ANNUAL REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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Company Information

Directors	Karim Peer	Executive Chairman *(from 16 May 2022,appointed 18 June 2021)*
	Marcel Noordeloos	Chief Financial Officer
	Mark Rosman	Non-Executive Director
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Brokers	Whitman Howard Ltd One New Change London, EC4M 9AF	
Auditors	Nexia Smith & Williamson Audit Limited 45 Gresham Street London, EC2R 7BG	
Corporate lawyers	BDB Pitmans LLP 50 Broadway London SW1H 0BL	
Registered Agent	Ocorian Trust (Isle of Man) Limited 33-37 Athol Street Douglas Isle of Man IM1 1LB	
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Registered number	9029V	
Company Website	www.b90holdings.com	

Strategic Report

I am pleased to present the Annual Report for B90 Holdings plc ("B90", "Company" or together with its subsidiaries, the "Group") for the financial year ended 31 December 2021.

Financial and operational highlights

- Revenues: €0.8 million (2020: €0.8 million)
- Operating result: €3.3 million loss (2020: €2.2 million loss)
- Successful acquisition of Oddsen.nu in September 2021
- Acquisition and launch of Spinbookie.com in December 2021
- Successful fundraises during year for €5.2 million (£4.5 million) in aggregate, to facilitate the acquisitions and provide additional working capital
- Convertible loan conversion in April 2021
- Appointment of new Executive Chairman and completion of internal strategic review

Operational review

The Group's operational results from the Bet90 Sportsbook and Casino operations were adversely impacted by the implementation of local regulatory and licensing processes in particular in Germany where changes were introduced from 1 July 2021 and the Netherlands where they were enforced from 1 October 2021. Given the size of the Group at that point, the Board decided not to apply for local licenses in these territories and will keep this decision under review as the Group grows its operations over the coming year. At the same time, the Group has been preparing for the expansion of its operations in other territories, particularly in the Scandinavian and also the South American markets, where it has now successfully launched and started operating during the second quarter of 2022.

Fundraising

The Group completed a number of successful fundraises during the year, with new and existing investors strengthening the balance sheet, in order to support growth; provide working capital; and to put in place the foundation to execute on its strategic plan. Accordingly, it announced that:

- on 17 March 2021, it had raised €1,847,000 (or approximately £1,585,000)*;
- on 30 March 2021, it had raised €1,276,000 (or £1,092,500)
- on 30 September 2021, it had raised €1,435,000 (or £1,240,000) in connection with the acquisition of Oddsen.nu; and
- on 22 December 2021, it had raised €685,000 (or £596,800) in connection with the acquisition of Spinbookie.com.

*The fundraise on 17 March 2021 was under the terms of a 3-year, 5% convertible loan note, convertible at a price of 5 pence per new Ordinary Share (the "Convertible Loan Note"). The Convertible Loan Note (together with the Group's 2019 and 2020 convertible loan notes) was subsequently converted into new Ordinary Shares on 23 April 2021 having triggered the conditions of an automatic conversion. The conversion of the convertible loan notes removed the vast majority of the Group's indebtedness and together with the proceeds from the recent equity subscription in May 2022 has left the Group with an improved balance sheet.

Subsequent to the reported year-end, the Group announced a further equity fundraise of €845,000 (or £731,000), leaving the Group with a much improved balance sheet.

Operational Progress: Affiliate Deals and Acquisitions

In March 2021, the Group announced that it had entered into affiliate agreements with both RB Journalism SIA, which trades as oddsen.nu, and E-2 Communications Ltd, to access potential new customers, and drive additional traffic to the Bet90 platform. Oddsen is a key affiliate of the Group in Norway, with more than 15 years of operational history, where it continues to be very successful.

Later in the year, in August 2021, the Group signed another affiliate marketing agreement with Nordic Group Ltd, a leading marketing and online advertising partner, with a focus on Latin America and the Nordics, to promote all of the Group's sportsbook and online casino services in various territories. Nordic Group has an established and extensive marketing network in various countries and uses a mix of content, such as blogs and websites sharing tips and strategies, and reviews, as well as news and information about offerings, schemes and products, across a variety of on-line and social media. They also employ the latest search engine optimisation and digital promotion techniques.

Subsequently in September 2021, the Group announced the acquisition of Oddsen.nu, which has been a transformational deal for the Group. The transaction added a valuable new domain to the Group's online real estate, increased the Group's affiliate marketing capability, and took the Group's operations further into Norway, an attractive, stable and well-established market for sports betting. Oddsen's platform can also easily be rolled out in other markets. It now also offers a major forum, where end users can discuss sports betting related events 24-7, and generates winning odds tips for visitors to the website.

In December 2021, the Group announced another highly complementary acquisition: Spinbookie.com. Through this investment, the Group acquired the domain, business agreements, IP, and all the operations of Spinbookie.com, an online sportsbook and casino, which continues the development of the Group's business. Spinbookie is a newly established, fully operational website operating on BetConstruct, an industry leading gaming software developer platform. Spinbookie, which has fully functional and compliant payment options implemented, operates in different and complementary markets to B90's existing operations and is expanding the Group's reach in new territories in South America, facilitating further growth and accelerating customer acquisition.

Early indications are that Spinbookie is performing well. Marketing agreements are already driving traffic to the site which is accelerating the Group's timeline to profitability. The combined business is also benefitting from the Group's existing agreement with Nordic Group, highlighted above, as well as the acquisition of the affiliate website Oddsen.nu, which are also being used to drive additional traffic to the Group's online assets.

Spinbookie's sportsbook products cover most major global sporting events, including a large range of live betting markets. The casino offering includes suites from Microgaming, Evolution and other key casino suite providers. Spinbookie's operations are operated using the existing Bet90 operational team, saving cost and leveraging expertise.

Financial review

The net result for the year amounted to a loss of €3.4 million (2020: €2.4 million loss), which was impacted by a number of incidental charges. The revision of the employee stock options and cancelling previous options led to an extra charge of €145,000. Expenses related to the two acquisitions completed in 2021 amounted to €150,000, plus increased amortisation charges of €27,000. Furthermore, due to expanding operations, the Group had increased salary expenses as our number of employees grew during the year. During 2020, the Group did receive some discounts from some of its' B2B partners as a result of the COVID-19 pandemic, saving up to 30% of the annual costs. For 2021 no equivalent discounts have been provided.

As a result of local regulation in countries such as Germany and the Netherlands which took effect in 2021, sportsbook and casino revenues decreased in 2021 compared to 2020. In order to mitigate this, the Group launched its operations in some other territories, such as South America and the Nordic region.

Whilst the Group has raised additional funds by way of the issue of equity since the 2021 year-end, amounting in aggregate to €0.8 million, it remains reliant, *inter alia*, on being able to manage its cash resources carefully and trading being in line with management's expectations.

Board changes
During the year, the Group made a number of changes to its Board.

On 28 April 2021, the Group announced that Rainer Lauffs was stepping down as Chief Operating Officer, effective 31 October 2021. At the same time, the Group announced that Ronny Breivik had been appointed CEO of B90 Ventures Ltd, the main operating subsidiary of the Group, and would take responsibility for all operational activities of this Group. Ronny's career in online gaming began 1997 when he launched the first gaming portal in Norway. While he was at Bet24.com, Ronny introduced live betting and online poker to that Group's product portfolio. His history of growing businesses, with a strong focus on customer acquisition, retention and creating disruptive products based on new technology solutions, continue to benefit the Group.

On 18 June 2021 the Group announced that it had appointed Karim Peer as Non-Executive Director. Karim has undertaken numerous roles including Managing Director of Open Bet, a leading provider of sportsbook, casino gaming and betting shop technology. At Open Bet, he helped to acquire Alphameric plc and grew annualised revenues to approximately £56m. He was also part of the team that sold Open Bet to Vitruvian Partners in a deal worth more than £200m

On 9 December 2021, the Group announced that Paul Duffen was stepping down from his role as Executive Chairman. Paul helped to affect the turnaround of the business and led the Group through a challenging period and substantial change. He left the Group in a much stronger position, having helped to develop a clear strategy. Karim was appointed as Non-Executive Chairman on the same date, and was subsequently appointed Executive Chairman on 16 May 2022. Karim has the skills necessary to lead the Group as its executes its planned growth strategy and has invaluable experience in driving new technological solutions. He has moved the Group into a new phase of development and has reset its focus, whilst building on the strong foundations laid by by Paul and the wider team.

The Group intends to strengthen the Board further over the coming months and subsequent announcements will be made as appropriate.

Principal risks and uncertainties
The principal risks and uncertainties factors are included on page 12 of this report.

Current trading and outlook

Trading during the first five months of 2022 is in line with management expectations, which are focused on growth. The net revenue for the first five months of the year has already exceeded the revenue reported for the whole of 2021. This growth primarily comes from our entry into the Brazilian market, where the Group launched both of its operating brands in April 2022. The number of new players acquired in the month of April 2022 exceeded the total number of players acquired in the full year of 2021 and this trend is expected to be continuing.

The team is focused on further geographic expansion with a particular focus on other countries in the Latin American market and will provide further updates when appropriate.

Whilst trading during the first months of 2022 has been in line with the Board's expectations and shows a significant increase in revenues, the Group continues to operate at a loss and expects to report a loss for the six months to 30 June 2022, although management expects the Group to become cash flow positive during the second half of 2022.

Summary

We have identified four distinct strategic pillars to help us on our journey towards profitability. The first is the delivery of a truly scalable platform for online and e-gaming entertainment. We will also have a sharp focus on organic growth and acquisitions. Thirdly, we aim to take a holistic approach to all players by offering the widest game play options. Lastly, we will employ AI technology and analytics across our operations

The Group has successfully integrated its 2021 acquisitions and its strategic focus now revolves around increasing revenues. We are excited about expansion into new territories and markets, specifically in Latin America, Canada, and Europe, supported by the development of affiliate programs through both further acquisitions and partnerships.

The Group looks forward to driving growth, which will be augmented by the Board's collective experience and gaming knowledge.

Karim Peer
Executive Chairman, B90 Holdings plc
20 June 2022

Directors' Report

The Directors present their report and consolidated financial statements for the year ended 31 December 2021.

Principal activities and review of the business

B90 Holdings plc is a the parent company of a group focused on sports betting operations and casinos games via its wholly owned Bet90 and Spinbookie operations, as well as generating marketing leads and entering into marketing contracts for the activities of its partners in sports betting and casinos games, using its newly acquired brand Oddsen.nu and Tippen4you.com.

The principal activities are focused completely on operating the online Sportsbook and casino operation using the domains Bet90.com and spinbookie.com Furthermore, the Group operates two affiliate platforms, currently focusing on the German and Norwegian speaking territory, using the tippen4you.com domain for Germany, of which it now owns 100% and Oddsen.nu for Norway, an operation that was acquired on 30 September 2021.

Results and dividends

The Group's results for the year, after taxation, amounted to a loss of €3.4 million (2020: loss of €2.4 million).

As a result of the above, the Directors are proposing not to pay a dividend for the year ended 31 December 2021 (2020: nil).

Future developments

Future developments are discussed in the Strategic Report.

Financial Risk Management

The Board is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Board establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders.

Liquidity risk

Liquidity risk exists where the Group might encounter difficulties in meeting its financial obligations as they become due. The Group monitors its liquidity in order to ensure that sufficient liquid resources are available to allow it to meet its obligations.

Large wins by customers
Inherent to the business is that there is a risk that a few players and customers might win significant amounts of money during the same period thus reducing the earnings of the Group, in particular in regard to its sportsbook partner which has a higher concentration of VIP players. In respect of its marketing activities for its sportsbook partner, negative net commission revenues in any period are carried forward and netted off against positive net commission revenues in future periods on which commission might otherwise be payable to the Group. Whilst the Group would not have to cover any gaming or gambling losses in the existing marketing agreements, the percentage of earnings retained by the Group might be greatly reduced as a result of this.

Gaming or gambling losses within the Group's own Bet90 operations would though need to be covered by the Group as and when they occur. Under the regulation of the Malta Gaming Authority, the Group must at all times have sufficient cash balances available to cover liabilities to customers. In the case of a large win by a customer, the Group would need to move funds from its current account to the accounts that cover the liability to customers, which would immediately negatively impact the Group's working capital and its earnings for the period.

Currency risk
Given the expansion in the Nordics and Latin America, the Group is exposed to foreign exchange gains and losses on its trading activities. Due to the current size of the Group, it does not actively hedge the foreign exposure on its trading cashflows. It monitors exposures to individual currencies, taking remediating actions as necessary to manage any significant risks as they arise. Due to the size of the operations in other currencies than the EURO in 2021 the effect of a significant change in foreign currency rates would be immaterial.

Interest rate risk
The Group's exposure to upside interest rate risk is limited. There were no interest bearing loans on the statement of financial position as of 31 December 2021.

