

W&C N.V.

Groot Kwartierweg 10, Curaçao

FINANCIAL STATEMENTS 2022

W&C N.V.
Financial Statements
December 31, 2022

Directory	<u>Page</u>
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 - 9

W&C N.V.
Financial Statements
December 31, 2022

MANAGING DIRECTOR:

eMoore N.V.
Groot Kwartierweg 10
Livestrong Building
Curaçao

BUSINESS ADDRESS:

Groot Kwartierweg 10
Livestrong Building
Curaçao

CORRESPONDENCE ADDRESS:

PO Box 422
Curaçao

W&C 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 CLP\$. 18,386,212,713. Details of which are set out in the attached Profit and Loss account.

Curaçao,



eMoore N.V.

Managing Director

W&C N.V.

Balance Sheet as at December 31, 2022

(In CLP\$, before appropriation of results)

ASSETS	Notes	2022	2021
<u>Fixed assets</u>			
Financial fixed assets	5	-	955,640
		-	955,640
<u>Current Assets</u>			
Accounts receivable	6	6,991,144,941	6,227,461,668
Receivable from related parties	7	6,109,395,043	5,035,847,618
Other receivables	8	487,735,081	2,594,231
Cash and cash equivalents	9	30,265,827	139,456,182
		13,618,540,892	11,405,359,699
TOTAL ASSETS		13,618,540,892	11,406,315,339

SHAREHOLDER'S EQUITY AND LIABILITIES

<u>Shareholder's equity</u>			
	10		
Issued and fully paid share capital		955	955
Retained earnings		(4,951,992,973)	1,792,129,874
Net result for the year		18,385,257,073	9,454,687,508
		13,433,265,055	11,246,818,337
<u>Current Liabilities</u>			
Accounts payable	11	104,397,472	144,296,194
Accrued expenses		36,311,382	3,356,606
Profit tax payable		44,566,983	11,844,202
		185,275,837	159,497,002
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		13,618,540,892	11,406,315,339

W&C N.V.

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

	Notes	2022	2021
Operating Income	12	31,533,959,694	22,602,932,530
Operational cost	13	(9,320,316,844)	(12,431,227,408)
Net operating result		22,213,642,850	10,171,705,122
General and administrative expenses	14	(2,377,827,656)	(744,670,786)
Total general and administrative expenses		(2,377,827,656)	(744,670,786)
Devaluation of participation	3	(955,640)	-
Interest income		121,342,487	69,076,343
Exchange results		(12,364,651)	594,902
Bank charges		(1,525,857,536)	(30,173,871)
Financial result		(1,416,879,700)	39,497,374
Result before profit tax		18,417,979,854	9,466,531,710
Profit tax	15	(32,722,781)	(11,844,202)
NET RESULT FOR THE PERIOD		18,385,257,073	9,454,687,508

W&C N.V.

Notes to the Financial Statements January 1, 2022 through December 31, 2022 (In CLP\$)

1 GENERAL

Company's Information and Principal Activities

W&C N.V. is a limited liability company that was incorporated on December 19, 2017 under the laws of Curaçao. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 145637.

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 and change in presentation currency

Except for the change in presentation currency, the principles of valuation and determination of the result have remained unchanged compared to the previous year.

As of December 31, 2022, the Company changed its presentation currency from the Euro (EUR) to the Chilean Peso (CLP\$) in order to provide financial information that is more relevant and comparable. This change has been applied retrospectively.

The functional currency of the Company remains the Chilean Peso (CLP\$). Resulting exchange differences from the change in presentation currency have been recognized in the income statement under currency

The comparative figures have been adjusted accordingly. The conversion balance is added in Annex 1.

3 SIGNIFICANT ACCOUNTING POLICIES

a. General

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

b. Financial Fixed Assets

Shares in group companies are stated at acquisition cost or, 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.

c. Receivables

Receivables are valued at face value less a provision for possible uncollectable accounts.

d. Cash and cash equivalents

Cash and cash equivalents include cash in hand and 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.

W&C N.V.

Notes to the Financial Statements January 1, 2022 through December 31, 2022 (In CLP\$)

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.

4 PRINCIPLES OF DETERMINATION OF RESULT

a. Recognition of Income and Expenses

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

b. Exchange rate differences

Exchange rate differences arising upon the settlement of monetary items are recognized in the Income Statement in the period that they arise. Exchange rate differences on long-term loans relating to the financing of foreign participations are recognized in the Income Statement in the period they arise.

The following exchange rates are used in the financial statements as at year-end:

Exchange rates used:		2022	2021	
	1 CLP\$ =	0.00110	0.00104	EUR

W&C N.V.

Notes to the Financial Statements January 1, 2022 through December 31, 2022 (In CLP\$)

