

PHR Multi Culti N.V.

E-Commerce Park, Vredenberg, Curaçao

FINANCIAL STATEMENTS 2022

PHR Multi Culti N.V.

Financial Statements December 31, 2022

	<u>Page</u>
Directory	
Managing Director	2
Director's report	3
Financial Statements	
Balance Sheet as at December 31, 2022	4
Profit and Loss Account for the period January 1, 2022 through December 31, 2022	5
Notes	6 - 10

PHR Multi Culti N.V.

**Financial Statements
December 31, 2022**

MANAGING DIRECTOR:

EMS Management Services N.V.
Groot Kwartierweg 10
Curaçao

Registered Address of the Company:

E-Commerce Park, Vredenberg
Heelsumstraat 51
Curaçao

Correspondence Address of the Company:

PO Box 423
Curaçao

PHR Multi Culti N.V.

Financial Statements December 31, 2022

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 323,015. Details of which are set out in the attached Profit and Loss account.

Curaçao,

EMS Management Services N.V.

Managing Director

PHR Multi Culti N.V.
Balance Sheet as at December 31, 2022
(In EUR, before appropriation of results)

ASSETS	Notes	2022	2021
<u>Fixed Asset</u>			
<i>Financial fixed assets</i>			
Participation	3	6,516	2,347
		<u>6,516</u>	<u>2,347</u>
<i>Tangible fixed assets</i>			
Equipment	4	12,345	12,854
		<u>12,345</u>	<u>12,854</u>
<u>Current Assets</u>			
Receivables from related parties	5	41,509	34,330
Other receivables	6	831,421	405,604
Cash at banks	7	163,965	13,593
		<u>1,036,895</u>	<u>453,527</u>
TOTAL ASSETS		<u>1,055,756</u>	<u>468,728</u>
SHAREHOLDER'S EQUITY AND LIABILITIES			
<u>Shareholder's equity</u>			
Issued and fully paid share capital	8	4,892	4,892
Retained Earnings		145,219	(14,756)
Net result for the year		323,015	159,975
		<u>473,126</u>	<u>150,111</u>
<u>Current Liabilities</u>			
Payables to related parties	9	-	2,867
Accounts payable	10	582,630	315,750
		<u>582,630</u>	<u>318,617</u>
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		<u>1,055,756</u>	<u>468,728</u>

PHR Multi Culti N.V.

Profit and Loss Account for the period January 1, 2022 through December 31, 2022

(In EUR)

	Notes	2022	2021
Betting revenue		1,880,412	1,102,546
Operational cost	11	<u>(1,477,971)</u>	<u>(911,807)</u>
Net operating result		402,441	190,739
General and administrative expenses	12	<u>(66,379)</u>	<u>(52,570)</u>
Total general and administrative expenses		(66,379)	(52,570)
Exchange rate expenses		(17,216)	19,459
Results on participation		<u>4,169</u>	<u>2,347</u>
Finance result		(13,047)	21,806
Result before provision for profit tax		<u>323,015</u>	<u>159,975</u>
Profit tax		-	-
NET RESULT FOR THE YEAR		<u>323,015</u>	<u>159,975</u>

PHR Multi Culti N.V.

Notes to the Financial Statements

January 1, 2022 through December 31, 2022

(In EUR)

1 GENERAL

Company's Information and Principal Activities

PHR Multi Culti N.V. is a limited liability company that was incorporated in Willemstad on September 6, 2012. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 127203. The Company is solely engaged in e-gaming activities.

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.

c. Participation

Shares in group companies are stated at net asset value, 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.

d. Cash at banks

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.

e. 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.

		2022	2021
Exchange rates used:	1 EUR =	0.9366	0.8830 USD

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

f. Recognition of Income and Expenses

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

PHR Multi Culti N.V.

Notes to the Financial Statements

January 1, 2022 through December 31, 2022
(In EUR)

3 PARTICIPATION

2022 2021

Name	Registered office	Number of shares		
<u>Levetatient Ltd</u>	Cyprus	1000		
Opening balance			2,347	905
Correction result previous year			-	(4,264)
Provision			-	-
Results of the year			4,169	5,706
			<u>6,516</u>	<u>2,347</u>
<i>Provision</i>				
Opening balance			-	-
Correction provision previous year			-	(905)
Movement			-	905
Closing balance			-	-

4 TANGIBLE FIXED ASSET

2022 2021

<u>IT equipment</u>				
Opening balance			17,718	17,718
Accumulated depreciation			(5,373)	(4,864)
Ending balance			<u>12,345</u>	<u>12,854</u>

5 RECEIVABLES FROM RELATED PARTIES

2022 2021

<u>Levetatient Ltd</u>				
Opening balance			34,330	31,980
Movement			(2,453)	2,350
Closing balance			<u>31,877</u>	<u>34,330</u>
<u>Shareholder</u>				
Opening balance			-	-
Movement			9,632	-
Closing balance			<u>9,632</u>	-
			<u>41,509</u>	<u>34,330</u>

6 OTHER RECEIVABLES

2022 2021

Prepaid expenses *			7,500	-
PSP wallets receivables **			11,384	3,761
other receivables ***			812,537	401,843
			<u>831,421</u>	<u>405,604</u>

PHR Multi Culti N.V.