Credit risk
The Group's credit risk is primarily attributable to trade receivables and cash and cash equivalents.

- Receivables: Customers, being third party sportsbook and casino operators. The Group generates commission revenues via its affiliate operations. Commissions invoiced are payable within a month after the month invoiced.
- Cash and Cash equivalents: Payment service providers (PSPs). PSPs are third-party companies that facilitate deposits and withdrawals of funds to and from customers' virtual wallets with the Group. These are mainly intermediaries that transact on behalf of credit card companies.

The risk is that a customer or a PSP would fail to discharge its obligation with regard to the balance owed to the Group.

The Group reduces this credit risk by:

- Monitoring balances with customers on a regular basis;
- Monitoring balances with PSPs on a regular basis; and
- Arranging for the shortest possible cash settlement intervals in all cases.

The Group considers that based on the factors above and on past experience, the customers and PSP receivables used in the current businesses are of good credit quality and there is a low level of potential bad debt as at year-end.

An additional credit risk the Group faces relates to customers in its own operations disputing charges made to their credit cards ("chargebacks") or any other funding method they have used in respect of the services provided by the Group. Customers may fail to fulfil their obligation to pay, which will result in funds not being collected. These chargebacks and uncollected deposits, when occurring, will be deducted at source by the payment service providers from any amount due to the Group. The Group monitors the need for impairment provisions by considering all reasonable and supportable information, including that which is forward-looking. For the year ended 31 December 2021, the Group has not made any provision for this, as any provision would be immaterial.

Regulatory risk
Regulatory, legislative and fiscal regimes for betting and gaming in key markets can change, sometimes even at short notice. Such changes could benefit or have an adverse effect on the Group's operations and additional costs might be incurred in order to comply with any new laws or regulations in various jurisdictions.

The Group closely monitors regulatory, legislative and fiscal developments in key markets allowing the Group to assess, adapt and takes the necessary action where appropriate. Management takes external advice, which incorporates risk evaluation of individual territories. Regulatory updates are provided to the Board when changes are announced.

Whilst changing regulatory and tax regimes can offer opportunities to the Group as well as posing risks, a significant adverse change in jurisdictions in which the Group operates could have a significant impact on the Groups future profitability and cash generation.

Going concern
After the challenges in 2020 and the impact of the global COVID-19 pandemic, the Group raised a total of €5.2 million during 2021, which allowed the Group to settle overdue creditors and to complete two acquisitions (Spinbookie.com and Oddsen.nu) in order to drive additional revenues for the Group.

The directors expect that these acquisitions will generate cash flow in 2022, however the Group reported a net loss of €3.4 million for the year ended 31 December 2021. Furthermore, the Group had a negative cash flow from operations of €4.5 million for the year ended 31 December 2021 and the Group expects to report a loss for the six months ending 30 June 2022. Furthermore, as per 31 December 2021, the Group shows net current liabilities of €4.2 million.

Whilst trading during the first months of 2022 has been in line with the Board's expectations and show a significant increase in revenues, the Group continues to operate at a loss, although management expects the Group to become cash flow positive during the second half of 2022, executing on its strategic plan to grow the Group's operations and revenues in the various verticals in a targeted manner, entering into strategic partnerships and investing in further marketing to expand the customer base and geographical reach. Furthermore, as a result of the recent fundraise, completed in May 2022, the Group has improved its financial position.

Notwithstanding that the Group has raised additional funds in equity since the 2021 year-end, amounting to €845,000 (or £731,000), it remains reliant, *inter alia*, on being able to manage its cash resources carefully and trading being in line with management's expectations. Should trading not be in line with management's expectations going forward, the Group's ability to meet its liabilities may be impacted, in which case the Group may need to raise further funding. In such circumstance that this is needed and whilst the directors are confident of being able to raise such funding if required, there is no certainty that such funding will be available and/or the terms of such funding. These conditions are necessarily considered to represent a significant uncertainty which may cast doubt over the Group's ability to continue as a going concern.

Whilst acknowledging this uncertainty, the Directors remain confident that the recent fundraise will allow the Group to expand its operations and generate a positive operational cash flow within a reasonable time or, if needed, be able to raise additional funding when required, therefore the Directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

Your attention is drawn to the material uncertainty related to going concern section of the Auditor's Report.

Subsequent events

Since the year-end, the Group has announced the following events:

On 13 May 2022 the Group announced that, as part of the acquisition of Oddsen.nu in September 2021, it had settled the agreed deferred consideration of €1.05 million, due on or before 31 March 2022, through the issue of 13,452,632 new ordinary shares at a price of 6.65p pence per share.

On 16 May 2022 the Group announced that it had raised £731,000 through a subscription for 12,713,043 new ordinary shares at a price of 5.75 pence per share. On the same date it announced that Karim Peer, its Non-Executive Chairman had been appointed as the Company's new Executive Chairman.

Directors and their interest

The following Directors held shares and share options as at 31 December 2021:

	Number of shares held	Number of options	Exercise Price (£)	Date of grant of options	Vesting period of options
Marcel Noordeloos	3,659,954	2,100,000	0.05	17 March 2021	1-4 years
Marcel Noordeloos	-	3,000,000	0.13	1 October 2021	1-4 years
Mark Rosman	14,419,339	550,000	0.15	14 February 2019	1-4 years
Mark Rosman	-	3,000,000	0.13	1 October 2021	1-4 years
Karim Peer	-	750,000	0.13	1 October 2021	1-4 Years

Directors who served during the year

	Appointed	Resigned
Paul Duffen	30 January 2019	8 December 2021
Mark Rosman	19 March 2014	-
Marcel Noordeloos	30 June 2016	-
Rainer Lauffs	26 March 2018	31 October 2021
Karim Peer	18 June 2021	-

The details of the Directors' remuneration have been included within note 5 on page 42 of this annual report.

Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to keep reliable accounting records which allow financial statements to be prepared. In addition, the Directors have elected to prepare group financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and applicable law. The financial statements are required to give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and prepare financial statements. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for ensuring that they meet their responsibilities under the AIM Rules.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the Isle of Man governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as each of the Directors is aware:

- there is no relevant audit information of which the Group's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors
The auditors of the Group are Nexia Smith & Williamson, Chartered Accountants, who were reappointed at the 2019 Annual General Meeting and will be proposed to be reappointed during the 2021 Annual General Meeting.

Principal risks and uncertainties

The Board evaluates the operational risks facing the Group on an ongoing basis to monitor for changes in risks and risk impact and to set guidelines for risk mitigation. The most significant risks identified by the Board are listed below.

Gambling laws and regulations are constantly evolving and increasing
The regulatory framework of online gaming is dynamic and complex. Change in the regulatory regime in a specific jurisdiction can have a material adverse effect on business volume and financial performance in that jurisdiction. During 2021, the Group was impacted by the changes in Gambling laws in both Germany and the Netherlands, as disclosed in the operational review on page 4 of this report. In addition, a number of jurisdictions have regulated online gaming, and in several of those jurisdictions the Group, or its operating partner, either holds a licence or is planning to obtain one, if the market is considered commercially viable. However, in some cases, lack of clarity in the regulations, or conflicting legislative and regulatory developments, mean that the Group may risk failing to obtain an appropriate licence, having existing licences adversely affected, or being subject to other regulatory sanctions, including internet service providers blocking, blocking options to make deposits, black-listing the Group and fines.

The Group is managing this risk by consulting with legal advisers in various jurisdictions where its services are marketed or which generate, or may generate, significant revenue for the Group. Furthermore, the Group obtains regular updates regarding changes in the law that may be applicable to its operations, working with local counsel to assess the impact of any changes on its operations. Furthermore, the Group's owned operations Bet90, blocks players from certain "blocked jurisdictions" using multiple technological methods as appropriate.

Reliance on VIP players
Although the focus of the Group is primarily on the operations of its own brand Bet90, a large percentage of the commission based revenue from the Group's marketing activities in the sportsbook and casino vertical is generated by a small group of high net worth players, described as "VIP Players". These are loyal players that regularly deposit high amounts on the websites. These deposit levels vary per country and are typically the top 5% of the players making regular deposits. The Group knows these players and makes them feel valued, in efforts to remain an active player. A VIP player (or also a non-VIP player) can have large winnings, in either the sportsbook or the casino, in a certain period, which can significantly impact the revenues on a monthly basis. A loss of any of the VIP Players could significantly adversely affect the Group's business, financial condition, results or future operations.

In respect of its own sportsbook and casino brands, Bet90 and Spinbookie, any large wins by VIP players could potentially lead to recording a loss in such cases. The Group has Terms & Conditions in place to limit the daily win of a single player to mitigate such a risk.

Imposition of additional gaming or other indirect taxes
Revenues earned from customers located in a particular jurisdiction may give rise to further taxes in that jurisdiction. If additional taxes are levied, this may have a material adverse effect on the amount of tax payable by the Group. Further taxes may include value added tax (VAT) or other indirect taxes. The Group may be subject to VAT or similar taxes on transactions, which have previously been treated as exempt.
The Group seeks to include geographical diversity in its operations. In order to mitigate the risks that arise, the Group actively identifies, evaluates, manages and monitors its tax risks and the geographies in which it operates. The Group works with external local tax advisers to assist them in this process.

COVID-19 Pandemic

During 2020, the Group's business was negatively impacted by the cancellation of the vast majority of sporting events in its target markets as a result of the global COVID-19 pandemic. Whereas the pandemic continued throughout 2021 and the majority of the global sporting events have continued already since the summer of 2020, there is no guarantee that a future cancellation of some sporting events in the Group's key markets will not occur, either related to the COVID-19 pandemic, or any new pandemic. In that situation, revenue of the Group may be significantly impacted without a proportionate reduction (if at all) in costs. To mitigate this risk, the Group has been more actively promoting the casino offering and is looking for external opportunities to expand its offering to its customers.

Information Technology and Cyber risks

The Group uses third party service providers for its operations. The third party IT systems may be impacted by unauthorised access, cyber-attacks, DDoS (Distributed Denial of Service) attacks, theft or misuse of data by internal or external parties, or disrupted by increases in usage, human error, natural hazards or disasters or other events. Cyber-attack and data theft incidents may expose the Group to "ransom" demands and costs of repairing physical and reputational damage. Failure of third party IT systems, infrastructure or telecommunications may cause significant cost and disruption to the business and harm revenues. Lengthy down-time of the site (including in transitioning to activated disaster recovery servers) could also cause the Group to breach regulatory obligations.

Data protection risk

The Group and its third party service providers processes personal customer data, including sensitive data such as name, address, age, bank details and gaming / betting history. Such data could be wrongfully accessed or used by employees, customers, suppliers or third parties, or lost, disclosed or improperly processed in breach of data protection regulations. In particular, the European General Data Protection Regulation ("GDPR") entered into force in May 2018, its equivalent in the UK ("UK GDPR"), having a significant effect on the Group's privacy and data protection practices, as it introduced various changes to how personal information should be collected, maintained, processed and secured. Non-compliance with the GDPR or UK GDPR may result in fines of the higher of €20 million or 4% of the Group's annual global turnover, and the Group will be particularly exposed to enforcement action in light of the amount of customer data it holds and processes. In addition, various countries in the EU have introduced domestic data protection laws incorporating the GDPR requirements. Moreover, the Group makes use of various tracking technologies (such as cookies, SDKs, JavaScript and other forms of local storage), which are subject to stricter standards of consent and transparency, both under the GDPR and the e-Privacy Directive. The Group could also be subject to private litigation and loss of customer goodwill and confidence.

Corporate Governance Report

As an AIM-quoted company, B90 and its subsidiaries (together, the "Group") are required to apply a recognised corporate governance code, demonstrating how the Group complies with such corporate governance code and where it departs from it.

The Board of Directors of the Company ("Directors" or "Board") have adopted the QCA Corporate Governance Code (the "QCA Code"). The Board recognises the principles of the QCA Code, which focus on the creation of medium to long-term value for shareholders, without stifling the entrepreneurial spirit in which small to medium sized companies, such as B90, have been created.

Application of the QCA Code

In the spirit of the QCA Code it is the Board's job to ensure that the Group is managed for the long-term benefit of all shareholders and other stakeholders with effective and efficient decision-making. Corporate governance is an important part of that job, reducing risk and adding value to the Group. The Board will continue to monitor the governance framework of the Group as it grows.

B90 is an online marketing and operating company that seeks to grow shareholder value through organic growth and acquisitions. B90's aim is to build a portfolio of gaming brands through a combination of strong organic growth as well as strategic acquisitions that complement the current business.

The Board aims to achieve these objectives through the adoption of best working practices and by leveraging its industry knowledge and expertise. We believe that the senior management team as well as the Board, together with their industry leading partners and networks, have the necessary capabilities to achieve organic and external growth in the future, as demonstrated, for example, by the previous acquisition in 2017 of Bet90 Sports Ltd and the acquisition of Spinbookie.com in December 2021, both operating online sportsbook and casino. Furthermore, the Group acquired the operations of Oddsen.nu to own its own affiliation network and driver further revenues via that portal.

