

Keyhole ApS

Amaliegade 6, 2. tv., 1256 København K

Company reg. no. 40 32 03 77

Annual report

1 March - 31 December 2019

The annual report was submitted and approved by the general meeting on the 11 February 2020.

Thomas Wiborg Steen

Chairman of the meeting

Notes:

- *To ensure the greatest possible applicability of this document, British English terminology has been used.*
- *Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.*

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Management's report

The board of directors and the executive board have today presented the annual report of Keyhole ApS for the financial year 1 March to 31 December 2019.

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

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 1 March to 31 December 2019.

The board of directors and the executive board considers the requirements of omission of audit of the annual accounts for 2019 as met.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Copenhagen, 11 February 2020

Executive board

Thomas Wiborg Steen

Mads Bach Andersen

Rasmus Lykke Fjord

Board of directors

Erik Klasson Ljungren

Michael Salling

Jørgen Leschly Thorsted

Auditor's report on compilation of the annual accounts

To the shareholders of Keyhole ApS

We have compiled the annual accounts of Keyhole ApS for the period 1 March to 31 December 2019 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The annual accounts and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 11 February 2020

ReviPoint

*Statsautoriserede Revisor A/S
Company reg. no. 31 61 15 20*

Morten Willemar Kristensen

*State Authorised Public Accountant
mne34348*

Company data

The company

Keyhole ApS
Amaliegade 6, 2. tv.
1256 København K

Web site www.usekeyhole.com

E mail info@usekeyhole.com

Company reg. no. 40 32 03 77

Established: 1 March 2019

Domicile: Copenhagen

Financial year: 1 March 2019 - 31 December 2019

Board of directors

Erik Klasson Ljungren
Michael Salling
Jørgen Leschly Thorsted

Executive board

Thomas Wiborg Steen
Mads Bach Andersen
Rasmus Lykke Fjord

Auditors

ReviPoint Statsautoriserede Revisorer A/S
Ragnagade 7
2100 København Ø

Management's review

The principal activities of the company

The principal activities are to operate a software business servicing the rental housing market.

Development in activities and financial matters

2019 was the inaugural year for Keyhole ApS.

Overall, we are satisfied with the development of this first fiscal year. Operating profit is -1,9m, where 1,0m are related to burn on direct IP cost. Available funds end 2019 where meet within according to burnrateplan.

During the year, we have developed the Keyhole platform, which empowers the private home rental market in Denmark with deposit free rentals.

We successfully secured our pre-seed funding round, established a team with a mix of commercial and development resources.

During the second half of the year, we received approval from the Danish FSA to operate as an insurance agency, enabling our newly developed platform with insurance capacity allowing Keyhole to go to market.

During Q4, first partners and clients were signed, to launch early 2020.

We have confident expectations for 2020, where Keyhole will continue building on the platform, as well as securing a strong market position.

Events subsequent to the financial year

In addition to the above mention no further events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Keyhole ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The annual accounts are presented in Danish kroner (DKK). The annual report comprises the first financial year, and consequently, comparative figures are not included.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concern matters existing on the balance sheet date.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Accounting policies used

The profit and loss account

Gross loss

The gross loss comprises the net turnover, changes in inventories of finished goods and work in progress, work performed for own purposes and capitalised, other operating income, and external costs.

The net turnover comprises the value of services provided during the year, including outlay for customers less VAT and price reductions directly associated with the sale.

The turnover is recognised in the profit and loss account when the sale has been completed. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- There is a binding sales agreement
- The sales price has been determined
- The payment has been received, or it can with reasonable assurance be expected to be received.

Hereby, it is ensured that recognition does not take place until the total income and costs as well as the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the economic benefits, including payments, will be received by the enterprise.

Cost of sales include costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation on, amortisation of and writedown relating to intangible and tangible fixed assets respectively.

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concern the financial year.

Accounting policies used

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Tangible fixed assets

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other plants, operating assets, fixtures and furniture	3-5 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or losses are recognised in the profit and loss account as other operating income or other operating expenses.

Financial fixed assets

Deposits

Deposits are measured at amortised cost and represent rent deposits, etc.

Accounting policies used

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exists. Writedown relating to goodwill is not reversed.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account

All amounts in DKK.

<u>Note</u>	1/3 2019 - 31/12 2019
<i>Gross loss</i>	<i>-941.592</i>
1 <i>Staff costs</i>	-914.891
<i>Depreciation and writedown relating to fixed assets</i>	-946
<i>Operating profit</i>	<i>-1.857.429</i>
<i>Other financial costs</i>	-9.835
<i>Results before tax</i>	<i>-1.867.264</i>
2 <i>Tax on ordinary results</i>	400.798
<i>Results from ordinary activities after tax</i>	<i>-1.466.466</i>
<i>Results for the year</i>	<i>-1.466.466</i>
 <i>Proposed distribution of the results:</i>	
<i>Allocated from results brought forward</i>	-1.466.466
<i>Distribution in total</i>	<i>-1.466.466</i>

Balance sheet

All amounts in DKK.

Assets	
<u>Note</u>	<u>31/12 2019</u>
Fixed assets	
<i>Other plants, operating assets, and fixtures and furniture</i>	<u>23.993</u>
<i>Tangible fixed assets in total</i>	<u>23.993</u>
<i>Deposits</i>	<u>18.000</u>
<i>Financial fixed assets in total</i>	<u>18.000</u>
Fixed assets in total	<u>41.993</u>
Current assets	
<i>Deferred tax assets</i>	135.432
<i>Receivable corporate tax</i>	265.366
<i>Other debtors</i>	<u>4.500</u>
<i>Debtors in total</i>	<u>405.298</u>
<i>Available funds</i>	<u>1.754.217</u>
Current assets in total	<u>2.159.515</u>
Assets in total	<u>2.201.508</u>

Balance sheet

All amounts in DKK.

Equity and liabilities	
<u>Note</u>	<u>31/12 2019</u>
Equity	
Contributed capital	71.433
Share premium account	3.478.567
Results brought forward	-1.466.466
Equity in total	<u>2.083.534</u>
Liabilities	
Trade creditors	46.226
Other debts	71.748
Short-term liabilities in total	<u>117.974</u>
Liabilities in total	<u>117.974</u>
Equity and liabilities in total	<u>2.201.508</u>

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Share premium account</u>	<u>Results brought forward</u>	<u>In total</u>
<i>Equity 1 March 2019</i>	50.000	0	0	50.000
<i>Cash capital increase</i>	21.433	3.478.567	0	3.500.000
<i>Profit or loss for the year brought forward</i>	<u>0</u>	<u>0</u>	<u>-1.466.466</u>	<u>-1.466.466</u>
	<u>71.433</u>	<u>3.478.567</u>	<u>-1.466.466</u>	<u>2.083.534</u>

Notes

All amounts in DKK.

	1/3 2019 - 31/12 2019
1. Staff costs	
Salaries and wages	907.870
Other costs for social security	7.021
	914.891
 Average number of employees	 3
2. Tax on ordinary results	
Adjustment for the year of deferred tax	-135.432
Other taxes	-265.366
	-400.798