CRESCENT

Executive Summary Financials 2018

1. MESSAGE FROM THE CHAIRMAN

When we solved the short-term cash need of Option NV in January 2017 through the sale of Innolumis BV, a long and difficult process for rescuing the company in a sustainable way and reviving it began immediately.
With the loyal support of many small investors and a few strong reference shareholders, we succeeded in converting a huge financial debt of EUR 29 million into capital. At the same time, drastic measures were taken to reduce the workforce in a socially responsible manner and to quickly reduce recurring expenses to an affordable level without affecting the basic competencies of Option.
These were important first tactical realizations within a rescue trajectory that few thought possible, but in which it was already clear at the time that we also had to take strategic action to put Option back on profitable tracks.
Remediation to survive was one thing, but achieving sustainable growth was another challenge of a different order.
In 2018 we were then able to ensure that Option's shareholders' equity was positive again through a reverse takeover with Crescent Ventures, which was absolutely necessary to reschedule and refinance EUR 3 million in non-financial debts via a credit line with Belfius and via extra cash and guarantees from reference shareholders and from Gigarant.
With the arrival of Alain Van den Broeck at the head of the new integrated Crescent group and with Michallis Pashidis as CTO, we were able to significantly strengthen the senior management team shortly afterwards.
We could now gradually start working on the strategic refocusing of the Crescent group with an increased focus on an IOT 'Systems and Solutions' profile and with an 'end to end' value creation story thanks to synergies with Innolumis (smart lighting) and with 2Invision (managed services).
On the one hand, we chose to quickly and drastically upgrade Option's cloudgate platform and to prepare a number of targeted investments in emerging vertical markets for smart lighting and smart energy systems. We recently received support from the government for the latter. The recovery of previously paid social security fines will also contribute to the elimination of the enormous debt burden that has weighed on the company for years.
In addition, the acquisition of 100% of the shares of 2Invision Managed Services BV was recently brought to a successful conclusion and we expect the introduction of the new Cloudgate platform at Crescent NV to be imminent in the second quarter of 2019. The ultimate turn around is now really under construction.
I am pleased that recently we have also been able to convince four very competent and professional Directors to assist us in this fascinating but difficult course and I take this opportunity to sincerely thank everyone, who continued to believe in us and supported us in this ultimate rescue attempt, for their confidence.
We are determined to complete this story successfully. The best is yet to come!

Eric Van Zele

2. CONSOLIDATED AND STATUTORY REPORT 2018 OF THE BOARD OF DIRECTORS OF OPTION NV

From Option to **Crescent**

On May 22nd , 2018, the Group acquired Option NV (currently Crescent NV) and its associated subsidiaries through a "reverse acquisition". A reverse acquisition occurs when the entity that issues securities (the acquiring party in the legal sense, in this case Option NV) is identified as the acquired party. Although Crescent Ventures NV (formerly Crescent NV) is legally the subsidiary, it is therefore regarded as the parent company for the purposes of the consolidated accounts. Crescent NV (formerly Option NV) is processed as the subsidiary. This transaction has considerably changed the financial position of Crescent NV, and has substantially changed the consolidated statements. It may also be emphasized that the 2018 consolidated income statement is not representative of a full year of operations of the group as compiled at the end of 2018, because on one hand only seven months of results from Crescent NV were included and that its expenses also include non-recurring costs (EUR 497,000 in severance pay and EUR 391,000 in costs related to the reverse acquisition), and on the other hand only nine months of results from NE-IT Automatisering BV and NE-IT Hosting BV that were acquired

at the end of March 2018. The pro forma turnover of the group for a full year of operations would have amounted to EUR 18.8 million for a REBITDA of EUR (0.6) million.
The explanation for the largest movements from 2017 to 2018 in the profit and loss statement and the balance sheet are the result of the aforementioned reverse takeover, but also of the evolution of other changes in the composition of the group from one year to the next. Innolumis Public Lighting BV joined the group on 31st May 2017, and NE-IT as mentioned above on 31st March 2018.