In accordance with the AIM Rules, B90 applies (and in some cases departs from) the QCA Code in the following way:

Principle 1 – Establish a strategy and business model which promote long-term value for shareholders

B90 is an online marketing and operating company in the gaming sector that seeks to grow shareholder value through organic growth and acquisitions, key aspects of which are ensuring customer satisfaction on both a B2B and B2C basis and strengthening the B90 brand (see also page 7, Principal activities and review of the business)

Principle 2 – Seek to understand and meet shareholder needs and expectations.

B90 has engaged in active dialogue with shareholders through regular communication and the Company's Annual General Meeting and one-on-one discussions. New information is released via the regulatory news service (RNS) before anywhere else and the website is update accordingly (see also page 3-6, Strategic report).

Principle 3 – Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board recognises the importance of its wider stakeholders – employees, contractors, suppliers, customers, regulators and advisors – to its long-term success. The Board has established expectations that these key resources and relationships are valued and monitored. In particular, the Group's business model of outsourcing some its key activities requires reliable dialogue with contractors to ensure the successful pursuit of its long-term strategic objectives. Furthermore, the Board engages regularly with its corporate advisers to ensure proactive communication regarding the Group's activities. In doing so, the Group is able to take any feedback into account and adjust its actions accordingly to ensure it stays focused on long-term performance. The Board recognises that the Group operates within a competitive and fast changing industry and strives to remain alert to developments in a wider industry/society context.

Principle 4 – Embed effective risk management, considering both opportunities and threats, throughout the organisation

B90 operates within a complex business environment and an industry that is fundamentally driven by regulatory processes. The Board has set out its understanding of the principal risks and uncertainties in this report (see page 12 for details, going concern statement on page 9 and post year-end fundraise on page 10) and regularly reviews its strategies for minimising any adverse impact to the Group or its investors.

The Directors acknowledge their responsibility for the Group's system of internal control, which is designed to ensure adherence to the Group's policies whilst safeguarding the assets of the Group, in addition to ensuring the completeness and accuracy of the accounting records. Responsibility for implementing a system of internal financial control is delegated to the CFO.

The essential elements of the Group's internal financial control procedures involve:

- *Strategic business planning*
  The Board regularly reviews and discusses the Group's performance and strategic objectives.
- *Performance review*
  The Directors monitor the Group's performance through the preparation and consideration of monthly management accounts, daily through KPIs and regular reviews of its expenditure and projections. In addition, detailed financial projections for each financial year are prepared and are subject to formal and regular review against actual trading by the Board.

Principle 5 – Maintain the Board as a well-functioning, balanced team led by the Chairman

The Board comprises of three Directors of which two are Executive and one is a Non-Executive, reflecting a blend of different experience and backgrounds. Considering the 2020 and 2021 fundraises, in which the Group's Non-Executive Director Mark Rosman participated, the Board considers, at this moment, none of the Directors to be completely independent as a Director in terms of the QCA guidelines. Accordingly, the composition of the Board does currently not satisfy the QCA recommendation that there are at least two independent Non-Executive Directors on the Board. The Board is actively looking to appoint one or two new independent Non-Executive Directors in the near term.

The Board meets throughout the year and all major decisions are taken by the Board as a whole. The Group's day-to-day operations are managed by the Executive Directors. All Directors have access to the Group information and any Director needing independent professional advice in the furtherance of his/her duties may obtain this advice at the expense of the Group.

Although the Board is satisfied that it has a suitable balance of knowledge of the Group, experience and skills to enable it to discharge its duties and responsibilities effectively, and that all Directors have adequate time to fill their roles, the Group intends to appoint an independent Non-Executive Director in due course and we will make further announcements as and when appropriate.

The role of the Chairman is to provide leadership of the Board and ensure its effectiveness on all aspects of its remit to maintain control of the Group. In addition, the Chairman is responsible for the implementation and practice of sound corporate governance.

Our Non-Executive director is expected to devote as much time as is necessary for the proper performance of his duties. Executive directors are full-time employees or services providers and expected to devote as much time as is necessary for the proper performance of their duties.

During 2021 the Board held ten (10) formal meetings either in person or by call, all of which were attended by all Directors. The Board also passed ten (10) unanimous written resolutions.

Principle 6 – Ensure that between them the directors have the necessary up to-date experience, skills and capabilities

The Board considers its current composition to be appropriate and suitable with the adequate and up-to-date experience, skills and capabilities to make informed decisions. Each member of the Board brings a different set of skills, expertise and experience, making the Board a diverse unit equipped with the necessary set of skills required to create maximum value for the Group.

The Board is fully committed to ensuring its members have the right skills. Members of the Board must be re-elected by the shareholders of the Company if they have not been re-elected at the previous two annual general meetings in accordance with the Company's Articles of Association, thereby providing shareholders the ability to decide on the election of the Company's Board.

The biographical details of the Directors are:

Karim Peer, Executive Chairman, aged 58, has undertaken numerous roles including being Managing Director of Open Bet, a leading provider of sportsbook, casino gaming and betting shop technology helping acquire Alphameric plc and growing annualised revenues to approximately £56m. Karim was part of the team that sold Open Bet to Vitruvian Partners in a deal worth more than £200m. Since 2014, Karim has been CEO of ClearLakeBlue Limited, which provides strategic consultancy and advice to corporates and private equity. His company focuses on restructuring, turnarounds and financial planning and works with corporates to prepare them for growth and to assist them in raising new capital.

Marcel Noordeloos, Chief Financial Officer, aged 53, was Group Finance Director at Playlogic International NV between 2006 and 2009 and Chief Financial Officer at Playlogic Entertainment Inc (a company active in video game development and publishing) during 2019 and 2020 prior to becoming Chief Financial Officer at the Group. Marcel has held several management positions with among others Nike EMEA (2002-2006) and PwC (1992-2001). Marcel holds an RA Degree (Registered Accountant) from the University of Amsterdam.

Mark Rosman, Non-Executive Director, aged 55, has over 20 years of experience advising on private equity investments and managing private equity portfolios. Mark worked for Galladio Capital Management B.V. for eleven years and held the role of chief operating officer from 2006 until his departure in 2010. Since leaving Galladio, Mark has served as chief executive officer of The Nestegg B.V., a private equity management and advisory firm that advises high net worth individuals on the structuring and management of investments. Mark is a law graduate from VU University Amsterdam and has an MBA from Rotterdam School of Management.

Due to the size of the Group, the Group has not adopted a formal diversity policy, other than looking at educational and professional backgrounds.

The Board also consults with external advisers, such as its nominated adviser and the Company's lawyers, and with executives of the Company on various matters as deemed necessary and appropriate by the Board.

Principle 7 – Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

B90's Board is small and extremely focussed on implementing the Group's strategy. However, given the size and nature of the Group, the Board does not consider it appropriate to have a formal performance evaluation procedure in place, as described and recommended in Principle 7 of the QCA Code. The Board will closely monitor the situation as it grows.

Principle 8 – Promote a corporate culture that is based on ethical values and behaviours

We are committed to acting ethically and with integrity. We expect all employees, officers, directors and other persons associated with us to conduct their day-to-day business activities in a fair, honest and ethical manner.

For that purpose, we have adopted a Code of Business Conduct and Ethics ("Code") which applies to all our workforce personnel. Pursuant to the Code, employees, directors and other relevant stakeholders are required to comply with all laws, rules and regulations applicable to us. These include, without limitation, laws covering anti-bribery, copyrights, trademarks and trade secrets, data privacy, insider trading, illegal political contributions, antitrust prohibitions, rules regarding the offering or receiving of gratuities, environmental hazards, employment discrimination or harassment, occupational health and safety, false or misleading financial information or misuse of corporate assets. The Code also includes provisions for disclosing, identifying and resolving conflicts of interest of the employees and Board members.

The Code includes provisions requiring all employees to report any known or suspected violation and ensures that all reports of violations of the Code will be handled sensitively and with discretion. We also recognise the benefits of a diverse workforce and are committed to providing a working environment that is free from discrimination.

We have also adopted a share dealing code, regulating trading and confidentiality of inside information by persons discharging managerial responsibility and persons closely associated with them ("PDMRs").

We take all reasonable steps to ensure compliance by PDMRs and any relevant employees with the terms of the dealing code.

The Board considers that the Company complies with the requirements set in this principle.

Principle 9 <u>– Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board</u>

Corporate Governance Committees
The Board has established two committees, of which the composition is as follows:

Audit committee
Mark Rosman (Chairman)
Karim Peer

Remuneration committee
Mark Rosman (Chairman)
Karim Peer

<u>The Audit Committee</u>
The Audit Committee meets at least two times during the year to review the published financial information, the effectiveness of external audit and internal financial controls including the specific matters set out below.

The terms of reference of the Audit Committee are to assist all the Directors in discharging their individual and collective legal responsibilities and during the meetings to ensure that:

- The Group's financial and accounting systems provide accurate and up-to-date information on its current financial position, including all significant issues and going concern;
- The integrity of the Group's financial statements and any formal announcements relating to the Group's financial performance and reviewing significant financial reporting judgments contained therein are monitored;
- The Group's published financial statements represent a true and fair reflection of this position; and taken as a whole are balanced and understandable, providing the information necessary for shareholders to assess the Group's performance, business model and strategy;
- The external audit is conducted in an independent, objective, thorough, efficient and effective manner, through discussions with management and the external auditor; and
- A recommendation is made to the Board for it to put to shareholders at a general meeting, in relation to the reappointment, appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor.

The Audit Committee does not consider there is a need for an internal audit function given the size and nature of the Group.

Significant issues considered by the Audit Committee during the year have been the Principal Risks and Uncertainties (which are set out in this annual report) and their effect on the financial statements. The Audit Committee tracked the Principal Risks and Uncertainties through the year and kept in contact with the Group's Management, External Service Providers and Advisers and received regular updates. The Audit Committee is satisfied that there has been appropriate focus and challenge on the high-risk areas.

Nexia Smith & Williamson, our external auditors, have been in office since 2013.

The external auditors are invited to attend the Audit Committee meeting to present their findings and this provides them with a direct line of communication to the Non-Executive Director.

The Remuneration Committee

The terms of reference of the Remuneration Committee are to:

- recommend to the Board a framework for rewarding senior management, including Executive Directors, bearing in mind the need to attract and retain individuals of the highest calibre and with the appropriate experience to make a significant contribution to the Group; and
- ensure that the elements of the remuneration package are competitive and help in underpinning the performance-driven culture of the Group.

Principle 10 – Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board is committed to maintaining good communication with its shareholders and in promoting effective dialogue regarding the Group's strategic objectives and performance. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback via meetings with the Company. The Annual General Meeting and any other General Meetings that are held throughout the year are for shareholders to attend and question the Directors on the Company's performance. Regular progress reports are also made via RNS announcements and the point of contacts are Karim Peer, Executive Chairman and Marcel Noordeloos, CFO.

Our Audit Committee Report is included on pages 20 to 21 of this Annual Report. Our Remuneration Committee Report is included on page 22 of this Annual Report.

This report was authorised for issue by the Board on 20 June 2022.

Karim Peer
Executive Chairman, B90 Holdings plc

20 June 2022

Audit Committee Report

General and Composition of the Audit Committee

The Audit Committee is a sub-committee of the Board. The Audit Committee chairman reports formally to the Board on all matters within the Committee's duties and responsibilities and on how the Audit Committee discharges its responsibilities.

The Audit Committee consists of two members, Mark Rosman (Chairman) and Karim Peer.

The biographies of the Audit Committee members are on pages 16-17 under principle six, as well as on the Company's website at www.b90holdings.com/corporate-info .

The Audit Committee meets at twice a year at appropriate times in the reporting and audit cycle and otherwise as required. The Audit Committee also meets regularly with the Company's external auditors.

Purpose and Responsibilities of Audit Committee

The purpose of the Audit Committee is to assist the Board to carry out the following functions more efficiently and fully:

- Oversight of the integrity of the Group's formal reports, statements and announcements relating to the Group's financial performance; and
- Reviewing compliance with internal guidelines, policies and procedures and other prescribed internal standards of behaviour.

To achieve such purposes, the Audit Committee has been assigned with the following responsibilities:

- Reviewing the half-year and full-year financial statements with management and with the external auditors as necessary prior to their approval by the Board;
- Reviewing financial results announcements of the Group and any other formal announcements relating to the Group's financial performance and recommending them to the Board for approval;
- Reviewing recommendations from the CFO and the external auditors on the key financial and accounting principles to be adopted by the Group in the preparation of the financial statements;
- Reviewing the Group's systems for internal financial control;
- Considering and making recommendations to the Board, to put to shareholders for approval at the AGM, the appointment, re-appointment and removal of the Company's external auditors and oversee the relationship with the external auditors;
- Reviewing and approving the external audit plan and regularly monitoring the progress of implementation of the plan;
- Determining and monitoring the effectiveness and independence of the external auditors.

