

Diakrit Danmark ApS

Ørestads Boulevard 61 F, 3. th., 2300 København S.

CVR no. 33 64 13 97

Annual report 2018/19

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Approved at the Company's annual general meeting on 26 November 2019

Chairman:

A handwritten signature in black ink, written over a dotted line, representing the Chairman.

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Diakrit Danmark ApS for the financial year 1 July 2018 - 30 June 2019.

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 of the Company at 30 June 2019 and of the results of the Company's operations for the financial year 1 July 2018 - 30 June 2019.

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


We recommend that the annual report be approved at the annual general meeting.

Copenhagen,
Executive Board:

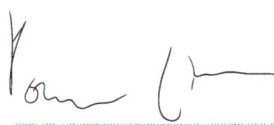


Jan Cavling

Board of Directors:



Frederik Bergman
Chairman



Martin Pontus Lindholm



Jan Cavling

Independent auditor's report

To the shareholders of Diakrit Danmark ApS

Opinion

We have audited the financial statements of Diakrit Danmark ApS for the financial year 1 July 2018 - 30 June 2019, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 of the Company at 30 June 2019 and of the results of the Company's operations for the financial year 1 July 2018 - 30 June 2019 in accordance with the Danish Financial Statements Act.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 as to 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 the 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 note 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.

Statement on the Management's review

Management is responsible for the Management's review.

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

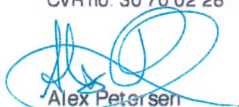
In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially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

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

Based on the work we have performed, we conclude that the 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 the Management's review.

Copenhagen, 26 November 2019

ERNST & YOUNG
Godkendt Revisionspartnersekskab
CVR no. 30 70 02 28



Alex Petersen
State Authorised Public Accountant
mne28604



Management's review

Company details

| | |
|----------------------------|---|
| Name | Diakrit Danmark ApS |
| Address, Postal code, City | Ørestads Boulevard 61 F, 3. th., 2300 København S. |
| CVR no. | 33 64 13 97 |
| Established | 2 May 2011 |
| Registered office | København |
| Financial year | 1 July 2018 - 30 June 2019 |
| Board of Directors | Frederik Bergman, Chairman Martin Pontus Lindholm Jan Cavling |
| Executive Board | Jan Cavling |
| Auditors | Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, P.O. Box 250, 2000 Frederiksberg, Denmark |



Management commentary

Business review

Diakrit Danmark ApS' activities, does similar to prior year, consist of photographing, measuring and drawing of floor plans of buildings and properties, which are for sale at real estate agents.

Financial review

The income statement for 2018/19 shows a profit of DKK 512,799 against a loss of DKK 149,581 last year, and the balance sheet at 30 June 2019 shows a negative equity of DKK 228,454. Management considers the Company's financial performance in the year satisfactory.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.



Financial statements 1 July 2018 - 30 June 2019

Income statement

| Note | DKK | <u>2018/19</u> | <u>2017/18</u> |
|------|---|----------------|-----------------|
| | Gross profit | 2,079,173 | 558,416 |
| 2 | Staff costs | -1,039,222 | -590,932 |
| 3 | Depreciation of property, plant and equipment | -28,260 | -19,122 |
| | Profit/loss before net financials | 1,011,691 | -51,638 |
| 4 | Financial income | 0 | 25,038 |
| 5 | Financial expenses | -498,892 | -122,981 |
| | Profit/loss for the year | <u>512,799</u> | <u>-149,581</u> |
| | Recommended appropriation of profit/loss | | |
| | Retained earnings/accumulated loss | <u>512,799</u> | <u>-149,581</u> |
| | | <u>512,799</u> | <u>-149,581</u> |



Financial statements 1 July 2018 - 30 June 2019

Balance sheet

| Note | DKK | <u>2018/19</u> | <u>2017/18</u> |
|------|--|------------------|------------------|
| | ASSETS | | |
| | Fixed assets | | |
| 6 | Property, plant and equipment | | |
| | Fixtures and fittings, other plant and equipment | 53,696 | 0 |
| | | <u>53,696</u> | <u>0</u> |
| 7 | Investments | | |
| | Deposits, investments | 35,116 | 35,116 |
| | | <u>35,116</u> | <u>35,116</u> |
| | Total fixed assets | <u>88,812</u> | <u>35,116</u> |
| | Non-fixed assets | | |
| 8 | Receivables | | |
| | Trade receivables | 3,848,026 | 4,846,240 |
| | Receivables from group enterprises | 242,237 | 287,506 |
| | Other receivables | 2,800 | 0 |
| | Prepayments | 52,432 | 41,430 |
| | | <u>4,145,495</u> | <u>5,175,176</u> |
| | Cash | 486,245 | 188,104 |
| | Total non-fixed assets | <u>4,631,740</u> | <u>5,363,280</u> |
| | TOTAL ASSETS | <u>4,720,552</u> | <u>5,398,396</u> |

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Financial statements 1 July 2018 - 30 June 2019