OVERVIEW OF RESULTS AND ALLOCATION OF RESULTS OF THE COMPANY

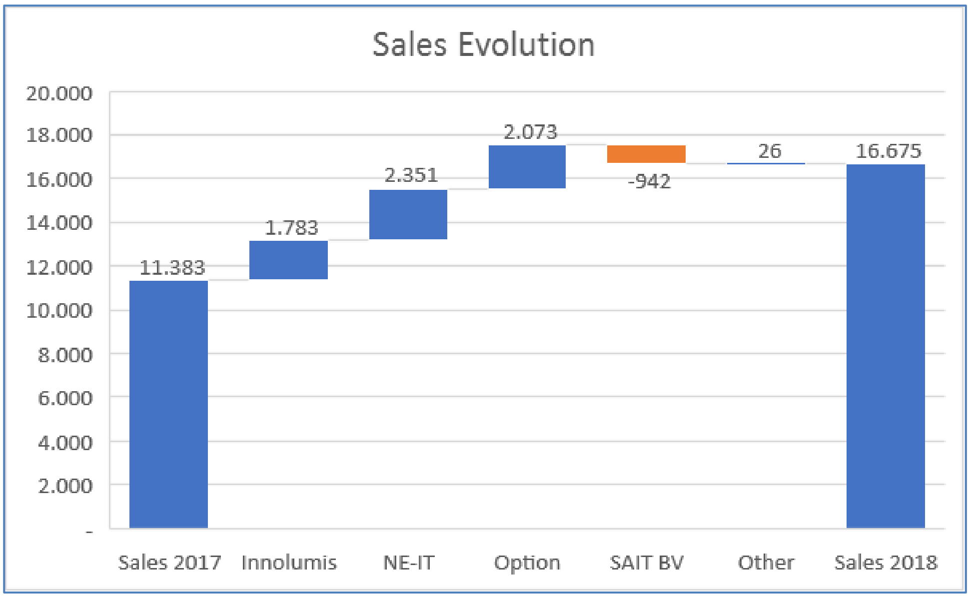
Consolidated results

For a detailed report on the consolidated Income Statement and Balance Sheet, we refer to the financial report below.

The highlights of the consolidated results of 2018 include the following (in thousands EUR):

	2018	2017
Revenues	16 675	11 383
EBIT	(25 859)	(1 891)
Depreciations and amortizations	23 298	1 322
EBITDA	(2 561)	(569)
Non-recurring expenses	2 366	311
REBTIDA	(195)	(259)
Financial Result	492	(65)
Result before taxes	(25 367)	(1 956)
Net result:	(25 032)	(2 638)
Attributable to shareholders Crescent	(25 262)	(2 459)
Attributable to non-controlling interest	230	(178)

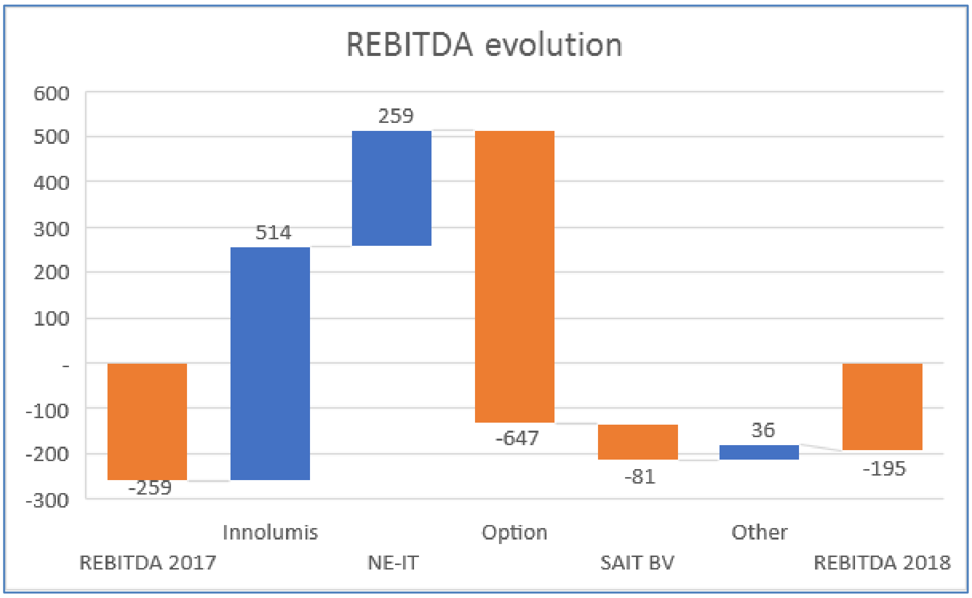
The following table shows the analysis of the most important movements in revenue between 2017 and 2018 (Thousands EUR):



