

Breakout Group B.V.
Willemstad

Breakout Group B.V.

at Willemstad

Annual report 2022

Table of contents

	Page
1. ACCOUNTANTS REPORT	
1.1 Accountant's compilation report	3
1.2 General	4
1.3 Fiscal position	5
2. FINANCIAL STATEMENTS	
2.1 Balance sheet as at 31 December 2022	6
2.2 Income statement for the year 2022	7
2.3 Notes to the financial statements	8
2.4 Notes to the balance sheet as at 31 December 2022	10
2.5 Notes to the income statement for the year 2022	12

Breakout Group B.V.
Willemstad

Breakout Group B.V.
To the attention of E-Magnus N.V.
SBN Doormanweg 40

Willemstad January 13, 2024

Dear Sirs,

1.1 ACCOUNTANT'S COMPILATION REPORT

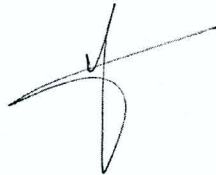
The financial statements of Breakout Group B.V. have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2022 and the income statement for the year 2022 for the year then ended with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Curacao law and general accepted accounting principles. We will assist you with the preparation and presentation of the financial statements in accordance with Book 2 of the Curaçao Civil Code and the Generally Accepted Accounting Principles. To this end we have applied our professional expertise in the fields of accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that the information you give us is correct and that you provide us with all relevant information. Therefore, we have conducted our work in accordance with the applicable regulations and on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole and are satisfied that they present a picture in line with our broad understanding of Breakout Group B.V..

During this engagement we have complied with relevant ethical requirements. You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent, and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

inFocus N.V.



W. van Steijn AA

1.2 GENERAL

Comparative figures

The figures of the previous financial year may have been reclassified, where necessary, in order to allow comparability with the current financial year.

Incorporation company

The Company was established on April 12, 2017.

Activities

The activities of Breakout Group B.V. primarily consist of:

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.

Breakout Group B.V.
Willemstad

1.3 FISCAL POSITION

General

Foreign generated income is tax exempt in Curacao.

2.1 BALANCE SHEET AS AT 31 DECEMBER 2022

		31-12-2022	31-12-2021
		EUR	EUR
ASSETS			
Fixed assets			
<i>Financial assets</i>	1	10,000	10,000
Current assets			
<i>Receivables</i>			
Receivables from group companies	2	10,340	-
Other receivables and current assets	3	4,500	36,191
		14,840	36,191
<i>Cash and cash equivalents</i>			
Other banks		3,414	122
Total assets		28,254	46,313
EQUITY AND LIABILITIES			
Equity	4		
Issued share capital	5	1,000	1,000
General reserve		(58,484)	(48,917)
		(57,484)	(47,917)
Current liabilities			
Other payables and short term liabilities	6	85,738	94,230
Total equity and liabilities		28,254	46,313

2.2 INCOME STATEMENT FOR THE YEAR 2022

		2022	2021
		EUR	EUR
Net turnover	7	1,186,725	(8,710)
Cost of sales	8	(849,941)	-
Gross margin		336,784	(8,710)
Expenses work contracted out and other external expenses		20,059	-
Other operating expenses	9	326,292	21,309
Total operating expenses		346,351	21,309
Operating result		(9,567)	(30,019)
Financial income and expense	10	-	(581)
Result before taxation		(9,567)	(30,600)
Taxation		-	-
Net result after taxation		(9,567)	(30,600)

2.3 NOTES TO THE FINANCIAL STATEMENTS

Entity information

Registered address and registration number trade register

The registered and actual address of Breakout Group B.V. is SBN Doormanweg 40, in Willemstad, Curacao. Breakout Group B.V. is registered at the Chamber of Commerce under number 143362.

General notes

General accounting principles

The accounting standards used to prepare the financial statements

The financial statement is tax based and drawn up in accordance with the provisions of Book 2 of the Curaçao Civil Code and general accepted accounting principles in Curacao.

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

Accounting principles

Financial assets

Participations are valued at cost.

Current assets

Current assets are initially valued at the fair value of the consideration to be received, including transaction costs if material. Trade receivables are subsequently valued at the amortised cost price. Provisions for bad debts are deducted from the carrying amount of the receivable.

Equity

When Breakout Group B.V. purchases treasury shares, the consideration paid is deducted from equity (other reserves or any other reserve if the articles of association allow so) until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received is included in equity (other reserves or any other reserve). The consideration received will be added to the reserve from which earlier the purchase price has been deducted.

Incremental costs directly attributable to the purchase, sale and/or issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Other reserves

Other reserves are all reserves, except the legal and statutory reserves. Other reserves can freely be distributed to the shareholders.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from construction contracts after deduction of discounts and such like and of taxes levied on the turnover.

Other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Income tax expense

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

2.4 NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2022

Fixed assets

	31-12-2022 EUR	31-12-2021 EUR
1 Financial assets		
Participations in group companies	<u>10,000</u>	<u>10,000</u>
Participations in group companies		
HQ Breakout Line Ltd., Cyprus, 100%	<u>10,000</u>	<u>10,000</u>

Current assets

2 Receivables from group companies

Breakout Management Ltd.	<u>10,340</u>	<u>-</u>
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3 Other receivables and current assets

Interkassa	-	25,761
Coinspaid	-	3,413
Astropay	-	2,517
Prepaid license fees	<u>4,500</u>	<u>4,500</u>
	<u>4,500</u>	<u>36,191</u>

EQUITY AND LIABILITIES

4 Equity

Equity

	Issued share capital EUR	General reser- ve EUR	Total EUR
Balance as at 1 January 2022	1,000	(48,917)	(47,917)
Appropriation of result	-	(9,567)	(9,567)
Balance as at 31 December 2022	<u>1,000</u>	<u>(58,484)</u>	<u>(57,484)</u>

5 Issued share capital

The share capital is EUR 1,000 consisting of 1,000 shares each with a nominal value EUR 1.--.

Current liabilities

	<u>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
6 Other payables and short term liabilities		
Current account shareholder	39,854	47,048
Customer balances	<u>45,884</u>	<u>47,182</u>
	<u>85,738</u>	<u>94,230</u>

2.5 NOTES TO THE INCOME STATEMENT FOR THE YEAR 2022

	<u>2022</u>	<u>2021</u>
	EUR	EUR
7 Net turnover		
Revenues (non-domestic)	<u>1,186,725</u>	<u>(8,710)</u>
8 Cost of sales		
Service fees (causal non-domestic)	<u>849,941</u>	<u>-</u>
9 Other operating expenses		
Marketing (causal non-domestic)	311,561	-
Office expenses	1,795	14,375
General expenses	<u>12,936</u>	<u>6,934</u>
	<u>326,292</u>	<u>21,309</u>
Office expenses		
License fees	<u>1,795</u>	<u>14,375</u>
General expenses		
Management fee	9,852	6,627
Bank expenses	3,083	306
Other general expenses	<u>1</u>	<u>1</u>
	<u>12,936</u>	<u>6,934</u>
10 Financial income and expense		
Currency translation differences	<u>-</u>	<u>(581)</u>

Willemstad, January 13, 2024
Breakout Group B.V.

Name
Director