

**PROMISED LAND B.V.**

**REPORT AND FINANCIAL STATEMENTS**

Period from 1 January 2022 to 31 December 2022

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## **REPORT AND FINANCIAL STATEMENTS**

Period from 1 January 2022 to 31 December 2022

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## **PROMISED LAND B.V.**

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### **BOARD OF DIRECTORS AND OTHER OFFICERS**

**Board of Directors:**

Georgios Davrados  
RudLuc Directors N.V.

**Independent Auditors:**

Nollem Business Associates Limited  
176, Athalassas Avenue  
4th floor, Office 401  
2025, Nicosia  
Cyprus

**Registered office:**

Abraham Mendez Chumaceiro  
Boulevard 50  
P.O. Box 4750  
Curacao

**Registration number:**

157445

## PROMISED LAND B.V.

### MANAGEMENT REPORT

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The Board of Directors presents its report and audited financial statements of the Company for the period from 1 January 2022 to 31 December 2022.

#### **Principal activity and nature of operations of the Company**

The principal activity of the Company is to provide offshore games of chance and wagering through the internet.

#### **Review of current position, future developments and performance of the Company's business**

The Company's development to date, financial results and position as presented in the financial statements are not considered satisfactory and the Board of Directors is making an effort to reduce the Company's losses.

#### **Principal risks and uncertainties**

The principal risks and uncertainties faced by the Company are disclosed in notes 6 and 7 of the financial statements.

#### **Use of financial instruments by the Company**

The Company is exposed to liquidity risk from the financial instruments it holds.

#### **Liquidity risk**

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

#### **Results**

The Company's results for the period are set out on page 6. The net loss for the period is carried forward.

#### **Share capital**

There were no changes in the share capital of the Company during the period under review.

#### **Board of Directors**

The members of the Company's Board of Directors as at 31 December 2022 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the period from 1 January 2022 to 31 December 2022.

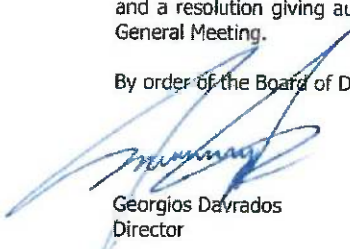
In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

#### **Independent Auditors**

The Independent Auditors, Nollem Business Associates Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,



Georgios Davrados  
Director

Nicosia, 26 June 2023

## **Independent Auditor's Report**

### **To the Members of PROMISED LAND B.V.**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of PROMISED LAND B.V. (the "Company"), which are presented in pages 6 to 17 and comprise the statement of financial position as at 31 December 2022, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the period from 1 January 2022 to 31 December 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of PROMISED LAND B.V. as at 31 December 2022, and of its financial performance and its cash flows for the period from 1 January 2022 to 31 December 2022 in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB.

##### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Material Uncertainty Related to Going Concern**

We draw attention to note 4 to the financial statements which indicates that the Company incurred a loss of €25,309 during the period from 1 January 2022 to 31 December 2022, and, as of that date the Company's current liabilities exceeded its current assets by €53,704. As stated in note 4, these events or conditions, along with other matters as set forth in note 4, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

##### **Responsibilities of the Board of Directors for the Financial Statements**

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the IASB, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Independent Auditor's Report (continued)**

### **To the Members of PROMISED LAND B.V.**

#### **Responsibilities of the Board of Directors for the Financial Statements (continued)**

The Board of Directors is responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

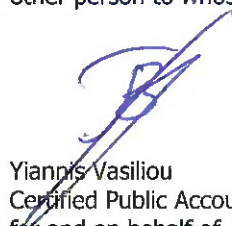
We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Independent Auditor's Report (continued)**

### **To the Members of PROMISED LAND B.V.**

#### **Other Matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



Yiannis Vasiliou  
Certified Public Accountant and Auditor  
for and on behalf of  
**Nollem Business Associates Limited**

Nicosia, 26 June 2023

## PROMISED LAND B.V.

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Period from 1 January 2022 to 31 December 2022

|                                                       | Note | 2022<br>€              | 2021<br>€              |
|-------------------------------------------------------|------|------------------------|------------------------|
| Cost of sales                                         |      | <u>(20,403)</u>        | <u>(14,298)</u>        |
| <b>Gross loss</b>                                     |      | <b>(20,403)</b>        | <b>(14,298)</b>        |
| Administration expenses                               |      | <u>(4,756)</u>         | <u>(14,732)</u>        |
| <b>Operating loss</b>                                 |      | <b>(25,159)</b>        | <b>(29,030)</b>        |
| Finance costs                                         |      | <u>(150)</u>           | -                      |
| Net finance costs                                     | 9    | <u>(150)</u>           | -                      |
| <b>Net loss for the period/year</b>                   |      | <b>(25,309)</b>        | <b>(29,030)</b>        |
| <b>Other comprehensive income</b>                     |      | <u>-</u>               | <u>-</u>               |
| <b>Total comprehensive income for the period/year</b> |      | <b><u>(25,309)</u></b> | <b><u>(29,030)</u></b> |

The notes on pages 10 to 17 form an integral part of these financial statements.

