace offering a good work-life balance.



# Gender distribution 2024

	2024		2023		2022		2021		2020	
	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
<b>Distribution in senior management layer (the Board)</b>	4 male (80%) 1 female (20%)	A minimum of 33% women	5 male (83%) 1 female (17%)	Min. 33% female i 2026	3 male (75%) 1 female (25%)	Min. 33% female	2 male (67%) 1 female (33%)	Min. 33% female	2 male (67%) 1 female (33%)	Min. 33% female
<b>Distribution in senior management level (Executive Board)</b>	3 male (100%) 0 female (0%)	A minimum of 33% female i 2026	2 male (100%) 0 female (0%)	Min. 33% female i 2026	3 male (100%) 0 female (0%)	Min. 33% female	4 male (100%) 0 female (0%)	Min. 33% female	4 male (100%) 0 female (0%)	Min. 33% female
<b>Distribution in second management level</b>	4 male (100%) 0 female (0%)	A minimum of 40% female i 2026	5 male (83%) 1 female (17%)	Min. 40% female i 2026	4 male (67%) 2 female (33%)	Min. 40% female	4 male (57%) 3 female (43%)	Min. 40% female	5 male (71%) 2 female (29%)	Min. 40% female



# Business ethics

Business ethics form an integral part of our corporate culture at ALFA Development. To us, core values such as credibility and professionalism are the cornerstones of our way of doing business.

By respecting a common code of ethics, we create a strong corporate culture that our employees can relate to and support. We also signal to society that ALFA Development is a business partner that can be trusted and that acts responsibly and with integrity. This supports our ambition of maintaining long-term partnerships based on fairness and respect.

We believe that our ethical conduct is an important factor in attracting and retaining talented people who want to work for a company with integrity.

ALFA Development's code of business ethics is set out in our staff handbook. These principles and guidelines ensure that we act ethically and responsibly in our day-to-day work. All employees at ALFA Development must comply with the code of ethics, just as they must respect applicable law.

## Human rights

The nature of our business activities means that we hire and collaborate with people from different backgrounds and cultures. The core principle of our business ethics is therefore to respect different cultures and acknowledge personal dignity and basic human rights. We recognise and respect the right to freedom of movement, the right to assemble and the right to collective bargaining.

We will not tolerate any violation of our guidelines, any form of inappropriate conduct or discrimination, whether on the basis of age, gender, race, religion, political views or any other matters relating to basic human rights.

## Anti-corruption and bribery

We believe in honest and fair competition, and consequently we unequivocally condemn illegal

and unacceptable activities. Corruption and bribery undermine competition and are detrimental to a company's reputation and business opportunities. Employees of ALFA Development must never extort or offer, authorise, pay or accept a bribe. Also, they must never offer, give or receive gifts, entertainment or other benefits that might raise doubts about the independence of our company or any individual employee. These anti-corruption and bribery guidelines are mandatory, and any violation will be duly sanctioned.

## External business partners

Business ethics are not just an internal matter. In the course of our business, we are in contact with a large network of external suppliers and business partners in our value chain. We require our suppliers and business partners to ensure that they conduct ALFA's business activities with the

SDG'er for  
Business ethics

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Peace, justice and  
strong institutions



same respect for business ethics as we do. Among other things, we require that all forms of work performed for ALFA must, as a minimum, comply with the current pay and working conditions applying to Danish collective agreements in the relevant field. Also, our business partners are prohibited from conducting or participating in activities that distort competition. ALFA Development reserves the right at any time to require documentation of compliance with guidelines, principles, standards, collective agreements and current legislation from any stakeholder in our value chain.

### Compliance

ALFA Development continuously ensures that we and our business partners comply with the ethical code of conduct and comply with the codes of human rights, anti-corruption and bribery as well as the contractual guidelines for social responsibility and sustainable construction.

We have never experienced that ALFA or our business partners have failed to act in accordance with our ethical code of conduct. Nor have we ever experienced that any employee or business partner has violated the codes of human rights or anti-corruption and bribery. We can also confirm that our guidelines for social responsibility and sustainable construction were complied with in 2021.

It goes without saying that we will focus on ensuring that this remains the case going forward.

### Data ethics report

We collect, use and share data in accordance with applicable laws and with a legitimate business purpose. Our data is stored securely and with legal basis in accordance with fixed procedures for deletion and request for access, etc. We do not use algorithms for systematic collection and registration of information about customers, partners or employees.

We have a policy for GDPR and data ethics based on ALFA Development's existing GDPR policy.

The policy establishes the Group's data ethics guidelines for the collection, use and sharing of data in order to ensure good practice and the rights of customers, partners and employees. In addition, the policy describes the anchoring in the business units and the efforts to ensure knowledge sharing and education of relevant representatives across the Group.

The Executive Management ensures that a data ethics policy is developed and approved. They take the lead in ensuring that the principles are integrated into daily work. The Board of Directors is ultimately responsible for assessing and updating the policy if necessary, though at least once a year.



Data security is continuously monitored and checked immediately in case of a suspected attack. Any data security breaches or leakage of personal data are reported to the Danish Data Protection Agency.

Our data is systematically stored in a protected database with backup and protection against cyberattacks.

# Financial statements

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## Income statement 1 January - 31 December

DKK'000	Note	Group		Parent company	
		2024	2023	2024	2023
Revenue	3	118,178	256,871	20,317	19,152
Production costs		-83,174	-200,293	-31,106	-31,683
Value adjustment of investment properties		658	-31,927	0	0
<b>Gross profit/loss</b>		<b>35,662</b>	<b>24,651</b>	<b>-10,789</b>	<b>-12,531</b>
Distribution costs		-6,512	-12,669	-1,487	-3,514
Administrative expenses		-16,486	-20,108	-12,786	-16,705
Other operating income		3,898	57,334	0	0
Other operating expenses		-8,487	-8,450	0	0
<b>Operating profit/loss</b>		<b>8,075</b>	<b>40,758</b>	<b>-25,062</b>	<b>-32,750</b>
Income from investments in subsidiaries		0	0	9,708	96,517
Other financial income from subsidiaries		265	2,871	8,211	19,747
Other financial income		9,749	72,510	5,549	2,123
Other financial expenses	6	-30,582	-36,137	-11,025	-8,551
<b>Profit before tax</b>		<b>-12,493</b>	<b>80,002</b>	<b>-12,619</b>	<b>77,086</b>
Tax on profit/loss for the year	7	7,210	-9,117	4,874	4,182
<b>Profit for the year</b>	8	<b>-5,283</b>	<b>70,885</b>	<b>-7,745</b>	<b>81,268</b>

## Balance sheet at 31 December

DKK'000	Note	Group		Parent company	
		2024	2023	2024	2023
<b>Assets</b>					
<b>Non-current assets</b>					
Land and buildings	9	95,118	97,952	0	0
Other fixtures and fittings, tools and equipment	10	8,895	12,341	741	1,092
Investment properties under construction	11	0	0	0	0
Investment properties	12	1,340,803	1,321,368	0	0
<b>Total property, plant and equipment</b>		<b>1,444,816</b>	<b>1,431,661</b>	<b>741</b>	<b>1,092</b>
Investments in subsidiaries	13	0	0	796,759	1,032,052
Deposits	14	20	39	998	983
<b>Total financial assets</b>		<b>20</b>	<b>39</b>	<b>797,757</b>	<b>1,033,035</b>
<b>Total non-current assets</b>		<b>1,444,836</b>	<b>1,431,700</b>	<b>798,498</b>	<b>1,034,127</b>

