

Final Enterprises N.V.
Curaçao

Annual report 2022

Table of contents

	<u>Page</u>
1 Report	3
1.1 General	4
1.2 Accountant's Compilation report	5
2 Financial statement	6
2.1 Balance sheet as at 31 December 2022	7
2.2 Statement of income and expenses for the year 2022	8
2.3 Notes to the financial statements	9
2.4 Notes to the balance sheet	11
2.5 Notes to the statement of income and expenses	12
3 Other information	13
3.1 Statutory provision regarding appropriation of result	14
3.2 Appropriation of result	14
3.3 Subsequent events	14

1. Report

1.1 General

Final Enterprises N.V. (hereinafter: "the Company") was incorporated on October 9th, 2015 and is established in Curaçao.

Reporting period

These annual accounts have been prepared for the financial year ended on 31 December 2022.

Activities

The activities of the Company, having its legal seat at Curaçao, primarily consist of:

Managing and supporting gaming platforms for remote gaming, including software and hardware components of such platforms, whether for casino, poker or other games, whether to be operated through internet, mobile or interactive media.

To the board of directors and the shareholders of
Final Enterprises N.V.
Curaçao

ACCOUNTANT'S COMPILATION REPORT

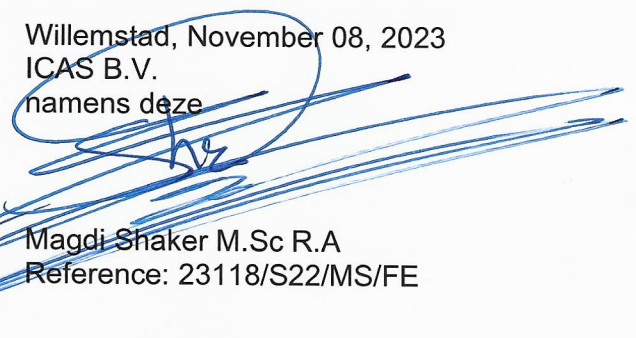
The financial statements of Final Enterprises N.V. based in Curaçao have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2022 and the profit and loss account for the year 2022 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Curaçao law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Curaçao Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding Final Enterprises N.V. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA, Dutch Code of Ethics). 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.

Willemstad, November 08, 2023
ICAS B.V.
namens deze


Magdi Shaker M.Sc R.A
Reference: 23118/S22/MS/FE

2. Financial statements

2.1 Balance sheet as at 31 December 2022*(After proposal result)*

			31-Dec-22	31-Dec-21
			EUR	EUR
Assets				
Financial assets				
Investment in subsidiaries	1		1	1
Non current assets				
Loan third party	2	4,000,000	-	-
			4,000,000	-
Current assets				
C/A shareholder		-	92,881	
CEG retainer fees		1,970	-	
Related party transactions	3	5,980,192	6,732,755	
Cash and cash equivalents	4	9,024,734	1,564,052	
			15,006,896	8,389,688
Total assets			19,006,897	8,389,689

			31-Dec-22	31-Dec-21
			EUR	EUR
Liabilities				
Shareholders equity				
Share capital	5	1,000	1,000	
Retained earnings		7,347,236	869,792	
Dividend payout		(1,970,000)	(869,000)	
Result for the year		11,081,344	7,346,444	
			16,459,580	7,348,236
Current liabilities				
Accounts payable		29,684	56,884	
Profit tax payable		9,579	-	
Provision investment in subsidiary	6	2,502,354	981,319	
Accrued expenses		5,700	3,250	
			2,547,317	1,041,453
Total equity & liabilities			19,006,897	8,389,689

On 2nd November 2023 the Board of Directors of Final Enterprises N.V. authorised these financial statements for issue.

2.2 Statement of income and expenses for the year 2022

		<u>2022</u> EUR	<u>2021</u> EUR
Turnover	7	21,017,637	13,117,466
Direct costs	8	8,250,982	4,131,583
Gross margin		<u>12,766,655</u>	<u>8,985,883</u>
IT and other operating expenses	9	12,686	16,897
Administrative and general expenses	10	<u>136,447</u>	<u>277,256</u>
		(149,133)	(294,153)
Operating result		<u>12,617,522</u>	<u>8,691,730</u>
Extraordinary result		-	(445,645)
Financial result (expenses)	11	(1,526,599)	(899,641)
Result before tax		<u>11,090,923</u>	<u>7,346,444</u>
Profit tax		(9,579)	-
Net result for the period		<u><u>11,081,344</u></u>	<u><u>7,346,444</u></u>

On 2nd November 2023 the Board of Directors of Final Enterprises N.V. authorised these financial statements for issue.

