Know Houses ApS

Gl Hovedgade 1A, DK-2970 Hørsholm

Annual Report for
3 April 2023 - 30 September 2024

CVR No. 43 98 17 49

The Annual Report was presented and adopted at the Annual General Meeting of the company on 10/1 2025

Tristan Thorvald Francis
Chairman of the general meeting

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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Know Houses ApS for the financial year 3 April 2023 - 30 September 2024.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 30 September 2024 of the Company and of the results of the Company operations for 2023/24.

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

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

Hørsholm, 10 January 2025

Executive Board

Ralf Thorvald
CEO

Board of Directors

Tristan Thorvald Francis Chairman	Ralf Thorvald	Kieran Thorvald Francis

Independent Auditor's report

To the shareholders of Know Houses ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2024 and of the results of the Company´s operations for the financial year 3 April 2023 - 30 September 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Know Houses ApS for the financial year 3 April 2023 - 30 September 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies (”the Financial Statements”).

Basis for Opinion

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

Statement on Management’s Review

Management is responsible for Management’s Review.

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

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

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

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

Management’s responsibilities for the Financial Statements

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

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

Independent Auditor's report

Auditor's responsibilities for the audit of the Financial Statements

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

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

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

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

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

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

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Hellerup, 10 January 2025

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Ulrik Ræbild
State Authorised Public Accountant
mne33262

Company information

The Company	Know Houses ApS Gl Hovedgade 1A DK-2970 Hørsholm
	CVR No: 43 98 17 49
	Financial period: 3 April 2023 - 30 September 2024
	Incorporated: 3 April 2023
	Financial year: 1st financial year
	Municipality of reg. office: Hørsholm
Board of Directors	Tristan Thorvald Francis, chairman Ralf Thorvald Kieran Thorvald Francis
Executive Board	Ralf Thorvald
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Management's review

Key activities

The company's purpose is the acquisition, renovation, operation and sale of real estate and related business.

Development in the year

The income statement of the Company for 2023/24 shows a loss of DKK 904,980, and at 30 September 2024 the balance sheet of the Company shows a negative equity of DKK 864,980.

Capital resources

As stated in Note 1, the company's capital owners have issued a letter of financial support, in which the capital owners guarantee to make the necessary capital available to the company, so that the company can meet its obligations as they fall due. The letter of financial support from the capital owners is valid until the point in time where the annual report for Know Houses ApS for 2024/25 is approved by the general meeting and published.

Additionally, going concern is further secured through the letter of financial support, as the owners ensuring that their claims against the company will rank subordinate to the claims of other creditors.

On this basis, the management assesses that the company's capital availability is sufficient, which is why the annual accounts are presented on the assumption of continued operations.

Loss of share capital
The company has lost more than 50% of the company share capital and is therefore covered by the capital loss provisions in the Danish Companies Act. At the upcoming general meeting, the management will give an update of the financial situation and present how the share capital is expected to be re-established in the event of future positive earnings.

Subsequent events

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

Income statement 3 April 2023 - 30 September 2024

	Note	2023/24 DKK 18 months
Gross profit/loss		**141,883**
Staff expenses	2	-885,979
Depreciation and impairment losses of property, plant and equipment		-65,167
Profit/loss before financial income and expenses		**-809,263**
Financial income		5,067
Financial expenses	3	-100,784
Profit/loss before tax		**-904,980**
Tax on profit/loss for the year		0
Net profit/loss for the year		**-904,980**

Distribution of profit

	2023/24 DKK
Proposed distribution of profit	
Retained earnings	-904,980
	-904,980

Balance sheet 30 September 2024

Assets

	Note	2023/24
		DKK
Other fixtures and fittings, tools and equipment		164,833
Property, plant and equipment	4	**164,833**
Fixed assets		**164,833**
Trade receivables		313,773
Other receivables		42,116
Receivables		**355,889**
Cash at bank and in hand		**764,013**
Current assets		**1,119,902**
Assets		**1,284,735**

Balance sheet 30 September 2024

Liabilities and equity

	Note	2023/24
		DKK
Share capital		40,000
Retained earnings		-904,980
Equity		**-864,980**
Payables to owners and Management		2,059,406
Other payables		90,309
Short-term debt		**2,149,715**
Debt		**2,149,715**
Liabilities and equity		**1,284,735**
Going concern	1	
Contingent assets, liabilities and other financial obligations	5	
Accounting Policies	6	

Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Cash payment concerning formation of entity	40,000	0	40,000
Net profit/loss for the year	0	-904,980	-904,980
Equity at 30 September	**40,000**	**-904,980**	**-864,980**

Notes to the Financial Statements

1. Going concern

The company's capital owners have issued a letter of financial support, guaranteeing to make the necessary capital available to the company to ensure that it can meet its obligations as they fall due. The letter of financial support from the capital owners is valid until the point in time where the annual report for Know Houses ApS for 2024/25 is approved by the general meeting and published.

Additionally, going concern is further secured through the letter of financial support, as the owners ensuring that their claims against the company will rank subordinate to the claims of other creditors.

On this basis, management assesses that the company's capital availability is sufficient, which is why the financial statements are presented on the assumption of continued operations.

2. Staff expenses

	2023/24 DKK 18 months
Wages and salaries	861,003
Pensions	18,019
Other social security expenses	6,309
Other staff expenses	648
	885,979
Average number of employees	**2**

3. Financial expenses

	2023/24 DKK 18 months
Interest, account with controlling shareholder	99,406
Other financial expenses	1,378
	100,784

4. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 3 April	0
Additions for the year	230,000
Cost at 30 September	230,000
Impairment losses and depreciation at 3 April	0
Depreciation for the year	65,167
Impairment losses and depreciation at 30 September	65,167
Carrying amount at 30 September	**164,833**

5. Contingent assets, liabilities and other financial obligations

There are no security and contingent liabilities at 30 September 2024.

6. Accounting policies

The Annual Report of Know Houses ApS for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The Financial Statements for 2023/24 are presented in DKK.

Recognition and measurement

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

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

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

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

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

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

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

Income statement

Revenue

Revenue from the sale of services is recognised when the risks and rewards relating to the services sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

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

Other external expenses

Other external expenses comprise production costs and expenses for insurance, car as well as office expenses, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees.

Amortisation, depreciation and impairment losses

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

Financial income and expenses

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

Tax on profit/loss for the year

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

Balance sheet

Property, plant and equipment

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

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

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

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

Other fixtures and fittings, tools and equipment	5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

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

Deferred tax assets and liabilities

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

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

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

Current tax receivables and liabilities

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

Financial liabilities

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