DKK'000	Note	Group		Parent company	
		2024	2023	2024	2023
<b>Assets</b>					
<b>Current assets</b>					
Project portfolios	15	145,013	154,950	0	0
Inventories		0	88	0	0
Prepayment for project portfolio		14,200	0	0	0
<b>Total inventories</b>		<b>159,213</b>	<b>155,038</b>	<b>0</b>	<b>0</b>
Trade receivables		128	214	0	0
Receivables from subsidiaries		2,702	14,862	110,476	125,762
Deferred tax assets	16	22,529	12,412	4,344	22
Income tax receivable		0	0	0	0
Income tax receivable from subsidiaries		0	0	552	24,842
Other receivables		6,146	8,489	719	2,978
Prepayments	17	1,484	1,661	194	131
<b>Total receivables</b>		<b>32,989</b>	<b>37,638</b>	<b>116,285</b>	<b>153,735</b>
Cash and cash equivalents	18	280,314	625,053	218,794	343,551
<b>Total current assets</b>		<b>472,516</b>	<b>817,729</b>	<b>335,079</b>	<b>497,286</b>
<b>Total assets</b>		<b>1,917,352</b>	<b>2,249,429</b>	<b>1,133,577</b>	<b>1,531,413</b>

## Balance sheet at 31 December

DKK'000	Note	Group		Parent company	
		2024	2023	2024	2023
Equity and liabilities					
Equity					
Share capital	19	61,000	61,000	61,000	61,000
Reserve for net revaluation according to the equity method		0	0	547,097	537,390
Retained earnings		937,768	1,068,051	398,591	541,044
Proposed dividend for the year		0	0	0	0
Total equity		998,768	1,129,051	1,006,688	1,139,434
Provisions					
Provisions for deferred tax	20	2,744	0	0	0
Other provisions	21	60,039	62,694	0	0
Total provisions		62,783	62,694	0	0
Liabilities					
Debt to mortgage credit institutions	22	727,696	748,004	0	0
Total non-current liabilities		727,696	748,004	0	0

DKK'000	Note	Group		Parent company	
		2024	2023	2024	2023
Equity and liabilities					
Current portion of non-current debt		22,288	19,885	0	0
Debt to banks		60,051	221,452	196	81,017
Advance payments from customers		329	325	0	0
Trade payables		20,268	24,549	3,549	3,653
Amounts owed to subsidiaries		0	0	118,781	290,715
Deposits		18,050	17,407	0	0
Income tax		0	9,606	0	9,606
Income tax payable to subsidiaries		164	1,294	0	0
Other payables		6,955	15,162	4,363	6,988
Total non-current liabilities		128,105	309,680	126,889	391,979
Total liabilities (other than provisions)		855,801	1,057,684	126,889	391,979
Total equity and liabilities		1,917,352	2,249,429	1,133,577	1,531,413
Uncertainties about recognition or measurement	1				
Special items	2				
Staff	4				
Fee to auditors appointed in general meeting	5				
Fair value disclosures	22				
Mortgages and guarantees	23				
Contingent items	24				
Financial risks	25				
Related parties	26				



## Statement of changes in equity

DKK'000	Group			Total
	Share capital	Retained earnings	Proposed dividend for the year	
Equity at 1 january 2024	61,000	1,068,051	0	1,129,051
Paid extraordinary dividend		-125,000	0	-125,000
Profit or loss for the year brought forward	0	-5,283	0	-5,283
	61,000	937,768	0	998,768

DKK'000	Parent company				Total
	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Proposed dividend for the year	
Equity at 1 januar 2024	61,000	537,389	541,044		1,139,433
Profit or loss for the year brought forward		9,708	-142,453		-132,745
Dividend in subsidiaries			125,000		125,000
Adjustment of reserves			-125,000		-125,000
	61,000	547,097	398,591		1,006,688

## Cash flow statement 1 January - 31 December

DKK'000	Note	Group	
		2024	2023
Profit for the year		-5,283	70,885
Adjustments	28	18,883	7,673
Change in working capital	29	-14,930	66,798
Cash flow from operating activities before net financials		-1,330	145,356
Interest received and similar items		10,017	5,109
Interest paid and similar items		-30,582	-36,137
Cash flow from ordinary activities		-21,895	114,328
Income tax paid		-10,900	-13,552
Received corporate tax		0	10,937
<b>Cash flow from operating activities</b>		<b>-32,795</b>	<b>111,713</b>
Purchase of property, plant and equipment		-18,036	-21,897
Sale of property, plant and equipment		96	766,565
Purchase of investment property under construction		0	-39
Purchase of financial assets		19	0
Received repayments		-6	-81,484
Sale of financial assets		20,918	7,247
Borrowings		-31,758	-23,566
<b>Cash flow from investing activities</b>		<b>-28,767</b>	<b>646,826</b>

DKK'000	Note	Group	
		2024	2023
Raising of non-current debt		0	426,682
Repayment of non-current debt		-17,905	-229,402
Deferred tax in sold companies		0	-107,021
Paid dividend		-102,000	0
Change in short term bank debt		-161,401	-373,842
<b>Cash flow from financing activities</b>		<b>-281,306</b>	<b>-283,583</b>
<b>Change in cash and cash equivalents</b>		<b>-342,868</b>	<b>474,956</b>
Cash and cash equivalents, beginning of year		623,182	148,226
<b>Cash and cash equivalents, end of year</b>		<b>280,314</b>	<b>623,182</b>
<b>Cash and cash equivalents</b>			
Cash		280,314	623,182
<b>Cash and cash equivalents, end of year</b>		<b>280,314</b>	<b>623,182</b>

## Notes

### 1. Uncertainties about recognition or measurement

The Group's investment properties are recognised at fair value. The Group uses a return-based valuation model based on normalised operating returns and relevant return requirements. As part of the fair value, potential building rights are included based on expected building percentages. The fair value calculation is naturally subject to uncertainty as it contains significant elements of estimates such as yield levels, rent levels and the adoption of the final local plan.

The Other provisions is subject to material uncertainty, since the cost for finalizing the projects can be difficult to estimate.

### 2. Special items

Special items include material income and expenses that have a special nature in relation to the company's revenue-generating operating activities. Special items also include other substantial lump-sum-amounts.

The result for the year are impacted positively by reimbursed property taxes.

Special items for the year are specified below, including where these are recognised in the income statement.

DKK'000	Group
	2024
Income	
Reimbursed property taxes for the period 2022-2024	4,515
	4,515
Special items are included in the following lines of the financial statements:	
Production costs	4,515
<b>Result of special items, net</b>	<b>4,515</b>



## Notes

### 3. Revenue

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Revenue	0	0	20,317	19,152
Revenue relating to projects	36,852	153,868	0	0
Revenue from restaurant	2,458	3,407	0	0
Rental income, Commercial	50,705	78,443		
Rental income, Residential	28,163	21,153	0	0
	118,178	256,871	20,317	19,152

### 4. Staff

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Wages and salaries	30,270	36,408	27,600	32,390
Pensions	1,136	1,369	1,035	1,165
Other social security costs	305	320	240	277
	31,711	38,097	28,875	33,832
Executive Management	0	3,291	0	3,291
Board of Directors	0	848	0	848
Board of Directors and executive Management	2,717	4,139	2,717	4,139
Average number of employees	36	44	30	34

For 2024 the Company is using the exception in §98 b, stk. 3.