2.3 Notes to the financial statements

General

The financial statements are prepared according to the stipulations in chapter 9 Book 2 of the Curaçao Civil Code. These financial statements are presented in EUR, the Company's functional currency.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Continuity

These financial statements have been prepared based on going concerns basis. The going concern basis of presentation assumes that the company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

Management is of the opinion, that the company's shareholders or other group companies will give the necessary support in case the assumption above mentioned is not realized. Consequently the Company has applied accounting principles based on going concerns.

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date.

Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as at balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

List of capital interests

Final Enterprises N.V. has capital interests in the following companies:

<u>Name:</u>	<u>Statutory seat</u>	<u>Issued share capital</u>
Netglenn Ltd. Cyprus	Cyprus	100%
Netglenn Ltd. Malta (Liquidated)	Malta	100%

Accounting policies in respect of the valuation of assets and liabilities

General

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention, unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model.

Financial fixed assets

Where significant influence is exercised, associated companies are valued under the net asset value method, but not lower than a nil value. This net asset value is based on the same accounting principles as applied by the Company.

Associated companies with negative net equity value are valued at nil. If the Company fully or partly guarantees the liabilities of the associated company concerned, or has the effective obligation respectively to enable the associated company to pay its (share of the) liabilities, a provision formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from associated company are taken into account.

Where no significant influence is exercised associated companies are valued at cost and if applicable less impairments in value.

Accounts receivable

Upon initial recognition the receivables are valued at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Equity

Financial instruments are classified as equity, if they have the substance of equity instruments; the legal form is of no consequence.

Current liabilities

Upon initial recognition, current liabilities are stated at fair value and then valued at amortized cost.

Accruals and deferred income

Upon initial recognition, accruals and deferred income are stated at fair value and then valued at amortized costs.

Accounting policies in respect of determination

Turnover

Turnover represents amounts invoiced for goods and services supplied during the financial year reported on, net of discounts and value added taxes. Revenues from services are recognized in proportion to the services rendered. The cost price of these services is allocated to the same period.

Other operating expenses

Costs are taken into account under the historical cost convention and allocated to the period concerned.

Net financial result

Interest income and expenses consist of interest received from or paid to third parties.

Taxation

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realization is likely.

2.4 Notes to the balance sheet

1. Investment in subsidiaries

The Company is holder of 1,199 ordinary shares of nominal value EUR 1 each (only 20% have been paid up) in the share capital of Netglenn Ltd. incorporated on March 3th 2014, registered at 31, Spinola Court Flat No. 26, Fuq Il-Gonna, Swieqi SWQ 3525, Malta. The company has increase it shares with Eur 100,000 on 11th January 2018. The company Liquidation accounts is made up to 31st March 2021.

The Company is holder of 1,000 ordinary shares of nominal value EUR 1 each in the share capital of Netglenn Ltd. incorporated on March 18th 2019, registered Prodromou, 75 Oneworld Parkview House, 4th floor 2063, nicosia, Cyprus.

	31-Dec-22 EUR	31-Dec-21 EUR
Opening Balance	1	1,240
Result subsidiaries	(1,521,035)	(962,095)
Provision investment subsidiaries	1,521,035	961,096
Write off subsidiary to shareholder	-	(240)
Balance as at 31 December	<u>1</u>	<u>1</u>

2. Loan third party

This loan receivable also represents a loan to Incognituniverse Lda. for the total amount of Eur 4,000,000, together with the amount of the initial loan outstanding as per supplemental agreement plus accrued interest thereon repayable in 15 (Fifteen) years. The loan shall bear interest at the rate of 4% per annum. The Loan must be paid in full by 1st July 2038, unless extended by the parties.

	31-Dec-22 EUR	31-Dec-21 EUR
3. Related party transactions		
Payment Processing through Netglenn Ltd.	5,980,192	6,732,755
	<u>5,980,192</u>	<u>6,732,755</u>

	31-Dec-22 EUR	31-Dec-21 EUR
4. Cash and cash equivalents		
Connectpay	8,792,043	1,475,680
Bitpace	61,903	-
Gumballpay	59,473	-
Gigadat Inc.	2,878	2,209
Paytahbank	0.40	0.40
Ecopayz	110	6,299
Muchbetter	63,426	44,882
Directa24	3,107	9,608
Astropay	41,794	25,375
	<u>9,024,734</u>	<u>1,564,052</u>

There is a significant improvement in the company's availability, justified by the increase in Business Volume.

5. Shareholders equity

The capital of the company consists of 1,000 shares with a nominal value of EUR 1 each.