Innolumis achieved a turnover of 4,352,000 EUR in 2018, which is an increase of almost 11% compared to 2017; in 2018, the company contributed to the group's revenues throughout the complete year, whereas this was only seven months in 2017, implying a turnover increase of EUR 1,783,000 for the group. The acquisition of the two NE-ITs by 2Invision Managed Services BV was signed on 31st March 2018. They contributed to the group's revenue for EUR 2,351,000. Together they achieved a revenue of EUR 3,192,000 in 2018, an increase of 20% compared to 2017.

Crescent NV (formerly Option NV) was only included in the group results in the last seven months of 2018, which led to a contribution of EUR 2,073,000 to the increase in group revenue, but which meant a decrease in revenue for the company itself with 35% compared to 2017. This decrease can only be attributed to the lower sales of the Cloudgate products whose introduction of the new announced gamma was postponed by six months until the second quarter of 2019 due to certification problems. SAIT BV also had to take a 20% fall in turnover in 2018. The total turnover in 2018 amounted to EUR 3,619,000, a decrease of EUR 942,000 compared to 2017. The two causes were, on the one hand, the delayed completion of several large projects and, on the other hand, the reduced portfolio of new projects.

The impact of previous revenue changes on REBITDA 2018 is shown in the following table (Thousands EUR):



The above table clearly shows the correlation between the increased or decreased revenue and the contribution to the group REBITDA, with the only exception being the results of Crescent NV, where the increased revenue for the group contributed negatively to the group result. Crescent NV realized a negative EBITDA of EUR 2 million in 2018, of which EUR 888,000 were non-recurring expenses. However, this was a deterioration of EBITDA by EUR 220,000 compared to 2017, despite the cost reduction of EUR 1 million in 2018.

The negative net result of 2018 of EUR 25,859,000 was largely impacted by the impairment on the initial goodwill of EUR 28,040,000 resulting from the valuation of Crescent NV during the reverse acquisition. This goodwill was reduced to EUR 4,420,000 through a write-down of EUR 23,620,000.

In line with the internal follow-up of its activities, the company has divided its activities into the following segments:

- Solutions - contains all activities related to the production of data cards, USB devices, routers and built-in modules, the end-to-end service offering as well as the activities related to building and maintaining telecom, earthing and lightning installations and installations for wireless communication in closed spaces; This segment includes Crescent NV, SAIT BV and Aardingen Maro Bvba
- Services - contains all services related to the management of the IT environment and software for customers in public and private data center environments, as well as for small and medium-sized companies; the companies that belong to this segment are 2Invision Managed Services BV in the Netherlands, and NV in Belgium, furthermore the NE-ITs and the service division of SAIT BV.
- Lighting - contains all activities related to LED street lighting and currently corresponds to the Innolumis company.

The following is an analysis of the Group's revenue and operating results per reported segment:

Thousands EUR	Revenues from external customers		Operating segment result	
	2018	2017	2018	2017
Solutions	6 249	4 735	(1 939)	(564)
Services	6 195	4 197	(289)	(172)
Lighting	4 353	2 570	39	(421)
Totals	**16 796**	**11 502**	**(2 190)**	**(1 157)**
Intersegmental result	(122)	(119)	-	-
Not allocated expenses			(23 670)	(734)
Revenues / Result from operations	**16 675**	**11 383**	**(25 860)**	**(1 891)**

REBITDA contributions from the Services and Lighting segments were positive for resp. EUR 336,000 and EUR 175,000, but due to the negative REBITDA of the Solutions segment of EUR 706,000, the total REBITDA for the group amounted to EUR (195,000).

