

SECTOR MEDIA N.V.

(former Leisure and Entertainment N.V.)

Groot Kwartierweg 10, Curaçao

FINANCIAL STATEMENTS 2023

(Draft)

SECTOR MEDIA N.V.

Financial Statements December 31, 2023

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SECTOR MEDIA N.V.

**Financial Statements
December 31, 2023**

MANAGING DIRECTOR:

eMoore N.V.
Groot Kwartierweg 10
Curaçao

Registered Address of the Company:

Groot Kwartierweg 10
Curaçao

Correspondence Address of the Company:

PO Box 422
Curaçao

SECTOR MEDIA N.V.

Balance Sheet as at December 31, 2023

(In USD, after appropriation of results)

ASSETS	Notes	2023	2022
<u>Current Assets</u>			
Receivables from related parties	4	1,146,129	1,146,129
Other receivables	5	18,814,779	1,808,621
Cash at banks	6	429,702	174,622
		20,390,610	3,129,372
TOTAL ASSETS		20,390,610	3,129,372
 SHAREHOLDER'S EQUITY AND LIABILITIES			
<u>Shareholder's equity</u>			
Issued and fully paid share capital	7	1	1
Capital Surplus		130,285	130,285
Retained earnings		17,276,196	(77,954)
		17,406,482	52,332
<u>Short-term Liabilities and accrued liabilities</u>			
Payable to related parties	8	-	-
Accounts payable	9	2,967,938	3,060,850
Profit Tax		16,190	16,190
		2,984,128	3,077,040
TOTAL EQUITY AND LIABILITIES		20,390,610	3,129,372

SECTOR MEDIA N.V.

Profit and Loss Account for the period
January 1, 2023 through December 31, 2023
(In USD)

	Notes	2023	2022
Revenue		53,532,977	36,230,442
Operational cost	10	(36,132,623)	(24,313,247)
Net operating income/loss		17,400,354	11,917,195
General and administrative expenses	11	(56,925)	(40,478)
Currency exchange differences		10,721	(12,623)
Financial result		10,721	(12,623)
Result before provision for profit tax		17,354,150	11,864,094
Profit tax		-	-
NET RESULT FOR THE YEAR		17,354,150	11,864,094

SECTOR MEDIA N.V.

Notes to the Financial Statements January 1, 2023 through December 31, 2023 (In USD)

1 GENERAL

Company's Information and Principal Activities

The Company is a limited liability company that was incorporated on May 10, 2007 under the laws of the recently dismantled Netherlands Antilles, and that now continues to exist under the laws of Curaçao.

The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 101979.

The object of the Company is to organise, market, promote, manage and operate all types of remote gaming activities and sports betting activities, comprising all types of games, betting transactions, the operation of betting exchanges, interactive casinos, bingos, lotteries and other activities interactive games and to carry out any activities ancillary thereto by offering goods or services to persons who participate in licensed online gaming.

These financial statements are in draft form and have been prepared for discussion and review purposes. Balances and accompanying notes are subject to change and may be revised based on management review and final approval. Accordingly, these draft financial statements should not be relied upon as final or complete.

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

a. General

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

b. 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.

c. 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.

SECTOR MEDIA N.V.

Notes to the Financial Statements January 1, 2023 through December 31, 2023 (In USD)

		2023	2022	
Exchange rates used:	1 EUR =	1.1036	1.0675	USD
	1 GBP =	1.2730	1.2058	USD

d. Recognition of Income and Expenses

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

4 RECEIVABLE FROM RELATED PARTIES

2023

2022

Leisure and Entertainment Group Ltd

Balance 01/01	300,463	300,463
Movements during the year:		
Funds received	-	-
Payment of invoices	-	-
Balance 12/31	300,463	300,463

Leisure and Entertainment Group Ltd

As per Service Level Agreement effective as of December 15, 2018.

Balance 01/01	845,666	845,666
Movements during the year	-	-
Balance 12/31	845,666	845,666
	1,146,129	1,146,129

5 OTHER RECEIVABLE

2023

2022

PsP_IP

Wonder	-	-
Yous	-	-

Ecopayz

Wonder	368,506	109,273
Yous	39,548	26,749
Miracle	71,372	110,937
	479,426	246,959

SECTOR MEDIA N.V.

Notes to the Financial Statements January 1, 2023 through December 31, 2023 (In USD)

5 OTHER RECEIVABLE (CONT'D)

<u>Sticpay</u>		
Wonder	(73,123)	158,691
Wonder - Rolling Reserve	153,136	23,598
Yous	30,186	78,474
Yous - Rolling Reserve	55,731	11,269
Miracle	76,757	68,820
Miracle - Rolling Reserve	9,880	7,895
 <u>Vega Wallet</u>		
Wonder	34,526	460,309
Yous	(367,607)	332,373
Miracle	195,056	118,390
 <u>B2B InPay</u>		
Wonder	59,831	59,831
Yous	223,038	223,038
 <u>Payment of preliminary profit tax</u>	10,824	10,824
 <u>Prepaid expenses</u>		
eMoore - management fees	1,604	539
Antillephone - sublicense fees	15,454	7,611
 Other receivables	17,910,060	-
	<u>18,814,779</u>	<u>1,808,621</u>

6 CASH AT BANKS

			2023	2022
<u>Paymix</u>				
EUR account	EUR	389,350	429,702	174,622
			<u>429,702</u>	<u>174,622</u>

SECTOR MEDIA N.V.

Notes to the Financial Statements January 1, 2023 through December 31, 2023 (In USD)

7	SHAREHOLDER'S EQUITY	2023	2022		
	1 share @ USD 1.00				
	Issued and fully paid share capital	1	1		
	Movements in the shareholder's equity accounts are as follows:				
		Issued and fully paid share capital	Capital Surplus	Retained earnings	Total
	Balance 01/01	1	130,285	(77,954)	52,332
	Dividend payment	-	-	-	-
	Result for the year	-	-	17,354,150	17,354,150
	Balance 12/31	1	130,285	17,276,196	17,406,482
8	PAYABLE TO RELATED PARTIES	2023	2022		
	Shareholder				
	Balance 01/01	-	3,615		
	Movements during the year	-	(3,615)		
	Balance 12/31	-	-		
9	ACCOUNTS PAYABLE	2023	2022		
	Players balance	2,962,426	3,053,584		
	Other payables	5,512	7,266		
		2,967,938	3,060,850		
10	OPERATIONAL COSTS	2023	2022		
	Software fees	13,035,261	8,774,722		
	Payment service provider fees	22,967,195	15,460,430		
	Antillephone - sublicense fees	10,965	8,812		
	E-Commerce Park - bandwidth fees	-	5,276		
	Consultancy fees	91,319	61,865		
	Affiliate expenses	27,883	2,142		
		36,132,623	24,313,247		

SECTOR MEDIA N.V.

Notes to the Financial Statements January 1, 2023 through December 31, 2023 (In USD)

11 GENERAL AND ADMINISTRATIVE EXPENSES	2023	2022
Management fees	49,083	33,067
Legal & professional fees	2,545	2,754
Bank charges	5,297	4,657
	<u>56,925</u>	<u>40,478</u>
