

RIOTECH N.V.

FINANCIAL STATEMENTS

Year Ended December 31, 2022

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FINANCIAL STATEMENTS

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GENERAL INFORMATION

Director(s)
Odin Trust B.V.

Registered address
Dr. M.J. Hugenholtzweg 25, Unit 11
Willemstad
Curaçao

Company Registration Number
135400

Incorporation Date
March 18, 2015

Nominal Capital
1,000 share(s) with a nominal value of USD 1.00 each

RIOTECH N.V.
COMPILATION REPORT
for the financial year ended December 31, 2022

**To the Board of Directors of
Riotech N.V.**

Dr. M.J. Hugenholtzweg 25, Unit 11
Willemstad
Curaçao

We have compiled the accompanying balance sheet and income statement of Riotech N.V. for the year ended December 31, 2022, in accordance with applicable accounting standards generally accepted and the provisions of Book 2 Curaçao Civil Code.

The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

We have not audited or reviewed the accompanying financial statements of Riotech N.V. and accordingly, do not express an opinion or any other form of assurance on them.

Management is responsible for the preparation and fair presentation of the accompanying financial statements of Riotech N.V.

Willemstad, Curaçao



Aggregate Corporate Services B.V.

February 09, 2024

RIOTECH N.V.
DIRECTORS' REPORT
for the financial year ended December 31, 2022

The board of directors is pleased to present its report to the shareholder(s) together with the financial statements of Riotech N.V. for the financial year ended December 31, 2022.

Principal activities

Riotech N.V. is a company incorporated and domiciled in Curaçao, Dutch Caribbean, with registered office at Dr. M.J. Hugenholtzweg 25, Unit 11, Willemstad, Curaçao. The Company is engaged in organizing, marketing, promoting, managing, supporting and operating 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.

Results and appropriations

The results of the Company for the year ended December 31, 2022 are set out in the Company's financial statements on page 4. No interim dividend has been issued during the financial year and the directors do not recommend distribution of a final dividend.

Fiscal position

The General Profit Tax rate in Curaçao is 22%.

As of January 1, 2020, the profit tax legislation was amended from a worldwide tax system to a territorial system. Consequently, profit tax is levied only on income from a domestic enterprise. To determine whether income is considered domestic or non-domestic, the profit before indirect cost is allocated to either domestic or non-domestic based on direct (local/foreign) expenses excluding costs of materials.

Current and post balance sheet events

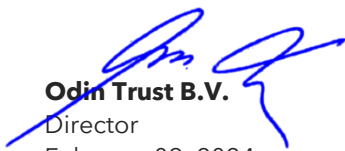
During 2022, the value of BTC dropped considerable. The rate almost tripled down, resulting in a mayor exchange loss for the Company.

Statement by directors

Odin Trust B.V. in its capacity as sole director of the company, do hereby state that, in its opinion:

- (i) the financial statements and the notes to the financial statements are drawn up so as to give a true and fair view of the state of affairs of the Company as at December 31, 2022 and the results of the Company for the year ended on that date, and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

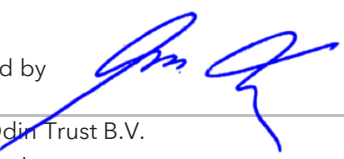
For and on behalf of the board of directors:


Odin Trust B.V.
Director
February 09, 2024

RIOTECH N.V.
BALANCE SHEET
As at: December 31, 2022
before allocation of the result of the year

	notes	EUR 12.31.2022	EUR 12.31.2021
ASSETS			
Non-current assets			
Financial assets	3	5,099	5,099
Total non-current assets		5,099	5,099
Current assets			
Trade accounts and other receivables	4	2,629,018	3,928,944
Prepayments		4,793	11,839
Total Current assets		2,633,811	3,940,783
TOTAL ASSETS		2,638,910	3,945,882
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Nominal Capital	5	835	835
Retained earnings		3,845,344	1,982,987
Current year result		(1,322,322)	1,862,357
Total Shareholders' Equity		2,523,857	3,846,179
Current liabilities			
Trade accounts and other payables	6	115,053	99,703
Total current liabilities		115,053	99,703
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,638,910	3,945,882

Approved by

Name: 
Title: Director

The accompanying notes are an integral part of these financial statements.

RIOTECH N.V.
INCOME STATEMENT
For the period ending December 31, 2022

	notes	EUR 2022	EUR 2021
Income			
Wagering income		2,488,833	5,097,130
Direct costs	7	(2,324,451)	(3,878,824)
Income before Operating Expenses		164,382	1,218,306
Expenses			
Legal and professional services		18,034	15,255
Accounting and tax services		2,500	3,350
Bank fees		-	7,654
Other administrative expenses		7,170	-
		27,704	26,259
Operating Result		136,678	1,192,047
Foreign exchange gains/ (losses)		(1,459,000)	745,324
Other gains/ (losses)		-	(74,804)
Result before Taxes		(1,322,322)	1,862,567
Income tax expense		-	(210)
Net Profit/(Loss)		(1,322,322)	1,862,357

Approved by

Name: Odin Trust B.V.
Title: Director

The accompanying notes are an integral part of these financial statements.

