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Niollo B.V.

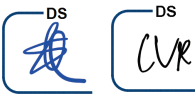
Financial Statements

for the year ended December 31, 2022 and
for the period January 21, 2021 to December 31, 2021



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders of
Niollo B.V.
Curaçao.

We have audited the accompanying financial statements of Niollo B.V., which comprise the statement of financial position as at December 31, 2022, and the statement of income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the financial position of Niollo B.V., as at December 31, 2022, and (of) its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Curaçao, June 02, 2023



Harish Rao, FCA



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Niollo B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2022	2021
Assets			
Current assets			
Cash and cash equivalents	4	406,702	251,960
Prepaid expenses		219,480	4,867
Other assets	5	6,242,839	5,084,648
Total current assets		6,869,021	5,341,475
Non-current assets			
Intangible assets	6	29,877	11,197
Total non-current assets		29,877	11,197
Total assets		6,898,898	5,352,672
Equity and liabilities			
Current liabilities			
Accounts payable		4,070,960	649,870
Accrued expenses		892,742	569,267
Player balances		1,838,560	1,365,320
Other payables	7	-	2,695,693
Total current liabilities		6,802,262	5,280,150
Equity			
Issued capital	8	100	100
Retained earnings / (Accumulated losses)		96,536	72,422
Total equity		96,636	72,522
Total equity and liabilities		6,898,898	5,352,672

See accompanying notes.

Niollo B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2022	Jan 21, 2021 - Dec 31, 2021
Revenue (Net)	9	41,271,553	11,256,538
Direct cost (Net)	10	(25,663,042)	(6,909,503)
Gross profit / (loss)		15,608,511	4,347,035
Selling and marketing expenses	11	(14,739,683)	(19,930)
Administrative expenses	12	(541,813)	(4,157,531)
Amortization	6	(10,362)	(1,398)
Profit / (loss) from operations		316,653	168,176
Finance cost	13	(292,551)	(95,742)
Profit / (loss) before tax		24,102	72,434
Profit tax expense	3	12	(12)
Profit / (loss) for the year		24,114	72,422

See accompanying notes.

Niollo B.V.

Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Capital issued on January 21, 2021	100	-	100
Profit / (loss) for the period	-	72,422	72,422
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the period	-	72,422	72,422
Balance, December 31, 2021	100	72,422	72,522
Profit / (loss) for the year	-	24,114	24,114
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	24,114	24,114
Balance, December 31, 2022	100	96,536	96,636

See accompanying notes.





Niollo B.V.

Statement of cash flows

(All amounts in EUR)

	Note	2022	Jan 21, 2021 - Dec 31, 2021
Cash flow from operating activities			
Profit / (loss) for the year		24,114	72,422
Add: Amortization		10,362	1,398
(Increase) / decrease in prepaid expenses		(214,613)	(4,867)
(Increase) / decrease in other assets		(1,158,191)	(5,084,648)
Increase / (decrease) in accounts payable		3,421,090	649,870
Increase / (decrease) in accrued expenses		323,475	569,267
Increase / (decrease) in player balances		473,240	1,365,320
Increase / (decrease) in other payables		(2,695,693)	2,695,693
Net cash generated from operating activities		183,784	264,455
Cash flow from investing activities			
Purchase of intangible assets		(29,042)	(12,595)
Net cash generated from investing activities		(29,042)	(12,595)
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	100
Net cash generated from financing activities		-	100
Net increase / (decrease) in cash		154,742	251,960
Cash at the beginning of the year		251,960	-
Cash at the end of the year	4	406,702	251,960

See accompanying notes.

Niollo B.V.**Notes to financial statements****1. General information**

Niollo B.V. (the company) was established on January 21, 2021 in Curaçao as a private limited liability company. The address of its registered office is Fransche Bloemweg, 4, Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 156491.

The main objectives of the company are:

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising all types of games, betting and other operation of betting exchange, interactive casinos, bingos, lotteries, poker and other interactive games for clients established or residing 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.