### 5. Fees to auditors appointed in general meeting

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Total fee paid to Redmark, Godkendt Revisionspartnerselskab	1,573	1,424	254	222
Statutory audit fee	1,134	1,038	140	140
Assurance tasks	78	38	14	0
Other services	361	348	100	82
	1,573	1,424	254	222

### 6. Other financial expenses

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Financial expenses, subsidiaries	259	0	10,484	4,428
Other financial expenses	30,323	36,137	541	4,123
	30,582	36,137	11,025	8,551

## Notes

### 7. Tax on profit for the year

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Tax on profit/loss for the year	164	21,966	-552	-4,189
Adjustment of deferred tax	-7,374	-12,849	-4,322	7
Prior-year tax adjustments	0	0	0	0
	-7,210	9,117	-4,874	-4,182

### 8. Proposed distribution of profit and loss

DKK'000	Parent company	
	2024	2023
Reserve for net revaluation according to the equity method	9,708	96,517
Extraordinary dividend adopted	125,000	0
Retained earnings appropriated	-142,453	-15,249
Distributed in total	-7,745	81,268

### 9. Land and buildings

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Cost, beginning of year	103,854	103,664		0
Additions during the year	0	190		0
Cost, end of year	103,854	103,854		0
Depreciation and impairment, beginning of year	-5,902	-3,067		0
Depreciation and impairment for the year	-2,834	-2,835		0
Depreciation and impairment, end of year	-8,736	-5,902		0
Carrying amount, end of year	95,118	97,952		0

## Notes

### 10. Other fixtures and fittings, tools and equipment

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Cost, beginning of year	19,902	12,512	4,361	4,194
Additions during the year	0	2,666	0	167
Disposals during the year	-102	0	0	0
Transfer	0	4,724	0	0
<b>Cost, end of year</b>	<b>19,800</b>	<b>19,902</b>	<b>4,361</b>	<b>4,361</b>
Depreciation and impairment, beginning of year	-7,561	-4,523	-3,269	-2,904
Depreciation and impairment for the year	-3,344	-3,038	-351	-365
Depreciation and impairment, assets sold	0	0	0	0
<b>Depreciation and impairment, end of year</b>	<b>-10,905</b>	<b>-7,561</b>	<b>3,620</b>	<b>-3,269</b>
<b>Carrying amount, end of year</b>	<b>8,895</b>	<b>12,341</b>	<b>741</b>	<b>1,092</b>

### 11. Investment properties under construction

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Cost, beginning of year	7,864	410,490		0
Additions during the year	6	81,484		0
Transfers, net	0	-484,110		0
<b>Cost, end of year</b>	<b>7,870</b>	<b>7,864</b>		<b>0</b>
Fair value adjustment, beginning of year	-7,864	23,115		0
Development costs set off against provisions	0	3,167		0
Value adjustments for the year	-941	-3,238		0
Transfers	935	-30,908		0
<b>Fair value adjustment, end of year</b>	<b>-7,870</b>	<b>-7,864</b>		<b>0</b>
<b>Carrying amount, end of year</b>	<b>0</b>	<b>0</b>		<b>0</b>
Additions for the year includes interest expenses in the amount of	0	9,050		0



## Notes

Measurement at fair value is carried out for each individual property based on the property's detailed budget, adjusted for fluctuations that are deemed to be of a non-recurring nature.

The fair value of the property at the time of completion is expected to be lower than the anticipated refurbishment costs. Consequently, a provision has been recognised. The expected fair value of the property has been determined based on accounting estimates, which are described in further detail below.

When calculating the return for each property, the assessment is based on expected rental income assuming full occupancy. Expected operating, administrative, and maintenance costs are deducted. The resulting value is then adjusted for recognised vacancy periods over an appropriate timeframe and expected costs relating to fit-out and major maintenance work, etc., while deposits and prepaid rent are added.

The required rate of return is determined based on market statistics, completed transactions, and management's knowledge of the property market in general. In determining the required rate of return, factors such as property type (residential, office, retail, etc.), location, age, maintenance condition, lease terms, and tenants' creditworthiness, among others, are taken into account. The valuation method applied remains unchanged from the previous year.

Material assumptions underlying the calculated fair value are as follows:

	31/12 2024	31/12 2023
Weighted average yield (commercial København)	6.60 %	6.0 %
Vacancy (commercial København)	0 %	0 %
Highest rent pr. m2 incl. utilities (commercial København)	1,550 kr.	1,500 kr.
Lowest rent pr. m2 incl. utilities (commercial København)	1,050 kr.	1,000 kr.

Furthermore, the following assumptions have been applied:

The expected remaining renovation budget is included in the fair value calculation at DKK 40.3 million.

No external valuation has been obtained in connection with the valuation of the Group's investment properties under construction.

### Sensitivity analysis

Changes in yields have a significant impact on the measurement of investment properties. If the yield increases, the market value declines. Market developments can lead to a change in net initial yield.

The table below shows changes to the key metrics of the property portfolio on an increase/decrease on the required rate of return:

### Sensitivity analysis, DKK'000

Required rate of return	Theoretical value	Carrying amount	Difference	Adj. equity
7.10%	-31,406	-30,760	-646	998,122
6.85%	-31,095	-30,760	-335	998,433
6.60%	-30,760	-30,760	0	998,768
6.35%	-30,399	-30,760	361	999,129
6.10%	-30,009	-30,760	751	999,519

## Notes

### 12. Investment properties

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Cost, beginning of year	1,343,575	1,282,944		0
Adjustment, cost, beginning of year	0	0		0
Additions during the year	18,036	19,042		0
Disposals during the year	0	-454,956		0
Transfers	0	496,545		0
<b>Cost, end of year</b>	<b>1,361,611</b>	<b>1,343,575</b>		<b>0</b>
Fair value adjustment, beginning of year	-22,207	303,972		0
Adjustment, fair value adjustment, beginning of year	0	0		0
Fair value adjustment for the year	1,399	-71,779		0
Fair value adjustment, assets sold	0	-268,150		0
Transfers	0	13,750		0
<b>Fair value adjustment, end of year</b>	<b>-20,808</b>	<b>-22,207</b>		<b>0</b>
<b>Carrying amount, end of year</b>	<b>1,340,803</b>	<b>1,321,368</b>		<b>0</b>

In 2024, financial expenses recognised in the project portfolio amounted to DKK'000 0.

The Group owns a number of investment properties, including residential, commercial and mixed-use properties. The total area of these properties amounts to 55,000 square meters. The properties are mainly located in Copenhagen and the greater Copenhagen area.

When calculating the return for each property, the assessment is based on expected rental income assuming full occupancy. Expected operating, administrative, and maintenance costs are deducted. The resulting value is then adjusted for recognised vacancy periods over an appropriate timeframe and expected costs relating to fit-out and major maintenance work, etc., while deposits and prepaid rent are added.

The net initial yield is determined on the basis of market statistics, actual trades and Management's knowl-edge of the property market in general. The calculation of net initial yield takes into account parameters such as type (residential, office, retail, etc.), location, age, state of maintenance, lease terms, tenant credit-worthiness, etc.

This item includes potential building rights in addition to the Group's investment properties. The Group performs an individual measurement annually on the basis of prices per metre of building rights in the areas. If such measurement is not possible, the potential building rights are recognised at cost.

The valuation of the potential building rights is based on the expected plot ratios expected in the areas. Plots are valued on the basis of similar plots in the same area.

The valuation method is consistent with that applied last year.

