

Sapphire Curaçao N.V.

E-Commerce Park, Vredenberg

FINANCIAL STATEMENTS 2017

Sapphire Curaçao N.V.

Financial Statements December 31, 2017

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Sapphire Curaçao N.V.

**Financial Statements
December 31, 2017**

MANAGING DIRECTOR:

eMoore N.V.
Landhuis Groot Kwartier
Groot Kwartierweg 12
Curaçao

BUSINESS ADDRESS:

E-Commerce Park, Vredenberg
Heelsumstraat 51
Curaçao

CORRESPONDENCE ADDRESS:

PO Box 422
Curaçao

Sapphire Curaçao N.V.

Financial Statements December 31, 2017

DIRECTOR'S REPORT:

We are pleased to present you with the Annual Report for the period January 1, 2017 through December 31, 2017.

During the period under review, the Company recorded a net profit of USD 375,691. Details of which are set out in the attached Profit and Loss account.

Curaçao

February 21, 2019



eMOORE N.V.

Managing Director

Sapphire Curaçao N.V.

Balance Sheet as at December 31, 2017

(In USD, before appropriation of results)

ASSETS	Notes	<u>2017</u>	<u>2016</u>
Current Assets			
Cash in hand		1	1
Prepaid expenses	5	3,573	3,203
Cash at banks	6	<u>842,552</u>	<u>(50)</u>
		846,126	3,154
TOTAL ASSETS		<u>846,126</u>	<u>3,154</u>
SHAREHOLDER'S EQUITY AND LIABILITIES			
Shareholder's equity			
	7		
Issued share capital		1	1
Share Premium		36,185	36,185
Accumulated deficit		(112,866)	(82,890)
Result for the year		<u>375,691</u>	<u>(29,976)</u>
		299,011	(76,680)
Longterm liabilities			
Loan	8	67,963	53,342
Current Liabilities			
Taxes payable		5,364	-
Current account	9	27,667	22,904
Accounts payable and accrued expenses	10	<u>446,121</u>	<u>3,588</u>
		479,152	26,492
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		<u>846,126</u>	<u>3,154</u>

Sapphire Curaçao N.V.

Profit and Loss Account for the period January 1, 2017 through December 31, 2017 (In USD)

	Notes	<u>2017</u>	<u>2016</u>
Income			
Revenue		866,631	1
Direct costs		<u>(513,186)</u>	<u>-</u>
		353,445	1
Expenses			
General and administrative expenses	11	(36,084)	(25,905)
Interest expenses loan		(1,163)	(750)
Currency exchange difference		64,857	1,745
Correction loan balance previous year		<u>-</u>	<u>(5,066)</u>
		27,610	(4,071)
Result before profit tax		<u>381,055</u>	<u>(29,976)</u>
Profit tax		(5,364)	-
NET RESULT FOR THE YEAR		<u>375,691</u>	<u>(29,976)</u>

Sapphire Curaçao N.V.

Notes to the Financial Statements

January 1, 2017 through December 31, 2017

(In USD)

1 GENERAL

Company's Information and Principal Activities

Sapphire Curaçao N.V. is a Curaçao private company with limited liability, incorporated in Willemstad on September 2, 2010.

The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 120314.

The Company's principal activities are to organize, market, promote, manage, support and operate all types of remote gaming activities, comprising all types of games, betting and other interactive games.

2 PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

a. General principles

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.

b. Comparison with previous year

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

3 SIGNIFICANT ACCOUNTING POLICIES

General

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

b. Receivables

Receivables are valued at face value less a provision for possible uncollectable accounts.

c. Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank balances.

Cash and cash equivalents are stated at face value.

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.

Sapphire Curaçao N.V.

Notes to the Financial Statements

January 1, 2017 through December 31, 2017

(In USD)

4 PRINCIPLES OF DETERMINATION OF RESULT

a. Recognition of Income and Expenses

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

b. Exchange rate differences

Exchange rate differences arising upon the settlement of monetary items are recognized in the Income Statement in the period that they arise. Exchange rate differences on long-term loans relating to the financing of foreign participations are recognized in the Income Statement in the period they arise.

The following exchange rates are used in the financial statements as at year-end:

		2017	2016	
Exchange rates used:	1 EUR =	0.8348	0.9492	USD

5 PREPAID EXPENSES

	2017	2016
Advance payment Colo/Bandwidth fees	-	3,203
Lisence fee - Antillephone Services NV	3,573	-
	<u>3,573</u>	<u>3,203</u>

6 CASH AT BANKS

	CCY	2017	2016
Wirecard Bank AG, Germany			
Current account - EUR	EUR	703,381	
		<u>842,552</u>	<u>(50)</u>
		<u>842,552</u>	<u>(50)</u>

7 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.

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

	Issued share capital	Share Premium	Accumulated deficit	Result for the year
Balance as at Januari 1, 2015	1	36,185	(82,890)	(29,976)
Allocation result previous year	-	-	(29,976)	29,976
Movements during the year	-	-	-	375,691
Balance as at December 31, 2015	<u>1</u>	<u>36,185</u>	<u>(112,866)</u>	<u>375,691</u>

Sapphire Curaçao N.V.

Notes to the Financial Statements

January 1, 2017 through December 31, 2017

(In USD)

8 LOAN	2017	2016
<u>Invicta Networks N.V.</u>		
The Company entered into a loan facility with a maximum amount of EUR 50,000 with interest at 2%.		
The loan has to be repaid on Januari 1, 2020.		
Balance as at January 1,	53,342	31,351
Correction previous year	-	5,066
Movements during the year	6,513	18,472
Revaluation	8,108	(1,547)
Balance as at December 31, EUR 56,737	67,963	53,342
9 CURRENT ACCOUNT	2017	2016
<u>Shareholder</u>		
Balance as at January 1,	22,904	18,633
Movements during the year	4,763	4,271
Balance as at December 31,	27,667	22,904
10 ACCOUNTS PAYABLE AND ACCRUED EXPENSES	2017	2016
Management fees - eMoore N.V.	2,678	2,307
Bandwidth/support fees - E-Commercepark	859	681
Tax advisory fees	1,101	600
Marketing/Advertising fees - Huffson	441,482	-
	446,121	3,588
11 GENERAL AND ADMINISTRATIVE EXPENSES	2017	2016
Management fees - eMoore N.V.	20,159	11,598
Sublicense fees - Antillephone	4,743	4,668
Bandwidth/support fees - E-Commercepark	9,753	8,958
Bank charges	929	81
Tax advisory fees	500	600
	36,084	25,905