Main Activities in 2021 and 2022

On 17 June 2021 the Audit Committee reviewed the financial statements for year-end 31 December 2020.

On 29 September 2021 the Audit Committee reviewed the financial results of the Company for the six months ended 30 June 2021. The audit committee had the 2021 audit planning meeting with our external auditors on 21 February 2022 and a completion audit committee call was held on 14 June 2022. On 20 June 2022 the Audit Committee reviewed the financial statements for year-end 31 December 2021.

External Auditors

The external auditors of the Company are Nexia Smith & Williamson ("NS&W"). The appointment of NS&W as auditors by the Audit Committee was based on their performance during past years. The Audit Committee review of the external auditors confirmed the appropriateness of their reappointment and included assessment of their independence, qualification, expertise and resources, and effectiveness of their audit process.

Both the Board and the external auditors have safeguards in place to avoid the possibility that the auditors' objectivity and independence could be compromised. The services provided by the external auditors include the Audit-related services. In recognition of public concern over the effect of consulting services on auditors' independence, the external auditors are not invited to general consulting work which can affect their independence as external auditors.

The total remuneration of the external auditors for 2021 and for 2020 was as listed in the table below:

	2021	**2020**
Audit services	€130,000	€105,000
Review of FPPP *	-	€35,000

**FPPP: Financial Position & Prospects Procedures Report*

The Audit Committee remains mindful of the attitude investors have to the auditors performing non-audit services. The Committee has clear policies relating to the auditors undertaking non-audit work and monitors the appointment of the auditors for any non-audit work, with a view to ensuring that non-audit work does not compromise the Company's auditors objectiveness and independence.

The Audit Committee and the auditors found that the external audit plan for 2021, the audit work of the external auditors for 2021 and the remuneration of the external auditors for 2021 did not undermine the independence of the external auditors.

Financial Reporting

The Group's trading performance is monitored on an ongoing basis. An annual budget is prepared, and specific objectives and targets are set. The budget is reviewed and approved by the Board. The key trading aspects of the business are monitored daily and internal management and financial accounts are prepared monthly. The results are compared to budget and prior year performance.

The Audit Committee has taken and will continue to take further steps to ensure the Group's control environment is working effectively and efficiently.

Mark Rosman
Mark Rosman (Jun 20, 2022 21:45 GMT+2)

Mark Rosman
Chairman of the Audit Committee

Remuneration Committee Report

General
The Remuneration Committee is responsible for determining and recommending to the Board the framework for the remuneration of the Board chairman, executive directors and other designated senior executives and, within the terms of the agreed framework, determining the total individual remuneration packages of such persons including, where appropriate, bonuses, incentive payments and share options or other share awards.

The Remuneration Committee consists of two members, Mark Rosman (Chairman) and Karim Peer. The Remuneration Committee meets at least once a year and otherwise as required.

Key elements in Remuneration
As an AIM-quoted company, the Company is not required to comply with the remuneration reporting requirements applicable to fully listed companies in the UK. However, set out below are certain disclosures relating to directors' remuneration:

- The remuneration of executive directors and certain other senior executives is set by comparison to market rates at levels aimed to attract, retain and motivate the best staff, recognising that they are key to the ongoing success of the business.
- The remuneration of non-executive directors is a matter for the Chairman and the executive directors to determine.
- No Director is involved in any decision as to his or her own remuneration.
- The remuneration of senior management includes equity-based payments (stock options) vested over time to retain their employment.

Responsibilities of the Remuneration Committee
The responsibilities of the Remuneration Committee include the below and other responsibilities as set forth in the Charter of the Committee:

- Setting the remuneration policy for all executive directors. Karim Peer is not involved in setting his own remuneration, this is determined by Mark Rosman only;
- Recommending and monitoring the level and structure of remuneration for senior management personnel;
- Reviewing the design of all share incentive plans for approval by the Board and shareholders.

Share option scheme
On 17 May 2016, the Company adopted a "long term incentive senior management and Directors' stock option plan" ("the Plan"). Options granted under the Plan will entitle the participant to acquire Ordinary Shares at a price determined in accordance with the rules of the Plan.

The Directors' interests in the Company's share options for the year ended 31 December 2021 are shown on page 10. Share options granted as per 31 December 2021 are shown in Note 19 on page 50.

The Committee remains committed to a fair and responsible approach to executive pay whilst ensuring it remains in line with best practice and appropriately incentivises executive directors over the longer term to deliver the Group's strategy. An overview of Directors remuneration is shown in Note 5 on page 42.

Mark Rosman
Mark Rosman (Jun 20, 2022 21:45 GMT+2)

Mark Rosman, *Chairman of the Remuneration Committee*

Nexia Smith & Williamson

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF B90 HOLDINGS PLC

Opinion

We have audited the financial statements of B90 Holdings plc (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, and the notes to the consolidated financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2021 and of the group's loss for the year then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which indicates that whilst trading during the first months of 2022 has been in line with the Board's expectations and show a significant increase in revenues, the Group has made a net loss for the year of €3.4m, had net current liabilities of €4.2m as at 31 December 2021, had cash inflow from revenue of €0.8m in 2021 and is projected to make losses for the 6-month period ending 30 June 2022.

Notwithstanding that, the Group having raised additional funds in equity since the 2021 year-end, amounting to €845,000 (£731,000), it remains reliant, inter alia, on being able to manage its cash resources carefully and trading being in line with management's expectations. Should trading not be in line with management's expectations going forward, the Group's ability to meet its liabilities may be impacted, in which case the Group may need to raise further funding. In such circumstance that this is needed and whilst the directors are confident of being able to raise such funding if required, there is no certainty that such funding will be available and/or the terms of such funding.

These conditions represent a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Notwithstanding the above, in auditing the financial statements we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- We challenged and reviewed management's sensitivity analysis in their forecasts, made up to December 2023, looking at cash generation and key assumptions such as revenue generation from major sporting events. Where appropriate we used third party data to review and, where necessary, challenge their inputs;
- We reviewed and challenged the disclosures in the Annual Report and Accounts surrounding Going Concern;
- We compared the forecast results to those actually achieved in the 2022 financial period so far;
- We reviewed bank statements to monitor the cash position of the group post year end, and obtained an understanding of significant expected cash outflows (such as marketing expenditure) in the forthcoming 12-month period; and
- We considered the group's funding position and requirements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

An overview of the scope of the audit
Of the Group's 16 (2020: 14) reporting components, we subjected 5 (2020: 14) to specific audit procedures where the extent of our audit work was based on our assessment of the risk of material misstatement and of the materiality of the Group.

The components within the scope of our work covered 100% of group revenue, 93% of group loss before tax, and 100% of group assets.

Key audit matters
We identified the key audit matters described below as those that were of most significance in the audit of the financial statements of the current period. Key audit matters include the most significant assessed risks of material misstatement, including those risks that had the greatest effect on our overall audit strategy, the allocation of resources in the audit and the direction of the efforts of the audit team.

In addressing these matters, we have performed the procedures below which were designed to address the matters in the context of the financial statements as a whole and in forming our opinion thereon. Consequently, we do not provide a separate opinion on these individual matters.

Key audit matter	Description of risk	How the matter was addressed in the audit
Revenue Recognition	Under International Standards on Auditing there is a presumption that there are risks of material misstatement due to fraud in relation to revenue recognition. Where it is assessed that a material risk of fraud exists, that class of transaction must be assessed as significant risk. Revenue is a key performance indicator of the Group. Revenue	We reviewed the Group's accounting policy for revenue recognition and assessed whether it is in line with industry and international financial reporting standards ("IFRS"). We evaluated the design and implementation of relevant internal controls that the Group uses to ensure the completeness, accuracy and timing of revenue recognised. We performed substantive testing including:

	based targets may place pressure on management to distort revenue recognition. This may result in overstatement to assist in meeting current targets or expectations.	• Reviewed material revenue contracts with customers; • Tested the recognition compliance with IFRS 9 & 15 • Performed detailed testing on a sample of revenue transactions, including agreement to third party reports; • For affiliate marketing revenues - where cash has been received, we agreed to bank statements and remittance; • For sportsbook and casino revenues – We have corroborated the movements to the corresponding player liability accounts; and • We reviewed the disclosures made by the directors in the financial statements.

Acquisition accounting - Fair value of assets and liabilities acquired as well as consideration paid for the Oddsen.nu and Spinbookie acquisitions	The Group holds significant Intangible assets, with the majority relating to the recent acquisitions of the Oddsen.nu operations and Spinbookie.com Intellectual property.
	
	IFRS 3 requires identification of assets which are either separable or arise from contractual or legal rights. Therefore, significant judgments and estimation were needed to determine the fair value of the assets and liabilities acquired by the business through the purchase price allocation (“PPA”) process for Oddsen.nu & Recognition of the Spinbookie.com intellectual property under IAS 38.
	
	In addition, the determination of the fair value of consideration payable in relation to deferred pay-outs involved a degree of estimation on the likelihood of earnout criteria being met.
		We reviewed the accounting assessment for the Oddsen.nu & Spinbookie.com acquisitions & assessed whether it is in line with industry and international financial reporting standards (“IFRS”).
		
		We evaluated the design and implementation of relevant processes and controls surrounding the accounting assessment, valuation of the consideration paid and the fair values of the assets and liabilities acquired.
		
		We performed substantive testing including:
		• Corroborated the valuation of significant balances within the acquisition balance sheet to supporting evidence to ensure these are representative of their fair value (Including the use of our internal valuation specialist to review the Oddsen.nu PPA assessment);
		• For shares issued as consideration, corroborated the value to the listed share prices.
		• Assessed conditions attached to deferred pay-outs and reviewed:
		  o whether any of the amount includes payments for future employment costs rather than consideration
		  o Ensured the present value computation was mathematically accurate and key inputs were reasonable

<table>
<tr><td></td><td></td><td>reviewed the appropriateness of disclosures in the Company annual report.</td></tr>
<tr><td>Carrying value of Goodwill with indefinite useful lives and Other intangible assets</td><td>The Group holds Goodwill with an indefinite useful life relating to the acquisition of Bet90 Sports Limited and Oddsen.nu. Other intangible assets should be held at the lower of amortised cost or their recoverable amount. Where there is an indicator of impairment such as a loss being made in the financial statements, an impairment review is undertaken.

Significant judgment is needed in order to assess the appropriateness of the recoverable amount of these assets/CGUs to which an indicator of impairment is noted or to which the Goodwill has been allocated, in particular with reference to forecasted cash flows, growth rates, discount rates and sensitivity assumptions.</td><td>We reviewed management’s accounting policy for impairment and assessed whether it is in line with IAS 36.
We evaluated the design and implementation of relevant internal controls surrounding the review process of impairment models.
We performed substantive testing including:
Challenged Management’s assessment of the relevant CGUs with reference to the guidance set out in IAS 36;
Reviewed the assessment over indicators of impairment for other intangibles with definite useful lives.
Considered the appropriateness and mathematical accuracy of the model used to determine the recoverable amount of the Bet90 sports and Oddsen.nu CGUs
Considered historical trading performance by comparing both revenue and operating profit of the Group’s CGUs with projected revenues and operating profits;
We assessed and challenged the appropriateness of the assumptions concerning:
Revenue growth rates to projected player revenue models based on player acquisition and expected net gaming revenues per player
Costs basis to historic cost data including relevant affiliate and platform agreements
inputs to the discount rate against latest market expectations; and
We challenged and evaluated management’s sensitivity analysis of the key variables included within the value in use calculations.
In performing and to support our procedures, we used our internal valuation specialists and third-party evidence.</td></tr>
</table>

Our application of materiality

The materiality for the group financial statements as a whole (“group FS materiality”) was set at €128,000 (2020: €50,000). This has been determined with reference to the benchmark of the group’s net assets, which we consider to be one of the principal considerations for members of the Group in assessing the Group's performance. Group FS materiality represents 3.5% of the group's net assets (2020: 2.5% of the group's gross assets) as presented on the face of the Consolidated Statement of Financial Position. We have determined net assets to be appropriate in the current year given the additional acquisitions undertaken by the group.

Performance materiality for the group financial statements was set at €102,560, being 80% (2020: 80%) of group FS materiality, for purposes of assessing the risks of material misstatement and determining the nature, timing and extent of further audit procedures. We have set it at this amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds group FS materiality. We judged this level to be appropriate based on our understanding of the group and its financial statements, as updated by our risk assessment procedures and our expectation regarding current period misstatements including considering experience from previous audits.

Other information
The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Accounts. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on pages 10 & 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We obtained a general understanding of the Group's legal and regulatory framework through inquiry of management concerning:

- their understanding of relevant laws and regulations;
- the entity's policies and procedures regarding compliance; and
- how they identify, evaluate and account for litigation claims.