In determining market value (carrying amount), the following yields are applied:

Location	Parameter	2024		2023	
		Residential	Commercial	Residential	Commercial
Copenhagen and the Greater Copenhagen area	Yield	4.07-4.50%	4.50-7.50%	4.07-4.50%	4.25-7.50%
	Vacancy	0.00-2.00%	0.00-5.00%	0.00-2.00%	0.00-6.67%
	Building rights pr. m <sup>2</sup>	0-4.100	0	0-4,040	0
	Rent pr. m <sup>2</sup>	714-2.381	340-5.190	479-2,381	328-5,190

## Notes

Furthermore, the following assumptions have been applied:

The valuation take into account non-recurring expenses. Costs of DKK 9.613 thousands are expected to be incurred before the premises can be leased.

In valuating potential building rights a buildingpercentage of 160% have been applied. No external valuation has been obtained in connection with the valuation of the Group's investment properties under construction.

### Sensitivity analysis

Changes in yields have a significant impact on the measurement of investment properties. If the yield increases, the market value declines. Market developments can lead to a change in net initial yield.

The table below shows changes to the key metrics of the property portfolio on an increase/decrease on the required rate of return:

### Sensitivity analysis, DKK'000

Change in required rate of return	Theoretical value	Carrying amount	Difference	Adjusted equity
0.50%	1,231,228	1,340,803	-109,575	913,300
0.25%	1,283,464	1,340,803	-57,339	954,043
0.00%	1,340,803	1,340,803	0	998,768
-0.25%	1,404,038	1,340,803	63,235	1,048,091
-0.50%	1,474,147	1,340,803	133,344	1,102,776

## 13. Investments in subsidiaries

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Cost, beginning of year	0	0	244,662	39,774
Additions during the year	0	0	5,000	205,019
Disposals during the year	0	0	0	-130
Cost, end of year	0	0	249,662	244,663
Revaluations at 1 January	0	0	788,032	712,527
Profit for the year	0	0	9,708	96,517
Reversals for the year re. disposals	0	0	0	-2,012
Dividend	0	0	-250,000	-19,000
Revaluations, year-end	0	0	547,740	788,032
Amortisation of goodwill, beginning of year	0	0	-643	-643
Amortisation of goodwill, end of year	0	0	-643	-643
Carrying amount, end of year	0	0	796,759	1,032,052



## Notes

Subsidiaries	Municipality	Ownership
ALFA Properties A/S	Gladsaxe	100 %
ALFA Parkering ApS	Gladsaxe	100 %
Holdingselskabet af 27.10.2010 ApS	Gladsaxe	100 %
Korsdalskvarteret ApS	Gladsaxe	100 %
Rovsinggadekvarteret P/S	Gladsaxe	100 %
Mørkhøj Bygade P/S	Gladsaxe	100 %
Amager Strand 1 ApS	Gladsaxe	100 %
Amager Strand 4 ApS	Gladsaxe	100 %
Amager Strand 6 ApS	Gladsaxe	100 %
Amager Strand 8 ApS	Gladsaxe	100 %
Amager Strand 9 ApS	Gladsaxe	100 %
Amager Strand 11 ApS	Gladsaxe	100 %
LIVING by ALFA IrmaByen Holding ApS	Gladsaxe	100 %
LIVING by ALFA IrmaByen ApS	Gladsaxe	100 %
IrmaByen 3 ApS	Gladsaxe	100 %
IrmaByen 6 ApS	Gladsaxe	100 %
IrmaByen 7 ApS	Gladsaxe	100 %
IrmaByen 9 ApS	Gladsaxe	100 %

Subsidiaries	Municipality	Ownership
IrmaByen 11 ApS	Gladsaxe	100 %
IrmaByen 12 ApS	Gladsaxe	100 %
IrmaByen 13 ApS	Gladsaxe	100 %
IrmaByen 14 ApS	Gladsaxe	100 %
IrmaByen 16 ApS	Gladsaxe	100 %
IrmaByen 17 ApS	Gladsaxe	100 %
IrmaByen 19 ApS	Gladsaxe	100 %
IrmaByen 20 ApS	Gladsaxe	100 %
ALFA Work Søborg A/S	Gladsaxe	100 %
Smedeland 6 ApS	Gladsaxe	100 %
Scandiagade ApS	Gladsaxe	100 %
Udviklingsselskabet af 1. Juli 2019 A/S	Gladsaxe	100 %
Trongården ApS	Gladsaxe	100 %
Bækhus Enge ApS	Gladsaxe	100 %
Marielundkvarteret 1 ApS	Gladsaxe	100 %
Marielundkvarteret 2 ApS	Gladsaxe	100 %
Marielundkvarteret Holding ApS	Gladsaxe	100 %
ALFA Services ApS	Gladsaxe	100 %
ALFA Komplementar ApS	Gladsaxe	100 %

## Notes

### 14. Deposits

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Cost, beginning of year	39	0	983	891
Additions during the year	0	39	15	92
Disposals during the year	-19	0	0	0
Cost, end of year	20	39	998	983
Carrying amount, end year	20	39	998	983

### 15. Project portfolios

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Project portfolios	145,013	154,950	0	0
	145,013	154,950	0	0

In 2024, financial expenses recognised in the project portfolio amounted to DKK'000 3,654.

### 16. Deferred tax assets

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Deferred tax assets, beginning of year	12,412	12,912	22	22
Deferred tax on profit/loss for the year	11,453	-1,836	4,322	0
Transferred to deferred tax liabilities	-1,336	1,336	0	0
	22,529	12,412	4,344	22

The Group's deferred tax asset of DKK 22,529 thousand relates to tax loss carryforward. Management makes estimates of future taxable income in assessing whether and when deferred tax assets will be utilised. Management has prepared a plan for the utilisation of the recognised tax asset, which is expected to be realised within the next five years. Of the DKK 22.5 million, DKK 20.5 million is expected to be utilised more than 12 months after the end of the financial year.

The Parent Company's deferred tax asset of DKK 4,344 thousand relates to tax loss carryforwards. Management estimates the future taxable income in assessing whether and when deferred tax assets will be utilised. Management has prepared a plan for the utilisation of the recognised tax asset, which is expected to be realised within the next five years. The deferred tax asset is expected to be substantially utilised within 12 months after the end of the financial year.

## Notes

### 17. Prepayments

Prepayments comprise costs incurred in relation to subsequent years, including deferred rental rebates and project costs paid in advance.

### 18. Share capital

The share capital consists of 2,440 shares of DKK'000 25 each and multiples thereof. The share capital is not divided into share classes.

### 19. Provisions for deferred tax

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Provisions for deferred tax, beginning of the year	0	120,370	0	0
Deferred tax on profit/loss for the year	4,080	-14,685	0	0
Deferred tax taken over on acquisitions	0	-107,021	0	0
Transferred to deferred tax asset	-1,336	1,336	0	0
	2,744	0	0	0

### 20. Other provisions

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Other provisions, beginning of year	62,694	46,498		0
Changes in other provisions for the year	-2,655	16,196		0
	60,039	62,694		0
Maturing within one year	19,362	28,373		0

Other provisions comprise expected costs relating to investment properties under construction and outstanding costs relating to completion of projects.