The following are the most important items in the balance sheet at the end of 2018 (Thousands EUR):

	2018	2017
Total Equity	11 362	7 057
Total Assets	26 340	16 487
Fixed assets	20 510	10 057
of which goodwill	14 100	7 705
net financial debt	4 177	2 348
net working capital	(2 859)	180

Equity increased as a result of the reverse takeover, but goodwill was increased accordingly. Full details of the description of the processing and the underlying assumptions can be found in the notes to the financial report.

On May 22nd , 2018, the extraordinary shareholders meeting of Crescent NV approved a capital increase by the contribution in kind of financial debts amounting to EUR 11,300,117 and by the contribution in kind of the shares of Crescent Ventures NV amounting to EUR 10,125,000.
The issued capital of the company thus amounts to EUR 36,304,321, and the number of shares increased from 297,584,091 to a total of 1,368,839,925.
All reports regarding this extraordinary shareholders meeting are available online at: HTTP://WWW.OPTION.COM/ABOUT-INVESTOR/.

Before the aforementioned contribution of financial debt was made on 22nd May, various shareholders had made new financial resources available in early 2018 for an amount of EUR 2.1 million. These were also contributed on 22nd May.

On September 27th , the company announced that the credit agreement with Belfius Bank to refinance and restructure the remaining non-financial historical debt obligations (EUR 1.5 million) and to support the company with a working capital credit line of EUR 1.5 million was signed after approval by Gigarant. At year end this is drawn in total for resp. EUR 1.45 million and EUR 1.5 million.
In addition, Van Zele Holding NV has responded to the request from Belfius and Gigarant to provide an additional credit line of EUR 0.5 million as an additional buffer if certain assumptions in the Group's liquidity plan could not be realized. EUR 0.4 million of this credit line was called up at year-end.

Consolidated results

Profit & Loss Statement Year ended 31 December Thousands EUR	Note	2018	2017
Continuing operations			
Revenues	4	**16 675**	**11 383**
Cost of products sold	5	(12 119)	(8 530)
Gross Margin		**4 556**	**2 853**
Other Income		165	100
Research and Development expenses	5	(464)	-
Sales, marketing and royalties expenses	5	(2 603)	(2 361)
General and administrative expenses	5	(3 844)	(1 749)
Impairment on goodwill	10	(23 670)	(734)
Total Operating expenses		**(30 580)**	**(4 844)**
Profit / (Loss) from operations (EBIT)		**(25 859)**	**(1 891)**
Finance costs	7	(186)	(72)
Finance income	7	679	7
		492	**(65)**
Profit / (loss) before income taxes		**(25 367)**	**(1 956)**
Income tax benefits / (expenses)	8	(89)	(73)
Net Result of the period of discontinued operations		**(25 456)**	**(2 029)**
Discontinued operations			
Profit / (loss) of discontinued operations	13	425	(608)
Net Result of the period		**(25 032)**	**(2 638)**
Net Result of the period attributable to			
Equity holders of Crescent nv		(25 262)	(2 459)
Non-controlling interest		230	(178)
Earnings per share			
Basic weighted average number of ordinary shares		1 033 257	434 532
Diluted weighted average number of ordinary shares		1 033 257	434 532
Basic earnings / (loss) per share before discontinued operations	23	(24.86)	(4.67)
Diluted earnings / (loss) per share before discontinued operations	23	(24.86)	(4.67)
Basic earnings / (loss) per share	23	(24.45)	(6.07)
Diluted earnings / (loss) per share	23	(24.45)	(6.07)

Year ended December 31 Thousands EUR	Note	2018	2017
Profit / (Loss) for the period		(25 032)	(2 638)
<u>Other comprehensive income</u>			
Items that might be reclassified subsequently to profit or loss			
Exchange difference arising on translation on foreign operations		-	-
Items that will not be reclassified subsequently to profit or loss			
Re-measurements of post-employment benefits	*19*	87	-
Other comprehensive income for the period, net of tax		**87**	**-**
Total comprehensive income / (loss) for the period attributable to the owners of the parent		**(24 945)**	**(2 638)**

