



YellowTree
Tax Consultants B.V.

P.O. Box 4025
5604 EA Eindhoven
The Netherlands

T +31 (0) 40 8437732
info@yellowtreetax.com
Becon-nummer 673079

REGISTERED
TAX ADVISORS
ADVISEURS

To the director and the members of Pinbit N.V.
Heelsumstraat 51
Vredenberg
Curaçao, D.W.I.

Subject: Report on the Audit of the Financial Statements

11 June 2021

L.S.,

We have audited the accompanying balance sheet of Pinbit N.V. (the "Company") as of December 31, 2020 and the related statements of income, retained earnings, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Curacao Civil Code (Section 9 of Chapter 2) and, as regards the Group financial statements Dutch General Audit and Accounting Principles ("GAAP").

Management's Responsibility for the Financial Statement

As you are aware, management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Curacao; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Curacao, mostly based upon similar standards as used in the Netherlands; as stated above, this falls under Dutch GAAP. Those standards require that we plan and perform our assessment to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Basis of opinion

We conducted our audit in accordance with auditing standards generally accepted in Curacao, more in particular Dutch GAAP. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles in Curacao.

Other Matters

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 9 of Chapter 2 of the Curacao Civil Code and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Yours sincerely,

11 JUN 2021


**YELLOWTREE TAX
CONSULTANTS BV
JEROEN ADELER
DIRECTOR**

Jeroen Adeler MA, RB
Certified Tax Consultant Netherlands (no. 18633)
For and on behalf of YellowTree Tax Consultants B.V.

Pinbit N.V.

Annual accounts 2020
1 January 2020 - 31 December 2020

elom
11 JUN 2021
CERTIFIED TRUE COPY
YELLOWTREE TAX
CONSULTANTS BV
JEROEN ADELER
DIRECTOR

Registered address: Heelsumstraat 51
Ecommerce Park
Curacao

Board of Directors: International Business Management Company B.V.

Chamber of Commerce no.: 143584

Curacao TIN: 102.458.996

Balance Sheet 2020**EUR****Debet**

<u>Current assets</u>	<u>31/12/2020</u>	<u>01/01/2020</u>
Trade debtors	0.00	25,021.00
Prepaid expenses	0.00	50,979.00
Receivable Shareholder	(1) 111,529.42	1.00
Deposits	(2) 348,439.16	267,012.58
Total assets	<u>459,968.58</u>	<u>343,013.58</u>

Credit**Share holder's equity**

Nominal share capital	(1) 1.00	1.00
Accumulated results	343,012.58	-1,245,927.97
Result current year	116,955.00	1,588,940.55

Liabilities

Outstanding payables	0.00	0.00
Total equity	<u>459,968.58</u>	<u>343,013.58</u>

Profit & loss account 2020**EUR****Revenues**

(3) Operational income	<u>1,327,230.23</u>	1,327,230.23
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Expenses

(4) Software and hosting fees	202,484.16	
(4) License and legal costs	29,000.00	
Payouts	<u>978,791.07</u>	1,210,275.23

Total before taxation**116,955.00****Taxation****EUR**

Taxable profits		116,955.00
(5) Profit tax (0%)	-/-	0.00
Nett profits after tax		<u>116,955.00</u>

Profit taxation in Netherlands-Antilles guilders**Naf.****0.00**

Notes to the financial statements of 2020

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|-----------------|--|
| General
note | Being in possession of a gaming license, since 2019 the company receives betting income, and obtains non-Curacao sourced income only. The EUR/USD rate used is 1,2162 (average rate December 2020). The conversion with the Turkish lira is converted to 0.1136 to the euro. |
| (1) | The company has a capital dividend into 1 ordinary share of US\$ 1. The shareholder has not yet paid-up for this share, as a result of which an Accounts Receivable is reported in the balance sheet. The USD capital has been set at parity (1:1) against the EUR for efficiency reasons. |
| (2) | The company has no bank account, as a result of which its revenues and profits are maintained through deposits and wallets. |
| (3) | The company generates its income through betting deposits from its affiliated providers that are transferred to the various accounts of the company. |
| (4) | The costs relating to licence fees and legal costs, but also software and hosting fees are mainly connected with the services from Antillesphone Services N.V., external consultants, the management of Ezone Vredenberg and external auditors. |
| (5) | In 2019, Curaçao changes its profit tax rules. As a result, foreign sourced income is, as a main rule tax exempt, provided conditions are met. An important criterium is that the company should meet substance conditions. We believe that for the year 2019 the company only receives foreign sourced income. In addition, assessing the business model of the company and the setup, we also believe these substance conditions are met by the company. |

Notes to the shareholder(s)

Statutory rules result for the year 2020

In accordance with the Articles of Incorporation of the Company the General Meeting of Shareholders should decide how the 2020 result is allocated or distributed.

The director of the company will propose to the shareholder to allocate the 2020 results to the Accumulated Reserves of the company.

This proposal should be taken into account during the General meeting of Shareholders.

Curaçao
Pinbit N.V.

International Business Management Company B.V.
Director