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 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 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 less than one year, from January 21, 2021, being the date of incorporation to December 31, 2021, as per the Articles of Association.



Niollo B.V.**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

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 comprehensive income.

The company's financial assets include cash and cash equivalents, prepaid expenses 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 company's financial liabilities include accounts payable, accrued expenses and other payables.



Niollo B.V.**Subsequent measurement**

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

Revenue recognition

Casino revenue is represented by the difference between the amounts of turnover less amounts of customer winnings, net of bonuses and loyalty points, if any. The revenue is recognized at the fair value of the consideration.

Intangible assets

Intangible assets are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the statement of profit or loss.

<u>Asset</u>	<u>Amortization rate (%)</u>	<u>Residual value (%)</u>
Software	33.33	-

The intangible assets with a finite life are amortized using the straight-line method and the intangible assets with an infinite life are tested for impairment on an annual basis. The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

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.




Niollo B.V.**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.

4. Cash and cash equivalents

	2022	2021
Finductive Ltd – EUR	393,935	7,739
Oneify	7,535	-
Vega Wallet Affiliates	4,426	-
Finductive Ltd – GBP	616	-
Finductive Ltd – USD	190	244,221
	406,702	251,960

5. Other assets

	2022	2021
Receivable from holding company		
Trenta Tech Limited	6,222,541	5,084,648
Receivable from joint venture		
Marnad Limited	20,298	-
	6,242,839	5,084,648

The above receivables do not carry any interest and are repayable on demand.

6. Intangible assets

	2022	2021
Software	41,637	12,595
Less: Amortization	(11,760)	(1,398)
	29,877	11,197

Niollo B.V.**7. Other payables**

	2022	2021
Profit tax payable	-	12
Payable to joint venture		
Marnad Limited*	-	2,695,681
	-	2,695,693

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

8. Issued capital

The issued capital of the company as at December 31, 2022 and December 31, 2021 consists of 100 common shares with a nominal value of EUR 1 each and subscribed for EUR 100.

As of December 31, 2022, and December 31, 2021, Trenta Tech Limited, a company incorporated and domiciled in Republic of Cyprus, held 100% of shares of the company.

No dividends were declared in 2022 and 2021.

9. Revenue (Net)

	2022	2021
Turnover (Wagers)	2,183,421,860	604,587,942
Customer winnings	(2,124,067,193)	(588,370,036)
Gross gaming revenue	59,354,667	16,217,906
Less: Bonus	(18,083,114)	(4,961,368)
	41,271,553	11,256,538

10. Direct cost (Net)

	2022	2021
Software & support services	18,796,191	4,969,882
License fees	6,636,030	1,861,208
Gaming platform fees	240,000	80,000
Processing fees	23,912	1,825
Chargebacks	(33,091)	(3,412)
	25,663,042	6,909,503





Niollo B.V.**11. Selling and marketing expenses**

	2022	2021
Affiliate commission	11,528,190	-
Advertising expenses	3,168,230	-
Marketing tools and subscription expenses	43,263	19,930
	14,739,683	19,930

12. Administrative expenses

	2022	2021
Legal and professional fees - for joint venture (Marnad Limited)	378,899	4,154,281
Consultancy fees	83,643	-
Technology cost	44,146	-
Professional fees	31,113	3,000
Rent expenses	2,862	-
Other expenses	1,150	250
	541,813	4,157,531

13. Finance cost

	2022	2021
Exchange loss	273,984	91,673
Bank charges	18,567	4,069
	292,551	95,742

14. 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, accounts payable, accrued expenses, other assets and other payables approximate the carrying amount largely due to the short-term maturity.

15. Contingencies, commitments and legal proceedings

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

Niollo B.V.

16. 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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17. 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 June 02, 2023.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Statutory Director	DocuSigned by:  8780458C677848F ... DocuSigned by:  3508179679034CB...