## Notes

### 21. Debt to mortgage credit institutions

DKK'000	Group		Parent company	
	2024	2023	2024	2023
Total debt to mortgage credit institutions	749,984	767,889	0	0
Maturing within one year	-22,288	-19,885	0	0
	727,696	748,004	0	0
Portion of debt maturing after five years	643,057	667,602	0	0

### 22. Fair value disclosures

DKK'000	Group	
	Investment properties	Investment properties under construction
Fair value, end of year	1,340,803	0
Changes for the year in fair value through profit or loss	1,399	-941

### 23. Mortgages and guarantees

#### Group

As security for debt to mortgage credit institutions on the amount of DKK 799 million, the Group has mortgaged investment properties with a carrying amount at 31 December 2024 of DKK 1,292 million and land and buildings with a carrying amount at 31 December 2024 of DKK 95 million.

As security for debt to homeowners associations, DKK 0, a mortgage deed of DKK'000 129 has been registered on investment properties with a carrying amount at 31 December 2024 of DKK 49,6 million.

#### Parent

As security for debt to banks in the amount of DKK 29 thousand, the parent have provided its shares in a subsidiary (carrying amount at 31 december 2024 DKK 171.9 million) as deposit.



## Notes

### 24. Contingent items

#### Contingent assets

##### Group

In addition to a deferred tax asset already recognised in the amount of DKK 22.5 million, a group company holds another potential deferred tax asset of DKK 35.1 million which has not been recognised.

#### Contingent liabilities

##### Group

The Group has entered into construction contracts, where the remaining obligation as of December 31, 2024 amounts to DKK 0.5 million. The Group's financial institutions have issued payment guarantees to suppliers and mortgage institutions totaling DKK 83.3 million.

The Group has entered into operating lease agreements for equipment. The remaining lease term ranges from 40 to 47 months, and the total remaining lease obligation amounts to DKK 451 thousand.

In connection with the sale of investment properties, the Group has a potential obligation regarding final property taxes up to the transfer date, as only preliminary property taxes for the income years 2022 and 2023 have been recognized as of the transfer date. At this time, it is not possible to reliably quantify the obligation. Additionally, the Group has a potential obligation pursuant to an unregistered easement on real estate. Management considers the obligation related to real estate to be very limited.

The group is party to a pending case concerning notice on defects. Management's assessment is that the case will not affect the consolidated financial statements beyond what have already been recognised in the balance sheet.

The Group has entered into conditional purchase agreement concerning a property (classified as inventory), with the remaining purchase price amounting to DKK 128 million. The property was formally acquired after the end of the financial year.

The Group has committed, for the next seven years, to donate 15% of a portion of its positive taxable income (before offsetting tax losses carried forward from previous years).

#### Parent company

The parent company has provided a surety guarantee for the intra-group liabilities of LIVING by ALFA IrmaByen ApS to a financial institution. As of December 31, 2024, the company's debt to the financial institution amounts to DKK 0 million. Additionally, one of the parent company's financial institutions has issued payment guarantees to the subsidiary company's mortgage institution totaling DKK 9.1 million.

The parent company has provided a surety guarantee for the intra-group liabilities of Smedeland 6 ApS to the financial institution. As of December 31, 2024, the company has no debt to the financial institution.

The parent company has provided guarantees for the intra-group liabilities of the following subsidiaries to the mortgage institution:

- ALFA Properties A/S, mortgage debt to the mortgage credit institution as of December 31, 2024, amounts to 76,100 t.DKK, and the guarantee amounts to a maximum of 53,843 t.DKK.
- Marielundkvarteret 1 ApS, mortgage debt to the mortgage credit institution as of December 31, 2024, amounts to 5,758 t.DKK.
- Marielundkvarteret 2 ApS, mortgage debt to the mortgage credit institution as of December 31, 2024, amounts to 7,691 t.DKK.

## Notes

### 24. Contingent items – continued

- Rovsingegadekvarteret P/S, mortgage debt to the mortgage credit institution as of December 31, 2024, amounts to 143,622 t.DKK.
- Scandiagade ApS, mortgage debt to the mortgage credit institution as of December 31, 2024, amounts to 70,292 t.DKK.
- Living by ALFA IrmaByen ApS, mortgage debt to the mortgage credit institution as of December 31, 2024, amounts to 422,949 t.DKK.

The parent company guarantees payment of subsidiary obligations, with the remaining payment as of December 31, 2024, amounting to DKK 1 million.

The parent company has entered into a lease agreement with a subsidiary, which is non-cancelable for 18 months. The annual rent amounts to DKK 2 million.

The group has entered into operational lease agreements regarding assets. The remaining lease term ranges from 40 to 47 months, and the total remaining leasing obligation amounts to DKK 451,000.

The parent company is liable for overdue VAT under the joint VAT registration. The total obligation under the joint registration amounts to DKK'000 0 as of December 31, 2024

In connection with the sale of investment properties, the Parent Company has provided guarantees for a subsidiary's potential obligation regarding final property taxes up to the transfer date, as only provisional property taxes for the fiscal years 2022 and 2023 have been accounted for as of the transfer date. At present, it is not possible to reliably quantify the obligation. Additionally, the Parent Company has provided guarantees for a subsidiary's potential obligation pursuant to an unregistered servitude on real property. Management considers the obligation related to real property to be strongly limited.

### Joint taxation

The Company is the designated management company for the national tax pool and is jointly and severally liable with the other enterprises in the tax pool for the total income tax.

The Company is jointly and severally liable with the other enterprises in the tax pool for any obligation to withhold tax on interest, royalties and dividends.

The liability for withholding tax on dividends, interest and royalties amounted to DKK 0.

Any subsequent adjustments of income tax and withholding tax may result in the Company's liability being of a different amount.

## 25. Financial risk

### Currency risk

As ALFA Development has very limited foreign currency transactions, its currency risk is considered insignificant.

### Interest rate risk

Any changes in market rates will affect earnings and cash flows. Rising interest rates will have an adverse impact on earnings from both development activities and the investment property portfolio. Interest expenses on credit facilities related to land purchases and construction will inevitably increase with a resulting negative impact on the development portfolio. Investment property yields will be pushed upwards, creating a downward pressure on valuations. In relation to financing, interest expenses will generally speaking increase. However, as a consequence of ALFA Development's financing strategy for its investment portfolio, the risk exposure is limited. The market value of mortgage debt will decrease if interest rates increase.

## Notes

### 26. Related parties

#### Principal shareholder

SeedALFA Holding S.A.R.L.

412 F, Route d'Esch

L-1471 Luxembourg

Luxembourg

#### Transactions

In accordance with section 98 C(7) of the Danish Financial Statements Act, it is disclosed that the Company had no related party transactions that were not conducted on an arm's length basis.

### 27. Adjustments

DKK'000	Group	
	2024	2023
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	6,178	5,873
Loss on sale of property, plant and equipment	5	0
Value adjustment of investment properties	-658	31,927
Other financial income	-10,014	-75,381
Other financial expenses	30,582	36,137
Tax on profit/loss for the year	-7,210	9,117
	<b>18,883</b>	<b>7,673</b>

### 28. Change in working capital

DKK'000	Group	
	2024	2023
Change in inventories	-4,175	67,502
Change in receivables	4,477	43,704
Change in trade payables and other payables	-11,842	-57,069
Other changes in working capital	-3,390	12,661
	<b>-14,930</b>	<b>66,798</b>

## Accounting policies

The annual report of ALFA Development A/S is presented in accordance with the provisions of the Danish Financial Statements Act for class C enterprises.

The accounting policies are consistent with those applied in last year's annual report. The presentation currency is DKK.

### Recognition and measurement

Income is recognised in the income statement as earned. This includes the recognition of value adjustments of financial assets and liabilities. Also recognised in the income statement are all costs, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts previously recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic bene-

fits will flow from the Group and the value of the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each item.

