

Intelligent Innovations N.V.

Groot Kwartierweg 10
Livestrong Building
Curaçao

FINANCIAL STATEMENTS 2022

Correspondence Address of the Company:

PO Box 422
Curaçao

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Director's report

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

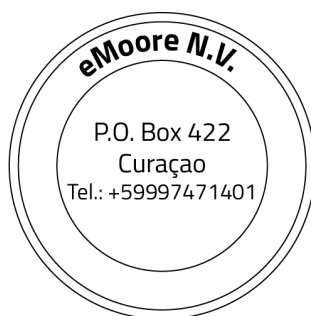
During the period under review, the Company recorded a net profit of EUR 889,547. Details of which are set out in the attached Profit and Loss account.

Curaçao,



eMoore N.V.
Managing Director

Groot Kwartierweg 10
Livestrong Building
Curaçao



Balance sheet as at 31 December 2022

(Before distribution of result)

Assets

		<u>31-12-2022</u>	<u>31-12-2021</u>
		EUR	EUR
Financial fixed assets			
Investment in participation	1	<u>1,000</u>	<u>-</u>
Current assets			
Receivables from related party	2	2,954,348	27,688
Other receivables	3	<u>1,319,158</u>	<u>3,332,568</u>
		<u>4,273,506</u>	<u>3,360,256</u>
Cash and cash equivalents	4	<u>837,868</u>	<u>55,490</u>
Total assets		<u><u>5,112,374</u></u>	<u><u>3,415,746</u></u>
Shareholder's equity and liabilities			
Shareholder's equity	5		
Share capital		1	1
Other reserves		1,706,145	161,105
Result for the year		<u>889,547</u>	<u>1,545,040</u>
		<u>2,595,693</u>	<u>1,706,146</u>
Current liabilities			
Accounts payable	6	2,347,847	1,600,736
Payable to related party	7	114,731	108,864
Accrued expenses	8	<u>54,103</u>	<u>-</u>
		<u>2,516,681</u>	<u>1,709,600</u>
Total shareholder's equity and liabilities		<u><u>5,112,374</u></u>	<u><u>3,415,746</u></u>

Profit and loss account for the year 2022

		<u>2022</u>	<u>2021</u>
		EUR	EUR
Operational income	9	3,778,055	3,076,062
Operational expenses	10	<u>(2,782,072)</u>	<u>(1,455,819)</u>
Net operating result		995,983	1,620,243
General and administrative expenses	11	<u>114,923</u>	<u>85,213</u>
Result before interest and taxes		881,060	1,535,030
Reversal of impairment on participation		1,000	-
Currency translation differences		<u>7,487</u>	<u>10,010</u>
Financial income and expense		<u>8,487</u>	<u>10,010</u>
Result before tax		889,547	1,545,040
Profit tax	12	<u>-</u>	<u>-</u>
Result after tax		<u><u>889,547</u></u>	<u><u>1,545,040</u></u>

Intelligent Innovations N.V.

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

2022 1.0675

2021 1.1324

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>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
1 Investment in participation		
Verbenaz Limited	<u>1,000</u>	<u>-</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 participation is measured at cost (EUR 1,000) and was written down to nil in 2020. As at 31 December 2022, the subsidiary reported positive equity of EUR 24,619. As the reasons for the impairment no longer exist, an impairment reversal was recognized in 2022, limited to the original cost. The carrying amount as at 31 December 2022 amounts to EUR 1,000.

	<u>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
2 Receivables from related party		
Verbenaz Limited	<u>2,954,348</u>	<u>27,688</u>
	<u>2022</u>	<u>2021</u>
	EUR	EUR

Verbenaz Limited

Balance as at 1 January	27,688	185,678
Movements during the year	<u>2,926,660</u>	<u>(157,990)</u>
Balance as at 31 December	<u>2,954,348</u>	<u>27,688</u>

	<u>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
3 Other receivables		
Prepaid expenses - sublicense fee	5,643	5,501
Funds in transit	-	48,115
PSP wallets receivables*	<u>1,313,515</u>	<u>3,278,952</u>
	<u>1,319,158</u>	<u>3,332,568</u>

Intelligent Innovations N.V.

PSP wallets summary

Direct Payments Ltd.	(11,369)	(11,369)
Muchbetter	-	-
Pradexx OU	-	-
Pure Transfer	-	1,889,556
AstroPay	-	13,566
Muvon Payments Ltd. account EUR	1,324,062	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	822	11,839
Directa24 LLP	-	46,441
Neosurf	-	1,313,126
	-	-
Total	<u>1,313,515</u>	<u>3,278,952</u>

31-12-2022	31-12-2021
EUR	EUR

4 Cash and cash equivalents

Paymix, current account euro	827,713	40,493
Finductive Ltd., current account euro	<u>10,155</u>	<u>14,997</u>
	<u>837,868</u>	<u>55,490</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 2022	1	161,105	1,545,040	1,706,146
Appropriation of result	-	1,545,040	(1,545,040)	-
Result for the year	-	-	<u>889,547</u>	<u>889,547</u>
Balance as at 31 December 2022	<u>1</u>	<u>1,706,145</u>	<u>889,547</u>	<u>2,595,693</u>

	<u>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
6 Accounts payable		
Accounts payable *	121,454	37,947
Players liability balance	2,219,547	1,555,943
Profit tax	6,846	6,846
	<u>2,347,847</u>	<u>1,600,736</u>

***Aging summary**

Less than 30 days	62,338	36,667
More than 30 days	59,116	1,280
Total	<u>121,454</u>	<u>37,947</u>

	<u>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
7 Payable to related party		
Liability to shareholder	<u>114,731</u>	<u>108,864</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.

	<u>2022</u>	<u>2021</u>
	EUR	EUR
Liability to shareholder		
Balance as at 1 January	108,864	66,010
Movements during the year	<u>5,867</u>	<u>42,854</u>
Balance as at 31 December	<u>114,731</u>	<u>108,864</u>

	<u>31-12-2022</u>	<u>31-12-2021</u>
	EUR	EUR
8 Accrued expenses		
Legal and professional expenses	<u>54,103</u>	<u>-</u>

Notes to the profit and loss account

	<u>2022</u>	<u>2021</u>
	EUR	EUR
9 Operational income		
Net gaming revenue	3,778,055	2,978,501
Other income	<u>-</u>	<u>97,561</u>
	<u><u>3,778,055</u></u>	<u><u>3,076,062</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>2022</u>	<u>2021</u>
	EUR	EUR
10 Operational expenses		
Marketing and advertising expenses	168,848	93,736
Software and license expenses	1,108,006	792,177
Payment service provider expenses	404,552	629,008
Revenue share expenses	25,760	11,886
Sublicense expenses	5,501	5,749
Correction previous year	-	(102,783)
Agent expenses	1,016,125	26,046
Royalty expenses	5,165	-
Write off - funds in transit	<u>48,115</u>	<u>-</u>
	<u><u>2,782,072</u></u>	<u><u>1,455,819</u></u>
	<u>2022</u>	<u>2021</u>
	EUR	EUR

11 General and administrative expenses

Management expenses	2,500	2,500
Legal and professional expenses	83,425	54,398
Rent expenses	6,360	6,360
Staff expenses	17,000	14,798
Bank charges	<u>5,638</u>	<u>7,157</u>
	<u><u>114,923</u></u>	<u><u>85,213</u></u>

12 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.