We also drew on our existing understanding of the Group's industry and regulation. We understand that the Group complies with the framework through:

- Maintaining an active licence through the Malta Gaming Authority ("MGA") by submitting monthly returns to the MGA and maintaining records subject to random audits from the MGA.

In the context of the audit, we considered those laws and regulations:

- which determine the form and content of the financial statements;
- which are central to the Group's ability to conduct its business; and
- where failure to comply could result in material penalties.

We identified the following laws and regulations as being of significance in the context of the Group:

- Maltese gambling laws; and
- IFRS in respect of the preparation and presentation of the financial statements.

We evaluated potential non-compliance with these laws and regulations by:

- Reviewing current Maltese gaming service licences and monthly returns in relation to those licences; and
- Reviewing board minutes for evidence of non-compliance.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements, especially early recognition of revenue, via fraudulent journal entries and management bias in relation to the key assumptions which drive the recoverable values of the Oddsen.nu and Quasar Holdings ltd (Bet90) CGUs.

The procedures we carried out to gain evidence in the above areas included:

- Substantive work on revenue recognition and the carrying value of Goodwill with indefinite useful lives and Other intangible assets (see above KAMs); and
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts including unexpected entries.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Group's members, as a body, in accordance with our engagement letter dated 15 June 2021. Our audit work has been undertaken so that we might state to the Group's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Bond

Andrew Bond
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

45 Gresham Street
London
EC2V 7BG
20 June 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 December 2021 €	Year ended 31 December 2020 €
Revenue	4	826,855	813,011
Salary expense		(1,306,033)	(1,024,362)
Marketing and selling expense		(430,095)	(381,950)
General administrative expense		(2,256,222)	(1,564,866)
Depreciation and amortisation expense		(109,325)	(82,467)
Total administrative expenses		(4,101,675)	(3,053,645)
Operating loss		(3,274,820)	(2,240,634)
Finance expense		(136,931)	(140,820)
Loss before tax	6	(3,411,751)	(2,381,454)
Taxation	7	-	-
Loss for the period		**(3,411,751)**	**(2,381,454)**
Equity holders of the Company		(3,351,507)	(2,368,712)
Non-controlling interests		(60,244)	(12,742)
		(3,411,751)	**(2,381,454)**
Loss per share attributable to equity holders of the Company			
- Basic (in €)	8	(0.0192)	(0.0248)
- Diluted (in €)	8	(0.0192)	(0.0248)

The Notes on pages 34 to 58 form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Year ended 31 December 2021 €	Year ended 31 December 2020 €
Non-current assets			
Goodwill	9	3,324,531	1,410,931
Other intangible assets	10	4,793,069	169,095
Total non-current assets		8,117,600	1,580,026
Current assets			
Other receivables & prepayments	13	159,999	27,496
Cash and cash equivalents	14	827,302	320,525
Total current assets		987,301	348,021
Total assets		9,104,901	1,928,047
Equity and liabilities			
Share capital	15	-	-
Additional paid-in capital	16	27,734,003	15,466,741
Reverse asset acquisition reserve	17	(6,046,908)	(6,046,908)
Equity portion Convertible Bond	20	-	429,770
Retained earnings	18	(17,987,052)	(14,907,070)
Equity attributable to owners of the parent		3,700,043	(5,057,467)
Non-controlling interests		(24,388)	35,856
Total shareholders' equity		3,675,655	(5,021,611)
Non-current liabilities			
Borrowings	20	-	2,199,839
Deferred tax liability		273,600	-
Total non-current liabilities		273,600	2,199,839
Current liabilities			
Trade and other payables	21	5,130,869	4,725,597
Corporate income tax payable		24,777	24,222
Total current liabilities		5,155,646	4,749,819
Total equity and liabilities		9,104,901	1,928,047

Approved by the board on 20 June 2022 and signed on its behalf by:

Karim Peer
Chairman

The Notes on pages 34 to 58 form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Additional paid in capital	Equity portion convertible Loan Note	Other reserves - Reverse asset acquisition reserve	Retained earnings	Total	Non-controlling interest	Total Equity
	€	€	€	€	€	€	€	€
Balance as at 1 January 2020	-	15,162,647	149,836	(6,046,908)	(8,910,238)	355,337	(2,817,990)	(2,462,653)
Loss for the financial period	-	-	-	-	(2,368,712)	(2,368,712)	(12,742)	(2,381,454)
Convertible loan note	-	-	279,934	-	-	279,934	-	279,934
Aqcuisition of non-controlling interest	-	304,094	-	-	(3,670,682)	(3,366,588)	2,866,588	(500,000)
Share based payments	-	-	-	-	42,562	42,562	-	42,562
Balance as at 31 December 2020	-	15,466,741	429,770	(6,046,908)	(14,907,070)	(5,057,467)	35,856	(5,021,611)
Loss for the financial period	-	-	-	-	(3,351,507)	(3,351,507)	(60,244)	(3,411,751)
Convertible loan note conversions	-	4,569,685	(429,770)	-	126,499	4,266,414	-	4,266,414
Conversion of payables	-	772,100	-	-	-	772,100	-	772,100
Share based acquisition	-	3,779,059	-	-	-	3,779,059	-	3,779,059
Share based payments	-	-	-	-	145,026	145,026	-	145,026
Issue of share capital	-	3,385,871	-	-	-	3,385,871	-	3,385,871
Costs of raising capital	-	(239,453)	-	-	-	(239,453)	-	(239,453)
Balance as at 31 December 2021	-	27,734,003	-	(6,046,908)	(17,987,052)	3,700,043	(24,388)	3,675,655

The Notes on pages 34 to 58 form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

	31 December 2021 €	*31 December* *2020* €
Cash flows from operating activities		
Operating (loss)/profit	(3,274,820)	(2,240,634)
Adjustments for:		
Share based payments	145,026	42,562
Amortisation of intangibles	109,325	82,467
Cash flow used in operations before working capital changes	**(3,020,469)**	**(2,115,605)**
(Increase)/decrease in trade and other receivables	(132,502)	103,389
(Decrease)/increase in trade and other payables	(733,670)	437,115
Cash flow used in operations	**(3,886,641)**	**(1,575,101)**
Tax (paid)/received	-	-
Cash flow used in operating activities	**(3,886,641)**	**(1,575,101)**
Cash flow used in investing activities		
Acquisition of non-controlling interest	-	(200,000)
Acquisition of intangible assets	(600,000)	-
Net cash outflow used in investing activities	**(600,000)**	**(200,000)**
Cash flow from financing activities		
Interest paid	-	-
Proceeds of issue of new shares	3,146,418	-
Receipts from loans	1,847,000	1,665,000
Net cash inflow from financing activities	**4,993,418**	**1,665,000**
Net increase/(decrease) in cash and cash equivalents	506,777	(110,101)
Cash and cash equivalents at start of period	320,525	430,626
Cash and cash equivalents at end of period	**827,302**	**320,525**

The Notes on pages 34 to 58 form part of these financial statements

Notes to the Consolidated Financial Statements
For the year ended 31 December 2021

Note 1: General Information

Company descriptions and activities

B90 Holdings plc (the "Company") and its subsidiaries (together the "Group") was founded in 2012 in the Isle of Man (Company number 9029V). In July 2013, the Company listed on the AIM market of the London Stock Exchange and completed a reverse merger in June 2016.

The Group is focused on the operation of its own online Sportsbook and Casino product (via Spinbookie.com and Bet90.com) as well as marketing activities for other online gaming companies (using oddsen.nu and tippen4you.com).

Significant accounting policies

The principal accounting policies as adopted by the Group in the preparation of its consolidated financial statements for the year ended 31 December 2021 are set out below. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation
The Consolidated Financial Statements have been prepared in accordance International financial reporting standards (''IFRS") in conformity with the requirements of the EU. The Consolidated Financial Statements have been prepared under the historical cost convention and on a going concern basis.

Basis of consolidation
The Consolidated Financial Statements incorporate the results of B90 Holdings plc (the "Company") and entities controlled by the Company (its subsidiaries) (collectively the "Group"). Control is achieved where the Company has the power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

The results of subsidiaries disposed of are included in the consolidated statement of comprehensive income to the effective date of loss of control and those acquired from the date on which control is transferred to the Group.

Going concern
After the challenges in 2020 and the impact of the global COVID-19 pandemic, the Group raised a total of €5.2 million during 2021, which allowed the Group to settle overdue creditors and to complete two acquisitions (Spinbookie.com and Oddsen.nu) in order to drive additional revenues for the Group.

The directors expect that these acquisitions will generate cash flow in 2022 , however the Group achieved a net loss of €3.4 million for the year ended 31 December 2021. Furthermore, the Group had a negative cash flow from operations of €4.5 million for the year ended 31 December 2021 and the Group expects to report a loss for the six months ending 30 June 2022. Furthermore, as per 31 December 2021, the Group shows net current liabilities of €4.2 million.

Whilst trading during the first months of 2022 has been in line with the Board's expectations and show a significant increase in revenues, the Group continues to operate at a loss, although management expects the Group to become cash flow positive during the second half of 2022, executing on its strategic plan to grow the Group's operations and revenues in the various verticals in a targeted manner, entering into strategic partnerships and investing in further marketing to expand the customer base and geographical reach. Furthermore, as a result of the recent fundraise, completed in May 2022, the Group has improved its financial position.

Notwithstanding that the Group has raised additional funds in equity since the 2021 year-end, amounting to £731,000, it remains reliant, *inter alia*, on being able to manage its cash resources carefully and trading being in line with management's expectations. Should trading not be in line with management's expectations going forward, the Group's ability to meet its liabilities may be impacted, in which case the Group may need to raise further funding. In such circumstance that this is needed and whilst the directors are confident of being able to raise such funding if required, there is no certainty that such funding will be available and/or the terms of such funding. These conditions are necessarily considered to represent a significant uncertainty which may cast doubt over the Group's ability to continue as a going concern.

Whilst acknowledging this uncertainty, the Directors remain confident that the recent fundraise will allow the Group to expand its operations and generate a positive operational cash flow within a reasonable time or, if needed, be able to raise additional funding when required, therefore the Directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

Note 2: Critical accounting policies, estimates and judgements

The preparation of the Consolidated Financial Statements requires the Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Key areas of estimation uncertainty

Impairment of Goodwill and other intangible fixed assets
Determining whether goodwill and other intangible fixed assets with a definite or indefinite useful life are impaired requires an estimation of the value-in-use of the cash-generating units. Goodwill was recorded following the acquisition of 51% in Quasar Holdings Ltd in 2017, in the acquisition of the operations of Oddsen.nu in September 2021. The total balance per 31 December 2021 amounts to €3.3 million. The directors have used various estimates, revenue forecasts and expected future cash flows. The recently completed fundraises allow the Group to invest in marketing and the Directors believe this will grow its overall operations to support the carrying value of goodwill. If some of the expectations are not met, impairment of the goodwill balance may be necessary in the future. Further details around the estimates and assumptions used are disclosed in notes 9 and 10.

Business combinations
For business combinations, the Group estimates the fair value of the consideration transferred, which can include assumptions about the future business performance of the business acquired and an appropriate discount rate to determine the fair value of any contingent consideration. Judgement is also applied in determining whether any future payments should be classified as contingent consideration or as remuneration for future services.

The Group then estimates the fair value of assets acquired and liabilities assumed in the business combination, including any separately identifiable intangible assets. These estimates also require inputs and assumptions including future earnings, customer attrition rates and discount rates. The Group engages external experts to support the valuation process, where appropriate. IFRS 3 'Business Combinations' allows the Group to recognise provisional fair values if the initial accounting for the business combination is incomplete. Judgement is applied as to whether changes should be applied at the acquisition date or as post-acquisition changes.

The fair value of contingent consideration recognised in business combinations is reassessed at each reporting date, using updated inputs and assumptions based on the latest financial forecasts for the relevant business. Fair value movements and the unwinding of the discounting is recognised within operating expense

Other areas of estimation

Convertible Bond Note
The Company issued a €300,000 (in September 2019), a £500,000 (€591,200 in December 2019), a €515,000 (in May 2020), a €450,000 (in September 2020), a €700,000 (in December 2020) and a €1,847,000 (in March 2021), secured convertible bonds of 5%. Interest payable twice a year or accrued at the request of the lender. The bonds were repayable three years from their issue date, and could be converted at any time into shares at a price of 5p per New Ordinary Share ("Conversion Price") at request of the holder. An automatic conversion was triggered on 23 April 2021 as the Company's shares were trading above 10p for 25 consecutive dealing days.

Under IAS 32, the convertible bonds were accounted for as a compound financial instrument. For the calculation of the fair value of the loan component, the Company has reviewed the market interest rates for a comparable unsecured loan, with a 3 year term. The market interest rate used in the calculations was 12%.

Share-Based Payments
Certain employees (including Directors and senior Executives) of the Company receive remuneration in the form of share-based payment transactions.