## PROMISED LAND B.V.

### STATEMENT OF FINANCIAL POSITION 31 December 2022

|                                     | Note | 2022<br>€              | 2021<br>€              |
|-------------------------------------|------|------------------------|------------------------|
| <b>ASSETS</b>                       |      |                        |                        |
| <b>Non-current assets</b>           |      |                        |                        |
| Available-for-sale financial assets | 10   | <u>1,000</u>           | <u>1,000</u>           |
|                                     |      | <u>1,000</u>           | <u>1,000</u>           |
| <b>Total assets</b>                 |      | <u><b>1,000</b></u>    | <u><b>1,000</b></u>    |
| <b>EQUITY AND LIABILITIES</b>       |      |                        |                        |
| <b>Equity</b>                       |      |                        |                        |
| Share capital                       | 11   | <u>1,635</u>           | <u>1,635</u>           |
| Accumulated losses                  |      | <u>(54,339)</u>        | <u>(29,030)</u>        |
| <b>Total equity</b>                 |      | <u><b>(52,704)</b></u> | <u><b>(27,395)</b></u> |
| <b>Current liabilities</b>          |      |                        |                        |
| Trade and other payables            | 12   | <u>53,704</u>          | <u>28,395</u>          |
|                                     |      | <u>53,704</u>          | <u>28,395</u>          |
| <b>Total equity and liabilities</b> |      | <u><b>1,000</b></u>    | <u><b>1,000</b></u>    |

On 26 June 2023 the Board of Directors of PROMISED LAND B.V. authorised these financial statements for issue.

  
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Georgios Davrados  
Director

The notes on pages 10 to 17 form an integral part of these financial statements.

## PROMISED LAND B.V.

### STATEMENT OF CHANGES IN EQUITY

Period from 1 January 2022 to 31 December 2022

|                                                    | Note | Share capital<br>€ | Accumulated losses<br>€ | Total<br>€      |
|----------------------------------------------------|------|--------------------|-------------------------|-----------------|
| <b>Comprehensive income</b>                        |      |                    |                         |                 |
| Net loss for the year                              |      | -                  | (29,030)                | (29,030)        |
| Total comprehensive income for the year            |      | -                  | (29,030)                | (29,030)        |
| <b>Transactions with owners</b>                    |      |                    |                         |                 |
| Issue of share capital                             | 11   | 1,635              | -                       | 1,635           |
| Total transactions with owners                     |      | 1,635              | -                       | 1,635           |
| <b>Balance at 31 December 2021/ 1 January 2022</b> |      | <b>1,635</b>       | <b>(29,030)</b>         | <b>(27,395)</b> |
| <b>Comprehensive income</b>                        |      |                    |                         |                 |
| Net loss for the period                            |      | -                  | (25,309)                | (25,309)        |
| Total comprehensive income for the period          |      | -                  | (25,309)                | (25,309)        |
| <b>Balance at 31 December 2022</b>                 |      | <b>1,635</b>       | <b>(54,339)</b>         | <b>(52,704)</b> |

The notes on pages 10 to 17 form an integral part of these financial statements.

