
Home.Earth Operations Denmark ApS

Siljengade 1, DK-2300 København S

Annual Report for 2023

CVR No. 42 90 59 25

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 3/6 2024

Camilla Dalum
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Annual Report of Home.Earth Operations Denmark ApS for the financial year 1 Januar 2023 - 31 December 2023.

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

In my opinion the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

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

Copenhagen, 3 June 2024

Executive Board

Rasmus Juul-Nyholm
Manager

Jakob Elvekjær Hermann
Manager

Christian Philip Højberg Unger
Manager

Independent Auditor's report

To the shareholder of Home.Earth Operations Denmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Home.Earth Operations Denmark ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("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.

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.

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.

Independent Auditor's report

- 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, 3 June 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jakob Thisted Binder

State Authorised Public Accountant

mne42816

Company information

The Company	Home.Earth Operations Denmark ApS Siljagade 1 2300 København S CVR No: 42 90 59 25 Financial period: 1 January - 31 December Incorporated: 14 December 2021 Financial year: 2nd financial year Municipality of reg. office: København
Executive Board	Rasmus Juul-Nyholm Jakob Elvekjær Hermann Christian Philip Højberg Unger
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup
Bankers	Danske Bank Lersø Parkallé 100 2100 København Ø

Income statement 1 January - 31 December

	Note	2023	2021/22
		DKK 12 months	DKK 13 months
Gross loss		-2,593,698	-5,842,628
Staff expenses	3	-14,789,354	-6,269,168
Depreciation and impairment losses of property, plant and equipment		-20,713	0
Profit/loss before financial income and expenses		-17,403,765	-12,111,796
Financial income		17,461	33
Financial expenses	4	-3,025,147	-6,214
Profit/loss before tax		-20,411,451	-12,117,977
Tax on profit/loss for the year		0	0
Net profit/loss for the year		-20,411,451	-12,117,977
 Distribution of profit			
		2023	2021/22
		DKK	DKK
Proposed distribution of profit			
Retained earnings		-20,411,451	-12,117,977
		-20,411,451	-12,117,977

Balance sheet 31 December

Assets

	Note	2023	2021/22
		DKK	DKK
Prepayments for property, plant and equipment		337,332	15,709,825
Property, plant and equipment	5	337,332	15,709,825
Fixed assets		337,332	15,709,825
Trade receivables		1,217,980	68,617
Receivables from group enterprises		23,946,209	0
Other receivables		60,859	2,584,775
Prepayments		42,998	0
Receivables		25,268,046	2,653,392
Cash at bank and in hand		955,010	705,337
Current assets		26,223,056	3,358,729
Assets		26,560,388	19,068,554

Balance sheet 31 December

Liabilities and equity

	Note	2023	2021/22
		DKK	DKK
Share capital		40,000	40,000
Retained earnings		-32,529,428	-12,117,977
Equity		-32,489,428	-12,077,977
Trade payables		964,950	3,331,351
Payables to group enterprises		55,755,873	20,217,905
Other payables		2,328,993	7,597,275
Short-term debt		59,049,816	31,146,531
Debt		59,049,816	31,146,531
Liabilities and equity		26,560,388	19,068,554
Going concern	1		
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Statement of changes in equity

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
	DKK	DKK	DKK
Equity at 1 January	40,000	-12,117,977	-12,077,977
Net profit/loss for the year	0	-20,411,451	-20,411,451
Equity at 31 December	40,000	-32,529,428	-32,489,428

Notes to the Financial Statements

1. Going concern

The company has lost more than 50% of the company's capital and is thus covered by the Companies Act's rules regarding capital loss. The company has received a letter of support from owner Home.Earth Group Holding A/S, from which it appears that Home.Earth Group Holding A/S will support the company financially until at least 30 June 2025, so that the company can meet its obligations on time. Overall, the company's financial situation is assessed as satisfactory and the annual report has therefore been submitted according to the going concern assumption.

2. Key activities

The purpose of the company is to conduct investments in order to create a return as well as all business which is deemed relevant by the executive board.

3. Staff Expenses

	2023 DKK 12 months	2021/22 DKK 13 months
Wages and salaries	14,219,830	5,454,264
Pensions	858,401	335,136
Other social security expenses	43,195	60,043
Other staff expenses	-332,072	419,725
	14,789,354	6,269,168
Average number of employees	17	8

4. Financial expenses

	2023 DKK 12 months	2021/22 DKK 13 months
Interest paid to group enterprises	3,017,635	0
Other financial expenses	5,263	5,827
Exchange loss	2,249	387
	3,025,147	6,214

Notes to the Financial Statements

5. Property, plant and equipment

	Prepayments for property, plant and equipment
	DKK
Cost at 1 January	15,709,825
Disposals for the year	-15,351,780
Cost at 31 December	<u>358,045</u>
Impairment losses and depreciation at 1 January	0
Depreciation for the year	20,713
Impairment losses and depreciation at 31 December	<u>20,713</u>
Carrying amount at 31 December	<u>337,332</u>

6. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Home.Earth Group Holding A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

Notes to the Financial Statements

7. Accounting policies

The Annual Report of Home.Earth Operations Denmark ApS for 2023 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 accounting policies applied remain unchanged from last year.

The Financial Statements for 2023 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

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

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the 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 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 costs for sales and office staff etc.

Gross loss

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

Notes to the Financial Statements

Staff expenses

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

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.

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

Balance sheet

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.

Receivables

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

Financial liabilities

Debt obligations are measured at amortized cost price, which essentially corresponds to nominal value.