Notes to the Financial Statements

January 1, 2022 through December 31, 2022

(In EUR)

6 OTHER RECEIVABLES continued

* PREPAID EXPENSES

	2022	2021
Sublicense expenses	7,500	-
	<u>7,500</u>	<u>-</u>

** PSP WALLETS RECEIVABLES

	2022	2021
<u>ecoPayz</u>		
Current account - EUR	2,037	2,037
Current account - USD	735	639
	<u>2,772</u>	<u>2,676</u>

La Orange GE LLC - Jeton

Current account - EUR	2,106	1,085
	<u>2,106</u>	<u>1,085</u>

Lucapay

Current account - EUR	304	-
	<u>304</u>	<u>-</u>

Force Soft DMCC

Current account - INR	4,178	-
Current account - USD	2,024	-
	<u>6,202</u>	<u>-</u>
	<u>11,384</u>	<u>3,761</u>

*** OTHER RECEIVABLES

	2022	2021
Captainwin TM	812,537	401,843
	<u>812,537</u>	<u>401,843</u>

PHR Multi Culti N.V.

Notes to the Financial Statements

January 1, 2022 through December 31, 2022

(In EUR)

7 CASH AT BANKS

	2022	2021
<u>PayMix Financial Institution</u>		
Current account - EUR	7,906	10,962
	<u>7,906</u>	<u>10,962</u>
<u>PayMix Card</u>		
Current account - EUR	10,447	-
	<u>10,447</u>	<u>-</u>
<u>La Orange GE LLC - Jeton</u>		
Current account - EUR	146,862	2,001
	<u>146,862</u>	<u>2,001</u>
<u>SAI Bank</u>		
Current account - EUR	-	630
	<u>-</u>	<u>630</u>
<u>The Kingdom Bank</u>		
Current account - EUR	(1,250)	-
	<u>(1,250)</u>	<u>-</u>
	<u>163,965</u>	<u>13,593</u>

8 SHAREHOLDER'S EQUITY

The Company's authorized share capital amounts to USD 6,000 and consists of 6000 share with a nominal value of USD 1.00 each.

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

	<u>Issued and fully paid share capital</u>	<u>Retained earnings</u>	<u>Result current year</u>	<u>Total</u>
Opening balance	4,892	(14,756)	159,975	150,111
Allocation of result previous year	-	159,975	(159,975)	-
Movements during the year	-	-	323,015	323,015
Ending balance	<u>4,892</u>	<u>145,219</u>	<u>323,015</u>	<u>473,126</u>

9 PAYABLES TO RELATED PARTIES

	2022	2021
<u>Shareholder</u>		
Opening balance	2,867	1,800
Movement	<u>(2,867)</u>	<u>1,067</u>
Closing balance	<u>-</u>	<u>2,867</u>

10 ACCOUNTS PAYABLE

	2022	2021
Legal and Professional expenses	5,991	-
Software license expenses	360,440	192,070
Accruals	71,688	71,688
Players balance liability	<u>144,511</u>	<u>51,992</u>
	<u>582,630</u>	<u>315,750</u>

PHR Multi Culti N.V.

Notes to the Financial Statements

January 1, 2022 through December 31, 2022

(In EUR)

11 OPERATIONAL COST

	2022	2021
Platform license expenses	1,150,364	800,449
Service level & Support expenses	58,075	-
Software & License expenses	-	57,627
IT & Hosting expenses	131,200	-
Marketing and Branding expenses	50,500	21,609
Sublicense expenses	14,810	907
Other direct expenses	10,112	6,705
Agent expenses	62,400	24,000
Depreciation	510	510
	<u>1,477,971</u>	<u>911,807</u>

12 GENERAL AND ADMINISTRATIVE EXPENSES

	2022	2021
Management expenses	5,000	5,000
Legal and Professional expenses	53,431	41,340
Bank charges	12,068	6,230
Correction previous years	(4,750)	-
Write off	630	-
	<u>66,379</u>	<u>52,570</u>

- 13** The Company incurred a result before provision for profit tax for the year of EUR 323,015. On the foreign sourced income of the company, a profit tax rate of 0% is applicable, based on the territorial approach. On the domestic net result incurred by the Company, a profit tax rate of 22% is applicable. Consequently the profit tax is calculated at nil due to loss compensation.