Balance Sheet: Year ended December 31 Thousands EUR	Note	2018	2017
Assets			
Goodwill	10	14 100	7 705
Intangible assets	11	4 538	1 037
Property, plant and equipment	12	1 143	524
Other financial assets	15	9	9
Other non-current assets	14	89	99
Deferred tax assets	8	631	683
Total non-current assets		**20 510**	**10 057**
Inventories	16	1 454	1 310
Trade and other receivables	14	3 724	4 142
Cash and cash equivalents	17	637	289
Assets classified as held for sale	13	-	690
Income tax receivables		16	-
Total current assets		**5 830**	**6 430**
Total assets		**26 340**	**16 487**
liabilities and shareholders' equity			
Issued capital	22	36 304	7 648
Share premium	22	17 610	-
Reserves and CTA	22	(44 775)	(2 053)
Total shareholders' equity attributable to the owners of the Company		**9 139**	**5 595**
Non-controlling interests		2 223	1 462
Total shareholders' equity		**11 362**	**7 057**
Financial debt	18	1 982	754
Other debt	20	944	-
Provisions	19	590	602
Deferred tax liabilities	8	162	-
Total non-current liabilities		**3 678**	**1 356**
Financial debt	18	2 832	1 883
Trade and other payables	20	8 037	5 272
Provisions	19	205	363
Income tax payable		227	7
Debt from Assets classified as held for sale	13	-	548
Total current liabilities		**11 301**	**8 073**
Total liabilities and shareholders' equity		**26 340**	**16 487**

Cash Flow Statement: Year ended December 31 Thousands EUR	Note	2018	2017
OPERATING ACTIVITIES			
Net Result (a)		**(25 032)**	**(2 638)**
Amortisation of intangible assets	5 / 11	500	138
Depreciation of property, plant and equipment	5 / 12	317	113
Impairment losses on intangible assets	10	23 670	734
Loss/(gains) on sale of property, plant and equipment		3	-
(Reversal of) write-offs on current and non current assets		(1 227)	204
Loss/(gains) on liquidation subsidiaries	13	(425)	149
Increase / (decrease) in provisions		37	376
Unrealized foreign exchange losses/(gains)		3	-
Interest (income) expense	7	(501)	65
Tax expense / (benefit)	8	89	73
Total (b)		**22 466**	**1 852**
Cash flow from operating activities before changes in working capital (c)=(a)+(b)		**(2 566)**	**(786)**
Decrease / (increase) in inventories		2 600	192
Decrease / (increase) in trade and other receivables		1 154	(1 467)
Increase / (decrease) in trade and other payables		(2 192)	1 205
Increase / (decrease) in deferred revenue		(199)	(15)
Use of provisions	19	(299)	(70)
Total changes in working capital (d)		**1 064**	**(155)**
Interests (paid) (e)		(106)	(72)
Other financial income / (expense) (f)		154	-
Income tax (paid)/received (f)		(555)	(92)
CASH FLOW FROM OPERATING ACTIVITIES (h)=(c)+(d)+(e)+(f)+(g)		**(2 010)**	**(1 105)**
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	12	(143)	(215)
Proceeds from sale of property, plant and equipment		8	593
Acquisition of intangible assets	11	(49)	(100)
Proceeds from sale of subsidiaries	13	142	-
Acquisition of subsidiaries	9	643	177
CASH FLOW USED IN INVESTING ACTIVITIES (i)		**601**	**455**
FINANCING ACTIVITIES			
Proceeds from borrowings		3 844	1 099
Proceeds from paid-in capital		18	-
Dividends paid		-	(72)
Payments on borrowings	18	(2 105)	(42)
CASH FLOW PROVIDED BY/(USED I) FINANCING ACTIVITIES (j)		**1 757**	**985**
Net increase / (decrease) of cash and cash equivalents = (h)+(i)+(j)		**348**	**335**
Cash and cash equivalents at beginning of year	17	289	199
Cash and cash equivalents reclassed to assets held for sale	13	-	244
Cash and cash equivalents at end of year	17	637	289
Difference		**348**	**335**

Statutory results

Full year sales amounted to EUR 3.4 million, a decrease of 35% compared to the previous financial year. This decrease was determined in both products and engineering services, on the one hand by postponing the introduction of the new Cloudgate mini and micro gamma to 2019, and on the other by the decrease in engineering services for Danlaw Inc.