## PROMISED LAND B.V.

### CASH FLOW STATEMENT

Period from 1 January 2022 to 31 December 2022

|                                                             | Note | 2022<br>€       | 2021<br>€       |
|-------------------------------------------------------------|------|-----------------|-----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |      |                 |                 |
| Loss before tax                                             |      | <u>(25,309)</u> | <u>(29,030)</u> |
|                                                             |      | <b>(25,309)</b> | <b>(29,030)</b> |
| <b>Changes in working capital:</b>                          |      |                 |                 |
| Increase in trade and other payables                        |      | <u>25,309</u>   | <u>28,395</u>   |
| Cash used in operations                                     |      | <u>-</u>        | <u>(635)</u>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |      |                 |                 |
| Payment for purchase of available-for-sale financial assets |      | <u>-</u>        | <u>(1,000)</u>  |
| Net cash used in investing activities                       |      | <u>-</u>        | <u>(1,000)</u>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                 |      |                 |                 |
| Proceeds from issue of share capital                        |      | <u>-</u>        | <u>1,635</u>    |
| Net cash generated from financing activities                |      | <u>-</u>        | <u>1,635</u>    |
| <b>Net increase in cash and cash equivalents</b>            |      | <b>-</b>        | <b>-</b>        |
| Cash and cash equivalents at beginning of the period/year   |      | <u>-</u>        | <u>-</u>        |
| Cash and cash equivalents at end of the period/year         |      | <u><u>-</u></u> | <u><u>-</u></u> |

The notes on pages 10 to 17 form an integral part of these financial statements.

# PROMISED LAND B.V.

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## NOTES TO THE FINANCIAL STATEMENTS

Period from 1 January 2022 to 31 December 2022

### 1. Incorporation and principal activities

#### Country of incorporation

The Company PROMISED LAND B.V. (the "Company") was incorporated in Curacao on 26 May 2021 as a private company with limited liability. Its registered office is at Abraham Mendez Chumaceiro, Boulevard 50, P.O. Box 4750, Curacao.

#### Principal activity

The principal activity of the Company is to provide offshore games of chance and wagering through the internet.

### 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets at fair value through other comprehensive income.

### 3. Adoption of new or revised standards and interpretations

During the current period the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2021. This adoption did not have a material effect on the accounting policies of the Company.

### 4. Significant accounting policies

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

#### Going concern basis

The Company incurred a loss of €25,309 for the period from 1 January 2022 to 31 December 2022, and, as of that date the Company's current liabilities exceeded its current assets by €53,704. The Company is dependent upon the continuing financial support of its parent company without which there would be significant doubt about its ability to continue as a going concern as well as its ability to realise its assets and discharge its liabilities in the ordinary course of business. The parent company has indicated its intention to continue providing such financial assistance to the Company to enable it to continue as a going concern and to meet its obligations as they fall due.

#### Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

#### Financial assets

##### Financial assets - Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

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## NOTES TO THE FINANCIAL STATEMENTS

Period from 1 January 2022 to 31 December 2022

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

##### Financial assets - Classification (continued)

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

##### Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

##### Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

##### Financial assets -Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

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## NOTES TO THE FINANCIAL STATEMENTS

Period from 1 January 2022 to 31 December 2022

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

##### Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

##### Financial assets - modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

##### Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

##### Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

## NOTES TO THE FINANCIAL STATEMENTS

Period from 1 January 2022 to 31 December 2022

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

##### Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

#### Financial liabilities - Modifications

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

#### Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

#### Share capital

Ordinary shares are classified as equity.

## PROMISED LAND B.V.

### NOTES TO THE FINANCIAL STATEMENTS

Period from 1 January 2022 to 31 December 2022

#### 5. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

#### 6. Financial risk management

##### Financial risk factors

The Company is exposed to liquidity risk arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

##### 6.1 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

| <b>31 December 2022</b>     | Carrying amounts<br>€ | Contractual cash flows<br>€ | 3 months or less<br>€ | 3-12 months<br>€ | 1-2 years<br>€ | 2-5 years<br>€ | More than 5 years<br>€ |
|-----------------------------|-----------------------|-----------------------------|-----------------------|------------------|----------------|----------------|------------------------|
| Trade and other payables    | 1,990                 | 1,990                       | -                     | 1,990            | -              | -              | -                      |
| Payables to related parties | 49,811                | 49,811                      | -                     | -                | 49,811         | -              | -                      |
|                             | <b>51,801</b>         | <b>51,801</b>               | <b>-</b>              | <b>1,990</b>     | <b>49,811</b>  | <b>-</b>       | <b>-</b>               |

| <b>31 December 2021</b>     | Carrying amounts<br>€ | Contractual cash flows<br>€ | 3 months or less<br>€ | 3-12 months<br>€ | 1-2 years<br>€ | 2-5 years<br>€ | More than 5 years<br>€ |
|-----------------------------|-----------------------|-----------------------------|-----------------------|------------------|----------------|----------------|------------------------|
| Trade and other payables    | 2,574                 | 2,574                       | -                     | 2,574            | -              | -              | -                      |
| Payables to related parties | 23,918                | 23,918                      | -                     | -                | 23,918         | -              | -                      |
|                             | <b>26,492</b>         | <b>26,492</b>               | <b>-</b>              | <b>2,574</b>     | <b>23,918</b>  | <b>-</b>       | <b>-</b>               |

#### 7. Critical accounting estimates, judgments and assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**NOTES TO THE FINANCIAL STATEMENTS**

Period from 1 January 2022 to 31 December 2022

**7. Critical accounting estimates, judgments and assumptions (continued)***Critical accounting estimates and assumptions*

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- **Going concern basis**

Management has made an assessment of the Company's ability to continue as a going concern.