Balance sheet

| Note | DKK | <u>2018/19</u> | <u>2017/18</u> |
|------|--|-------------------------|-------------------------|
| | EQUITY AND LIABILITIES | | |
| | Equity | | |
| 9 | Share capital | 80,000 | 80,000 |
| | Retained earnings | <u>-308,454</u> | <u>-821,253</u> |
| | Total equity | <u>-228,454</u> | <u>-741,253</u> |
| | Liabilities other than provisions | | |
| | Current liabilities other than provisions | | |
| | Trade payables | 1,608,265 | 2,069,536 |
| | Payables to group enterprises | 1,557,801 | 2,545,595 |
| | Other payables | <u>1,782,940</u> | <u>1,524,518</u> |
| | | <u>4,949,006</u> | <u>6,139,649</u> |
| | Total liabilities other than provisions | <u>4,949,006</u> | <u>6,139,649</u> |
| | TOTAL EQUITY AND LIABILITIES | <u><u>4,720,552</u></u> | <u><u>5,398,396</u></u> |

- 1 Accounting policies
- 10 Contractual obligations and contingencies, etc.
- 11 Collateral
- 12 Related parties

Financial statements 1 July 2018 - 30 June 2019

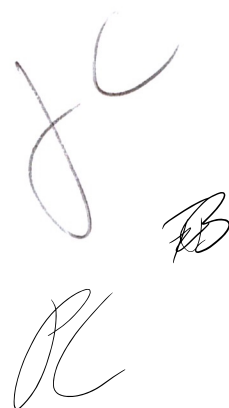
Statement of changes in equity

| DKK | Share capital | Retained earnings | Total |
|--|---------------|-------------------|-----------------|
| Equity at 1 July 2017 | 80,000 | -671,672 | -591,672 |
| Transfer through appropriation of loss | 0 | -149,581 | -149,581 |
| Equity at 1 July 2018 | 80,000 | -821,253 | -741,253 |
| Transfer through appropriation of profit | 0 | 512,799 | 512,799 |
| Equity at 30 June 2019 | 80,000 | -308,454 | -228,454 |

Through a letter of support, the shareholder has confirmed the intent to maintain and protect the investment in Diakrit Danmark ApS.

In this respect, it is confirmed that the shareholder, if required, will provide Diakrit Danmark ApS with sufficient liquidity to ensure the Company's continued operations and payment of liabilities as they fall due.

The letter of intent is applicable at least until June 2020.

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Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

1 Accounting policies

The annual report of Diakrit Danmark ApS for 2018/19 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Income statement

Revenue

The Company has chosen IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, including photos and visualizations, are recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms.

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment 3-8 years

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

1 Accounting policies (continued)

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Investments

Other investments comprise from other receivables, which covers rental deposits. Deposits are measured at nominal value.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. 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 reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

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Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

1 Accounting policies (continued)

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.



Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

| DKK | 2018/19 | 2017/18 |
|--|------------------|--|
| 2 Staff costs | | |
| Wages/salaries | 1,001,250 | 567,827 |
| Pensions | 7,607 | 0 |
| Other social security costs | 30,365 | 20,051 |
| Other staff costs | 0 | 3,054 |
| | <u>1,039,222</u> | <u>590,932</u> |
| | | |
| Average number of full-time employees | <u>3</u> | <u>1</u> |
| | | |
| 3 Depreciation of property, plant and equipment | | |
| Depreciation of property, plant and equipment | 28,260 | 19,122 |
| | <u>28,260</u> | <u>19,122</u> |
| | | |
| 4 Financial income | | |
| Other financial income | 0 | 25,038 |
| | <u>0</u> | <u>25,038</u> |
| | | |
| 5 Financial expenses | | |
| Other financial expenses | 498,892 | 122,981 |
| | <u>498,892</u> | <u>122,981</u> |
| | | |
| 6 Property, plant and equipment | | |
| DKK | | Fixtures and fittings, other plant and equipment |
| Cost at 1 July 2018 | | 312,040 |
| Additions | | 81,956 |
| Cost at 30 June 2019 | | <u>393,996</u> |
| Impairment losses and depreciation at 1 July 2018 | | 312,040 |
| Depreciation | | 28,260 |
| Impairment losses and depreciation at 30 June 2019 | | <u>340,300</u> |
| Carrying amount at 30 June 2019 | | <u>53,696</u> |

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Financial statements 1 July 2018 - 30 June 2019

Notes to the financial statements

7 Investments

| DKK | <u>Deposits, investments</u> |
|---------------------------------|----------------------------------|
| Cost at 1 July 2018 | 35,116 |
| Cost at 30 June 2019 | 35,116 |
| Carrying amount at 30 June 2019 | <u>35,116</u> |

8 Receivables

Out of the Company's total receivables, trade receivables totalling DKK 0 and other receivables totalling DKK 0 fall due for payment after more than one year after the balance sheet date.

9 Share capital

The Company's share capital has remained DKK 80,000 in the past year.

10 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

Rent and lease liabilities 69,550

Rent and lease liabilities include a rent obligation totalling DKK 69,550 in interminable rent agreements for the Company as of 30 June 2019.

11 Collateral

The Company has not provided any security or other collateral in assets at 30 June 2019.

12 Related parties

Information about consolidated financial statements

| | |
|---------------|-------------------|
| <u>Parent</u> | <u>Domicile</u> |
| Diakrit AB | Stockholm, Sweden |

