Palau Holdings N.V.

FINANCIAL STATEMENTS

Year Ended December 31, 2021

ICAS
accountants & business advisors
FOR IDENTIFICATION PURPOSES ONLY

INDEX TO THE FINANCIAL STATEMENTS

General Information

Directors(s)
Global Related Services B.V.

Registered Address
Kaya Richard J. Beaujon Z/N
Willemstad
Curaçao

Company Registration Number
140044

Incorporation Date
May 09, 2016

Nominal Capital
1,000 share(s) with a nominal capital of EUR 1.00 each

Nature of Business
Online wagering

ICAS
accountants
business advisors

Dr. Martin Luther King Blvd 1
P.O. Box 3077
Willemstad
Curaçao

phone +5999 788.01.38
cell +5999 516 74 23
info@icasbv.com
m.shaker@icasbv.com
www.icasbv.com

To the board of directors and the shareholders of
Palau Holdings N.V.
Curaçao

ACCOUNTANT'S COMPILATION REPORT

The financial statements of Palau Holdings N.V. based in Curaçao have been compiled by us using the information provided by the management. The financial statements comprise the balance sheet as at 31 December 2021 and the profit and loss account for the year 2021 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Curaçao law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Curaçao Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding Palau Holdings N.V. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA, Dutch Code of Ethics). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

Willemstad, April 29, 2024
ICAS B.V.
On behalf of:

Magdi Shaker M.Sc RA
Ref.: 21S24429/MS/PH

The board of directors is pleased to present its report to the shareholder(s) together with the financial statements of Palau Holdings N.V. for the financial year ended December 31, 2021.

Principal activities

Palau Holdings N.V. is a company incorporated and domiciled in Curaçao, Dutch Caribbean, with registered office at Kaya Richard J. Beaujon Z/N, Willemstad, Curaçao. The Company is engaged in organizing, marketing, promoting, managing, supporting and operating all types of remote gaming activities, comprising all types of games, betting and other operation of betting exchange, interactive casinos, bingos, lotteries, poker and other interactive games for clients established or residing outside of Curaçao.

Results and appropriations

The results of the Company for the year ended December 31, 2021 are set out in the Company's financial statements on page 4. No interim dividend has been issued during the financial year and the directors do not recommend distribution of a final dividend.

Current & Future Developments

There was no material current and post balance sheet events, which have a bearing on the understanding of the financial statements.

Statement by directors

The board of directors in their capacity as directors of the company, do hereby state that, in their opinion:

(I) the financial statements and the notes to the financial statements are drawn up so as to give a true and fair view of the state of affairs of the Company as at December 31, 2021 and the results of the Company for the year ended on that date, and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to
pay its debts as and when they fall due.

For and on behalf of the Managing Director

Global Related Services B.V.

ICAS
accountants & business advisors
FOR IDENTIFICATION PURPOSES ONLY

Palau Holdings N.V.
BALANCE SHEET
As at: December 31, 2021
before allocation of the result of the year

ASSETS	notes	*EUR* **12/31/2021**	*EUR* **12/31/2020**
Non-current assets			
Investment in subsidiary	3	1,000	1,000
Total Non-current assets			
Current assets			
Current accounts	4	213,020	248,369
Accounts receivable		-	2,421
Other receivables	5	608,080	620,389
Cash and cash equivalents	6	83	53,833
Total Current Assets		821,183	925,012
TOTAL ASSETS		**822,183**	**926,012**

SHAREHOLDERS' EQUITY AND LIABILITIES	notes	*EUR* **12/31/2021**	*EUR* **12/31/2020**
Shareholders' Equity	7		
Nominal capital		1,000	1,000
Dividend distributions		(807,712)	(807,712)
Retained earnings		1,303,513	520,488
Result current year		(5,444)	783,025
		491,357	496,801
Liabilities			
Current accounts	8	31,945	1,000
Other Liabilities and accruals	9	298,881	428,211
Total Liabilities		330,826	429,211
TOTAL SHAREHOLDERS' EQUITY AND LIABLITIES		**822,183**	**926,012**

Approved by

Global Related Services B.V.
Managing director

The accompanying notes are an integral part of these financial statements.

Palau Holdings N.V.
INCOME STATEMENT
for the period ending December 31, 2021

	notes	*EUR* **2021**	*EUR* **2020**
Revenue			
Casino revenue		7,357,588	5,016,577
Direct costs	10	(6,816,926)	(3,079,849)
Gross Profit/ (Loss)		540,662	1,936,728
Expenses			
Management fees		2,500	3,370
Membership & contribution fees		90	90
Corporate secretarial fees		2,569	3,620
Legal fees		445	50
Accounting expenses		2,575	2,150
Tax advisory fees		900	2,609
Professional fees		915,730	914,536
Gaming license fees		14,347	19,981
Hosting expenses		20,754	-
ICT maintenance & support fees		-	250
Bank charges		7,762	11,246
Other general expenses		440	119
Total Expenses		968,112	958,021
Operating profit		**(427,450)**	**978,707**
Miscellaneous gains/losses		438,200	(109,643)
Result subsidiaries		-	-
Adjustment previous year subsidiaries		-	-
Result before Taxes		**10,750**	**869,064**
Profit Taxes previous years		-	-
Result after taxes		**10,750**	**869,064**
Unrealized gain/(loss) on exchange differences		(16,194)	(60,165)
Realized gain/(loss) on exchange differences		-	(25,874)
Net Profit/(Loss)		**(5,444)**	**783,025**

The accompanying notes are an integral part of these financial statements.