Operating expenses decreased from EUR 7.5 million to EUR 4.0 million, resulting in a negative operating result or EBIT of EUR 2.1 million, the same as in 2017. In this result, EUR 0.9 million of non-recurring expenses were recognized in 2018 (EUR 0.5 million severance pay and EUR 0.4 million related to the reverse acquisition).

Financial income includes a non-recurring income of EUR 0.2 million thanks to the sale of the shares that the company held in Autonet Mobile Inc. These were fully amortized in the accounts in the previous financial year.
The financial costs decreased from EUR 0.4 million in 2017 to EUR 0.1 million in 2017, mainly due to the decrease in financial debts.

With a loss of EUR 2.0 million, the net result remained approximately at the same level as in 2017 (EUR 2.1 million).

The main movements in the balance sheet are explained by the contribution of Crescent Ventures NV to the capital of the Company for EUR 10.1 million and contribution of financial debts for a total amount of EUR 11.3 million. For the main assumptions and sensitivities of the underlying valuation, we refer to note 9 of the consolidated annual report.

As a result, the capital increased from EUR 14.9 million to EUR 36.3 million, the financial fixed assets increased to EUR 10.2 million and the current financial debts decreased by EUR 7.0 million and the non-current financial debts with EUR 1.8 million. In addition, shareholders made an additional EUR 2.1 million available at the beginning of 2018, which were also converted into capital. The existing non-current financial debt of EUR 0.4 million concerns a debt to Van Zele Holding NV, which was mainly used to grant an advance to the subsidiary Crescent Ventures for the purchase of the minority interests in 2Invision Managed Services BV.
Belfius Bank also allowed a credit line of EUR 1.5 million, 60% guaranteed by Gigarant NV. As security for this credit line, the trading fund and the acquired shares in Crescent Ventures NV were pledged.
EUR 1.45 million of this credit line was withdrawn at the end of 2018. This was mainly used to reduce the outstanding debts to social security charges, taxes and suppliers.

On a balance sheet total of EUR 12.4 million, total equity amounted to EUR 4.5 million on December 31, 2018.

Allocation of the statutory result

The Board of Directors proposes to add the non-consolidated net loss of EUR 2.0 million of 2018 to the loss carried forward from the previous years. The loss carried forward increases from EUR 48 million to EUR 50 million.

SIGNIFICANT EVENTS THAT TOOK PLACE AFTER THE END OF THE FINANCIAL YEAR

The cash position of the group remains limited, but the reference shareholders have indicated that they continue to support the company. This was also made concrete in April 2019 by Van Zele Holding NV by providing an additional credit line of € 450,000, of which € 325,000 was immediately paid-in, and by Alychlo NV by an additional loan of € 400,000 that was also paid-in.
In addition, smaller shareholders also promised a total of € 200,000.

The agreements for the acquisition of the minority interests (40.5%) of 2Invision Managed Services BV were also definitively finalized on 27 March 2019. The remaining shares held by AJUST B.V. and PP Technology Group B.V. were acquired for a total amount of EUR 1,065,000. Of this, EUR 325,000 was paid as an advance in 2018 by a cash payment and EUR 740,000 was paid in 2019 through delivery of shares in the share capital of Crescent NV. The value of the majority of these shares is set at € 0.02. The number of shares to be delivered amounts thus to 34,157,500.

On 13 April 2019 an addendum was signed to the agreement for the takeover of the two NE-IT companies. This provides for a new arrangement for the amounts still to be paid for the acquisition. The final installment (of the Purchase Price) of EUR 700,000 is paid as follows. An amount of EUR 160,000 was paid on April 26, 2019 and an amount of EUR 74,000 will be paid on May 31, 2019. With regard to the (remaining) amount of EUR 466,000, it is agreed that this will be paid by Crescent Ventures by means of delivery of bearer shares in the share capital of Crescent, subject to the provisions in sub b. The value of each share is set at EUR 0.04. Delivery of the shares will take place in the following manner:
a. The seller is entitled to the delivery of 11,650,000 bearer shares in the share capital of Crescent. Crescent Ventures is obliged to deliver the aforementioned number of freely tradable shares within 31 days after the aforementioned number has been issued by Crescent, but no later than 31 August 2019 to the seller's securities account.
b. The seller is aware that on 13 April 2019 Crescent Ventures does not have freely tradable shares in Crescent's share capital. If Crescent Ventures does not succeed in delivering the shares referred to in the aforementioned article on time, then the Seller will be entitled to payment of the remaining amount of EUR 466,000 in respect of the Purchase Price to the Buyer. This claim will then become due on September 14, 2019.

