

Webmedia Development N.V.

E-Commerce Park, Vredenberg, Curaçao

FINANCIAL STATEMENTS 2017

Webmedia Development N.V.

Financial Statements December 31, 2017

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Webmedia Development N.V.

**Financial Statements
December 31, 2017**

MANAGING DIRECTOR:

EMS Management Services N.V.
Schottegatweg Oost 29D
Curaçao

Registered Address of the Company:

E-Commerce Park
Heelsumstraat 51, Vredenberg
Curaçao

Correspondence Address of the Company:

PO Box 423
Curaçao

Webmedia Development 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 EUR 139,183. Details of which are set out in the attached Profit and Loss account.

Curaçao,



EMS Management Services N.V.

Managing Director

Webmedia Development N.V.

Balance Sheet as at December 31, 2017

(In EUR, before appropriation of results)

ASSETS	Notes	2017	2016
<u>Fixed Assets</u>			
Participation	3	<u>1,000</u>	<u>1,000</u>
		1,000	1,000
<u>Current Assets</u>			
Prepaid expenses	4	-	1,875
Current account	5	116,146	12,940
Receivables	6	113,372	56,413
Cash at banks	7	<u>173,547</u>	<u>189,563</u>
		403,065	260,791
TOTAL ASSETS		<u>404,065</u>	<u>261,791</u>
SHAREHOLDER'S EQUITY AND LIABILITIES			
<u>Shareholder's equity</u>			
	8		
Issued and fully paid share capital		92	92
Retained Earnings/Accumulated deficit		174,596	137,750
Net result for the year		<u>139,183</u>	<u>36,846</u>
		313,871	174,688
<u>Current Liabilities</u>			
Current account	9	71,697	71,447
Profit Tax		3,585	752
Accounts payable		<u>14,904</u>	<u>14,904</u>
		90,186	87,103
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		<u>404,057</u>	<u>261,791</u>

Webmedia Development N.V.

Profit and Loss Account for the period January 1, 2017 through December 31, 2017

(In EUR)

	Notes	2017	2016
Income			
Revenue		1,796,028	1,543,394
Direct costs		<u>(849,799)</u>	<u>(992,574)</u>
		946,229	550,820
Expense			
Management expenses		(7,923)	(1,035)
Legal and Professional expenses		(1,990)	(15,276)
Affiliate expenses		(122,304)	(73,943)
Agent expenses		(30,000)	-
Sublicense expenses		(14,445)	(4,417)
Advertising and Marketing expenses		(70,183)	(27,383)
License expenses		-	(13,500)
Hardware and Software expenses		(513,868)	(354,723)
Support expenses		-	(485)
Service Providers expenses		(21,700)	(18,000)
Yearly ezone expenses		(250)	(250)
Commission expenses		(26,564)	-
Bank charges		(665)	(3,285)
Other expenses		<u>(300)</u>	<u>(5,600)</u>
		(810,192)	(517,897)
Correction previous year		-	4,668
Exchange differences		5,987	7
Result before provision for profit tax		<u>142,024</u>	<u>37,598</u>
Profit tax		(2,841)	(752)
NET RESULT FOR THE YEAR		<u>139,183</u>	<u>36,846</u>

Webmedia Development N.V.

Notes to the Financial Statements January 1, 2017 through December 31, 2017 (In EUR)

1 GENERAL

Company's Information and Principal Activities

Webmedia Development N.V. is a limited liability company that was incorporated in Willemstad on October 11, 2013. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 130645.

The Company is solely engaged in e-gaming activities.

2 PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

a. General principles

The accompanying annual accounts have been prepared in accordance with principles of accounting generally accepted in Curaçao.

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 acquisition cost or, in case of a permanent impairment 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.

		2017	2016	
Exchange rates used:	1 EUR =	1.1978	1.0536	USD
	1 EUR =	0.8877	0.8564	GBP

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.

Webmedia Development N.V.

Notes to the Financial Statements January 1, 2017 through December 31, 2017 (In EUR)

3 PARTICIPATION	2017	2016
<u>Percutias Limited</u>	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
4 PREPAID EXPENSES	2017	2016
Antillephone Services N.V. - Sublicence fee	-	1,875
	<u>-</u>	<u>1,875</u>
5 CURRENT ACCOUNT	2017	2016
<u>Percutias Limited</u>		
Opening balance	12,940	5,649
Movements during the year	103,206	7,291
Ending balance	<u>116,146</u>	<u>12,940</u>
6 RECEIVABLES	2017	2016
<u>Neteller</u>		
EUR account	38,403	30,511
GBP account	6,353	2,163
USD account	6,463	1,071
BRL account	1,621	2,215
	<u>52,840</u>	<u>35,960</u>
<u>Ecopayz</u>		
EUR account	8,146	4,583
GBP account	1,453	448
USD account	1,971	181
BRL account	314	162
TRY account	438	-
	<u>12,322</u>	<u>5,375</u>
<u>Bethoro</u>		
EUR account	41,841	10,057
USD account	2,307	960
	<u>44,148</u>	<u>11,017</u>
<u>Skrill</u>		
EUR account	4,062	4,062
	<u>4,062</u>	<u>4,062</u>
	<u>113,372</u>	<u>56,413</u>
7 CASH AT BANKS	2017	2016
<u>Wirecard Bank</u>		
EUR account	167,161	187,447
GBP account	6,386	2,116
	<u>173,547</u>	<u>189,563</u>

Webmedia Development N.V.

Notes to the Financial Statements January 1, 2017 through December 31, 2017 (In EUR)

8 SHAREHOLDER'S EQUITY

The Company's authorized share capital amounts to USD 1 and consists of 100 shares with a nominal value of USD 1 each.

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

	<u>Issued and fully paid share capital</u>	<u>Retained earnings/ Accumulate d deficit</u>	<u>Result current year</u>	<u>Total</u>
Opening balance	92	-	174,596	174,688
Allocation of result previous year		174,596	(174,596)	-
Movements during the year	-	-	139,183	139,183
Ending balance	92	174,596	139,183	313,871

9 CURRENT ACCOUNT

Shareholder

	2017	2016
Opening balance	71,447	71,197
Movements during the year	250	250
Ending balance	71,697	71,447
