

Prolific Trade N.V.

Groot Kwartierweg 10, Curacao

Interim report per August 31, 2023

Prolific Trade N.V.
Interim Report - Draft dd 20240307
August 31, 2023

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Prolific Trade N.V.

**Interim Report - Draft dd 20240307
August 31, 2023**

MANAGING DIRECTOR:

eMoore N.V.
Groot Kwartierweg 10
Curaçao

Registered Address of the Company:

Groot Kwartierweg 10
Livestrong Building
Curaçao

Prolific Trade N.V.

**Interim Report - Draft dd 20240307
August 31, 2023**

DIRECTOR'S REPORT:

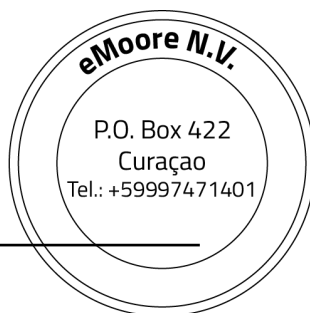
We are pleased to present you with the DRAFT Interim Report for the period January 1, 2023 through August 31, 2023.

During the period under review, the Company recorded a net profit of EUR 327,664,327. Details of which are set out in the attached Profit and Loss account.

Curaçao,

C Drommond

eMoore N.V.
Managing Director



Prolific Trade N.V.
Balance Sheet as at August 31, 2023
(In EUR, before appropriation of results)

ASSETS	Notes	31.08.2023	2022
<u>Fixed Asset</u>			
Intangible fixed assets	3	6,145	6,145
Financial Fixed assets	4		
<i>Participation</i>		-	-
<i>Loan receivables</i>		4,726,109	4,800,000
		<u>4,732,254</u>	<u>4,806,145</u>
<u>Current Assets</u>			
Receivables from related parties	5	3,666,396	1,853,702
Other receivables	6	701,387,058	462,884,114
Cash and cash equivalents	7	94,242,381	8,916,906
		<u>799,295,835</u>	<u>473,654,722</u>
TOTAL ASSETS		<u>804,028,089</u>	<u>478,460,867</u>
SHAREHOLDER'S EQUITY AND LIABILITIES			
<u>Shareholders' equity</u>	8		
Issued and fully paid share capital		8	8
Retained Earnings		352,306,279	25,309,907
Net result for the year		327,664,327	426,996,372
		<u>679,970,614</u>	<u>452,306,287</u>
<u>Long-term Liabilities and provisions</u>			
Provision participation		29,843	29,843
<u>Short-term Liabilities and accrued liabilities</u>			
Accounts payable	9	24,095,467	25,690,554
Payables to related parties	10	99,908,380	-
Profit tax payable	13	23,785	434,183
		<u>124,027,632</u>	<u>26,124,737</u>
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		<u>804,028,089</u>	<u>478,460,867</u>

Prolific Trade N.V.

Profit and Loss Account for the period January 1, 2023 through August 31, 2023

(In EUR)

	Notes	31.08.2023	2022
Net revenue		424,958,865	678,902,101
Operational cost	11	(96,102,137)	(154,276,239)
Net operating result		328,856,728	524,625,862
General and administrative expenses	12	(1,192,406)	(618,820)
Total general and administrative expenses		(1,192,406)	(618,820)
Result before interest and taxes		327,664,322	524,007,042
Interest income		-	-
Correction on interest income		-	(115)
Currency translation differences		5	(96,979,301)
Financial result		5	(96,979,416)
Result before provision for profit tax		327,664,327	427,027,626
Profit tax	13	-	(1,299)
		327,664,327	427,026,327
		-	(29,955)
NET RESULT FOR THE YEAR		327,664,327	426,996,372

Prolific Trade N.V.

Notes to the Financial Statements

January 1, 2023 through August 31, 2023

(In EUR)

1 GENERAL

Company's Information and Principal Activities

Prolific Trade N.V. is a limited liability company that was incorporated in Curaçao, Willemstad on July 22, 2019. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 150731. The Company is solely engaged in e-gaming activities.

2 PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

a. General principles

The financial statements have been prepared in accordance with Book 2 of the Curaçao Civil Code using the Guidelines for annual reporting of the Dutch Accounting Standards Board.

Assets and liabilities are stated at face value unless indicated otherwise.

b. Comparison with previous year

The principles of valuation and determination of result remained unchanged compared to the previous year.

c. Cash at banks

Cash at bank includes bank balances. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

d. Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into administration currency at the rate of exchange prevailing at balance sheet date. Transactions in foreign currencies are translated at the exchange rates in effect on the day of the transaction. Items in the Statement of Income and Expenses were revalued at the average rate of exchange during the period under review.

Exchange gains or losses are reflected in the profit and loss account.

		31.08.2023	2022	
Exchange rates used:	1 EUR =	1.0876	1.0675	USD
	1 EUR =	5.3433	5.6408	BRL

e. Recognition of Income and Expenses

Other income and expenses, including taxation, are recognized and reported in accordance with the accrual concept.

Prolific Trade N.V.

