

W&C N.V.

Groot Kwartierweg 10, Curaçao

FINANCIAL STATEMENTS 2023
(draft)

W&C N.V.
Financial Statements
December 31, 2023

MANAGING DIRECTOR:

eMoore N.V.
Groot Kwartierweg 10
Livestrong Building
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BUSINESS ADDRESS:

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CORRESPONDENCE ADDRESS:

PO Box 422
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W&C N.V.

Balance Sheet as at December 31, 2023

(In CLP\$, before appropriation of results)

ASSETS	Notes	2023	2022
<u>Fixed assets</u>			
Financial fixed assets	5	-	-
		-	-
<u>Current Assets</u>			
Accounts receivable	6	7,702,877,478	6,991,144,941
Receivable from related parties	7	1,211,811,416	6,109,395,043
Other receivables	8	355,130,594	487,735,081
Cash and cash equivalents	9	60,435,638	30,265,827
		9,330,255,126	13,618,540,892
TOTAL ASSETS		9,330,255,126	13,618,540,892

SHAREHOLDER'S EQUITY AND LIABILITIES

<u>Shareholder's equity</u>			
	10		
Issued and fully paid share capital		955	955
Retained earnings		(1,885,681,001)	(4,951,992,973)
Net result for the year		10,130,402,132	18,385,257,073
		8,244,722,086	13,433,265,055
<u>Current Liabilities</u>			
Accounts payable	11	477,932,946	104,397,472
Accrued expenses		563,033,111	36,311,382
Profit tax payable		44,566,983	44,566,983
		1,085,533,040	185,275,837
TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES		9,330,255,126	13,618,540,892

W&C N.V.

Profit and Loss Account for the period January 1, 2023 through December 31, 2023

(In CLP\$)

	Notes	2023	2022
Operating Income	12	27,078,422,984	31,533,959,694
Operational cost	13	(15,342,914,410)	(9,320,316,844)
Net operating result		11,735,508,574	22,213,642,850
General and administrative expenses	14	(129,854,702)	(2,377,827,656)
Total general and administrative expenses		(129,854,702)	(2,377,827,656)
Devaluation of participation	3	-	(955,640)
Interest income		-	121,342,487
Exchange results		(1,456,961,939)	(12,364,651)
Bank charges		(18,289,801)	(1,525,857,536)
Financial result		(1,475,251,740)	(1,416,879,700)
Result before profit tax		10,130,402,132	18,417,979,854
Profit tax	15	-	(32,722,781)
NET RESULT FOR THE PERIOD		10,130,402,132	18,385,257,073

W&C N.V.

Notes to the Financial Statements January 1, 2023 through December 31, 2023 (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.

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 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.

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Notes to the Financial Statements January 1, 2023 through December 31, 2023 (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:		2023	2022	
	1 CLP\$ =	0.00103	0.00110	EUR

W&C N.V.

Notes to the Financial Statements January 1, 2023 through December 31, 2023 (In CLP\$)

5 Investment in participation	2023	2022
Latamwin Limited		
Book value as at 1 January	-	955,640
Devaluation of assets	-	(955,640)
Book value as at 31 December	-	-
The participation in Latamwin Limited, a company incorporated in Cyprus, was acquired on 9 May 2019, at which time the company held 100% of the issued share capital of Latamwin Limited. The participation was accounted for at cost. As the equity of Latamwin Limited was nil and the company no longer had economic value, the carrying amount of the participation was fully impaired. The participation was dissolved effective 20 March 2023.		
6 ACCOUNTS RECEIVABLE	2023	2022
Resex SpA	2,193,120,666	2,775,155,893
Inversiones FCA SpA	618,043,176	476,856,101
Comercializadora Service Chile LTDA	4,544,502,652	3,624,271,899
Resex Pay SpA	338,475,907	105,596,910
Paysafe/Neteller	8,735,077	9,264,138
	<u>7,702,877,478</u>	<u>6,991,144,941</u>
7 RECEIVABLE FROM RELATED PARTIES	2023	2022
Inversiones FCW Ltda.	-	5,660,789,609
Promarketing SpA	1,108,118,023	377,920,856
Latamwin Limited	103,693,393	70,684,578
	<u>1,211,811,416</u>	<u>6,109,395,043</u>
8 OTHER RECEIVABLES	2023	2022
Deposits	750,000	750,000
Third party account eMoore	1,720,784	1,720,784
Other receivables	352,659,810	485,264,297
	<u>355,130,594</u>	<u>487,735,081</u>
9 CASH AT BANKS	2023	2022
SAI Bank - EUR current account	510,392	811,669
Paymix - EUR current account	44,262,072	14,492,756
Migom Bank - EUR current account	15,663,174	13,435,164
Migom Bank - USD current account	-	1,526,238
	<u>60,435,638</u>	<u>30,265,827</u>

W&C N.V.

Notes to the Financial Statements January 1, 2023 through December 31, 2023 (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	(4,951,992,973)	18,385,257,073	13,433,265,055
Appropriation of result	-	18,385,257,073	(18,385,257,073)	-
Result for the year	-	-	10,130,402,132	10,130,402,132
Dividend payment	-	(15,318,945,101)		(15,318,945,101)
Closing balance	955	(1,885,681,001)	10,130,402,132	8,244,722,086

11 ACCOUNTS PAYABLE

	2023	2022
Legal and Professional expenses	397,999,812	48,547,645
Players liability balance	79,933,134	55,849,827
	<u>477,932,946</u>	<u>104,397,472</u>

12 OPERATING INCOME

	2023	2022
Net gaming revenue	31,357,183,379	35,490,394,108
Bonus expenses	(4,278,760,395)	(3,956,434,414)
	<u>27,078,422,984</u>	<u>31,533,959,694</u>

13 OPERATIONAL COST

	2023	2022
Bandwidth & Support expenses	-	1,810,003
Sublicense expenses	11,702,405	12,145,532
Software expenses	7,974,911,449	4,036,930,485
Legal & Professional expenses	99,206,421	1,567,344,329
Marketing & Affiliate expenses	155,795,993	-
Payment processors expenses	7,101,298,142	3,469,319,328
IT expenses	-	41,156,416
Staff expenses	-	191,610,751
	<u>15,342,914,410</u>	<u>9,320,316,844</u>

14 GENERAL AND ADMINISTRATIVE EXPENSES

	2023	2022
Management expenses	3,880,200	3,636,364
Legal & Professional expenses	125,974,502	2,332,007,186
Other expenses	-	-
Travel expenses	-	42,184,106
	<u>129,854,702</u>	<u>2,377,827,656</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.
