

Yentel Investments B.V.

Financial Statements

for the year ended December 31, 2022 and
for the period November 23, 2020 - December 31, 2021

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Yentel Investments B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2022	2021
Assets			
Current assets			
Loan receivable	4	95,694	46,536
Total current assets		95,694	46,536
Non-current assets			
Other assets		-	-
Total non-current assets		-	-
Total assets		95,694	46,536
Equity and liabilities			
Current liabilities			
Other payables		-	-
Total current liabilities		-	-
Equity			
Issued capital	5	100	100
Retained earnings / (Accumulated losses)		95,594	46,436
Total equity		95,694	46,536
Total equity and liabilities		95,694	46,536

See accompanying notes.

Yentel Investments B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2022	Nov 23, 2020 - Dec 31, 2021
Revenue (Net)	6	11,166,619	11,265,205
Direct cost	7	-7,228,049	-10,877,919
Gross profit / (loss)		3,938,570	387,286
Selling and marketing expenses		-2,260,716	-973
Administrative expenses	8	-1,558,197	-53,800
Profit / (loss) from operations		119,657	332,513
Finance cost	9	-70,499	-286,077
Profit / (loss) before tax		49,158	46,436
Profit tax expense	3	-	-
Profit / (loss) for the year		49,158	46,436
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		49,158	46,436
Attributable to the owners		49,158	46,436

See accompanying notes.

Yentel Investments B.V.

Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Capital issued on November 23, 2020	100	-	100
Profit / (loss) for the period	-	46,436	46,436
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the period	-	46,436	46,436
Balance, December 31, 2021	100	46,436	46,536
Profit / (loss) for the year	-	49,158	49,158
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	49,158	49,158
Balance, December 31, 2022	100	95,594	95,694

See accompanying notes.

Yentel Investments B.V.

Statement of cash flows

(All amounts in EUR)

	Note	2022	Nov 23, 2020 - Dec 31, 2021
Cash flow from operating activities			
Profit / (loss) for the year		49,158	46,436
Net cash generated from operating activities		49,158	46,436
Cash flow from investing activities			
(Increase) / decrease in other assets		-	-
Net cash generated from investing activities		-	-
Cash flow from financing activities			
(Increase) / decrease in loan receivable		-49,158	-46,536
Increase / (decrease) in issued capital		-	100
Net cash generated from financing activities		-49,158	-46,436
Net increase / (decrease) in cash		-	-
Cash at the beginning of the year		-	-
Cash at the end of the year		-	-

See accompanying notes.

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Notes to financial statements**1. General information**

Yentel Investments B.V. (the company) was established on November 23, 2020 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 the Curaçao Chamber of Commerce & Industry under number 155915.

The main objectives of the company are:

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising of all types of games, betting and other operation of betting exchange, interactive casinos, bingos, lotteries, poker and other interactive games, for clients established or residing outside of Curaçao.
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, 2022, 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 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.

The comparative financial statements are prepared for a period greater than one year, from November 23, 2020, being the date of incorporation to December 31, 2021, as per the Articles of Association.

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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.

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 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 loan receivable.

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.

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 to which it relates to.

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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 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. Loan receivable

	2022	2021
Loan to shareholder - Tolar International Ltd	95,694	46,536
	95,694	46,536

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

5. Issued capital

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

No dividend was declared in 2022 and 2021.

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6. Revenue (Net)

	2022	2021
Gross revenue	15,838,018	16,504,288
Less: Bonus	-4,671,399	-5,239,083
	<u>11,166,619</u>	<u>11,265,205</u>

7. Direct cost

	2022	2021
Gaming network costs	3,135,514	5,264,844
Gaming platform fees	3,108,598	2,997,792
Gaming management fees	878,652	2,524,313
Software expenses	45,389	39,944
Hosting fees	32,204	35,184
Hardware maintenance costs	22,392	15,842
License and server fees	5,300	-
	<u>7,228,049</u>	<u>10,877,919</u>

8. Administrative expenses

	2022	2021
Back office expenses	1,523,315	-
Professional fees	17,311	38,109
Rent expenses	3,033	-
Other expenses	14,538	15,691
	<u>1,558,197</u>	<u>53,800</u>

9. Finance cost

	2022	2021
Exchange loss	70,499	286,077
	<u>70,499</u>	<u>286,077</u>

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10. 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:

Loan receivable has been disclosed at a value which is fairly approximate the value which is expected to be received.

11. Contingencies, commitments and legal proceedings

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

12. 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.



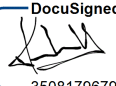
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13. Authorization for issue

These financial statements for the year ended December 31, 2022 were approved by the board of directors and authorized for issue on August 14, 2023.

Board of Directors:NameFunctionSignature

Xecutive Corporate Management B.V. Statutory Director

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