Notes to the Financial Statements

January 1, 2023 through August 31, 2023

(In EUR)

3 INTANGIBLE FIXED ASSETS

31.08.2023 2022

Balance 01.01	6,749	-
Accumulated Depreciation 01.01	(604)	-
Book Value 01.01	<u>6,145</u>	<u>-</u>
Additions	-	6,749
Disposals	-	
Amoritzation	-	(604)
Balance 31.08	6,749	6,749
Accumulated Depreciation 31.08	(604)	(604)
Book Value 031.08	<u>6,145</u>	<u>6,145</u>

4 FINANCIAL FIXED ASSETS

31.08.2023 2022

<u>Participation</u>	Domicile	Holding %
Horangi Trading Limited	Cyprus	100%

1000 shares @ EUR 1.00

Opening balance	(29,843)	112
Result participation	-	(29,955)
Provision	29,843	29,843
Closing balance	<u>-</u>	<u>-</u>

The investment in Horangi Trading Limited is accounted for at net asset value. It is measured at the net asset value of the subsidiary. The participation in Horangi Trading Limited is acquired since April 21, 2021.

<u>Participation</u>	31.08.2023	2022
Receivable from UBO	4,726,109	4,800,000
	<u>4,726,109</u>	<u>4,800,000</u>

5 RECEIVABLES FROM RELATED PARTIES

31.08.2023 2022

Black & White Ltd.

Balance 01/01	20,079	11,937
Movements during the year	55,726	8,142
Balance 31.08	<u>75,805</u>	<u>20,079</u>

Horangi Trading Limited

Balance 01/01	1,753,584	3,458
Movements during the year	1,756,968	1,750,126
Balance 31.08	<u>3,510,552</u>	<u>1,753,584</u>

Blaze Ltd.

Balance 01/01	80,039	-
Movements during the year	-	80,039
Balance 31.08	<u>80,039</u>	<u>80,039</u>

Total receivables from related parties	<u>3,666,396</u>	<u>1,853,702</u>
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Prolific Trade N.V.

Notes to the Financial Statements

January 1, 2023 through August 31, 2023

(In EUR)

6 OTHER RECEIVABLES	31.08.2023	2022
Deposits	1,865	1,865
Prepaid expenses	354,040	354,040
Current account payment service providers	69,827,209	49,778,258
Current account third parties	2,613	2,613
Crypto currency wallets	631,201,331	412,747,338
	<u>701,387,058</u>	<u>462,884,114</u>

7 CASH AND CASH EQUIVALENTS	31.08.2023	2022
<u>Bank account</u>		
Paymix Current account - EUR	12,250,376	5,205,835
Paymix Mastercard account - EUR	161,891	73,050
ISX Money current account - EUR	268,776	3,607
Cash-in-Transit	81,561,336	3,634,414
	<u>94,242,379</u>	<u>8,916,906</u>

8 SHAREHOLDER'S EQUITY

The Company's authorized share capital consists of 500 shares with a nominal value of USD 10.00 each. As at 31 December 2022, 1 share amounts to EUR 8 (USD 10.00) was fully paid-up.

Movements in the shareholder's equity accounts are as follows:

	<u>Issued and fully paid share capital</u>	<u>Retained earnings</u>	<u>Result current year</u>	<u>Total</u>
Opening balance	8	25,309,907	426,996,372	452,306,287
Allocation of result previous year	-	426,996,372	(426,996,372)	-
Movement during the year	-	-	327,664,327	327,664,327
Dividend paid	-	(100,000,000)	-	(100,000,000)
Ending balance	<u>8</u>	<u>352,306,279</u>	<u>327,664,327</u>	<u>679,970,614</u>

9 ACCOUNTS PAYABLE	31.08.2023	2022
Player balance	18,809,651	19,613,622
Creditors	5,285,816	6,076,932
	<u>24,095,467</u>	<u>25,690,554</u>

Prolific Trade N.V.

Notes to the Financial Statements

January 1, 2023 through August 31, 2023

(In EUR)

10 PAYABLES TO RELATED PARTIES	31.08.2023	2022
<u>UBO</u>		
Balance 01/01	-	1,000
Movements during the year	(91,620)	(1,000)
Dividend payable	100,000,000	-
Balance 31.08	99,908,380	-
Total payables to related parties	99,908,380	-
 11 OPERATIONAL COST	 31.08.2023	 2022
Marketing and affiliate	34,475,554	64,452,941
Software & IT / Hosting expenses	31,175,847	33,271,683
Customer support expenses	1,438,421	1,380,781
Customer compliance support expenses	52,795	133,170
Webhosting expenses	696,601	2,268,456
Payment processing expenses	28,240,699	52,766,470
Depreciation expenses	-	604
Agency fees	16,000	-
License fee - CEG	6,220	2,134
Travel expenses	96,102,137	154,276,239
 12 GENERAL AND ADMINISTRATIVE EXPENSES	 31.08.2023	 2022
Management expenses	399,641	376,051
Legal and professional fees	600,145	123,334
Consultancy expenses	86,207	-
Office rent expenses	15,452	25,124
Bank expenses and other payment processing fees	78,494	123,505
Travel and accommodation expenses	12,467	86,398
Other expenses	-	1,547
Write off payables	-	(117,139)
	1,192,406	618,820
 13 PROFIT TAX		

The Company incurred a result before provision for profit tax for the year of EUR 327,664,327. As the company applied for foreign sourced income, a profit tax rate of 22% is applicable on the domestic net result incurred by the Company. As a result the profit tax is calculated at EUR 0.
