

GREV 55 A/S

Grejsdalsvej 55 A, 7100 Vejle
CVR no. 44 04 75 94

Annual report for the financial year 11.05.23 - 31.12.23

Årsrapporten er godkendt på den
ordinære generalforsamling, d. 08.07.24

Kristaps Cuders
Dirigent



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The company

GREV 55 A/S
Grejsdalsvej 55 A
7100 Vejle
Registered office: Vejle
CVR no.: 44 04 75 94
Financial year: 01.01 - 31.12

Executive Board

Kristaps Cuders

Board of Directors

Kristaps Cuders
Santa Krieva
Martins Spelmanis

Auditors

Beierholm
Statsautoriseret Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 11.05.23 - 31.12.23 for GREV 55 A/S.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.23 and of the results of the company's activities for the financial year 11.05.23 - 31.12.23.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Vejle, July 8, 2024

Executive Board

Kristaps Cuders

Board of Directors

Kristaps Cuders

Santa Krieva

Martins Spelmanis

To the shareholders of GREV 55 A/S**Opinion**

We have audited the financial statements of GREV 55 A/S for the financial year 11.05.23 - 31.12.23, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including significant 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 company's financial position at 31.12.23 and of the results of the company's operations for the financial year 11.05.23 - 31.12.23 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 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 judgment 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.

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, it is our responsibility 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, 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 Statements Act. We did not identify any material misstatement of the management's review.

Soeborg, Copenhagen, July 8, 2024

Beierholm

Statsautoriseret Revisionspartnerselskab
CVR no. 32 89 54 68

Lasse Rosenberg Petersen
State Authorized Public Accountant
MNE-no. mne42896

Primary activities

The Company's goal is to acquire and develop a rental property at Grejsdalsvej 55, Vejle, Denmark. To raise the necessary funds, the Company has decided to tokenize its Offered Shares.

Tokenization involves converting the Offered Shares into digital tokens, which can be sold to investors for funding. This method allows the Company to attract a broader range of investors, offering a modern approach that can potentially raise more funds compared to traditional fundraising methods. Tokenization also enhances liquidity and provides transparency, making it an attractive option for investors.

Development in activities and financial affairs

The income statement for the period 11.05.23 - 31.12.23 shows a profit/loss of DKK -28,752. The balance sheet shows equity of DKK 380,910.

From May 11, 2023, to December 31, 2023, the Company focused on completing the legal framework required to tokenize its Offered Shares and securing all necessary construction permits from the Vejle city municipality. This period was marked by diligent efforts to establish a robust legal and operational foundation for the project.

Shortly after the Company's establishment, and with the assistance of legal experts, the Company successfully completed the extensive Offering Memorandum. This document provided a detailed description of the tokenization process, the benefits to investors, and the strategic use of proceeds. The Memorandum was a critical step in ensuring transparency and regulatory compliance, positioning the Company favorably in the eyes of potential investors.

In late Q2 2023, the Company achieved a significant milestone by obtaining permission from the city to convert the property's existing three apartments into five apartments, which included two additional new addresses. This development not only increased the number of rental units but also boosted the property's value by an estimated 15-20%, enhancing its investment appeal and profitability potential.

To facilitate the tokenization process, the Company utilized Coreestate ApS's advanced tokenization platform. This collaboration ensured a seamless and secure conversion of Offered Shares into digital tokens, adhering to industry best practices and regulatory standards.

The Company was established with initial capital contributions partially funded by Coreestate ApS and early partners, reflecting strong initial support and confidence in the project.

Additionally, the Company has entered into an agreement with the current property owner, securing exclusive rights to purchase the property. This agreement remains valid as long as the Company continues to pay the agreed rent for the property. The arrangement provides stability and ensures the Company's long-term interest in the property, aligning with its strategic development goals.

Information on going concern

The company has been offering its shares to investors for over six months and has received cautious reactions from traditional real estate investors. To attract more technically advanced investors and early adopters of digital assets, such as tokenized Real World Assets, the company has identified affiliate marketing as the best channel for generating investors. However, to raise the necessary capital, the company needs to spend 5-7% of the desired capital in advance, which it currently does not have.

Another concern is the high interest rates, which put pressure on the valuation of developed properties and the return on investment.

The company is actively exploring partnership opportunities with large real estate investment firms to secure the necessary capital. These partners could subscribe to the entire offering of shares at a discounted price. As of late Q2 2024, the company is in internal negotiations with three potential large investors.

To maintain property valuations and return on investment amid high national bank interest rates, the company is considering buying out existing partners' equity. This would result in a larger ownership stake for new investors.

As a subsidiary of the tokenization platform Coreestate, the company ensures the ownership rights of any assets it owns for digital asset holders by tokenizing its shares. If the company fails to fundraise for the GREV 55 project, it may be used as a vehicle for other paying Coreestate clients.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

	11.05.23
	31.12.23
Note	DKK
Gross loss	-28,752
Loss for the year	-28,752
Proposed appropriation account	
Retained earnings	-28,752
Total	-28,752

ASSETS		31.12.23
		DKK
Note		
	Other receivables	10,000
	Required payment of contributed capital and premium	307,960
	Total receivables	317,960
	Cash	81,629
	Total current assets	399,589
	Total assets	399,589
EQUITY AND LIABILITIES		
	Contributed capital	101,702
	Reserve for contributed capital and premium not paid	307,960
	Retained earnings	-28,752
	Total equity	380,910
	Trade payables	15,625
	Other payables	3,054
	Total short-term payables	18,679
	Total payables	18,679
	Total equity and liabilities	399,589

Statement of changes in equity

Figures in DKK	Contributed capital	Reserve for contributed capital and premium not paid	Retained earnings	Total equity
Statement of changes in equity for 11.05.23 - 31.12.23				
Capital contributed on establishment	101,702	307,960	0	409,662
Net profit/loss for the year	0	0	-28,752	-28,752
Balance as at 31.12.23	101,702	307,960	-28,752	380,910

1. Information as regards going concern

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2. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

No comparative figures have been provided as this is the company's first financial year.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement.

2. Accounting policies - continued -**INCOME STATEMENT****Gross loss**

Gross loss comprises other external expenses.

Other external expenses

Other external expenses comprise costs relating to advertising and administration.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

BALANCE SHEET**Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Cash

Cash includes deposits in bank account.

Equity

Share capital not paid in is/are recognised using the gross method according to which the share capital not paid in is/are recognised and treated as a receivable in the balance sheet. An amount corresponding to the share capital not paid in is reclassified from the item 'Retained earnings' to 'Reserve for share capital not paid in'.

2. Accounting policies - continued -

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.