

Collax B.V.

Financial Statements

for the years ended December 31, 2021 and December 31, 2020

 

Table of Contents

Statement of financial position 3

Statement of profit or loss 4

Statement of changes in equity 5

Statement of cash flows 6

Notes to financial statements 7

 

Collax B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2021	2020
Assets			
Current assets			
Cash and cash equivalents		-	-
Prepaid expenses		-	-
Receivable from subsidiary	4	3,148,164	1,404,031
Total current assets		3,148,164	1,404,031
Non-current assets			
Investment in subsidiary	5	1,000	1,000
Total non-current assets		1,000	1,000
Total assets		3,149,164	1,405,031
Equity and liabilities			
Current liabilities			
Accounts payable		4,349	250
Accrued expenses	6	2,700	2,700
Payable to shareholders	7	76,752	54,480
Profit tax payable		293	-
Total current liabilities		84,094	57,430
Equity			
Issued capital	8	81	81
Retained earnings / (Accumulated losses)		3,064,989	1,347,520
Total equity		3,065,070	1,347,601
Total equity and liabilities		3,149,164	1,405,031

See accompanying notes.



Collax B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2021	2020
Revenue		7,874,528	1,046,863
Direct cost	9	-6,135,145	-838,231
Gross profit / (loss)		1,739,383	208,632
Administrative expenses	10	-21,621	-6,400
Profit / (loss) from operations		1,717,762	202,232
Finance cost		-	-
Profit / (loss) before tax		1,717,762	202,232
Profit tax expense	3	-293	-
Profit / (loss) for the year		1,717,469	202,232
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		1,717,469	202,232
Attributable to the owners		1,717,469	202,232

See accompanying notes.



Collax B.V.

Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2019	81	1,145,288	1,145,369
Profit / (loss) for the year	-	202,232	202,232
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	202,232	202,232
Balance, December 31, 2020	81	1,347,520	1,347,601
Profit / (loss) for the year	-	1,717,469	1,717,469
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	1,717,469	1,717,469
Balance, December 31, 2021	81	3,064,989	3,065,070

See accompanying notes.



Collax B.V.

Statement of cash flows

(All amounts in EUR)

	Note	2021	2020
Cash flow from operating activities			
Profit / (loss) for the year		1,717,469	202,232
Add: Profit tax expense		293	-
(Increase) / decrease in prepaid expenses		-	3,450
(Increase) / decrease in receivable from subsidiary		-1,744,133	-232,231
Increase / (decrease) in accounts payable		4,099	-3,825
Increase / (decrease) in payable to shareholders		22,272	30,374
Net cash generated from operating activities		-	-
Cash flow from investing activities			
(Increase) / decrease in investment in subsidiary		-	-
Net cash generated from investing activities		-	-
Cash flow from financing activities			
Capital issued		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash		-	-
Cash at the beginning of the year		-	-
Cash at the end of the year		-	-

See accompanying notes.



Collax B.V.

Notes to financial statements

1. General information

Collax B.V. (the company) was established on April 9, 2018 in Curaçao as a private limited liability company. The address of its registered office is Fransche Bloemweg 4, Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 146615.

The main objectives of the company are:

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising all types of games, betting and other operation of betting exchange, interactive casinos, bingos, lotteries and other interactive games which will be rendered from an area that has been designated as an E-zone in conformity with the local E-zone law.
2. 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.
3. 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, 2021, the management of the company is borne by a single statutory director:

- | | | |
|---|------------------------------------|--------------------|
| - | Xecutive Corporate Management B.V. | Statutory Director |
|---|------------------------------------|--------------------|

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

	
---	---

Collax B.V.

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 statement of profit or loss.

The company's financial assets include 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.

Revenue and costs

Revenue and costs are recognized in the year in which the services have been rendered.

Collax B.V.

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 1 January 2021 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 subject to 0% of profit taxes.

4. Receivable from subsidiary

Receivable from subsidiary on account of payment processing services.



Collax B.V.

5. Investment in subsidiary

As at December 31, 2021 and December 31, 2020, the company holds 100% investment in Avalartie Limited, a company incorporated and domiciled in the Republic of Cyprus.

	2021	2020
Avalartie Limited	1,000	1,000
(1,000 Equity shares of EUR 1.00 each)	1,000	1,000

The company has elected not to present consolidated financial statements. Its owners have been informed and do not object to presenting separate financial statements.

6. Accrued expenses

	2021	2020
Annual compliance fees	2,700	2,700
	2,700	2,700

7. 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.

8. Issued capital

The issued capital of the company as at December 31, 2021 and December 31, 2020 consists of 100 common shares with a nominal value of USD 1 each and subscribed for EUR 81.

No dividends were declared in 2021 and 2020.

9. Direct cost

	2021	2020
Agency fees	6,130,395	838,231
License and server fees	4,750	-
	6,135,145	838,231



Collax B.V.

10. Administrative expenses

	2021	2020
Professional fees	15,444	-
Annual compliance fees	2,700	2,700
Annual management fees	2,500	2,500
Rent expenses	500	500
Other expenses	477	700
	21,621	6,400

11. 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:

Prepaid expenses, accounts payable, accrued expenses, other assets and other payables approximate the carrying amount largely due to the short-term maturity.

12. Contingencies, commitments and legal proceedings

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

13. Subsequent events

In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2021. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2021.



Collax B.V.

14. Authorization for issue

These financial statements for the year ended December 31, 2021 were approved by the board of directors and authorized for issue on May 19, 2023.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Statutory Director	
		