Certain financial liabilities are measured at amortised cost, implying the recognition of a constant effective rate of interest to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus accumulated amortisation of any difference between cost and nominal amount. This method allocates capital gains and losses over the term of the liability.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the annual report which relate to matters existing at the balance sheet date.

### Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising

between the exchange rate at the transaction date and the rate at the date of payment are recognised in the income statement as financial income or expenses. Where foreign exchange positions are considered hedges of future cash flows, any value adjustments are recognised directly in a fair value reserve under equity.

Receivables, payables and other monetary items denominated in foreign currency are translated at the exchange rates at the balance sheet date. The difference between the exchange rate at the balance sheet date and the exchange rate at the date when the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement under financial income or expenses.

### Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised in other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying as hedges of the fair value of a recognised asset or liability are recognised through profit or loss together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments classified as hedges of future cash flows are recognised as other receivables or other payables and in equity.

If a future transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If a future transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged transaction affects the income statement.

For derivative financial instruments that the company does not choose to recognise as hedging instruments, changes in fair value are recognised in the income statement as they occur.



## Accounting policies

### Fair value hierarchy

The Group uses the fair value convention for the recognition of investment properties and for the recognition of the value of financial instruments. Fair value is defined as the price obtainable when selling an asset, or payable when transferring a liability, in an arm's length transaction between independent parties. Fair value measurement is based on a primary market. The fair value hierarchy has four levels for the measurement:

1. Fair value measurement in a comparable market
2. Measurement according to recognised valuation methods based on observable market inputs
3. Measurement based on recognised valuation methods and reasonable estimates
4. Cost

The Group uses level 3.

### Consolidated financial statements

The financial statements consolidate the parent company, ALFA Development A/S, and subsidiaries in which ALFA Development A/S directly or indirectly holds more than 50% of the voting rights or otherwise exercises control.

### Consolidation principles

The consolidated financial statements have been prepared by consolidating the financial statements of the parent company and the subsidiaries by adding together items of a similar nature calculated in accordance with the Group's accounting policies.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of net assets and liabilities at the date at which the Group obtains control.

On consolidation, intra-group income and expenses, equity investments, balances and dividends as well as realised and unrealised gains and losses on transactions between the consolidated entities are eliminated.

In the consolidated financial statements, the items of subsidiaries are recognised in full.

### Business combinations

***Business combinations completed on or after 1 July 2018 (consolidation method).***

Acquisitions of subsidiaries are accounted for applying the acquisition method, under which the identifiable assets and liabilities of the acquired enterprise are measured at fair value at the date of acquisition. Acquired contingent liabilities are recognised at fair value in the item Investments in subsidiaries to the extent that the value can be measured reliably.

The acquisition date is the date at which the Group obtains control of the acquired enterprise.

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

Any positive difference between the cost of the acquired enterprise and the value of identified assets and liabilities is recognised in the investment as goodwill, which is amortised on

a straight-line basis in the income statement over the expected economic life. Amortisation of goodwill is allocated to the functions to which the goodwill relates. Any negative difference is recognised immediately in the income statement.

If the purchase price allocation is preliminary, any positive or negative differences relating to acquired subsidiaries as a result of changes in the recognition and measurement of identified net assets may be adjusted for up to 12 months after the date of acquisition. Such adjustments are reflected concurrently in the value of goodwill or negative goodwill, including in previous amortisation.

### ***Uniting of interests (book value method)***

An intragroup uniting of interests is accounted for under the book value method. Under this method, the two enterprises are combined at book value, and no differences are identified. Any consideration which exceeds the carrying amount of the acquired enterprise is recognised directly in equity.

The book value method is applied at the acquisition date, and comparative figures are not restated.

## Accounting policies

### Income statement

#### Revenue

The Company applies IAS 18 as a basis for revenue recognition.

Revenue is recognised in the income statement if delivery and transfer of risk to the buyer have taken place before the end of the year, and provided that the income can be measured reliably and is expected to be received. Revenue is measured at the fair value of the agreed consideration exclusive of VAT and net of discounts related to sales.

Rental income comprises income from the letting of properties and common charges and is recognised in the income statement in the period to which the rent pertains. Income relating to the heating accounts is recognised in the balance sheet as balances with tenants.

#### Production costs

Production costs comprise costs, including wages and salaries and depreciation and amortisation,

incurred in generating the revenue for the year. Enterprises engaged in trading recognise cost of sales and enterprises engaged in manufacturing recognise production costs corresponding to revenue for the year. This includes direct and indirect costs of raw materials and consumables, wages and salaries, rent and leases.

Production costs also comprise repair and maintenance costs, direct and indirect taxes and other costs in relation to investment properties. Costs relating to the heating accounts are recognised in the balance sheet as balances with tenants.

Production costs furthermore comprise research costs and development costs not qualifying for capitalisation and amortisation of capitalised development costs.

#### Value adjustment of investment properties

Value adjustment of investment properties comprises fair value adjustment of properties and gains and losses on the sale of properties.

#### Distribution costs

Distribution costs comprise costs incurred for distribution of goods sold during the year and for sales campaigns during the year. This includes the cost of sales staff, advertising and exhibition costs as well as depreciation.

#### Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration, including expenses for administrative staff, Management, office premises and office expenses and depreciation.

#### Other operating income

Other operating income comprises items secondary to the principal activities of the enterprise, including gains on disposal of property, plant and equipment.

#### Other operating expenses

Other operating expenses comprise items secondary to the principal activities of the enterprise, including donations.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement in the amounts relating to the financial year. Financial items comprise interest income and expenses, realised and unrealised market value gains and losses on securities and debt, amortisation of financial assets and liabilities as well as surcharges and refunds under the Danish tax prepayment scheme, etc.

Interest expenses and other expenses on loans financing projects are recognised in the cost of the project portfolios.

#### Income from investments in subsidiaries

The proportionate share of the profit or loss of subsidiaries after tax is recognised in the parent company income statement after full elimination of intra-group gains/losses and deduction of amortisation of goodwill on acquisition plus negative goodwill.

#### 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

## Accounting policies

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 subject to the Danish rules on compulsory joint taxation with subsidiaries. The Company is the designated management company for the tax pool and handles the settlement of all corporation tax payments with the tax authorities.

The current Danish corporation tax is allocated by the settlement of a joint tax contribution between the enterprises in the tax pool in proportion to their respective taxable incomes. In connection with the settlement, enterprises with negative taxable incomes receive a joint tax contribution from enterprises that have been able to use this tax loss to reduce their own taxable income (full allocation).

### Balance sheet

#### Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The basis of depreciation is cost less expected residual value at the end of the useful life. The depreciation period and the residual value are determined at the acquisition date and reassessed annually. Where the residual value exceeds the carrying amount, the asset ceases to be depreciated.

If the depreciation period or the residual value is changed, the effect on depreciation going forward is recognised as a change in accounting estimates.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful

lives and the individual components constitute a substantial part of the total cost of the item, they are accounted for as separate items, which are depreciated separately.

Straight-line depreciation is provided based on the estimated useful lives and residual values of the assets as follows:

	Useful life	Residual value
Buildings	15-70 years	0%
Other fixtures and fittings, tools and equipment	3-5 years	0%

Minor assets with expected useful lives of less than one year are recognised as costs in the income statement in the year of acquisition.

Gains or losses on the sale of property, plant and equipment are stated as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains and

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

#### Leases

The Company applies IAS 17 as a basis for classification and recognition of leases.