The fair value is determined using the Black-Scholes valuation model. The Directors believe this is appropriate considering the effects of the vesting conditions, expected exercise period and the dividend policy of the Company.

Due to limited trading history, the expected volatility has been based on the 5-year historical volatility of a mix of share prices from other companies in the same industry, as well as the overall market volatility.

New Standards, interpretations and amendments adopted by the Group
Several new and amendments to existing International Financial Reporting Standards and interpretations, issued by the IASB, were effective from 1 January 2021 and have been adopted by the Group during the period with no significant impact on the consolidated results or financial position of the Group.

New Standards that have not been adopted by the group as they were not effective for the year
Several new standards and amendments to existing International Financial Reporting Standards and interpretations, issued by the IASB and adopted, or subject to endorsement, will be effective from 1 January 2022, 2023 and 2024 and have not been adopted by the Group during the period. At this stage management are still assessing the full impact on the consolidated results or financial position of the Group. None are expected to have a material impact on the consolidated financial statements in the period of initial application.

Note 3: Significant accounting policies

The principal accounting policies applied in the preparation of these Consolidated Financial Statements are set out below. The policies have been consistently applied to all years presented, unless otherwise stated.

Revenue

Revenue from contracts with customers is recognised when the control over the services is transferred to the customer. The transaction price is the amount of the consideration that is expected to be received based on the contract terms.

In determining the amount of revenue from contracts with customers, the Group evaluates whether it is a principal or an agent in the arrangement. The Group is principal when the Group controls the promised services before transferring them to the customer. In these circumstances, the Group recognises revenue for the gross amount of the consideration. When the Group is an agent, it recognises revenue for the net amount of the consideration, after deducting the amount due to the principal. The Group does not record revenue when there is uncertainty around the collection of the receivable.

Sportsbook and casino revenue
Revenue is recognised provided that it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is recognised in the accounting periods in which the transactions occurred and after adding the fees and charges applied to customer accounts, and is measured at the fair value of the consideration received or receivable.

Revenue from these activities comprises:

Sportsbook
Sport online gaming revenue comprises bets placed less pay-outs to customers, adjusted for the fair value of open betting positions, adjusted for the fair value of certain promotional bonuses granted to customers.
Landbased revenue comprises of the bets placed less pay-outs to customers. Commissions paid to the shop owners are recorded as cost of sale.

Casino games
Casino, Bingo and other online gaming revenue is represented by the difference between the amounts of bets placed by customers less amounts won, adjusted for the fair value of certain promotional bonuses granted to customers.

The Company acts as the principal in sportsbook and casino operations.

Marketing commission revenue
In its operations which generate marketing commissions, the Group acts as the agent. Revenue from marketing contracts with customers is recognised when players are losing their funds on the operators' platforms on which the Company is basing the amounts to be invoiced. In some cases customers agree to pay a fixed fee per acquired player. All fees and commissions are invoiced on a monthly basis. The transaction price is the commission amount of the consideration that is expected to be received based on the contract terms. The performance obligation of a revenue contract is satisfied at the point a player's losses are incurred. Operators typically pay a month in arrears. This gives rise to contract assets on a short term basis.

Administrative expenses
Administrative expenses consist primarily of staff costs (including contractors), corporate professional expenses, and depreciation and amortisation. All expenses are recognised on an accruals' basis.

Foreign currencies
The Group's functional and presentation currency is EURO. Transactions in foreign currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date. Any gains or losses arising on translation are taken to the profit and loss.

Taxation

Current tax
Current tax for each taxable entity in the Group is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the statement of financial position date and includes adjustments to tax payable or recoverable in respect of previous periods.

Deferred tax
Deferred taxation is calculated using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. However, if the deferred tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates and laws that have been enacted (or substantively enacted) by the date of the statement of financial position and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are provided in full.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the profit and loss, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

Intangible fixed assets

Acquired intangible assets

Intangible assets acquired separately consist of domain names and customer lists and are capitalised at cost. Those acquired as part of a business combination are recognised separately from goodwill if the fair value can be measured reliably. These intangible assets are amortised over the useful life of the assets, which is mentioned at the table below.

The cost of intangible assets acquired in a business combination is the fair value at acquisition date. The valuation methodology used for each type of identifiable asset category is detailed below:

Asset category	Valuation methodology	Useful life
Customer relationships	Excess earnings	3-10 years
Domain names	Relief from royalty	20 years
Licenses	Cost approach	3 years
Spinbookie assets	Cost approach	10 years

Goodwill

Goodwill represents the excess of the fair value of the consideration in a business combination over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities acquired. Consideration comprises the fair value of any assets transferred, liabilities assumed and equity instruments issued.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the profit and loss and not subsequently reversed. Where the fair values of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the profit and loss on the acquisition. Changes in the fair value of the contingent consideration are charged or credited to the profit and loss. In addition, the direct costs of acquisition are charged immediately to the profit and loss.

Goodwill is not amortised as the Group assumes an indefinite useful life.

Non-controlling interests

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination except where any non-controlling interests have been acquired by the Group. Any share of gains or losses are transferred to the Group's retained earnings. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Accounting for acquisition of non-controlling interests

When the Group acquires a minority interest of an entity over which the Group already has control, the excess consideration over the fair value of the minority interest is taken to equity reserves.

Impairment of non-financial assets

Impairment tests on goodwill are undertaken annually and where applicable an impairment loss is recognised immediately in the profit and loss. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (being the higher of value in use and fair value less costs to sell), the asset is written down accordingly through the profit and loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash generating unit (i.e. the smallest group of assets to which the asset belongs for which there are separately identifiable and largely independent cash inflows).

Equity

Equity comprises the following:

- "Share capital" represents amounts subscribed for shares at nominal value. Nominal value per share is nil.
- "Additional paid in capital" represents amounts subscribed for share capital in excess of nominal value.
- The "Reverse asset acquisition reserve" represents the difference in carrying value between the Additional paid in capital of B90 Holdings plc and the Share capital of Sheltyco on the acquisition date (June 2016).
- The "Equity portion of the convertible loan note" represents the difference between the fair value of the entire instrument and the fair value of the liability component at initial recognition.
- "Retained earnings" represents the accumulated profits and losses attributable to equity shareholders. This also includes issued and vested warrants and options.

Financial instruments

Trade and other receivables

Trade receivables are held in order to collect the contractual cash flows and are initially measured at the transaction price as defined in IFRS 15. The Group has applied IFRS 9's simplified approach and has calculated the ECLs based on lifetime of expected credit losses. As the contracts of the Group do not contain significant financing components. Impairment losses are recognised based on lifetime expected credit losses in profit or loss.

Other receivables are held in order to collect the contractual cash flows and accordingly are measured at initial recognition at fair value, which ordinarily equates to cost and are subsequently measured at cost less impairment due to their short term nature. A provision for impairment is established based on 12-month expected credit losses unless there has been a significant increase in credit risk when lifetime expected credit losses are recognised. The amount of any provision is recognised in profit or loss.

Cash and cash equivalents, and finance income

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months (These include Player wallets). Finance income is recognised on bank balances as and when it is receivable.

Trade payables

Trade payables, including customer balances, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Financial liabilities

Financial liabilities are classified as financial liabilities measured at amortised cost. The Group determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities is initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognised respectively in interest and other revenues and finance costs.

Borrowings and finance costs

Borrowings are initially recognised at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the date of the Statement of Financial Position.

Convertible Bond Note
The proceeds received on issue of the Group's convertible bond note are allocated into their liability and equity components. The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that does not include an option to convert. Subsequently, the debt component is accounted for as a financial liability measured at amortised cost until extinguished on conversion or maturity of the bond. The balance of the proceeds is allocated to the equity conversion option and is recognised in the 'Equity portion of the convertible loan note' within shareholders' equity. Issue costs incurred are allocated between liability and equity in proportion to the value of each component.

Warrants
When warrants are issued, the fair value is determined using the Black-Scholes valuation model. The Directors believe this is appropriate considering the effects of the vesting conditions, expected exercise period and the dividend policy of the Company.

Due to limited trading history, the expected volatility has been based on the 5-year historical volatility of a mix of share prices from other companies in the same industry, as well as the overall market volatility.

The value of the issues and vested warrants is included in retained earnings in the equity section.

Note 4: Segment reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segments and to assess their performance. In accordance with IFRS 8, the chief operating decision maker has been identified as the Board. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. The Board considers that the business comprises of two activities:

1. Operating sportsbook and casino brands
2. Online marketing and promotion of online sportsbook and casino websites, using affiliate agreements

Revenue originates from:

	2021	2020
	€	€
Online sportsbook and casino operations	640,690	813,011
Affiliate marketing	186,165	-
Total	826,855	813,011

The Board evaluates the operations based on the revenues metric. Revenues consist of invoiced commissions for the marketing and player acquisition services provided, as well as revenues generated from own operations, based in Malta and Curaçao. The Group operates an integrated business model and, therefore, does not allocate general operating expenses, assets and liabilities to any of the originating segments.

Note 5: Key management remuneration

Key management remuneration for each period was as follows:

	Cash based salary €	*Share based payments* €	*Total Remuneration 2021* €	*Total Remuneration 2020* €
Paul Duffen	203,258	34,488	237,746	106,753
Marcel Noordeloos	155,520	35,638	191,158	147,472
Mark Rosman	50,400	20,442	70,842	40,358
Rainer Lauffs	117,000	13,592	130,592	158,646
Karim Peer	25,337	4,799	30,136	-
Total	551,515	108,959	660,474	453,229

Note 6: Profit for the year

Profit before taxation is stated after charging/(crediting):

	Year ended 31 December 2021 €	*Year ended 31 December 2020* €
Depreciation of property, plant and equipment	-	-
Amortisation of intangibles	109,325	82,467
Impairment of intangibles	-	-
Short term lease expense	-	-
Share based payment charge	145,026	42,562
Foreign exchange (gains)	42,589	(823)

Note 7: Taxation

	Year ended 31 December 2021 €	*Year ended 31 December 2020* €
Loss before tax	(3,411,751)	(2,381,454)
Profit before tax multiplied by the standard rate of corporation tax in Isle of Man of 0%	-	-
Adjustments to tax charge in respect of previous periods	-	-
Effect of different tax rates in other countries	-	-
Tax credit	-	-

Note 8: Earnings per share (basic and diluted)

	Year ended 31 December 2021 €	*Year ended 31 December 2020* €
Earnings		
Earnings for the purposes of basic and diluted earnings per share, being net profit after tax attributable to equity shareholders	(3,351,507)	(2,368,712)
Number of shares		
Weighted average number of ordinary shares for the purposes of:		
Basic earnings per share	174,331,667	95,681,159
Diluted earnings per share	174,331,667	95,681,159
Basic loss per share (in €)	(0.0192)	(0.0248)
Diluted loss per share (in €)	(0.0192)	(0.0248)

The Group has granted share options in respect of equity shares to be issued, the details of which are disclosed in Note 19. Share options and warrants outstanding are anti-dilutive due to the losses incurred in each period.

Subsequent to year-end, on 13 May 2022, the Company has issued 13,452,632 new ordinary shares to satisfy the deferred consideration of €1,050,000 as part of the Oddsen.nu acquisition. Furthermore, on 16 May 2022, the Company issued 12,713,043 new ordinary shares in a fundraise with certain existing shareholders.

Note 9: Goodwill

	Goodwill €
Cost	
At 1 January 2020	1,410,931
Additions	-
Impairments	-
At 31 December 2020	1,410,931
Additions	1,913,600
Impairments	-
At 31 December 2021	3,324,531
Net Book Value	
At 1 January 2020	1,410,931
At 31 December 2020	1,410,931
At 31 December 2021	3,324,531

Goodwill
Goodwill arose following:
- the acquisition of 51% in Quasar Holdings Ltd in 2017
- the acquisition of the operations of Oddsen.nu in September 2021

The addition of goodwill in 2021 is related to the Oddsen.nu acquisition.

Key assumptions and inputs used
The key assumptions and inputs used for the assessment of the value of the goodwill are disclosed in Note 10, as well as assumptions used for the impairment review.

Note 10: Other intangible assets

	Customer database	*Brand and domain names*	*Licences and other*	*Spinbookie assets*	*Total*
	€	€	€	€	€
Cost					
At 1 January 2020	61,742	4,570,103	105,000	-	4,736,845
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2020	61,742	4,570,103	105,000	-	4,736,845
Additions	337,000	2,399,000	-	1,997,299	4,733,299
Disposals	(37,142)	(3,076,603)	-	-	(3,113,745)
At 31 December 2021	361,600	3,892,500	105,000	1,997,299	6,356,399
Amortisation					
At 1 January 2020	(61,742)	(4,325,729)	(97,812)	-	(4,485,283)
Charge for the period	-	(75,279)	(7,188)	-	(82,467)
At 31 December 2020	(61,742)	(4,401,008)	(105,000)	-	(4,567,750)
Charge for the period	(21,063)	(88,262)	-	-	(109,325)
Disposals	37,142	3,076,603	-	-	3,113,745
At 31 December 2021	(45,663)	(1,412,667)	(105,000)	-	(1,563,330)
Net Book Value					
At 1 January 2020	-	244,375	7,188	-	251,562
At 31 December 2020	-	169,095	-	-	169,095
At 31 December 2021	315,937	2,479,832	-	1,997,299	4,793,069

Customer database
The Customer database relates to the acquisition of the Oddsen.nu operations in September 2021. Databases previously used were fully amortised and due to the age of the database, these databases have been disposed during the year as these databases were outdated. The estimated remaining life of the customer database is 2.5 years.

