Brickshare A/S

Vesterbrogade 149, DK-1620 København V

Annual Report for 1 January - 31 December 2018

CVR No 37 93 35 89

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 31/5 2019

Eric Korre Horten
Chairman of the General Meeting

Contents

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Brickshare A/S for the financial year 1 January - 31 December 2018.

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 31 December 2018 of the Company and of the results of the Company operations for 2018.

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

Copenhagen, 31 May 2019

Executive Board

Thomas Midtgaard CEO	David Svante Hansen Executive Officer

Board of Directors

Troels Bülow-Olsen Chairman	Johan Lorenzen	Peter Michael Knud Oxholm Zigler
Richard Breiter	Eric Korre Horten	

Independent Auditor's Report

To the Shareholders of Brickshare A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Brickshare A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet 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' 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 requirements. 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 Financials 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 misstate-

ment, 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.

- 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.

Independent Auditor's Report

- 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, 31 May 2019
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Kaare von Cappeln
state authorised public accountant
mne11629

Jakob Thisted Binder
state authorised public accountant
mne42816

Company Information

The Company	Brickshare A/S Vesterbrogade 149 DK-1620 København V Website: www.brickshare.dk CVR No: 37 93 35 89 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
Board of Directors	Troels Bülow-Olsen, Chairman Johan Lorenzen Peter Michael Knud Oxholm Zigler Richard Breiter Eric Korre Horten
Executive Board	Thomas Midtgaard David Svante Hansen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Management's Review

Key activities

The purpose of the Company is to provide IT and marketing services to the real estate market, as well as property management and related business.

Development in the year

The income statement of the Company for 2018 shows a loss of DKK 6,797,332, and at 31 December 2018 the balance sheet of the Company shows negative equity of DKK 2,146,907.

The past year and follow-up on development expectations from last year

Brickshare A/S ("Company") is a proptech company with an award-winning investment platform that seeks to democratize the market for investment in alternative assets and make them accessible for the common investor - no matter income or fortune – and create liquidity for otherwise illiquid assets.

During 2018, the Company continued its focus on offering and trading real estate assets on the platform raising more than DKK 50 mn for investments. Throughout the first half year of 2018, the Company completed proof-of-concept raising more than DKK 30 mn for single unit projects (capital for investment in condos). The commercial development culminated with the launch of the Company's first multiunit project (a whole property with multiple condos) with a value of DKK 16 mn. The project was closed in just eight days, highlighting a strong underlying market traction and a product with a proven market value for retail investors. Going forward the Company will continue a commercial focus on launching and closing multiunit projects on the platform.

The net loss for the year was DKK -6,797k. The negative result was slightly higher than budgeted, due to a faster scaling of the organization than anticipated. Scaling of the organization was progressed with the anticipation of a license to become manager of alternative investment funds (AIFM license) was to be obtain via the Danish FSA during the second half of 2018. However, the AIFM license failed to materialize, hindering growth for the remainder of the year.

The AIFM license, together with a license to offer the product to retail investors ("Markedsføringstilladelse"), has been received after closing of annual statements for 2018. With the regulatory framework in place and a scalable tech-infrastructure, the Company is ready for a significantly commercial business expansion during 2019. In addition, the Company realized extraordinary costs for 2.3 million kr. during 2018 based on management estimations. These costs were realized as part of the process of receiving an AIFM license, the hereof organizational restructuring in order to comply with AIFM regulations and the Tax Authorities. All workflows required expert counseling from top tier lawyer and financial advisory firms.

The negative result resulted in an equity of DKK -2,147k on the balance sheet. The negative equity is anticipated to become positive during 2019 through the commercial expansion and new equity via fundraising.

Management’s Review

Uncertainty relating to recognition and measurement

Reference to note no. 1 regarding uncertainty relating to going concern and management's assessment of the Company's ability to continue as going concern.

The deferred tax asset is recognized at a value of DKK 2,089k, based on an overall assesment and management expectations for the future.

Subsequent events

After the balance sheet date there have been two capital increases of respectively DKK 1,450k and 1,000k.

In March 2019 the Group obtained an AIFM license together with a license to offer the product to retail investors ("Markedsføringstilladelse").

Besides the abovementioned no events materially affecting the assessment of the Annual Report have occured after balance sheet date.