On initial recognition, leases for property, plant and equipment under which the Group has all material risks and rewards of ownership (finance leases) are initially measured in the balance sheet at the lower of the fair value of the leased asset and the present value of future lease payments. The present value is calculated using the interest rate implicit in the lease or, alternatively, the Company's borrowing rate as the discount factor. Assets held under finance leases are subsequently accounted for as other similar property, plant and equipment.

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

## Accounting policies

All other leases are recognised as operating leases. Payments in connection with operating leases and other leases are recognised in the income statement over the lease term. The Group's total liability with respect to operating leases and other leases is disclosed in contingent items.

### Impairment of non-current assets

The carrying amount of property, plant and equipment and investments in subsidiaries is reviewed annually for impairment beyond what is reflected by normal amortisation and depreciation charges.

If there is evidence of impairment, each asset or group of assets is tested for impairment. If the recoverable amount of an asset is lower than its carrying amount, the carrying amount of the asset is written down to its recoverable amount.

Recoverable amount is the higher amount of the value in use and the sales value less expected costs to sell. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the

asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the motivation for the impairment write-down ceases to exist.

### Investment properties

On initial recognition, investment properties are measured at cost, consisting of the acquisition price of the property and any directly associated costs.

This item includes potential building rights in addition to the Group's investment properties. The Group annually performs an individual measurement on the basis of prices per metre of building rights in the area. If such measurement is not possible, the potential building rights are recognised at cost.

Subsequently, investment properties are measured individually at their estimated fair value, corresponding to the estimated amount at which the individual property may be sold to an independent

buyer at the balance sheet date. Fair value is measured using a yield-based model, which is based on budgeted net earnings for the coming year adjusted to normal earnings and by using a yield requirement reflecting current market yield requirements for similar properties. The value is adjusted for matters not reflected in normal earnings, such as actual vacancy rates, major renovation works, etc. The valuation method is consistent with that applied in the previous financial year.

Costs that add new or improved qualities to an investment property relative to its condition at the acquisition date and thus improve the future yield on the property are added to cost as an improvement. Costs that do not add new or improved qualities to an investment property are recognised in the income statement under "costs in relation to investment properties".

Like other property, plant and equipment except land, investment properties have a definite useful life. The impairment of an investment property as it ages over time is reflected in the regular fair value measurement of the investment property. Accord-

ingly, investment properties are not systematically depreciated over their useful lives.

Fair value adjustment through profit or loss is recognised in the item Value adjustment of investment properties.

If a reliable fair value cannot be determined, investment properties under construction are measured at cost. Cost comprises other external costs incurred in the construction of the property.

Financial expenses directly attributable to the construction of the property are also recognised in cost.

## Financial assets

### Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method. The consolidation method applied is the equity method.



## Accounting policies

In the balance sheet, investments in subsidiaries are recognised at the proportionate share of each subsidiary's equity value. This is calculated in accordance with the parent company's accounting policies with the deduction or addition of unrealised intra-group gains and losses and with the addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method.

Investments in group enterprises with a negative net asset value are recognised at DKK nil, and any receivable from these companies is written off to the extent it is deemed to be irrecoverable. To the extent that the parent company has a legal or constructive obligation to cover any negative balance that exceeds the receivable, the residual amount is recognised under provisions.

Net revaluation of investments in subsidiaries is taken to the reserve for net revaluation under equity according to the equity method to the extent that the carrying amount exceeds cost. Dividends from subsidiaries that are expected to be approved before the adoption of this annual report are not tied up in the revaluation reserve.

The reserve is adjusted by other changes in the equity of subsidiaries.

Enterprises acquired or formed during the year are recognised in the financial statements from the date of acquisition. Enterprises sold or wound up are recognised in the financial statements until the date of disposal.

The purchase method of accounting, the uniting-of-interests method or the book value method is used in connection with acquisitions. See the description above under Business combinations.

### Inventories

Project portfolios are measured at cost. Where the net realisable value is lower than cost, project portfolios are written down to this lower value.

Goods for resale are measured at cost in accordance with the FIFO method. Where the net realisable value of goods for resale is lower than the acquisition cost, the investment is written down to this lower value.

The cost of project portfolios comprises other of the projects. external costs incurred in the construction Financial expenses directly attributable to the project are also recognised in cost.

The cost of goods for resale comprises the purchase price plus delivery costs.

The net realisable value of inventories is calculated as the expected selling price less completion costs and costs incurred in making the sale. The net realisable value is determined taking into account marketability, obsolescence and changes in the expected selling price.

### Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Receivables are written down to net realisable value as a provision for bad debts. The Company has chosen to apply IAS 39 for the recognition of impairment of financial assets, which means that if there is objective evidence that a receivable or a portfolio of receivables is impaired, an impairment loss is recognised. If there is objective

evidence that an individual receivable is impaired, an impairment loss is recognised on an individual level.

### Prepayments

Prepayments comprise costs incurred that relate to subsequent financial years.

### Cash and cash equivalents

Cash and cash equivalents comprise bank deposits.

## Equity

### Reserve for net revaluation according to the equity method

Reserve for net revaluation according to the equity method comprises net revaluation of investments in subsidiaries relative to cost.

The reserve may be eliminated against losses, realisation of investments or changes in accounting estimates.

The reserve cannot be negative.

## Accounting policies

### Dividend

Dividend expected to be paid in respect of the financial year is stated as a separate line item under equity.

### Income tax and deferred tax

As the designated management company for the tax pool, ALFA Development A/S is liable to the tax authorities for the subsidiaries' income taxes.

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

The company is taxed jointly with the Danish consolidated companies. The current Danish income tax liability is allocated among the jointly taxed companies in proportion to their taxable income and with full absorption with refunds for tax losses. The jointly taxed entities are taxed under the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the balance sheet as Tax receivable from subsidiaries or Tax payable to subsidiaries, respectively.

Deferred tax is measured according to the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities, calculated based on the planned use of the asset or settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is adjusted for eliminations of unrealised intra-group profits and losses on consolidation.

Deferred tax is measured on the basis of the tax rules and tax rates that, according to the legislation in force at the balance sheet date, are applicable at the time the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changed tax rates are recognised in the income statement, except for items recognised directly in equity.

Deferred tax assets, including the tax base of tax losses carried forward, are measured at the expected value of their utilisation, either as a set-off against tax on future earnings or as a set-off against deferred tax liabilities within the

same legal tax entity. Any deferred net tax assets are measured at net realisable value.

### Provisions

Provisions comprise expected expenses relating to guarantee commitments, completion of projects sold and construction of investment properties. Provisions are recognised when the Group has a legal or constructive obligation that arises from past events and it is probable that an outflow of financial resources will be required to settle the obligation.

Provisions are measured at net realisable value or fair value. If the liability is expected to be settled far into the future, the liability is measured at fair value.

Guarantee commitments comprise obligations to perform repair work within a warranty period of 1-5 years. Provisions are measured on the basis of experience from guarantee work. Provisions expected to be maintained for more than one year from the balance sheet date are discounted at a rate reflecting the risk and the due date of the liability.

### Liabilities

Financial liabilities are recognised at the time the loans are obtained in the amount of the proceeds after deduction of transaction costs. Subsequently, financial liabilities are recognised at amortised cost, equivalent to the capitalised value using the effective interest rate. The difference between the proceeds and the nominal value is thus recognised in the income statement over the term of the loan.