RIOTECH N.V.
NOTES TO THE FINANCIAL STATEMENTS
For the period January 1, 2022 through December 31, 2022

1 General Information

Riotech N.V. was incorporated on March 18, 2015. The Company is a limited liability company and domiciled in Curaçao, Dutch Caribbean.

The principal activities of the Company are that of organizing, marketing, promoting, managing, supporting and operating 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.

The Company is registered with the Curacao Chamber of Commerce under number 135400.

2 General Accounting Principles

Basis of Preparation

The Financial Statements have been prepared in accordance with applicable accounting standards generally accepted and the provision of Book 2 Curaçao Civil Code. They have been prepared under the historical cost basis. Unless stated otherwise, all assets and liabilities are stated at their nominal value.

Accounting Method

The financial statements are prepared using the accrual method of accounting. In accordance with this method of accounting, revenue is recognized in the period in which it is earned and expenses are recognized in the period in which they are incurred.

Foreign Currencies

The financial statements are presented in Euros (EUR or €). Foreign currency transactions are translated into the functional currency using daily ECB exchange rates. Exchange differences arising on the settlement of monetary items are recognized as realized foreign exchange gains or losses on the income statement. Exchange differences arising on translating monetary items at the end of the reporting period are recognised as unrealized financial gains or losses.

Revenue

Revenue represents player losses (bets min wins) during the respective year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand. All cash is directly available to the Company.

Taxes

Profit tax liabilities for the current and prior periods are measured at the amount expected to be paid to the taxation authorities. Current profit taxes are recognised in the income statement and are adjusted for any differences between the estimated and actual tax payable in prior years.

3 Financial assets

	EUR 2022	EUR 2021
Karoliana LP	99	99
Riofin Limited	5,000	5,000
	5,099	5,099

Represents 100% shareholding in the respective company.

RIOTECH N.V.
NOTES TO THE FINANCIAL STATEMENTS
For the period January 1, 2022 through December 31, 2022

4 Trade accounts and other receivables	EUR 2022	EUR 2021
Receivable related parties		
Karoliana LP	11,400	11,400
Riofin Limited	194,608	145,913
Riofin Limited - PSP merchant balances	510,642	1,437,026
	716,650	1,594,339
Other receivables		
PSP Merchant accounts	592,315	-
Cryptoholdings	1,320,053	2,334,605
	1,912,368	2,334,605
	2,629,018	3,928,944

5 Shareholders' Equity						EUR 2022	EUR 2021
	CAPITAL STOCK						
	Common Stock	Preferred Stock	Amount Paid up	Additional Paid-in Capital	Accum. Results	Total Shareholders' equity	Total Shareholders' equity
Balance at Jan 01	1000	0 €	835	€ -	€ 3,845,344	€ 3,846,179	€ 1,983,822
Issued capital	0	0 €	-	€ -	€ -	€ -	€ -
Paid-in Surplus	0	0 €	-	€ -	€ -	€ -	€ -
Net Result for the year	0	0 €	-	€ -	€ (1,322,322)	€ (1,322,322)	€ 1,862,357
Balance at Dec 31	1000	0 €	835	€ -	€ 2,523,022	€ 2,523,857	€ 3,846,179

6 Trade accounts and other payables	EUR 2022	EUR 2021
Trade accounts		
Creditors	33,650	10,192
Player balances	4,219	14,827
	37,869	25,019
Payable related parties		
Shareholder	61,143	61,143
	61,143	61,143
Other receivables		
Profit tax due	1,158	1,158
Other payables	9,883	9,883
Accrued expenses	5,000	2,500
	16,041	13,541
	115,053	99,703

RIOTECH N.V.
NOTES TO THE FINANCIAL STATEMENTS
For the period January 1, 2022 through December 31, 2022

7 Direct costs	EUR 2022	EUR 2021
Domestic Direct costs		
Gaming License expenses	5,300	3,533
	5,300	3,533
Non-Domestic Direct costs		
Platform and game software license fees	673,214	507,345
Bonus and Promotions	1,303,794	2,331,685
Affiliate Marketing fees	276,686	942,216
Payment processing fees	10,459	-
ICT, Design and Hosting expenses	29,560	94,045
Agent commission	25,438	-
	2,319,151	3,875,291
Total Direct costs	2,324,451	3,878,824

Appropriation of result

The General Meeting shall determine how the result of the financial year will be appropriated.