- **Calculation of loss allowance**

When measuring expected credit losses the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

*Critical judgements in applying the Company's accounting policies*

- **Impairment of available-for-sale financial assets**

The Company follows the guidance of IAS 39 in determining when an investment is other-than-temporarily impaired. This determination requires significant judgment. In making this judgment, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

**8. Expenses by nature**

|                         | 2022          | 2021          |
|-------------------------|---------------|---------------|
|                         | €             | €             |
| Auditors' remuneration  | 952           | 952           |
| Services received       | 20,403        | 14,298        |
| Accounting fees         | 952           | 952           |
| Other professional fees | 2,852         | 12,828        |
| <b>Total expenses</b>   | <b>25,159</b> | <b>29,030</b> |

**9. Finance costs**

|                         | 2022       | 2021     |
|-------------------------|------------|----------|
|                         | €          | €        |
| Sundry finance expenses | 150        | -        |
| <b>Finance costs</b>    | <b>150</b> | <b>-</b> |

## PROMISED LAND B.V.

### NOTES TO THE FINANCIAL STATEMENTS

Period from 1 January 2022 to 31 December 2022

#### 10. Available-for-sale financial assets

|                               | 2022<br>€    | 2021<br>€    |
|-------------------------------|--------------|--------------|
| Balance at 1 January          | 1,000        | -            |
| Additions                     | -            | 1,000        |
| <b>Balance at 31 December</b> | <b>1,000</b> | <b>1,000</b> |

#### 11. Share capital

|                                 | 2022<br>Number of<br>shares | 2022<br>€    | 2021<br>Number of<br>shares | 2021<br>€    |
|---------------------------------|-----------------------------|--------------|-----------------------------|--------------|
| <b>Authorised</b>               |                             |              |                             |              |
| Ordinary shares of €0,8175 each | 2,000                       | 1,635        | 1,635                       | 1,635        |
| <b>Issued and fully paid</b>    |                             |              |                             |              |
| Balance at 1 January            | 2,000                       | 1,635        | -                           | -            |
| Issue of shares                 | -                           | -            | 2,000                       | 1,635        |
| <b>Balance at 31 December</b>   | <b>2,000</b>                | <b>1,635</b> | <b>2,000</b>                | <b>1,635</b> |

#### 12. Trade and other payables

|                                                              | 2022<br>€     | 2021<br>€     |
|--------------------------------------------------------------|---------------|---------------|
| Trade payables                                               | 1,990         | 2,574         |
| Shareholders' current accounts - credit balances (Note 13.2) | 41,940        | 23,918        |
| Accruals                                                     | 1,903         | 1,903         |
| Payables to own subsidiaries (Note 13.1)                     | 7,871         | -             |
|                                                              | <b>53,704</b> | <b>28,395</b> |

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

#### 13. Related party transactions

The Company is controlled by Georgios Davrados, who owns 100% of the Company's shares.

The following transactions were carried out with related parties:

##### 13.1 Payables to related parties (Note 12)

| Name                    | Nature of transactions | 2022<br>€    | 2021<br>€ |
|-------------------------|------------------------|--------------|-----------|
| G. D. Promised Land Ltd | Trade                  | 7,872        | -         |
|                         |                        | <b>7,872</b> | <b>-</b>  |

## PROMISED LAND B.V.

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### NOTES TO THE FINANCIAL STATEMENTS

Period from 1 January 2022 to 31 December 2022

#### 13. Related party transactions (continued)

##### 13.2 Shareholders' current accounts - credit balances (Note 12)

|                   | 2022                 | 2021                 |
|-------------------|----------------------|----------------------|
|                   | €                    | €                    |
| Georgios Davrados | <u>41,946</u>        | <u>23,918</u>        |
|                   | <u><b>41,946</b></u> | <u><b>23,918</b></u> |

The directors'/shareholders' current accounts are interest free, and have no specified repayment date.

#### 14. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2022.

#### 15. Commitments

The Company had no capital or other commitments as at 31 December 2022.

**Independent auditor's report on pages 3 to 5**