Movements in equity were as follows:

	31-Dec-22		
	EUR		
	Issued Share capital	Retained earnings	Total
	EUR	EUR	EUR
Balance as at January 1 st	1,000	7,347,236	7,348,236
Dividend payouts		(1,970,000)	(1,970,000)
Movement	-	11,081,344	11,081,344
		-	-
Balance as at December 31 st	1,000	16,458,580	16,459,580

6. Provision investment in subsidiary

The item Provision for investments in subsidiaries amounts on 31st december 2022 to 2,502,354 euros, and in the previous year it amounted to 981,319 euros. All of the values recorded relate to the recognition of the negative results of the subsidiary Netglenn Limited Cyprus.

2.5 Notes to the statement of income and expenses

	2022	2021
	EUR	EUR
7. Turnover		
Revenue	45,381,327	28,398,167
Payouts to players	(24,363,690)	(15,280,701)
	<u>21,017,637</u>	<u>13,117,466</u>

This item records revenue from Gaming, as well as payments made to players. Compared to the previous year, there was a significant increase in turnover, amounting to 7,900,171 euros (60%).

8. Direct costs

Logistic & installation fees	16,397	-
Domain and hosting fees	14,159	-
Rechargeable service expenses	73,524	458,461
Agency fees	24,281	13,143
Subscription fees	56,271	-
Software development	103,167	(44,757)
Software fee	794	12,507
Site & casino design	-	2,440
Marketing & advertising expenses	1,209,463	514,800
Commission affiliates	222,264	107,413
Game provider fees	4,980,269	3,067,576
Merchant fees	1,550,393	-
	<u>8,250,982</u>	<u>4,131,583</u>

Direct Cost increased by 4,119,399 euros, justified by the increase in Turnover. Direct Costs are essentially made up of expenses with (1) Marketing & advertising, (2) Game provider fees and (3) Merchant fees. Compared to the previous year, there were increases in these items of around 135%, 62% and 625%, respectively.

9. IT and other operating expenses

IP licensing and compliance	12,500	16,618
ICT maintaining & compliance	186	4,527
Other IT services	-	(4,248)
	<u>12,686</u>	<u>16,897</u>

10. Administrative and general expenses

Courier expense	-	90
License fees	12,000	12,000
Notary expense	1,010	850
Professional services	35,400	22,887
Bankcharges	60,420	14,428
Merchant services	-	213,838
Accountancy fees	6,522	3,995
Tax services	2,980	1,425
Corporate services	13,402	4,566
Other General expenses	2,033	512
Chamber of Commerce	105	90
Standard management disbursement	2,200	2,200
License fees National Bank	75	75
Domiciliation & compliance fees	300	300
	<u>136,447</u>	<u>277,256</u>

11. Financial result (expenses)

Write off balances	34,553	(82,587)
Provision subsidiary	-	981,319
Result subsidiary	1,521,035	962,095
Adjustment investment in subsidiary	-	(961,096)
Unrealized currency difference	(28,989)	(90)
	<u>1,526,599</u>	<u>899,641</u>

This item is mostly made up of expenses with adjustments to investments in subsidiaries, namely the recognition of the negative 2022 results of the subsidiary Netglenn Limited Cyprus.

3. Other Information

3.1 Statutory provision regarding appropriation of result

In the articles of incorporation it states that the profit shall be at free disposal of the general meeting. Any distribution of the profit shall be made after approval of the annual account. Consequently the following has been presented concerning the appropriation of the result.

3.2 Appropriation of result

The management of the company proposes to appropriate the result as follows:

The Company has a positive result for the year 2022 in the amount of EUR 11,081,344 that will be added in full to the other reserves. The Board of Directors, following consideration of the availability of profits for distribution as well as the liquidity position of the Company recommend the payment of a dividend of EUR 1,970,000 from the general reserve of the financial year 2022.

This proposal needs to be determined by the General Meeting and has therefore not yet been processed in the annual accounts 2022 for the company.

3.3 Subsequent events

There are no events after the balance sheet date that have significant impact on these financial statements, except for the war between Russia and Ukraine. On February 24, 2022, Russia invaded Ukraine in an escalation of the Russo-Ukrainian War that began in 2014 and continues after October 31, 2023. This conflict has created a complex and evolving situation with some implications for our operations, financial position, and future prospects. We initiated several measures to mitigate these risks, including changes to our supply chain strategies and a thorough assessment review of our risk management processes.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact in the Company's profitability position. The event is not expected to have an immediate material impact on the business operations. management will continue to monitor the situation closely and will assess the need for any financial and business impact in case the period of disruption becomes prolonged.

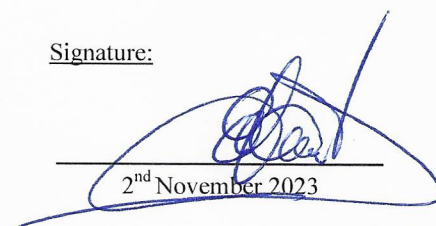
Name:

Position:

Signature:

Global Related Services B.V.

Statutory Director


2nd November 2023