

Intelligent Innovations N.V.

Groot Kwartierweg 10
Livestrong Building
Curaçao

FINANCIAL STATEMENTS 2023

Correspondence Address of the Company:

PO Box 422
Curaçao

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Intelligent Innovations N.V.

Director's report

We are pleased to present you with the Annual Report for the period January 1, 2023 through December 31, 2023.

During the period under review, the Company recorded a net profit of EUR 1,291,385. 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 2023

(Before distribution of result)

Assets

		<u>31-12-2023</u>	<u>31-12-2022</u>
		EUR	EUR
Financial fixed assets			
Investment in participations	1	<u>2,000</u>	<u>1,000</u>
Current assets			
Receivables from related party	2	3,053,646	2,954,348
Other receivables	3	<u>1,149,976</u>	<u>1,319,158</u>
		<u>4,203,622</u>	<u>4,273,506</u>
Cash and cash equivalents	4	<u>187,315</u>	<u>837,868</u>
Total assets		<u><u>4,392,937</u></u>	<u><u>5,112,374</u></u>
Shareholder's equity and liabilities			
Shareholder's equity	5		
Share capital		1	1
Other reserves		2,595,692	1,706,145
Result for the year		<u>1,291,385</u>	<u>889,547</u>
		<u>3,887,078</u>	<u>2,595,693</u>
Current liabilities			
Accounts payable	6	288,928	2,347,847
Payable to related parties	7	125,660	114,731
Accrued expenses		<u>91,271</u>	<u>54,103</u>
		<u>505,859</u>	<u>2,516,681</u>
Total shareholder's equity and liabilities		<u><u>4,392,937</u></u>	<u><u>5,112,374</u></u>

Profit and loss account for the year 2023

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Operational income	7,018,952	3,778,055
Operational expenses	⁸ <u>(5,613,820)</u>	<u>(2,782,072)</u>
Net operating result	1,405,132	995,983
General and administrative expenses	⁹ <u>114,945</u>	<u>114,923</u>
Result before interest and taxes	1,290,187	881,060
Reversal of impairment on participation	-	1,000
Currency translation differences	<u>1,198</u>	<u>7,487</u>
Financial income and expense	<u>1,198</u>	<u>8,487</u>
Result before tax	1,291,385	889,547
Profit tax	¹⁰ <u>-</u>	<u>-</u>
Result after tax	<u><u>1,291,385</u></u>	<u><u>889,547</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 EUR = USD

2023 1.1036

2022 1.0675

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>31-12-2023</u>	<u>31-12-2022</u>
	EUR	EUR
1 Investment in participations		
Verbenaz Limited	1,000	1,000
LEMOREX LTD	<u>1,000</u>	<u>-</u>
	<u>2,000</u>	<u>1,000</u>

Verbenaz Limited, a company incorporated in Cyprus, was acquired on 20 June 2018. The Company holds 100% of the issued share capital of this subsidiary.

The investment is measured at cost (EUR 1,000) and was fully impaired in 2020. As at 31 December 2022, the subsidiary reported positive equity of EUR 24,619. Since the circumstances that gave rise to the impairment no longer existed, an impairment reversal was recognized in 2022, limited to the original cost of the investment. Accordingly, the carrying amount of the investment as at 31 December 2023 amounted to EUR 1,000.

LEMOREX LTD, a company incorporated in Cyprus, was acquired on 15 May 2023. The Company holds 100% of the issued share capital of this subsidiary.

The investment is measured at cost.

	<u>31-12-2023</u>	<u>31-12-2022</u>
	EUR	EUR
2 Receivables from related party		
Verbenaz Limited	<u>3,053,646</u>	<u>2,954,348</u>
	<u>2023</u>	<u>2022</u>
	EUR	EUR
Verbenaz Limited		
Balance as at 1 January	2,954,348	27,688
Movements during the year	<u>99,298</u>	<u>2,926,660</u>
Balance as at 31 December	<u>3,053,646</u>	<u>2,954,348</u>
	<u>31-12-2023</u>	<u>31-12-2022</u>
	EUR	EUR
Other receivables		
Prepaid expenses - sublicense fee*	1,059,306	5,643
PSP wallets receivables**	<u>90,670</u>	<u>1,313,515</u>
	<u>1,149,976</u>	<u>1,319,158</u>

Intelligent Innovations N.V.

Prepaid expenses summary

Sublicense fee	10,494	5,643
Marketing and advertising expenses	1,048,812	-
Total	<u>1,059,306</u>	<u>5,643</u>

PSP wallets summary

Direct Payments Ltd.	(11,369)	(11,369)
MiFinity UK Limited	91,243	822
Verser Pay EUR	10,795	-
Verser Pay LZT	1	-
Muvon Payments Ltd. account EUR	-	1,324,062
Total	<u>90,670</u>	<u>1,313,515</u>

<u>31-12-2023</u>	<u>31-12-2022</u>
EUR	EUR

4 Cash and cash equivalents

Paymix, current account euro	406	827,713
Finductive Ltd., current account euro	186,909	10,155
	<u>187,315</u>	<u>837,868</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 2023	1	1,706,145	889,547	2,595,693
Appropriation of result	-	889,547	(889,547)	-
Result for the year	-	-	1,291,385	1,291,385
Balance as at 31 December 2023	<u>1</u>	<u>2,595,692</u>	<u>1,291,385</u>	<u>3,887,078</u>

	<u>31-12-2023</u>	<u>31-12-2022</u>
	EUR	EUR
6 Accounts payable		
Accounts payable *	82,189	121,454
Players liability balance	199,893	2,219,547
Profit tax	6,846	6,846
	<u>288,928</u>	<u>2,347,847</u>

***Aging summary**

Less than 30 days	12,002	62,338
More than 30 days	70,187	59,116
Total	<u>82,189</u>	<u>121,454</u>

	<u>31-12-2023</u>	<u>31-12-2022</u>
	EUR	EUR
7 Payable to related parties		
Current account shareholder	124,660	114,731
Current account LEMOREX LTD	1,000	-
	<u>125,660</u>	<u>114,731</u>

The liability to the shareholder represents advances received. The balance is unsecured, non-interest bearing, and has no fixed repayment terms, and is therefore repayable on demand.

The balance of EUR 1,000 included in current account with participation represents unpaid issued share capital.

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Current account shareholder		
Balance as at 1 January	114,731	108,864
Movement during the year	9,929	5,867
Balance as at 31 December	<u>124,660</u>	<u>114,731</u>

	<u>2023</u>	<u>2022</u>
	EUR	EUR
Current account LEMOREX LTD		
Balance as at 1 January	-	-
Movement during the year	1,000	-
Balance as at 31 December	<u>1,000</u>	<u>-</u>

Notes to the profit and loss account

	<u>2023</u>	<u>2022</u>
	EUR	EUR
8 Operational expenses		
Marketing and advertising expenses	1,621,478	168,848
Software and license expenses	1,199,974	1,108,006
Payment service provider expenses	101,996	404,552
Revenue share expenses	26,572	25,760
Sublicense expenses	7,620	5,501
Agent expenses	2,645,568	1,016,125
Royalty expenses	10,612	5,165
Write off - funds in transit	-	48,115
	<u>5,613,820</u>	<u>2,782,072</u>

	<u>2023</u>	<u>2022</u>
	EUR	EUR

9 General and administrative expenses

Management expenses	2,750	2,500
Legal and professional expenses	99,771	83,425
Rent expenses	5,830	6,360
Staff expenses	-	17,000
Bank charges	6,075	5,638
Other expenses	519	-
	<u>114,945</u>	<u>114,923</u>

10 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.