

Evoplay Entertainment B.V.

Financial Statements

for the years ended December 31, 2022 and December 31, 2021

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Evoplay Entertainment B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2022	2021
Assets			
Current assets			
Cash and cash equivalents	4	188,806	276,760
Receivable from subsidiary	5	534,283	508,682
Accounts receivable		79	15,317
Prepaid expenses		13,350	5,426
Total current assets		736,518	806,185
Non-current assets			
Investment in subsidiary	6	1,000	1,000
Total non-current assets		1,000	1,000
Total assets		737,518	807,185
Equity and liabilities			
Current liabilities			
Accounts payable		35,751	443,253
Accrued expenses	7	-	2,700
Payable to shareholders	8	24,394	24,394
Total current liabilities		60,145	470,347
Equity			
Issued capital	9	81	81
Retained earnings / (Accumulated losses)		677,292	336,757
Total equity		677,373	336,838
Total liabilities and equity		737,518	807,185

See accompanying notes.

Evoplay Entertainment B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2022	2021
Revenue	10	1,040,715	1,377,213
Direct cost	11	-156,990	-156,826
Gross profit / (loss)		883,725	1,220,387
Administrative expenses	12	-71,241	-466,370
Selling and distribution expenses		-442,724	-690,241
Profit / (loss) from operations		369,760	63,776
Finance cost	13	-29,225	-14,428
Profit / (loss) before tax		340,535	49,348
Profit tax expense	3	-	-
Profit / (loss) for the year		340,535	49,348
Other comprehensive income		-	-
Total comprehensive income / (loss) for the		340,535	49,348
Attributable to the owners		340,535	49,348

See accompanying notes.



Evoplay Entertainment B.V.

Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2020	81	287,409	287,490
Profit / (loss) for the year	-	49,348	49,348
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	49,348	49,348
Balance, December 31, 2021	81	336,757	336,838
Profit / (loss) for the year	-	340,535	340,535
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	340,535	340,535
Balance, December 31, 2022	81	677,292	677,373

See accompanying notes.

Evoplay Entertainment B.V.

Statement of cash flows

(All amounts in EUR)

	Note	2022	2021
Cash flow from operating activities			
Profit / (loss) for the year		340,535	49,348
(Increase) / decrease in receivable from subsidiary		-25,601	-433,974
(Increase) / decrease in accounts receivable		15,238	-15,317
(Increase) / decrease in prepaid expenses		-7,924	-5,426
Increase / (decrease) in accounts payable		-407,502	443,003
Increase / (decrease) in accrued expenses		-2,700	-
Increase / (decrease) in payable to shareholders		-	7,000
Net cash generated from operating activities		-87,954	44,634
Cash flow from investing activities			
(Increase) / decrease in investment in subsidiary		-	-
Net cash generated from investing activities		-	-
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash		-87,954	44,634
Cash at the beginning of the year		276,760	232,126
Cash at the end of the year	4	188,806	276,760

See accompanying notes.



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Notes to financial statements

1. General information

Evoplay Entertainment B.V. (the company) was established on April 04, 2018 in Curaçao as a private limited liability company. The address of its registered office is Korporaalweg 10, Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 146580.

The main objectives of the company are:

- A. To provide the remote gambling software, including without limitation any off-shore games of chance and wagering, through the internet in compliance with the regulations of the Government of Curaçao. This service shall be referred to for all purposes as "Internet Casino/Internet Wagering/Internet Sportsbook? provided it concerns aforementioned services which will be rendered from an area that has been designated as an E-zone in conformity with the local E-zone law.
- B. The corporation is authorized to perform everything requisite or profitable to the accomplishment of its purpose or incidental thereto or connected therewith in the widest sense of the word.
- C. The corporation has no authority to invoke the annulment of legal acts performed by the corporation, which exceeded the corporate objective

The management of the company is borne by a board of directors. As of December 31, 2022, the management of the company is borne by a single statutory director:

- Xecutive Corporate Management B.V.	Statutory Director
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2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of presentation

The separate financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention. The financial statements are presented in EUR and all values are presented in actual, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

	
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Investments

Investment in subsidiary is valued at cost, less impairment losses, if any.

Foreign currency transactions

The financial statements are presented in EUR, which is the company's functional and presentation currency. Transactions denominated in foreign currencies are translated at the exchange rate prevailing when the transaction is realized. The exchange results are recorded in the statement of profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates prevailing at the end of the year.

