

K Softworks N.V.
Dr. Henri Fergusonweg 1
Willemstad, Curaçao
Registration number: 142090

Financial Statements for the year ended December 31, 2022

K Softworks N.V.
Financial Statements
December 31, 2022

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K Softworks N.V.

Financial Statements as at December 31, 2022

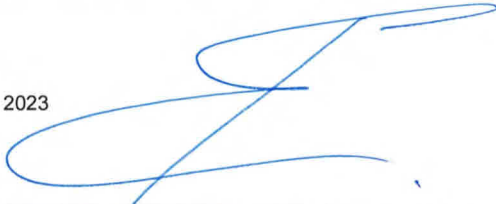
DIRECTOR'S REPORT:

We are pleased to present you with the annual report for the period January 1, 2022 through December 31, 2022.

During the period under review, the company recorded a net gain of EUR 1,223,659.

Details of which are set out in the profit and loss account.

Curaçao, 9 June 2023

A handwritten signature in blue ink, consisting of a large, stylized 'S' followed by a horizontal line and a small flourish.

(SMES) Solutions for Management and Employment Support N.V.
Managing Director

K Softworks N.V.
Willemstad, Curaçao
BALANCE SHEET
As of December 31 2022
(Expressed in EUR)

		<u>2022</u>	<u>2021</u>
ASSETS			
<u>Current Assets</u>			
Prepaid expenses		3,765	1,650
Deposits	1	3,214,499	1,994,605
		<u>3,218,264</u>	<u>1,996,255</u>
TOTAL ASSETS		<u>3,218,264</u>	<u>1,996,255</u>
SHAREHOLDER'S EQUITY AND LIABILITIES			
<u>Shareholder's equity</u>	2		
Issued and fully paid share capital		1	1
Accumulated results		1,950,993	306,428
Net result for the year		<u>1,223,659</u>	<u>1,644,565</u>
		3,174,653	1,950,994
<u>Current Liabilities</u>			
Outstanding payables		<u>43,611</u>	<u>45,261</u>
		43,611	45,261
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		<u>3,218,264</u>	<u>1,996,255</u>

K Softworks N.V.
Willemstad, Curaçao
INCOME STATEMENT
For the year ended December 31, 2022
(Expressed in EUR)

		<u>2022</u>	<u>2021</u>
Revenues			
Operational income	3	57,343,752	6,242,002
Expenses			
License and legal costs	4	3,697	2,698
Payouts		55,710,321	4,568,907
Management fee	5	1,800	1,350
Legal and Professional fees	5	403,484	23,602
General and administrative expenses	5	450	880
		<u>56,119,752</u>	<u>4,597,437</u>
Result before provisionfor profit tax		1,224,000	1,644,565
Profit tax paid previous years		341	-
Profit tax		-	-
NET RESULT FOR THE YEAR		<u><u>1,223,659</u></u>	<u><u>1,644,565</u></u>

K Softworks N.V.
Dr. Henri Fergusonweg 1
Notes to the Financial Statements
For the year ended December 31, 2022
(Expressed in EUR)

1. GENERAL

Company's Information and Principal Activities

K Softworks N.V. is a limited liability company that was incorporated in Willemstad on December 2, 2016. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 142090.

The Company is solely engaged in e-gaming activities.

2. PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

a. General principles

The accompanying annual accounts have been prepared in accordance with principles of accounting generally accepted in Curaçao.

b. Assets and liabilities

Assets and liabilities are stated at face value unless indicated otherwise.

c. Comparison with previous year

The principles of valuation and determination of result remained unchanged compared to the previous year.

d. Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into administration currency at the rate of exchange prevailing at balance sheet date.

Transactions in foreign currencies are translated at the exchange rates in effect on the day of the transaction. Items in the Statement of Income and Expenses were revalued at the average rate of exchange during the period under review.

Exchange gains or losses are reflected in the profit and loss account.

	2022		2021
Exchange rates used:	1.06449	EUR	1.1324
Exchange rates used:	0.05016	EUR	0.07703

e. Recognition of Income and Expenses

Other income and expenses, including taxation, are recognized and reported in accordance with the accrual concept.

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Notes to the Financial Statements
For the year ended December 31, 2022
(Expressed in EUR)

1. DEPOSITS

	<u>2022</u>	<u>2021</u>
The company has no bank account, as a result of which its revenues and profits are maintained through deposits on wallets.	3,214,499	1,994,605
	<u>3,214,499</u>	<u>1,994,605</u>

2. SHAREHOLDER'S EQUITY

The Company's authorized share capital amounts to USD 1 and consists of 1 share with a nominal value of USD 1 each.

Movements in the shareholder's equity accounts are as follows:

	Issued and fully paid capital	Retained earnings/ Accumulated deficit	Result current year	Total
Opening balance	1	306,427	-	306,428
Allocation of result previous year	-	1,644,565	-	1,644,565
Movements during the year	-	-	1,223,659	1,223,659
Ending balance	<u>1</u>	<u>1,950,992</u>	<u>1,223,659</u>	<u>3,174,652</u>

3. Operational Income

	<u>2022</u>	<u>2021</u>
The company generates its income through betting deposits from its affiliated providers, that are transferred to the various accounts of the company.	57,343,752	6,242,002
Ending balance	<u>57,343,752</u>	<u>6,242,002</u>

4. Expenses

	<u>2022</u>	<u>2021</u>
License and legal costs - Antillephone Services N.V.	3,697	2,698
	<u>3,697</u>	<u>2,698</u>

5. General and Administrative Expenses

	<u>2022</u>	<u>2021</u>
Management fee	1,800	1,350
Legal and Professional fees	403,484	23,602
Other expenses	450	880
	<u>405,734</u>	<u>25,832</u>