

Intelligent Innovations N.V.

Groot Kwartierweg 10
Livestrong Building
Curaçao

FINANCIAL STATEMENTS 2021

Correspondence Address of the Company:

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Director's report

We are pleased to present you with the Annual Report for the period January 1, 2021 through December 31, 2021.

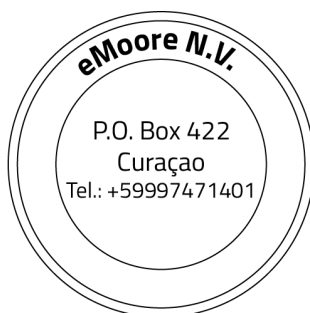
During the period under review, the Company recorded a net profit of EUR 1,545,040. Details of which are set out in the attached Profit and Loss account.

Curaçao,



eMoore N.V.
Managing Director

Groot Kwartierweg 10
Livestrong Building
Curaçao



Balance sheet as at 31 December 2021

(Before distribution of result)

Assets

		<u>31-12-2021</u>	<u>31-12-2020</u>
		EUR	EUR
Financial fixed assets			
Investment in participation	1	-	-
Current assets			
Receivables from related party	2	27,688	185,678
Other receivables	3	3,332,568	468,826
		<u>3,360,256</u>	<u>654,504</u>
Cash and cash equivalents	4	55,490	509,922
Total assets		<u><u>3,415,746</u></u>	<u><u>1,164,426</u></u>
Shareholder's equity and liabilities			
Shareholder's equity	5		
Share capital		1	1
Other reserves		161,105	359,147
Result for the year		1,545,040	(198,042)
		<u>1,706,146</u>	<u>161,106</u>
Current liabilities			
Accounts payable	6	1,600,736	937,310
Payable to related party	7	108,864	66,010
		<u>1,709,600</u>	<u>1,003,320</u>
Total shareholder's equity and liabilities		<u><u>3,415,746</u></u>	<u><u>1,164,426</u></u>

Profit and loss account for the year 2021

		<u>2021</u>	<u>2020</u>
		EUR	EUR
Operational income	8	3,076,062	294,889
Operational expenses	9	<u>(1,455,819)</u>	<u>(403,299)</u>
Net operating result		1,620,243	(108,410)
General and administrative expenses	10	<u>85,213</u>	<u>62,271</u>
Result before interest and taxes		1,535,030	(170,681)
Impairment losses		-	(1,000)
Currency translation differences		<u>10,010</u>	<u>(26,361)</u>
Financial income and expense		<u>10,010</u>	<u>(27,361)</u>
Result before tax		1,545,040	(198,042)
Profit tax	11	<u>-</u>	<u>-</u>
Result after tax		<u><u>1,545,040</u></u>	<u><u>(198,042)</u></u>

Notes to the financial statements

Entity information

General notes

The most important activities of the entity

Intelligent Innovations N.V. is a limited liability company that was incorporated in Willemstad on November 30, 2016. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 142065.

The Company is solely engaged in e-gaming activities.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements have been prepared in accordance with Book 2 of the Curaçao Civil Code using the Guidelines for annual reporting of the Dutch Accounting Standards Board.

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

Disclosure of changes in accounting policies

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

Conversion of amounts denominated in foreign currency

The financial statements are presented in EUR, which is the functional and presentation currency of Intelligent Innovations N.V..

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.

Exchange rates used:

1 USD = EUR

2021 0.8830

2020 0.8141

Accounting principles

Financial assets

Shares in group companies are stated at acquisition cost or, in case of a permanent impairment of the value of the shares at, lower equity value as determined on the basis of the financial statements of the group companies.

Cash and cash equivalents

Cash at bank includes bank balances. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

Current assets

Current assets are initially valued at the fair value of the consideration to be received. Trade receivables are subsequently valued at the amortised cost price. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. . Provisions for bad debts are deducted from the carrying amount of the receivable.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur.

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

Notes to the balance sheet

Financial fixed assets

	<u>31-12-2021</u>	<u>31-12-2020</u>
	EUR	EUR

1 Investment in participation

Verbenaz Limited	<u>-</u>	<u>-</u>
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Verbenaz Limited, based in Cyprus, was acquired on June 20, 2018. The company holds 100% of the issued share capital in its subsidiary.

During 2020, the participation was devalued to nil.