Financial instruments**Financial assets****Initial recognition and measurement**

Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, loans and receivables or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The company's financial assets include cash and cash equivalents, accounts receivable, prepaid expenses and other assets.

Financial liabilities**Initial recognition and measurement**

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The company's financial liabilities include accounts payable, accrued expenses and other payables.

Subsequent measurement

The subsequent measurement of financial assets and liabilities depends on their classification.



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Revenue

Gaming revenue is represented by the difference between the amounts of bets placed by customers less amounts won, net of bonuses and loyalty points, if any. The revenue is recognized at the fair value of the consideration.

Consulting revenue is recognized in the period in which the services have been rendered.

Impairment of long-lived assets

Long-lived assets, other than goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Recoverability of assets is measured by comparison of the carrying amount of the asset to the net undiscounted future cash flows expected to be generated from the asset. If the future undiscounted cash flows are not sufficient to recover the carrying value of the assets, the assets' carrying value is adjusted to fair value. The company regularly evaluates its long-lived asset for indicators of possible impairment. To date no impairment has been recorded.

Concentration of credit risk and certain other risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed to perform as contracted. The company does not have significant exposure to any individual client or counter party. Management of credit risk involves a number of considerations, such as financial profile of the counter party, specific terms and duration of the contractual agreement. There exists a risk of non-performance, however management believes that the company's exposure to credit risk associated with non-performance of its counter party is minimum.

New standards, amendments and interpretations issued but not effective for the financial year beginning 01 January 2022 and not early adopted

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the company.

3. Profit taxes

The company is subject to a territorial tax system, wherein the income earned in Curaçao is subject to 22% of profit taxes and the foreign source income is not subject to profit taxes.

4. Cash and cash equivalents

	2022	2021
Balances with		
VIA Payments UAB	188,806	276,760
	188,806	276,760



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5.Receivable from subsidiary

	2022	2021
C/A Evoplay Entertainment Limited	534,283	508,682
	534,283	508,682

The receivable from subsidiary does not carry any interest and is repayable on demand.

6. Investment in subsidiary

As at December 31, 2022 and 2021, the company holds 100% investment in Evoplay Entertainment Limited, a company incorporated and domiciled in the Republic of Cyprus.

	2022	2021
Evoplay Entertainment Limited (1,000 equity shares of EUR 1 each)	1,000	1,000
	1,000	1,000

The company has elected not to present consolidated financial statements and the management agrees to the same.

7. Accrued expenses

	2022	2021
Annual compliance fees	-	2,700
	-	2,700

8. Payable to shareholders

Payable to shareholders represents expenses incurred by the shareholders on behalf of the company net of the amount due from them. The payable does not carry any interest and is repayable on demand.

9. Issued capital

The issued capital of the company as on December 31, 2022 and December 31, 2021 consists of 100 common shares with a nominal value of USD 1 each and subscribed for EUR 81.

No dividends were declared in 2022 and 2021.



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10. Revenue

	2022	2021
Licensing income	941,679	550,122
Consulting revenue	59,460	5,948
Gaming revenue	39,576	69,091
Income from agency activity	-	752,052
	1,040,715	1,377,213

11. Direct cost

	2022	2021
Licenses and servers	138,763	156,826
Agency fees	13,975	-
Software expenses	4,252	-
	156,990	156,826

12. Administrative expenses

	2022	2021
Professional fees	52,922	454,410
Compliance fees	9,450	-
Rent expenses	3,044	5,988
Annual compliance fees	2,750	2,700
Annual management fees	2,500	2,500
Other expenses	575	772
	71,241	466,370

13. Finance cost

	2022	2021
Bank charges	29,225	14,428
	29,225	14,428

14. Fair value

Fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to arrive at the fair value:

Cash and cash equivalents, prepaid expenses, accounts receivable, accounts payable, accrued expenses, other assets and other payables approximate the carrying amount largely due to the short-term maturity.

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15. Contingencies, commitments and legal proceedings

The company has no contingent or future purchase liabilities and is not involved in any legal actions.

16. Subsequent events

In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2022. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2022.

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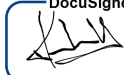
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17. Authorization for issue

These financial statements for the year ended December 31, 2022 were approved by the statutory director and authorized for issue on November 28, 2023.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Statutory Director	DocuSigned by:  3508179679034CB...
		DocuSigned by:  E9C1A4A3F74E4ED...