5 Investment in participation	2022	2021
Latamwin Limited		
Book value as at 1 January	955,640	955,640
Devaluation of assets	(955,640)	-
Book value as at 31 December	-	955,640
The participation in Latamwin Limited, a company incorporated in Cyprus, was acquired on 9 May 2019. The company holds 100% of the issued share capital in Latamwin Limited. The participation is accounted for at cost. As of the balance sheet date, the equity of Latamwin Limited is nil, and the company no longer has economic value. As a result, the carrying amount of the participation has been fully impaired. The participation is expected to be formally dissolved during 2023.		
6 ACCOUNTS RECEIVABLE	2022	2021
Resex SpA	2,775,155,893	4,331,630,852
Inversiones FCA SpA	476,856,101	375,378,879
Comercializadora Service Chile LTDA	3,624,271,899	1,439,800,684
Resex Pay SpA	105,596,910	69,891,712
Paysafe/Neteller	9,264,138	10,759,541
	6,991,144,941	6,227,461,668
7 RECEIVABLE FROM RELATED PARTIES	2022	2021
Inversiones FCW Ltda.	5,660,789,609	4,897,187,566
Promarketing SpA	377,920,856	138,660,052
Latamwin Limited	70,684,578	-
	6,109,395,043	5,035,847,618
8 OTHER RECEIVABLES	2022	2021
Deposits	750,000	750,000
Third party account eMoore	1,720,784	1,844,231
Other receivables	485,264,297	-
	487,735,081	2,594,231
9 CASH AT BANKS	2022	2021
SAI Bank - EUR current account	811,669	1,025,144
Paymix - EUR current account	14,492,756	138,431,038
Migom Bank - EUR current account	13,435,164	-
Migom Bank - USD current account	1,526,238	-
	30,265,827	139,456,182

W&C N.V.

Notes to the Financial Statements January 1, 2022 through December 31, 2022 (In CLP\$)

10 SHAREHOLDER'S EQUITY

W&C N.V. issued 2 shares with a nominal value of 1 USD per share.

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

	<u>Issued and fully paid share</u>	<u>Retained earnings</u>	<u>Net result for the year</u>	<u>Total</u>
Opening balance	955	1,792,129,874	9,454,687,508	11,246,818,337
Appropriation of result	-	9,454,687,508	(9,454,687,508)	-
Result for the year	-	-	18,385,257,073	18,385,257,073
Dividend payment	-	(16,198,810,355)	-	(16,198,810,355)
Closing balance	955	(4,951,992,973)	18,385,257,073	13,433,265,055

11 ACCOUNTS PAYABLE

	2022	2021
Legal and Professional expenses	48,547,645	13,376,817
Players liability balance	55,849,827	130,919,377
	<u>104,397,472</u>	<u>144,296,194</u>

12 OPERATING INCOME

	2022	2021
Net gaming revenue	35,490,394,108	22,602,932,530
Bonus expenses	(3,956,434,414)	-
	<u>31,533,959,694</u>	<u>22,602,932,530</u>

13 OPERATIONAL COST

	2022	2021
Bandwidth & Support expenses	1,810,003	4,695,214
Sublicense expenses	12,145,532	9,026,945
Software expenses	4,036,930,485	4,990,858,427
Legal & Professional expenses	1,567,344,329	1,039,374,647
Marketing & Affiliate expenses	-	305,996,756
Payment processors expenses	3,469,319,328	5,242,633,263
IT expenses	41,156,416	680,642,329
Staff expenses	191,610,751	157,999,827
	<u>9,320,316,844</u>	<u>12,431,227,408</u>

14 GENERAL AND ADMINISTRATIVE EXPENSES

	2022	2021
Management expenses	3,636,364	43,040,076
Legal & Professional expenses	2,332,007,186	621,592,962
Other expenses	-	80,037,748
Travel expenses	42,184,106	-
	<u>2,377,827,656</u>	<u>744,670,786</u>

15 PROFIT TAX

The Company's profit tax is determined in accordance with the territorial tax regime of Curaçao. Under this regime, a profit tax rate is applied to the taxable domestic net result.

Annex 1 Reconciliation of Balances – CLP and EUR W&C N.V.

Balance Sheet as at December 31, 2021

As of 31 December 2021, the exchange rate was approximately:

1 CLP = 0.00104 EUR

ASSETS	Notes	2021	2021
		CLP\$	EUR
<u>Fixed assets</u>			
Financial fixed assets	5	955,640	1,000
		955,640	1,000
<u>Current Assets</u>			
Accounts receivable	6	6,227,461,668	5,237,281
Receivable from related parties	7	5,035,847,618	6,476,629
Other receivables	8	2,594,231	2,698
Cash and cash equivalents	9	139,456,182	145,034
		11,405,359,699	11,861,642
TOTAL ASSETS		11,406,315,339	11,862,642

SHAREHOLDER'S EQUITY AND LIABILITIES

<u>Shareholder's equity</u>			
	10		
Issued and fully paid share capital		955	1
Retained earnings		1,792,129,874	1,863,815
Net result for the year		9,454,687,508	9,832,873
		<u>11,246,818,337</u>	<u>11,696,689</u>
<u>Current Liabilities</u>			
Accounts payable	11	144,296,194	153,559
Accrued expenses		3,356,606	-
Profit tax payable		11,844,202	12,394
		<u>159,497,002</u>	<u>165,953</u>
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		<u>11,406,315,339</u>	<u>11,862,642</u>

Annex 1 continue Reconciliation of Balances – CLP and EUR W&C N.V.

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

As of 31 December 2021, the exchange rate was approximately:

1 CLP = 0.00104 EUR

	Notes	2021 CLP\$	2021 EUR
Operating Income	12	22,602,932,530	23,507,050
Operational cost	13	(12,431,227,408)	(12,928,477)
Net operating result		10,171,705,122	10,578,573
General and administrative expenses	14	(744,670,786)	(774,458)
Total general and administrative expenses		(744,670,786)	(774,458)
Interest income		69,076,343	71,839
Exchange results		594,902	694
Bank charges		(30,173,871)	(31,381)
Financial result		39,497,374	41,152
Result before profit tax		9,466,531,710	9,845,267
Profit tax	15	(11,844,202)	(12,394)
NET RESULT FOR THE PERIOD		9,454,687,508	9,832,873