Brand and domain names
The brand and domain names relate to the following acquisitions:

1. Quasar Holdings Ltd (owning Bet90.com) in 2017 (51%);
2. T4U Marketing ltd in 2017 (51%); and
3. Oddsen.nu in 2021 (100%).

The estimated useful life of these brand and domain names is 20 years and the remaining estimated useful lives are between 17 and 20 years.

Brand and domain names are considered to be business operations.

The carrying value of the brand and domain names for Bet90 (Quasar Holdings ltd acquisition) as per 31 December 2021 amounts to €110,821. It has a remaining estimated lifetime of 2 years.

Oddsen.nu is considered to be a single cash-generating unit ("CGU"). The carrying value of the brand and domain names for Oddsen.nu as per 31 December 2021 amounts to €2,369,013 and has a remaining estimated lifetime of 19.5 years.

Licenses and other
Licenses and other related to the MGA license which was acquired in 2017 when the Group acquired the first 51% in Bet90. This license was amortised in 3 years and is now fully amortised.

Spinbookie assets
In December 2021, the Group acquired the business of Spinbookie.com, which is presented under Spinbookie assets. This includes a fully operational sportsbook and casino operation, operating using a Curacao gaming license. Spinbookie operates on Betconstruct, a gaming software developer platform and has various payment service providers and other operating tools implemented. The assets will be amortised in 10 years and per 31 December 2021 therefore has 10 years remaining.

Impairment reviews
The Directors have performed an impairment review of intangible fixed assets and goodwill at the end of the year.

	Quasar Holdings ltd (Bet90)	Oddsen.nu	Spinbookie .com	Consolidated Totals
	€	€	€	€
Goodwill	1,410,931	1,913,600	-	3,324,531
Other intangibles	110,821	2,684,950	1,997,299	4,793,070
Other non-current assets	-	-	-	-
CGU Carrying value at 31 Dec 2021	**1,521,752**	**4,598,550**	**1,997,299**	**8,117,601**
CGU Carrying value at 31 Dec 2020	1,580,026	-	-	1,580,026

Goodwill is not amortised.

In accordance with IAS 36 and the Group's stated accounting policy, an impairment test is carried out annually on the carrying amounts of goodwill and a review for indicators of impairment is carried out for other non-current assets. Where an impairment test was carried out, the carrying value is compared to the recoverable amount of the asset or the cash-generating unit. Only the recoverable amount for Quasar Holdings ltd (Bet90) and Oddsen.nu were determined to be necessary given the allocation of goodwill with an indefinite useful life requiring annual review. In each case, the recoverable amount was the value in use of the assets, which was determined by discounting the future cash flows of the relevant asset or cash-generating unit to their present value.

The recoverable amount of the Quasar Holdings ltd (Bet90) and Oddsen.nu CGUs as at 31 December 2021, of €2.5 million and €4.6 million, respectively, has been determined based on a value in use calculation using cash flow projections from financial budgets approved by the Directors. Key assumptions in performing the value in use calculation are set out below.

Key assumptions and inputs used:

Cash flow projections have been prepared for a five-year period, following which a long-term growth rate has been assumed. Underlying growth rates, as shown in the table below for each of Quasar Holdings ltd (Bet90) and Oddsen.nu, have been developed through projections of future player acquisitions and net gaming revenue based on data obtained from partners and affiliate partners

The pre-tax discount rate that is considered by the Directors to be appropriate is based on the Group's specific Weighted Average Cost of Capital, adjusted for tax, which is considered to be appropriate for the cash-generating units.

	Pre-tax discount rate applied	**Underlying revenue growth rate year 1**	**Underlying revenue growth rate years 2-5**	**Long-term growth rate year 6+**
At 31 December 2021				
Quasar Holdings ltd (Bet90)	26.0%	469%	27.8%	2%
Oddsen.nu	14.3%	1%	4.7%	2%
At 31 December 2020				
Quasar Holdings ltd (Bet90)	26%			2%

Downside scenarios were applied on Quasar Holdings ltd (Bet90) of between 25% and 40% & Oddsen.nu 5% and 10% on each year's margins.

The calculation of value in use for the Quasar Holdings ltd (Bet90) is most sensitive to the following assumptions:

- Revenue – A reduction in the revenue cumulative annual growth rate ("CAGR") for years 1-5 from 72% down to 69% would result in the recoverable amount equalling the carrying value.
- Weighted Average Cost of Capital - Whereas the Directors believe the WACC rate is conservative, an increase in WACC rate to 35%, combined with the sensitivities on profit forecast, would result in the recoverable amount equalling the carrying value.

The calculation of value in use for the Oddsen.nu is most sensitive to the following assumptions:

- Revenue – A reduction in the revenue cumulative annual growth rate ("CAGR") for years 1-5 from 3.9% down to 2.9% would result in the recoverable amount equalling the carrying value.
- Weighted Average Cost of Capital - Whereas the Directors believe the WACC rate is conservative, an increase in WACC rate to 15%, combined with the sensitivities on profit forecast, would result in the recoverable amount equalling the carrying value.

The annual impairment review on goodwill and the intangible fixed assets showed that no impairment was needed for the years 2021 and 2020.

Note 11: Business Combinations

On 30 September 2021, the Group completed the acquisition of Oddsen.nu, a Norwegian sports-bet affiliate site. Oddsen.nu ("Oddsen") has been operating for over 20 years in its home market of Norway. Oddsen connects publishers with affiliate programs that allow them to promote sports book gambling-related offers. Its operations include producing media content covering a wide range of sports news, sport events, analysis and forecasts, which it then publishes on its website Oddsen.nu. Oddsen also offers a major forum, where end users can discuss sports betting related events 24-7 and has generated winning odds tips for its visitor for a number of years, free of charge.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	Total €
Net assets acquired	-
Oddsen.nu brand and domain name	2,399,000
Existing Players with affiliate accounts	337,000
Net identifiable assets acquired	2,736,000
Goodwill	1,913,600
Deferred tax related to the acquisition	(273,600)
Total	**4,376,000**
Purchase consideration:	
Cash	600,000
Deferred payment	1,050,000
Share based payment	2,726,000
Total Consideration	**4,376,000**

The goodwill is attributable to Oddsen's strong position in the Norwegian market and its 20 years of operating history and benefits expected in relation to the Group's own brands. The amount of goodwill that is expected to be tax deductible is nil.

The acquired business contributed revenue of €186,000 for the 3 months of operations in 2021. If the business was acquired on 1 January 2021, the business would have contributed revenues of €760,000. As the Group operates an integrated business model, it does not allocate general operating expenses, assets and liabilities to these operations. Expenses directly related to the Oddsen operations are immaterial.

Note 12: Property, plant & equipment

	Furniture & equipment €	*Computers* €	*Total* €
Cost			
At 1 January 2020	4,500	1,005	5,505
Additions	-	-	-
Disposals	-	-	-
At 31 December 2020	4,500	1,005	5,505
Additions	-	-	-
Disposals	-	-	-
At 31 December 2021	4,500	1,005	5,505
Depreciation			
At 1 January 2020	(4,500)	(1,005)	(5,505)
Charge for the period	-	-	-
Disposals	-	-	-
At 31 December 2020	(4,500)	(1,005)	(5,505)
Charge for the period	-	-	-
Disposals	-	-	-
At 31 December 2021	(4,500)	(1,005)	(5,505)
Net Book Value			
At 1 January 2020	-	-	-
At 31 December 2020	-	-	-
At 31 December 2021	-	-	-

Note 13: Trade and other receivables

	Year ended 31 December 2021 €	*Year ended 31 December 2020* €
VAT receivables	42,042	27,496
Accounts receivable	89,045	-
Other receivables and prepayments	28,912	-
Total	159,999	27,496

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Group has policies in place to ensure that provision of services is made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. Due to the nature of the Group's operations the Group only has a few customers.

Impairment
A provision for impairment of trade receivables is established using an expected loss model. Expected loss is calculated from a provision matrix based on the expected lifetime default rates and estimates of loss on default. No impairment charge was recorded during the year ended 31 December 2020 and 31 December 2021.

Note 14: Cash and cash equivalents

	Year ended 31 December 2021 €	*Year ended 31 December 2020* €
Cash held in current accounts and wallets	827,302	320,525
Total	827,302	320,525

Included within the cash and cash equivalents are balances held in relation to the liabilities to customers shown in Note 21.

Note 15: Share capital

	Year ended 31 December 2021 €	*Year ended 31 December 2020* €
Allotted, called up and fully paid		
238,406,683 (2020: 95,889,492) Ordinary shares	-	-
Par value of the shares	nil	nil

During the year the Company issued 142,517,191 New Ordinary Shares, on the following dates:

Date:	New Ordinary Shares	Pursuant to:
17 March 2021	6,917,130	Conversion of liabilities
30 March 2021	7,796,427	Equity subscription
30 March 2021	10,249,101	Conversion of liabilities
30 March 2021	3,500,000	Conversion of liabilities
30 March 2021	1,600,000	Conversion of liabilities
24 April 2021	68,346,716	Conversion of convertible loan
28 April 2021	280,000	Conversion of liabilities
29 September 2021	8,888,465	Equity subscription
29 September 2021	787,102	Conversion of liabilities
29 September 2021	19,965,000	Acquisition of Oddsen.nu
21 December 2021	4,973,333	Equity subscription
21 December 2021	413,917	Conversion of liabilities
21 December 2021	8,600,000	Acquisition of Spinbookie.com
	142,517,191	

Note 16: Additional paid in capital

Additional paid in capital represents amounts subscribed for share capital in excess of par value. Details of additions are described in Note 15 above.

Note 17: Reverse asset acquisition reserve

The reverse acquisition completed on 30 June 2016 has been accounted for as a share-based payment transaction in accordance with IFRS 2. On the basis of the guidance in paragraph 13A of IFRS 2, the difference in the fair value of the consideration shares and the fair value of the identifiable net assets should be considered to be payment for the services to transition to a public company.

Note 18: Retained earnings

Retained earnings represents the cumulative net gains and losses recognised in the consolidated statement of comprehensive income and other transactions with equity holders.

Note 19: Share based payments

Equity-settled share option scheme
On 17 May 2016, the Group adopted a “long term incentive senior management and Directors’ stock option plan”, which was amended on 30 June 2016 (“the Plan”). Options granted under the Plan will entitle the participant to acquire Ordinary Shares at a price determined in accordance with the rules of the Plan.

As at 31 December 2021, the following options have been granted under the Plan:

A total of 4,150,000 share options have a grant date of 30 June 2016, with an exercise price of £0.25 for all of the options. During 2017, a total of 262,500 of these options were exercised, all with an exercise price of £0.25 per share, for which the Group issued new Ordinary Shares. Furthermore, during 2018, a total of 437,500 options have been exercised, all with an exercise price of £0.25 per share, for which the Group issued new Ordinary Shares. Also, during those years a total of 1,025,000 options were cancelled due to employees or directors leaving the Group. The remaining options were all cancelled on 17 March 2021.

On 22 May 2017, the Board granted 800,000 share options to key employees with an exercise price of £0.25 for all of the options. These options expire on its 5th anniversary on 22 May 2022. All options vest over 4 equal yearly instalments starting 1 year after the grant date.

On 14 February 2019, the Board granted 2,420,000 share options to Directors and key employees with an exercise price of £0.15 for all of the options. 1,870,000 of these options were cancelled on 17 March 2021 and the remaining costs have been expensed in 2021. The remaining 550,000 options expire on its 5th anniversary on 14 February 2024.

On 17 March 2021, the Board granted 6,215,000 share options to Directors and key employees with an exercise price of £0.05 for all of the options. These options expire on its 5th anniversary on 17 March 2026. All options vest over 4 equal yearly instalments starting 1 year after the grant date.

On 1 October 2021, the Board granted 13,530,000 share options to Directors and key employees with an exercise price of £0.13 for all of the options. These options expire on its 5th anniversary on 1 October 2026. All options vest over 4 equal yearly instalments starting 1 year after the grant date.

As a result of the above the total of 21,095,000 options are outstanding at 31 December 2021.