Movements is as follows:

Opening balance	-	1,000
Impairment loss	-	(1,000)
Ending balance	<u>-</u>	<u>-</u>

	<u>31-12-2021</u>	<u>31-12-2020</u>
	EUR	EUR

2 Receivables from related party

Verbenaz Limited	<u>27,688</u>	<u>185,678</u>
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	<u>2021</u>	<u>2020</u>
	EUR	EUR

Verbenaz Limited

Balance as at 1 January	185,678	10,114
Movements during the year	<u>(157,990)</u>	<u>175,564</u>
Balance as at 31 December	<u>27,688</u>	<u>185,678</u>

	<u>31-12-2021</u>	<u>31-12-2020</u>
	EUR	EUR

3 Other receivables

Prepaid expenses - sublicense fee	5,501	5,395
PSP wallets receivables*	3,278,952	463,431
Funds in transit	<u>48,115</u>	<u>-</u>
	<u>3,332,568</u>	<u>468,826</u>

Intelligent Innovations N.V.

PSP wallets summary

Direct Payments Ltd.	(11,369)	(11,369)
Muchbetter	-	220
Pradexx OU	-	5,434
Pure Transfer	1,889,556	469,146
AstroPay	13,566	-
Muvon Payments Ltd. account EUR	7,745	-
Muvon Payments Ltd. account RUB	1	-
Muvon Payments Ltd. account KZT	2	-
Inpay A/S	7,587	-
Macropay	65	-
Eupago Institucao De Pagamento LDA	393	-
MiFinity UK Limited	11,839	-
Directa24 LLP	46,441	-
Neosurf	1,313,126	-
Total	<u>3,278,952</u>	<u>463,431</u>

31-12-2021	31-12-2020
EUR	EUR

4 Cash and cash equivalents

Paymix, current account euro	40,493	9,248
Finductive Ltd., current account euro	14,997	-
3rd party Account, current account euro	-	500,674
	<u>55,490</u>	<u>509,922</u>

5 Shareholder's equity

The Company's authorized share capital amounts to USD 1 (EUR 0.91) and consists of 1 share with a nominal value of USD 1,00 each.

Movements in the shareholder's equity were as follows:

	Share capital	Other reserves	Result for the year	Total
	EUR	EUR	EUR	EUR
Balance as at 1 January 2021	1	359,147	(198,042)	161,106
Appropriation of result	-	(198,042)	198,042	-
Result for the year	-	-	1,545,040	1,545,040
Balance as at 31 December 2021	<u>1</u>	<u>161,105</u>	<u>1,545,040</u>	<u>1,706,146</u>

	<u>31-12-2021</u>	<u>31-12-2020</u>
	EUR	EUR
6 Accounts payable		
Accounts payable *	37,947	239,883
Players liability balance	1,555,943	690,581
Profit tax	6,846	6,846
	<u>1,600,736</u>	<u>937,310</u>
*Aging summary		
Less than 30 days	36,667	131,130
More than 30 days	1,280	108,753
Total	<u>37,947</u>	<u>239,883</u>
	<u>31-12-2021</u>	<u>31-12-2020</u>
	EUR	EUR
7 Payable to related party		
Liability to shareholder	<u>108,864</u>	<u>66,010</u>
	<u>2021</u>	<u>2020</u>
	EUR	EUR
Liability to shareholder		
Balance as at 1 January	66,010	57,695
Movements during the year	<u>42,854</u>	<u>8,315</u>
Balance as at 31 December	<u>108,864</u>	<u>66,010</u>

Notes to the profit and loss account

	<u>2021</u>	<u>2020</u>
	EUR	EUR
8 Operational income		
Net gaming revenue	2,978,501	184,889
Other income	<u>97,561</u>	<u>110,000</u>
	<u><u>3,076,062</u></u>	<u><u>294,889</u></u>

In 2021, the Company received € 97,561.00 as a settlement from a legal dispute unrelated to its core operations. The income has been recorded under “Other Income” in the profit and loss statement, as it is non-recurring and not connected to the Company’s ordinary business activities.

	<u>2021</u>	<u>2020</u>
	EUR	EUR
9 Operational expenses		
Marketing and advertising expenses	93,736	28,020
Software and license expenses	792,177	269,029
Support expenses	-	4,211
Payment service provider expenses	629,008	76,853
Revenue share expenses	11,886	6,718
Sublicense expenses	5,749	4,865
Correction previous expenses	(102,783)	-
Agent expenses	<u>26,046</u>	<u>13,603</u>
	<u><u>1,455,819</u></u>	<u><u>403,299</u></u>
	<u>2021</u>	<u>2020</u>
	EUR	EUR

10 General and administrative expenses

Management expenses	2,500	2,500
Legal and professional expenses	54,398	38,143
Rent expenses	6,360	7,360
Staff expenses	14,798	-
Bank charges	7,157	1,654
Other expenses	-	2,500
Correction previous year	<u>-</u>	<u>10,114</u>
	<u><u>85,213</u></u>	<u><u>62,271</u></u>

11 Profit tax

The Company's profit tax is determined in accordance with the territorial tax regime of Curaçao. Under this regime, a profit tax rate is applied to the taxable domestic net result.