

Media Gate N.V.

E-Commerce Park, Vredenberg, Curaçao

FINANCIAL STATEMENTS 2022

Media Gate N.V.

Financial Statements December 31, 2022

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Media Gate N.V.

**Financial Statements
December 31, 2022**

MANAGING DIRECTOR:

eMoore N.V.
Groot Kwartierweg 10
Livestrong Building
Curaçao

Registered Address of the Company:

E-Commerce Park, Vredenberg
Heelsumstraat 51
Curaçao

Correspondence Address of the Company:

PO Box 423
Curaçao

Media Gate 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 957,997. Details of which are set out in the attached Profit and Loss account.

Curaçao,

C. Drommond

eMoore N.V.
Managing Director

Media Gate N.V.
Balance Sheet as at December 31, 2022
(In EUR, before appropriation of results)

ASSETS	Notes	2022	2021
<u>Current Assets</u>			
Other receivables	3	1,887,914	289,673
Cash at banks	4	347,652	11,915
		<u>2,235,566</u>	<u>301,588</u>
TOTAL ASSETS		<u>2,235,566</u>	<u>301,588</u>
 SHAREHOLDER'S EQUITY AND LIABILITIES			
<u>Shareholder's equity</u>			
	5		
Issued and fully paid share capital		1	1
Retained Earnings		67,889	32,263
Net result for the year		957,997	35,626
		<u>1,025,887</u>	<u>67,890</u>
<u>Long term liability</u>			
Loan	6	75,018	75,018
<u>Current Liabilities</u>			
Payable to related parties	7	119,292	119,292
Accounts payable	8	1,015,369	40,175
		<u>1,134,661</u>	<u>159,467</u>
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		<u>2,235,566</u>	<u>302,375</u>

Media Gate N.V.

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

(In EUR)

	Notes	2022	2021
Revenue		3,437,919	200,571
Operational cost	9	<u>(2,476,527)</u>	<u>(131,857)</u>
Net operating result		961,392	68,714
General and administrative expenses	10	<u>(30,036)</u>	<u>(21,028)</u>
Total general and administrative expenses		(30,036)	(21,028)
Exchange rate expenses		<u>33,581</u>	<u>(11,759)</u>
Finance result		33,581	(11,759)
Result before provision for profit tax		<u>964,937</u>	<u>35,927</u>
Profit tax		(6,940)	(301)
NET RESULT FOR THE YEAR		<u>957,997</u>	<u>35,626</u>

Media Gate N.V.

Notes to the Financial Statements

January 1, 2022 through December 31, 2022

(In EUR)

1 GENERAL

Company's Information and Principal Activities

Media Gate N.V. is a limited liability company that was incorporated in Willemstad on May 15, 2015. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 135910. 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. 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.

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.

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

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

e. Recognition of Income and Expenses

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

Media Gate N.V.

Notes to the Financial Statements

January 1, 2022 through December 31, 2022

(In EUR)

3 OTHER RECEIVABLES	2022	2021
Deposits *	1,000	1,000
Prepaid expenses **	4,632	4,543
PSP wallets receivables ***	1,882,282	284,130
	<u>1,887,914</u>	<u>289,673</u>
 * DEPOSIT	 2022	 2021
E-Commercepark N.V. - Deposit	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
 ** PREPAID EXPENSES	 2022	 2021
Sublicense expenses	4,632	4,543
	<u>4,632</u>	<u>4,543</u>
 *** PSP WALLETS RECEIVABLES	 2022	 2021
<u>Sticpay</u>		
Current account - USD	46,586	38,109
Current account - JPY	648,539	-
	<u>695,125</u>	<u>38,109</u>
 <u>iWallet</u>		
Current account - USD	182,336	129,893
Current account - JPY	401,471	-
	<u>583,807</u>	<u>129,893</u>
 <u>ecoPayz</u>		
Current account - EUR	991	867
Current account - USD	59,623	60,595
	<u>60,614</u>	<u>61,462</u>
 <u>Bitcoin</u>	436,236	54,666
 <u>Pocoins</u>	106,500	-
	<u>1,882,282</u>	<u>284,130</u>

Media Gate N.V.

Notes to the Financial Statements

January 1, 2022 through December 31, 2022

(In EUR)

4 CASH AT BANKS	2022	2021
<u>PayMix Financial Institution</u>		
Current account - EUR	4,315	11,300
	<u>4,315</u>	<u>11,300</u>
<u>SAIBank</u>		
Current account - EUR	-	615
	<u>-</u>	<u>615</u>
Funds in transit	343,337	-
	<u>347,652</u>	<u>11,915</u>

5 SHAREHOLDER'S EQUITY

The Company's authorized share capital amounts to USD 1 and consists of 1 share with a nominal value of USD 1,00 each.

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

	<u>Issued and fully paid share capital</u>	<u>Retained earnings/ Accumulated deficit</u>	<u>Result current year</u>	<u>Total</u>
Opening balance	1	32,263	35,626	67,890
Allocation of result previous year	-	35,626	(35,626)	-
Movements during the year	-	-	957,997	957,997
Ending balance	<u>1</u>	<u>67,889</u>	<u>957,997</u>	<u>1,025,887</u>

6 LOAN

As per facility agreement of August 25, 2015 a loan facility has been granted.

<u>Asiapac Strategies</u>		
Opening balance	75,018	75,018
Movements during the year	-	-
Ending balance	<u>75,018</u>	<u>75,018</u>

7 PAYABLE TO RELATED PARTIES

<u>Shareholder</u>		
Opening balance	70,146	84,691
Movements during the year	-	(14,545)
Ending balance	<u>70,146</u>	<u>70,146</u>

Media Gate N.V.

Notes to the Financial Statements

January 1, 2022 through December 31, 2022

(In EUR)

7 PAYBALE TO RELATED PARTIES continued	2022	2021
<u>Leisure and Entertainment Group Limited</u>		
Opening balance	48,146	31,717
Movements during the year	-	16,429
Ending balance	48,146	48,146
<u>Mandala Enterprises Ltd</u>		
Opening balance	1,000	1,000
Movements during the year	-	-
Ending balance	1,000	1,000
	<u>119,292</u>	<u>119,292</u>
8 ACCOUNTS PAYABLE	2022	2021
Profit tax	6,940	301
Bandwidth & Support expenses	3,665	-
Legal and Professional expenses	5,988	-
Players liability balance	998,776	39,874
	<u>1,015,369</u>	<u>40,175</u>
9 OPERATIONAL COST	2022	2021
Direct expenses	469,266	31,947
Support expenses	30,529	12,181
Sublicense expenses	5,211	4,944
Bandwidth & Support expenses	6,283	6,283
License expenses	97,440	76,502
Consultancy expenses	41,196	-
Correction payment providers	(138,783)	-
Correction players liability balance	1,965,385	-
	<u>2,476,527</u>	<u>131,857</u>
10 GENERAL AND ADMINISTRATIVE EXPENSES	2022	2021
Management expenses	3,750	3,750
Legal and Professional expenses	24,279	17,556
Bank charges	2,308	1,342
Correction previous year	(301)	(1,620)
	<u>30,036</u>	<u>21,028</u>

- 11** The Company incurred a positive result before provision for profit tax for the year of EUR 964,937. 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 EUR 6,940.
