

SECTOR MEDIA N.V.

(former Leisure and Entertainment N.V.)

Groot Kwartierweg 10, Curaçao

FINANCIAL STATEMENTS 2022

(Draft)

SECTOR MEDIA N.V.

Financial Statements December 31, 2022

	Page
Directory	1
Managing Director	2
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 - 9

SECTOR MEDIA N.V.

**Financial Statements
December 31, 2022**

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, 2022

(In USD, before appropriation of results)

ASSETS	Notes	2022	2021
<u>Current Assets</u>			
Receivables from related parties	4	1,146,129	1,146,129
Other receivables	5	1,808,621	8,496,864
Cash at banks	6	174,622	33,341
		3,129,372	9,676,334
TOTAL ASSETS		3,129,372	9,676,334
 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		(11,942,048)	1,085,393
Net result for the year		11,864,094	7,346,729
		52,332	8,562,408
<u>Short-term Liabilities and accrued liabilities</u>			
Payable to related parties	8	-	3,615
Accounts payable	9	3,060,850	1,094,121
Profit Tax		16,190	16,190
		3,077,040	1,113,926
TOTAL EQUITY AND LIABILITIES		3,129,372	9,676,334

SECTOR MEDIA N.V.

Profit and Loss Account for the period January 1, 2022 through December 31, 2022 (In USD)

	Notes	2022	2021
Revenue		36,230,442	9,170,346
Operational cost	10	(24,313,247)	(1,437,177)
Net operating income/loss		11,917,195	7,733,169
General and administrative expenses	11	(40,478)	(28,182)
Currency exchange differences		(12,623)	106,551
Correction		-	(448,621)
Financial result		(12,623)	(342,070)
Result before provision for profit tax		11,864,094	7,362,917
Profit tax		-	(16,189)
NET RESULT FOR THE YEAR		11,864,094	7,346,728

SECTOR MEDIA N.V.

Notes to the Financial Statements January 1, 2022 through December 31, 2022 (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, 2022 through December 31, 2022 (In USD)

		2022	2021	
Exchange rates used:	1 EUR =	1.0675	1.1324	USD
	1 GBP =	1.2058	1.3489	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

2022

2021

Leisure and Entertainment Group Ltd

Balance 01/01	300,463	323,415
Movements during the year:		
Funds received	-	2,928
Payment of invoices	-	(25,880)
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

2022

2021

PsP_IP

Wonder	-	4,607,097
Yous	-	2,959,576

Ecopayz

Wonder	109,273	181,715
Yous	26,749	122,851
Miracle	110,937	-
	246,959	7,871,239

SECTOR MEDIA N.V.

Notes to the Financial Statements January 1, 2022 through December 31, 2022 (In USD)

5 OTHER RECEIVABLE (CONT'D)

<u>Sticpay</u>		
Wonder	158,691	77,582
Wonder - Rolling Reserve	23,598	24,146
Yous	78,474	84,930
Yous - Rolling Reserve	11,269	10,670
Miracle	68,820	-
Miracle - Rolling Reserve	7,895	-
 <u>Vega Wallet</u>		
Wonder	460,309	52,616
Yous	332,373	79,684
Miracle	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	539	2,304
Antillephone - sublicense fees	7,611	-
	1,808,621	8,496,864

6 CASH AT BANKS

			2022	2021
<u>Paymix</u>				
EUR account	EUR	163,581	174,622	33,341
			174,622	33,341

SECTOR MEDIA N.V.

Notes to the Financial Statements January 1, 2022 through December 31, 2022 (In USD)

7	SHAREHOLDER'S EQUITY	2022	2021		
	1 share @ USD 1.00				
	Issued and fully paid share capital	<u>1</u>	<u>1</u>		
	Movements in the shareholder's equity accounts are as follows:				
		Issued and fully paid share capital	Capital Surplus	Retained earnings	Result for the year
	Balance 01/01	1	130,285	1,085,393	-
	Allocation of result previous year	-	-	7,346,729	-
	Dividend payment	-	-	(20,374,170)	-
	Movements during the year	-	-	-	11,864,094
	Balance 12/31	<u>1</u>	<u>130,285</u>	<u>(11,942,048)</u>	<u>11,864,094</u>
8	PAYABLE TO RELATED PARTIES	2022	2021		
	Shareholder				
	Balance 01/01	3,615	-		
	Movements during the year	<u>(3,615)</u>	<u>3,615</u>		
	Balance 12/31	<u>-</u>	<u>3,615</u>		
9	ACCOUNTS PAYABLE	2022	2021		
	Players balance	3,053,584	1,091,804		
	Other payables	<u>7,266</u>	<u>2,317</u>		
		<u>3,060,850</u>	<u>1,094,121</u>		
10	OPERATIONAL COSTS	2022	2021		
	Software fees	8,774,722	-		
	Payment service provider fees	15,460,430	1,088,477		
	Antillephone - sublicense fees	8,812	8,510		
	E-Commerce Park - bandwidth fees	5,276	5,853		
	Consultancy fees	61,865	-		
	Affiliate expenses	<u>2,142</u>	<u>334,337</u>		
		<u>24,313,247</u>	<u>1,437,177</u>		

SECTOR MEDIA N.V.

Notes to the Financial Statements January 1, 2022 through December 31, 2022 (In USD)

11 GENERAL AND ADMINISTRATIVE EXPENSES	2022	2021
Management fees	33,067	27,804
Legal & professional fees	2,754	-
Bank charges	4,657	378
	<u>40,478</u>	<u>28,182</u>
