

Njord Ventures B.V.

Financial Statements

for the year ended December 31, 2022 and
for the period July 28, 2020 - December 31, 2021

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Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2022	2021
Assets			
Current assets			
Cash and cash equivalents (Net)	4	3,096,030	284,153
Receivable from subsidiary	5	1,600,633	137,167
Receivable from shareholders	6	23,446	23,596
Prepaid expenses		17,325	4,375
Total current assets		4,737,434	449,291
Non-current assets			
Investment in subsidiary	7	1,000,000	1,000
Deposit		9,500	9,500
Total non-current assets		1,009,500	10,500
Total assets		5,746,934	459,791
Equity and liabilities			
Current liabilities			
Accounts payable		-	65,045
Accrued expenses		-	100,017
Payable to players		426,748	16,825
Profit tax payable		1,694	565
Total current liabilities		428,442	182,452
Equity			
Issued capital	8	2,000	2,000
Retained earnings / (Accumulated losses)		5,316,492	275,339
Total equity		5,318,492	277,339
Total equity and liabilities		5,746,934	459,791

See accompanying notes.



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Statement of profit or loss

(All amounts in EUR)

	Note	2022	Jul 28, 2020 - Dec 31, 2021
Revenue (Net)	9	20,141,916	738,065
Direct cost	10	-4,695,529	-537,356
Gross profit / (loss)		15,446,387	200,709
Selling and marketing expenses		-9,756,741	-708,167
Administrative expenses	11	-1,555,296	-300,129
Other income		1,039,043	1,095,447
Profit / (loss) from operations		5,173,393	287,860
Finance cost	12	-130,676	-11,956
Profit / (loss) before tax		5,042,717	275,904
Profit tax expense	3	-1,564	-565
Profit / (loss) for the year		5,041,153	275,339
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		5,041,153	275,339
Attributable to the owners		5,041,153	275,339

See accompanying notes.



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Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Capital issued on July 28, 2020	100	-	100
Additional capital issued	1,900	-	1,900
Profit / (loss) for the period	-	275,339	275,339
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the period	-	275,339	275,339
Balance, December 31, 2021	2,000	275,339	277,339
Profit / (loss) for the year	-	5,041,153	5,041,153
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	5,041,153	5,041,153
Balance, December 31, 2022	2,000	5,316,492	5,318,492

See accompanying notes.



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Statement of cash flows

(All amounts in EUR)

	Note	2022	Jul 28, 2020 - Dec 31, 2021
Cash flow from operating activities			
Profit / (loss) for the year		5,041,153	275,339
Add: Profit tax expense		1,564	565
(Increase) / decrease in receivable from subsidiary		-1,463,466	-137,167
(Increase) / decrease in receivable from shareholders		150	-23,596
(Increase) / decrease in prepaid expenses		-12,950	-4,375
(Increase) / decrease in deposit		-	-9,500
Increase / (decrease) in accounts payable		-65,045	65,045
Increase / (decrease) in accrued expenses		-100,017	100,017
Increase / (decrease) in payable to players		409,923	16,825
Increase / (decrease) in profit tax payable		-435	-
Net cash generated from operating activities		3,810,877	283,153
Cash flow from investing activities			
(Increase) / decrease in investment in subsidiary		-999,000	-1,000
Net cash generated from investing activities		-999,000	-1,000
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	2,000
Net cash generated from financing activities		-	2,000
Net increase / (decrease) in cash		2,811,877	284,153
Cash at the beginning of the year		284,153	-
Cash at the end of the year	4	3,096,030	284,153

See accompanying notes.

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

Njord Ventures B.V. (the company) was established on July 28, 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 Curaçao Chamber of Commerce & Industry under the number 154649.

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 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:

- Executive 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 separate 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 Euro (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 more than one year, from July 28, 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 deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Investment

Investment in subsidiary is valued at cost, less impairment losses, if any.

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 EUR 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 statement of profit or loss.

The financial assets include cash and cash equivalents, prepaid expenses, deposit and other assets.

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.

The financial liabilities include accounts payable, accrued expenses and other payables.

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Subsequent measurement

The subsequent measurement of financial assets and liabilities depends on their classification.