Warrants

On 30 June 2016, the Company issued new Ordinary Shares in relation to funds raised and loans converted as part of the reverse merger and re-admission of the Group. As part of this fundraise and conversion, the Company issued 1 warrant for every 5 new Ordinary Share allotted pursuant to the conversion and subscription agreements, exercisable at £0.31 per warrant at any time during the period from the date of issue until the 5th anniversary of issue.

As a result of this a total of 758,221 warrants were issued on 30 June 2016. On 2 September 2016, the Company issued a further 175,798 warrants at the same conditions as part of completion of the subscription agreements in relation to the reverse merger.

On 4 October 2017, the Company issued 109,846 warrants to Strand Hanson Limited, on their appointment of being Nominated Adviser for the Company on 4 October 2017. These warrants have an exercise price of £0.15 per warrant and can be exercised during the period from the date of issue until the 5th anniversary, which is on 4 October 2022.

During 2017, a total of 733,521 warrants with an exercise price of £0.31 per share were exercised, for which the Company issued new Ordinary Shares.

On 17 March 2021, the Company issued 750,000 warrants to Strand Hanson Limited, in the process of restoring the trading of the Company's shares. These warrants have an exercise price of £0.05 per warrant and can be exercised during the period from the date of issue until the 3rd anniversary.

No warrants have been exercised during 2020 and 2021.

As a result of the above a total of 859,846 warrants are outstanding at 31 December 2021.

Details of the share options and warrants outstanding during the period are as follows:

	Number of share options and warrants	*Weighted average exercise price (£)*
Outstanding as at 1 January 2020	5,955,344	0.210
Exercisable as at 1 January 2020	2,585,344	0.250
Outstanding as at 31 December 2020	5,955,344	0.210
Exercisable as at 31 December 2020	3,940,344	0.235
Options Cancelled on 17 March 2021	(4,295,000)	0.206
Options granted on 17 March 2021	6,215,000	0.050
Warrants granted on 17 March 2021	750,000	0.050
Warrants lapsed on 30 June 2021	(200,498)	0.310
Options granted on 1 October 2021	13,530,000	0.130
Outstanding as at 31 December 2021	21,954,846	0.131
Exercisable as at 31 December 2021	1,797,346	0.153

The options outstanding as at 31 December 2021 had a weighted average remaining contractual life of 4.2 years, whereas the warrants outstanding had a weighted average remaining contractual life of 4.3 years. The value of the options has been derived by using a Black Scholes pricing model for the options and warrants granted on 22 May 2017, 14 February 2019, 17 March 2021 and 1 October 2021. The inputs into the pricing models were as follows:

	Options granted on 22 May 2017	*Options granted on 14 February 2019*	*Options granted on 17 March 2021*	*Options granted on 1 October 2021*
Share price at grant date	£0.52	£0.0725	£0.0475	£0.13
Exercise price	£0.25	£0.15	£0.05	£0.13
Volatility	34.3%	34.3%	35.6%	35.6%
Expected life	5 years	5 years	5 years	5 years
Risk free rate	2.51%	1.4%	0.79%	0.79%
Expected dividend yield	0%	0%	0%	0%

As the Company has been trading since 30 June 2016, however the liquidity in the stock is low. Furthermore, the stock price was suspended for trading between March 2020 and March 2021, therefore the expected volatility for all options was determined by taking the average the Company's share price and the historical volatility of a peer group over a 5-year period.

The total value of the options granted on 22 May 2017 is €287,272. Of this amount, €7,655 has been charged in the financial statements for the year ended 31 December 2021 (2020: €26,333). There is no remaining charge for the financial statements of the year ending 31 December 2022.

The total value of the options granted on 14 February 2019 is €22,250. Of this amount, €5,952 has been charged in the financial statements for the year ended 31 December 2021 (2020: €6,469). The is no remaining balance to be charged in the financial statements of the year ending 31 December 2022.

The total value of the options granted on 17 March 2021 is €108,401. Of this amount, €44,697 has been charged in the financial statements for the year ended 31 December 2021 (2020: nil). The remaining balance of €63,704 will be charged in the financial statements of the years ending 31 December 2022, 2023 and 2024.

The total value of the options granted on 1 October 2021 is €660,767. Of this amount, €86,037 has been charged in the financial statements for the year ended 31 December 2021 (2020: nil). The remaining balance of €574,730 will be charged in the financial statements of the years ending 31 December 2022, 2023 and 2024.

Note 20: Borrowings

	31 December 2021 €	*31 December 2020* €
Convertible loan[1]	-	2,199,839
	-	2,199,839

(1) The Convertible Loan had a 3 year term, beared a 5% coupon, which was payable in arrears at 30 June and 31 December (with the first payment due on 30 June 2020). The Loan could be converted by the note holder at any time and would automatically convert into new Ordinary Shares when the share price exceeds 10p for 25 consecutive days, which occurred in April 2021. The Convertible Loan was fully converted on 16 April 2021.

Under IAS 32, the convertible bonds are accounted for as a compound financial instrument. The value of the liability component and the equity conversion component were determined at the date the instrument was issued. The fair value of the liability component, included in non-current borrowings, was calculated using a market interest rate for an equivalent instrument without conversion option with the balance recorded as shares to be issued.

Note 21: Trade and other payables

	31 December 2021 €	*31 December 2020* €
Trade payables	877,141	1,823,794
Accrued expenses	267,026	676,764
Liabilities to customers	418,139	295,620
Other creditors	1,558,323	1,927,419
Deferred consideration for the acquisition of Oddsen.nu	1,050,000	-
Earn-out in relation with the acquisition of Spinbookie.com	960,240	-
	5,130,869	4,725,597

Note 22: Capital commitments

At 31 December 2021 and 31 December 2020 there were no capital commitments.

Note 23: Contingent assets and liabilities

There were no contingent liabilities at 31 December 2021 or 31 December 2020.

Note 24: Financial instruments – Fair Value and Risk Management

The Group is exposed through its operations to risks that arise from use of its financial instruments. The Board approves specific policies and procedures in order to mitigate these risks.

The main financial instruments used by the Group, on which financial risk arises, are as follows:

- Cash and cash equivalents;
- Trade and other receivables;
- Trade and other payables; and
- Customer deposits in case of the Bet90 operations.

Detailed analysis of these financial instruments is as follows:

Financial assets	**2021 €**	**2020 €**
Trade and other receivables (Note 13)	89,045	-
Cash and cash equivalents (Note 14)	827,302	320,525
Total	916,347	320,525

In accordance with IFRS 9, all financial assets are held at amortised cost.

Financial liabilities	**2021 €**	**2020 €**
Trade and other payables[1] (Note 21)	2,288,043	3,074,010
Deferred consideration for acquisition of Oddsen.nu	1,050,000	-
Earn-out in relation with the acquisition of Spinbookie.com	960,240	-
Payable to directors	-	258,775
Compliance tax payable	565,560	716,048
Accrued liabilities	267,026	676,764
Borrowings (Note 20)	-	2,199,839
Total	5,130,869	6,925,436

[1]Excludes taxes payable.

In accordance with IFRS 9, all financial liabilities are held at amortised cost.

Capital

The capital employed by the Group is composed of equity attributable to shareholders. The primary objective of the Group is maximising shareholders' value, which, from the capital perspective, is achieved by maintaining the capital structure most suited to the Group's size, strategy, and underlying business risk. There are no demands or restrictions on the Group's capital.

The main financial risk areas are as follows:

Credit risk

Trade receivables

For the Group's operations in Bet90, the credit risk relates to customers disputing charges made to their credit cards ("chargebacks") or any other funding method they have used in respect of the services provided by the Group. Customers may fail to fulfil their obligation to pay, which will result in funds not being collected. These chargebacks and uncollected deposits, when occurring, will be deducted at source by the payment service providers from any amount due to the Group. The risk for the year 2020 has been assessed by the Board to being immaterial.

Financial assets which are past due but not impaired

			2021		
	Not yet overdue	Up to 3 months over due	Up to 12 months over due	Over 1 year over due	Total
	€	€	€	€	€
Trade receivables	89,045	-	-	-	89,045
Other receivables	70,954	-	-	-	70,954
Total	159,999	-	-	-	159,999

			2020		
	Not yet overdue	Up to 3 months over due	Up to 12 months over due	Over 1 year over due	Total
	€	€	€	€	€
Other receivables	27,496	-	-	-	27,496
Total	27,496	-	-	-	27,496

Liquidity risk
Liquidity risk exists where the Group might encounter difficulties in meeting its financial obligations as they become due. The Group monitors its liquidity in order to ensure that sufficient liquid resources are available to allow it to meet its obligations.

The following table details the contractual maturity analysis of the Group's financial liabilities:

	2021				
	On demand	In 3 months	Between 3 months and 1 year	More than 1 year	Total
	€	€	€	€	€
Trade and other payables[1]	4,812,134	-	-	-	4,812,134
Accrued liabilities	-	318,735	-	-	318,735
Total	4,812,134	318,735	-	-	5,130,869

[1]Excludes taxes payable.

	2020				
	On demand	In 3 months	Between 3 months and 1 year	More than 1 year	Total
	€	€	€	€	€
Trade and other payables[1]	4,048,833	-	-	-	4,048,833
Accrued liabilities	-	676,764	-	-	676,764
Borrowings	-	-	-	2,199,839	2,199,839
Total	4,048,833	676,764	-	2,199,839	6,925,436

[1]Excludes taxes payable.

Note 25: List of subsidiaries

The Company held the issued shares of the following subsidiary undertakings as at 31 December 2021:

Name of subsidiary	Place of Incorporation	Proportion of ownership and voting power	Ownership
B90 Ventures Ltd	Isle of Man	100%	Direct
B90 Services BV	The Netherlands	100%	Direct
Sheltyco Enterprises Group Ltd	British Virgin Islands	100%	Direct
Sheltyco Enterprises Ltd	Cyprus	100%	Indirect, through Sheltyco Enterprises Group Ltd
Sheltyco Enterprises Marketing Ltd	Cyprus	100%	Indirect, through Sheltyco Enterprises Group Ltd
Silkline Marketing Ltd	Cyprus	100%	Indirect, through Sheltyco Enterprises Group Ltd
Tunegames Marketing Ltd	Cyprus	100%	Indirect, through Sheltyco Enterprises Group Ltd
Tunegames Holding Ltd	Cyprus	100%	Indirect, through Sheltyco Enterprises Group Ltd
T4U Marketing Ltd	Cyprus	51%	Indirect, through Sheltyco Enterprises Group Ltd
Quasar Holdings Ltd	Malta	100%	Indirect, through B90 Ventures Ltd
Bet90 Sports Ltd	Malta	100%	Indirect, through Quasar Holdings Ltd
B90 Operations Ltd	Bulgaria	100%	Indirect, through B90 Ventures Ltd
It's a Winner Ltd	Malta	100%	Indirect, through B90 Ventures Ltd
Spinbookie ltd	Malta	100%	Indirect, through B90 Ventures Ltd
Spintastic NV	Curacao	100%	Direct

Note 26: Reconciliation of debt

The Group had the following movement in the borrowings:

	At 1 January 2021	*Cash*	*Conversion in Equity*	*At 31 December 2021*
	€	€	€	
Borrowings	2,199,839	1,847,000	(4,046,839)	-
	2,199,839	1,847,000	(4,046,839)	-

	At 1 January 2020	*Cash*	*Other settlements*	*At 31 December 2020*
	€	€	€	
Borrowings	774,891	1,424,948	-	2,199,839
	774,891	1,424,948	-	2,199,839

Note 27: Related party transactions

Remuneration of Directors and key employees
Remuneration of Directors and key employees is disclosed in Note 5.

Other related party transactions
Included within other creditors, the Group has accrued for unpaid salaries with its Directors, amounting to €nil at 31 December 2021 (2020: €258,775).

Payables to related parties
The Group had the following amounts payable to related parties:

	Year ended 31 December 2021	*Year ended 31 December 2020*
	€	€
Unpaid salaries and fees to Directors	-	258,775
Total	-	258,775

Intra group transactions
Transactions between Group companies have not been disclosed as these have all been eliminated in the preparation of the Consolidated Financial Statements.

Note 28: Ultimate controlling party

As at 31 December 2021 the Directors do not believe there to be any single controlling party.

Note 29: Subsequent events

On 13 May 2022 the Group announced that, as part of the acquisition of Oddsen.nu in September 2021, it had settled the agreed deferred consideration of €1.05 million, due on or before 31 March 2022, through the issue of 13,452,632 new ordinary shares at a price of 6.65p pence per share.

On 16 May 2022 the Group announced that it had raised €845,000 (or £731,000) through a subscription for 12,713,043 new ordinary shares at a price of 5.75 pence per share. On the same date it announced that Karim Peer, its Non-Executive Chairman had been appointed as the Company's new Executive Chairman.

On 20 June 2022 the Group completed a transaction with the 49% shareholder of T4U Marketing ltd to acquire these shares for the consideration of 500,000 new ordinary shares.