1 General Information

Palau Holding N.V. is a company incorporated on May 09, 2016. The Company is a limited liability company and domiciled in Curaçao, Dutch Caribbean.

The principal activities of the Company are that of organizing, marketing, promoting, managing, supporting and operating all types of remote gaming activities, comprising all types of games, betting and other operation of betting exchange, interactive casinos, bingos, lotteries, poker and other interactive games for clients established or residing outside of Curaçao.

The Company is registered with the Curaçao Chamber of Commerce under number 140044.

2 General Accounting Principles

Basis of Preparation
The Financial Statements have been prepared in accordance with applicable accounting standards generally accepted and the provision of Book 2 Curaçao Civil Code. They have been prepared under the historical costs basis. Unless stated otherwise, all assets and liabilities are stated at their nominal value.

Accounting Method
The financial statements are prepared using the accrual method of accounting. In accordance with this method of accounting, revenue is recognized in the period in which it is earned and expenses are recognized in the period in which they are incurred.

Foreign Currencies
The financial statements are presented in Euros (EUR or €). Foreign currency transactions are translated into the functional currency using daily ECB exchange rates. Exchange differences arising on the settlement of monetary items are recognized as realized foreign exchange gains or losses on the income statement. Exchange differences arising on translating monetary items at the end of the reporting period are recognized as unrealized financial gains or losses.

Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and on hand. All cash is directly available to the Company.

Taxes

Profit tax liabilities for the current and prior periods are measured at the amount expected to be paid to the taxation authorities. Current profit taxes are recognized in the income statement and are adjusted for any differences between the estimated and actual tax payable in prior years.

		EUR	*EUR*
3 Investment in subsidiary		**12/31/2021**	**12/31/2020**
Dibilam Ltd. (Cyprus)	100%	1,000	1,000
Ending balance		**1,000**	**1,000**

Represents 1000 ordinary shares, being 100% of the capital of a Cypriot subsidiary.

	EUR	*EUR*
4 Current accounts	**12/31/2021**	**12/31/2020**
Current account Oblatec Ltd.	212,020	-
Current account Dibilam Ltd.	-	247,369
Current account shareholder	1,000	1,000
	213,020	**248,369**

5 Other receivables	*EUR* 12/31/2021	*EUR* 12/31/2020
VPOS	261,048	42,585
Giftcard+	-	40,837
Omni Excellence	173,626	156,520
Gigadat Inc.	33,046	22,112
TrustPay	31,146	11,942
iMerchant Service Group	1,495	1,495
Zion	(295,122)	(270,084)
Arekuna inversiones SL.	-	150,715
Holdback Merhaba	-	87,689
Holdback Arekuna	-	147,044
Holdback Omni Excellence	69,499	246,148
Holdback TrustSpay	35,434	(16,614)
Holdback VPOS	296,199	-
Retainer A-One Data Ltd.	975	-
Retainer G-Force Corporate Services B.V.	734	-
	608,080	**620,389**

6 Cash and cash equivalents	*EUR* 12/31/2021	*EUR* 12/31/2020
Payment Execution	83	53,766
Paytah	-	61
Sai Bank	-	6
	83	**53,833**

ICAS accountants & business advisors
FOR IDENTIFICATION PURPOSES ONLY

7 Shareholders' Equity

The capital of the company consist of 1,000 shares with a nominal value of EUR 1 each.

Movements in equity were as follows:	Issued share capital	Accum. Results	Total
	EUR	EUR	EUR
Balance as at January 1st	1,000	495,801	496,801
Movements	-	(5,444)	(5,444)
Balance as at December 31st	1,000	**490,357**	**491,357**

8 Current accounts	EUR 12/31/2021	EUR 12/31/2020
Due to Dibilam Ltd.	31,945	1,000
	31,945	**1,000**

9 Other Liabilities and accruals	EUR 12/31/2021	EUR 12/31/2020
Accounts payable	295,531	423,661
Accrual tax fees	850	1,500
Accrual accounting fees	2,500	3,050
	298,881	**428,211**

ICAS accountants & business advisors
FOR IDENTIFICATION PURPOSES ONLY

10 Direct costs	EUR 12/31/2021	EUR 12/31/2020
Payouts	5,176,910	-
Payment processing fees	444,336	1,087,063
Royalty fees	-	1,141,478
Software development fees	808,608	453,750
Affiliate expenses	-	92,922
Marketing expenses	387,072	304,636
Total Direct costs	**6,816,926**	**3,079,849**

Appropriation of result

The General Meeting shall determine how the result of the financial year will be appropriated.