Revenue recognition

Gaming revenue is represented by the difference between the amounts of bets placed by customers less amounts won, net of bonuses and loyalty points, if any. The revenue is recognized at the fair value of the consideration.

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 subject to 0% of profit taxes.



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4. Cash and cash equivalents (Net)

	2022	2021
Balance at bank		
ConnectPay	2,213,040	72,220
ISX Bank	556,587	-
Balance with PSPs		
Dream Finance OU	100,037	24,470
MiFinity NOK	58,251	-
CubixPay (Techtopay)	49,965	-
Finateco Processing	15,455	-
MiFinity EUR	14,989	-
Cubixpay (Techtopay) Reserve	13,151	-
Gigadat Inc	12,961	17,389
Mifinity PLN	11,835	-
Payment Technologies/ Ironpay P	10,768	-
Fiat Systems Processing USD	10,673	-
Sirpega Reserve USD	8,160	-
Payment Technologies/Ironpay R	6,968	-
Finateco Reserve	5,534	-
BitandPay	3,824	-
Jeton Koi	3,696	-
Impaya	2,914	-
Fiat systems Reserve USD	1,744	-
Jeton Buumi	1,049	-
BitandPay Reserve	954	-
InPay	602	4,143
Zimpler AB	-101	153,883
Much Better	-110	2,048
Sirpega Processing USD	-6,916	-
PAA Capital	-	10,000
	3,096,030	284,153

5. Receivable from subsidiary

	2022	2021
C/A Njord Vantage Services Ltd (earlier "N Ventures Cyprus Ltd")	1,600,633	137,167
	1,600,633	137,167

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

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6. Receivable from shareholders

Receivable from shareholders represents amount due from them net of expenses incurred by the shareholders on behalf of the company. The receivable does not carry any interest and is repayable on demand.

7. Investment in subsidiary

As at December 31, 2022 and December 31, 2021, the company holds 100% investment in Njord Vantage Services Ltd (earlier “N Ventures Cyprus Ltd”), a company incorporated and domiciled in the Republic of Cyprus.

	2022	2021
Njord Vantage Services Ltd (earlier “N Ventures Cyprus Ltd”)	1,000,000	1,000
(1,000,000 Equity shares of EUR 1.00 each for 2022)		
(1,000 Equity shares of EUR 1.00 each for 2021)		
	<u>1,000,000</u>	<u>1,000</u>

During the year 2022, there is an additional investment of EUR 999,000.

The company has elected not to present consolidated financial statements. Its owners have been informed and do not object to presenting separate financial statements.

8. Issued capital

The issued capital of the company as at December 31, 2022 and December 31, 2021 consists of 2,000 common shares with a nominal value of EUR 1 each and subscribed for EUR 2,000.

No dividends were declared in 2022 and 2021.

9. Revenue (Net)

	2022	2021
Gross gaming revenue	24,286,802	1,043,626
Less: Bonus	-4,144,886	-305,561
	<u>20,141,916</u>	<u>738,065</u>



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10. Direct cost

	2022	2021
License and server fees	2,641,769	431,240
Payment wallet charges	1,582,404	71,211
Software expenses	471,356	34,905
	<u>4,695,529</u>	<u>537,356</u>

11. Administrative expenses

	2022	2021
Professional fees	1,080,563	221,994
Computer and internet expenses	20,013	1,393
Annual management fees	3,250	4,604
Rent expenses	3,053	3,596
Annual compliance fees	2,800	2,700
Incorporation fees	-	3,750
Other expenses	445,617	62,092
	<u>1,555,296</u>	<u>300,129</u>

12. Finance cost

	2022	2021
Bank charges	95,390	11,956
Foreign exchange loss	35,286	-
	<u>130,676</u>	<u>11,956</u>

13. 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:

Cash and cash equivalents, prepaid expenses, deposit, accounts payable, accrued expenses, other assets and other payables approximate the carrying amount largely due to the short-term maturity.

14. Contingencies, commitments and legal proceedings

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

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15. 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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16. 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 October 26, 2023.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Statutory Director	DocuSigned by:  3508179679034CB... DocuSigned by:  E9C1A4A3F74E4ED...