Debt to mortgage credit institution and credit institutions is thus measured at amortised cost, which in the case of cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to the outstanding debt calculated as the loan's underlying cash value at the date the loan was raised, adjusted over the repayment period by depreciation of the loan's value adjustment at the date the loan was raised.

Liabilities relating to investment properties are measured at amortised cost.

Other liabilities are measured at amortised cost, usually corresponding to nominal value.

## Accounting policies

### Cash flow statement

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

No cash flow statement has been prepared for the parent company, as its cash flows are included in the consolidated cash flow statement, see section 86 (4) of the Danish Financial Statements Act.

Cash flows from acquisitions and divestments of enterprises are shown separately under cash flows from investing activities. Cash flows from acquisitions of enterprises are recognised in the cash flow statement from the date of acquisition. Cash flows from the disposal of enterprises are recognised up to the date of disposal.

### Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of profit or loss, adjusted for non-cash operating items, changes in working capital and income tax paid.

### Cash flows from investing activities

Cash flows from investing activities comprise payments made in connection with the acquisition and disposal of enterprises and activities and of intangible assets, property, plant and equipment and financial assets.

### Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand. Cash and cash equivalents held in escrow accounts are recognised as receivables and adjusted through changes in working capital.

# Statements

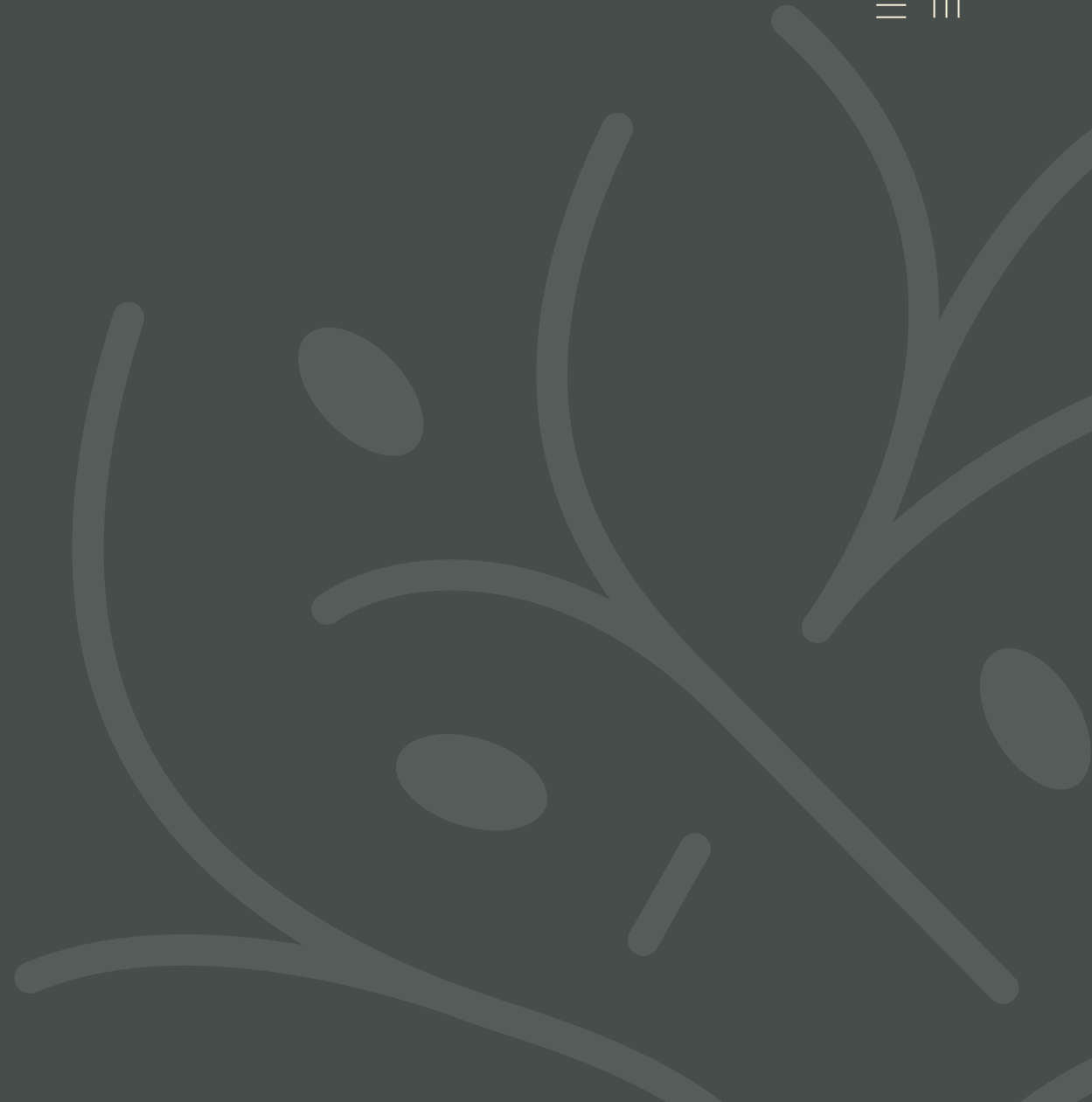
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# Management's statement

The Board of Directors and Management Board have today approved the annual report for 2024 of ALFA Development A/S.

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

We consider the accounting policies to be appropriate. Accordingly, the consolidated and parent company financial statements give a true and fair view of the Group's and the Company's assets, liabilities and financial position at 31 December 2024 and of the results of the Group's and the Company's activities and the consolidated cash flows for the financial year ended 31 December 2024.

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

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

Søborg, 25 June 2025

## Executive Management

**Andreea Ioana Kaiser**  
CEO

**Christian Hasling Wæver**  
COO

**Kristian Hare**  
CFO

## Board of Directors

**Anders Håkan Wahrer**  
Chair

**Andreea Ioana Kaiser**

**Erik Ludvig Find**

**Klaus Kaae**

**Peter Winther**



# Independent auditor's report

## To the Shareholder of ALFA Development A/S

### Opinion

We have audited the consolidated financial statements and the parent company financial statements of ALFA Development A/S for the financial year 1 January to 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group the Parent Company, as well as consolidated statement of cash flows. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year

1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

### Basis for conclusion

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

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

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

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the

Group or the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent company financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

#### Statement on Management's Review

Management is responsible for Management's Review.

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

In connection with our audit of the consolidated financial statements and the parent company financial statements, our responsibility is to read Management's Review and, in doing so, consider

whether Management's Review is materially inconsistent with the consolidated financial statements and the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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

Aalborg, 25 June 2025

#### Redmark

Godkendt Revisionspartnerselskab  
Company reg. no. 29 44 27 89

#### Steen Jensen

State Authorised Public Accountant  
mne27739

## Company details

### Company

ALFA Development A/S  
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E-mail: [info@alfadev.dk](mailto:info@alfadev.dk)

CVR-nr.: 27 52 84 49  
Founded: 1. juli 2006  
Reg. office: Gladsaxe  
Financial year: 1. januar - 31. december

### Board of Directors

Anders Håkan Wahrer, Chairman  
Andreea Ioana Kaiser  
Erik Ludvig Find  
Peter Winther  
Klaus Kaae

### Executive Management

Andreea Ioana Kaiser, CEO  
Christian Hasling Wæver, COO  
Kristian Hare, CFO

### Auditors

Redmark  
Godkendt Revisionspartnerselskab  
Hasseris Bymidte 6  
9000 Aalborg

### Banks

Danske Bank  
Jyske Bank

### Parent Company

SeedALFA Holding S.A.R.L.