Income Statement 1 January - 31 December

	Note	2018	2016/17
		DKK	DKK
Gross profit/loss		**-3.561.236**	**-663.102**
Staff expenses	3	-4.932.562	-296.156
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-3.961	0
Profit/loss before financial income and expenses		**-8.497.759**	**-959.258**
Financial income		355	0
Financial expenses	4	-205.643	-12.160
Profit/loss before tax		**-8.703.047**	**-971.418**
Tax on profit/loss for the year	5	1.905.715	183.463
Net profit/loss for the year		**-6.797.332**	**-787.955**

Distribution of profit

Proposed distribution of profit

Retained earnings	-6.797.332	-787.955
	-6.797.332	**-787.955**

Balance Sheet 31 December

Assets

	Note	2018	2016/17
		DKK	DKK
Development projects in progress		1.688.750	0
Intangible assets	6	**1.688.750**	**0**
Other fixtures and fittings, tools and equipment		26.581	0
Leasehold improvements		16.989	0
Property, plant and equipment	7	**43.570**	**0**
Investments in subsidiaries		1.300.000	38.170
Deposits		179.232	84.434
Fixed asset investments		**1.479.232**	**122.604**
Fixed assets		**3.211.552**	**122.604**
Trade receivables		145.689	0
Receivables from group enterprises		40.000	90.524
Other receivables		323.153	130.156
Deferred tax asset	9	2.089.178	183.463
Receivables		**2.598.020**	**404.143**
Cash at bank and in hand		**4.709.241**	**1.530.724**
Currents assets		**7.307.261**	**1.934.867**
Assets		**10.518.813**	**2.057.471**

Balance Sheet 31 December

Liabilities and equity

	Note	2018	2016/17
		DKK	DKK
Share capital		519.232	55.853
Reserve for development costs		1.317.225	0
Retained earnings		-3.983.364	1.662.232
Equity	8	**-2.146.907**	**1.718.085**
Convertible and profit-yielding instruments of debt		9.162.721	0
Long-term debt	10	**9.162.721**	**0**
Trade payables		567.557	149.569
Payables to group enterprises		8.696	0
Payables to owners and Management		20.000	20.000
Other payables		2.906.746	169.817
Short-term debt		**3.502.999**	**339.386**
Debt		**12.665.720**	**339.386**
Liabilities and equity		**10.518.813**	**2.057.471**
Going concern	1		
Subsequent events	2		
Contingent assets, liabilities and other financial obligations	11		
Accounting Policies	12		

Notes to the Financial Statements

1 Going concern

The income statement of the Company for 2018 shows a loss of DKK 6,797k and at 31 December 2018 the balance sheet shows a negative equity of DKK 2,147k. At 31 December 2018 the total available cash amounts to DKK 4,709k.

The negative result was worse than budgeted, due to a faster scaling of the organization than anticipated. Scaling of the organization was progressed with the anticipation of a license to become manager of alternative investment funds (AIFM license), which was expected to be obtained with the Danish FSA during the second half of 2018. However, the AIFM license failed to materialize in 2018 and was first obtained in March 2019. With the AIFM license together with a license to offer the product to retail investors (“Markedsføringstilladelse”) the Company is planning a significantly business expansion during 2019. The Company has completed capital increases after the balance date resulting in further cash contributions of total DKK 2,450k. Please refer to note 6 for further description. In addition hereto non-binding advance commitments have been received regarding contribution of additional DKK 2,500k, which is expected to be utilized in June 2019. The Company might decide to complete further capital contributions in H2 2019 to substantiate further scaling in or/and outside Denmark.

The Company has prepared a budget for 2019 which shows a positive result and cash flow for the financial year 2019 with a headroom in its available cash. The budget is based on the closing of a total of 7 projects with a total raising of DKK 242 mn. Of the current pipeline of projects one is expected to materialize in H1 and the remaining 6 in H2 of 2019. In order to have sufficient cash available at 31 December 2019 without additional external funding, beside as described in the paragraph above, the Company needs to close a total of 4-5 projects in 2019 with its current cost structure.

In its nature, the budget prepared is subject to uncertainty, and variations in operations etc. may result in budget deviations. In Management’s assessment the prepared budget is realistic, however a change in business plans can trigger other scenarios. The Company has the possibility to adjust the costs in order to adapt to the business plan in place.

On the basis of the above, the financial statements are prepared under the assumption of going concern.

2 Subsequent events

After the balance sheet date there have been two capital increases of respectively DKK 1,450k and 1,000k.

In March 2019 the Company obtained an AIFM license together with a license to offer the product to retail investors ("Markedsføringstilladelse").