For the obligations regarding the acquisition of the minority interests of 2Invision Managed Services BV, Van Zele Holding NV has stated its willingness to take over this temporarily from Crescent NV.
After payment of the advance of EUR 325,000 in 2018, Crescent Ventures NV still had to deliver a total of 31,315,000 shares of Crescent NV to the minority shareholders in April 2019 and 2,842,500 shares before the end of July 2019.

At the end of 2018, the Company submitted a request for remission of contribution surcharges to the National Social Security Office. In April 2019, she received a message that the fines paid were fully waived for the years 2013 to 2017 in the amount of € 603,000. This amount may be deducted from the following payments of social debts. This amount will be included in the 2019 results; the cash expenditure of 2019 will therefore be estimated to decrease by € 480,000, that of 2020 by € 123,000.

CRITICAL JUDGEMENTS

Going concern

In 2018, the group took a number of crucial steps in its ambition to refocus and restructure itself. On May 22, 2018, all but EUR 0.5 million of external financing debts (convertible bond loans and bridge financing) were contributed to the capital and the activities of Crescent Ventures were also contributed.
This enabled the group to conclude an additional credit financing with Belfius in September 2018, 60% guaranteed by Gigarant. This has enabled the Group to improve its liquidity position, on the one hand by rescheduling the short-term financial debt by EUR 1.25 million to the long-term, and on the other by an additional credit line of EUR 1.5 million that has been used to pay off a number of overdue debts. In addition, Van Zele Holding NV has responded to the request from Belfius and Gigarant to provide an additional credit line of EUR 0.5 million as an additional buffer if certain assumptions in the Group's liquidity plan could not be realized.
At the end of December 2018, however, the drawdown of the Belfius loan was already EUR 1.45 million and the drawdown of the additional credit line of Van Zele Holding amounted to EUR 0.4 million. The cash position at the end of December remains limited at EUR 0.6 million. The gross financial debt amounted to EUR 4.6 million at that time.

The realization of the various three-year plans should furthermore allow more than to supplement the liquidity shortages still foreseen in some companies with cash surpluses in others. The result and cash generation trends in the lighting and services segments look positive and compensate for the cash deficits of the companies in the Solutions segment, which still weigh on the liquidity position of the group.
With the introduction of some new products from the second quarter of 2019 and the move towards solutions and software, management expects that the cash losses of Crescent NV can also be stopped, so that this company will gradually start contributing to positive cash flows.

Although the board of directors has full confidence in the realization of the three-year plan for the group, for a number of activities in the group these represent a trend break or acceleration compared to the past. There is therefore a risk that this change in turnover could be delayed and the ambitious plans not realized, which could increase the pressure on the liquidity position. This liquidity pressure was also increased in April 2019 by the last repayment of a remaining bridge financing of EUR 0.5 million, which forced the group to obtain additional financing from the reference shareholders. At the beginning of April 2019, Van Zele Holding NV and Alychlo NV made funds available for EUR 325,000 and EUR 400,000 respectively, and in addition to Van Zele Holding NV, which will also further pay-in EUR125,000, other existing shareholders were willing to pay together another EUR 200,000.
The current reference shareholders have indicated their intention to provide the company with the necessary resources to achieve its objectives and to meet the urgent working capital needs, and the board of directors is confident that this will happen if necessary.

In addition, the Company is continuing to negotiate with some suppliers to agree or revise payment plans, so that this can also be absorbed within existing cash projections without the need for additional financing.

The Board of Directors is of the opinion that through the combination of these measures and the successful completion of the actions already taken, the Company will have sufficient funds over the next 12 months to realize its plan and confirms herewith its valuation rules regarding going concern.