Notes to the Financial Statements

		2018	2016/17
		DKK	DKK
3	**Staff expenses**		
	Wages and salaries	6.189.162	253.807
	Pensions	6.000	0
	Other social security expenses	29.885	1.704
	Other staff expenses	396.265	40.645
		6.621.312	**296.156**
	Capitalised salaries	-1.688.750	0
		4.932.562	**296.156**
	Average number of employees	**12**	**1**

		2018	2016/17
4	**Financial expenses**		
	Impairment on Nordic Property Exchange AB	38.170	0
	Interest paid to group enterprises	148.200	0
	Other financial expenses	15.196	12.160
	Exchange loss	4.077	0
		205.643	**12.160**

		2018	2016/17
5	**Tax on profit/loss for the year**		
	Deferred tax for the year	-1.905.715	-183.463
		-1.905.715	**-183.463**

Notes to the Financial Statements

6 Intangible assets

	Development projects in progress
	DKK
Cost at 1 January	0
Additions for the year	1.688.750
Cost at 31 December	1.688.750
Transfers for the year	0
Revaluations at 31 December	0
Impairment losses and amortisation at 1 January	0
Impairment losses and amortisation at 31 December	0
Carrying amount at 31 December	**1.688.750**

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	0	0
Additions for the year	28.998	18.533
Cost at 31 December	28.998	18.533
Impairment losses and depreciation at 1 January	0	0
Depreciation for the year	2.417	1.544
Impairment losses and depreciation at 31 December	2.417	1.544
Carrying amount at 31 December	**26.581**	**16.989**
Depreciated over	3 years	3-5 years

Notes to the Financial Statements

8 Equity

	Share capital	Share premium account	Reserve for development costs	Retained earnings	Total
	DKK	DKK	DKK	DKK	DKK
Equity at 1 January	55.853	0	0	1.662.232	1.718.085
Cash capital increase	463.379	2.909.391	0	-440.430	2.932.340
Development costs for the year	0	0	1.317.225	-1.317.225	0
Net profit/loss for the year	0	0	0	-6.797.332	-6.797.332
Transfer from share premium account	0	-2.909.391	0	2.909.391	0
Equity at 31 December	**519.232**	**0**	**1.317.225**	**-3.983.364**	**-2.146.907**

9 Deferred tax asset

	2018	2016/17
	DKK	DKK
Intangible assets	74.305	0
Property, plant and equipment	1.539	0
Provision	-374.000	0
Tax loss carry-forward	-1.791.022	-183.463
Transferred to deferred tax asset	2.089.178	183.463
	0	**0**
Deferred tax asset		
Calculated tax asset	2.089.178	183.463
Carrying amount	**2.089.178**	**183.463**

In the recognition of the Company's deferred tax asset assumptions is made regarding the expected utilization the coming years. The utilization is dependent on whether the Company will realize positive results.

As at 31 December 2018 the Company has recognized a deferred tax asset on DKK 2,089k. The deferred tax asset primarily consist of tax loss carried forward and is expected to be utilized within 3-5 years based on the budget for 2019 and forecast for the following years.

The estimates applied are based on information and assumptions considered reasbonable by Management but which are inherently uncertain and unpredictable.

Notes to the Financial Statements

10 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2018	2016/17
	DKK	DKK
Convertible and profit-yielding instruments of debt		
Between 1 and 5 years	9.162.721	0
Long-term part	9.162.721	0
Within 1 year	0	0
	9.162.721	**0**

11 Contingent assets, liabilities and other financial obligations

Rental and lease obligations

	2018	2016/17
Rental and lease obligations:		
Within 1 year	206.591	66.623
Between 1 and 5 years	202.492	16.560
	409.083	**83.183**

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 J Invest IVS, 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

12 Accounting Policies

The Annual Report of Brickshare A/S for 2018 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 2018 are presented in DKK.

Consolidated financial statements

With reference to section 110 of the Danish Financial Statements Act, no consolidated financial statements are prepared.

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.

Notes to the Financial Statements

12 Accounting Policies (continued)

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 recognised when the risks relating to the service have been transferred, 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 expenses for premises, sales and distribution 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 expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of leasehold improvements and other fixtures.

Financial income and expenses

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

Notes to the Financial Statements

12 Accounting Policies (continued)

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 J Invest IVS. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Development projects

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

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

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

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

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 3 years.

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

Notes to the Financial Statements

12 Accounting Policies (continued)

when the asset is ready for use.

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 equipment	3	years
Leasehold improvements	3-5	years

Impairment of fixed assets

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

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

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Other fixed asset investments

Other fixed asset investments consist of deposits.

Receivables

Receivables are measured in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

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 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 de-

Notes to the Financial Statements

12 Accounting Policies (continued)

ferred 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 debts

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