17 March 2021

B90 Holdings plc
("B90", the "Company" or "Group")

Final Results for the year ended 31 December 2019

B90 Holdings plc (AIM: B90), the online marketing and operating company for the gaming industry, announces its audited final results for the year ended 31 December 2019 (the "2019 Annual Report").

The 2019 Annual Report has been posted to shareholders and can be found on the Company's website at www.b90holdings.com.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

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About B90 Holdings plc
B90 Holdings plc is a group of companies focused on the operation of its own online Sportsbook and Casino product as well as marketing activities for other online gaming companies.

Website: www.b90holdings.com

Strategic Report

I hereby present the Annual Report for B90 Holdings plc ("B90" or the "Company", together with its subsidiaries, the "Group") for the financial year ended 31 December 2019.

Financial and operational highlights

Revenues from continuing operations:	€1.1 million (compared to €10.0 million in 2018)[(1)]
Revenues from discontinued operations:	€2.9 million (compared to €1.6 million in 2018)[(2)]
Total Revenues:	€4.0 million (compared to €11.6 million in 2018)
Operating result:	€4.4 million loss (€16.9 million loss in 2018)

Notes:

(1) Revenue derived from the Group's marketing activities in the sportsbook and casino vertical and from the online operations from Bet90. In the 2018 figures, revenues from the marketing activities relating to the online financial trading vertical are included, activities which were terminated during the 4th quarter of 2018 and therefore no revenues have been recorded in 2019.

(2) For both 2018 and 2019, this relates to the revenues derived from the Group's land-based Bet90 terminal operations, which the Group ceased on 31 December 2019.

Operational review

As previously communicated, the Group faced significant operational challenges during 2018, relating to the collection of receivables in respect of the Group's online financial trading and lottery marketing activities. The Group terminated these marketing activities in November 2018.

During 2019 the Company entered into a heads of terms with Binbar GmbH to acquire the remaining 49% of Quasar Holdings Ltd ("Quasar") not held by the Company, which was then completed in January 2020. Quasar wholly owns Bet90 Sports Ltd ("Bet90"), an online sportsbook and casino gaming company, the main focus of operations since the restructuring in 2018. During 2019, the Group owned 51% of the issued share capital of Quasar.

As part of the 49% acquisition in Quasar, the Directors decided to terminate the loss making land-based operations and focus completely on the online operations with effect from January 2020. The results of these land-based operations have been recorded as discontinued operations in the financial statements. Although these operations generated reasonable gross revenues, the operating and franchising costs were high, resulting in a loss in relation to those activities of €0.9 million during the year.

During the year the Company announced a number of fundraises:

- on 30 January 2019, the Company announced it had completed a fundraise of £500,000 (or €555,500) by issuing 3,333,333 new ordinary shares of 15p each in the capital of the Company ("Ordinary Shares");
- on 1 April 2019, the Company announced that it had entered into separate loan agreements with three of its Directors, raising a total of €500,000 for working capital. This loan amount was converted into new Ordinary Shares, as announced on 19 December 2019;
- on 30 May 2019, the Company announced that it had raised €300,000 by issuing 4,000,000 new Ordinary Shares;
- on 16 September 2019, the Company announced that it had raised €300,000 via a convertible loan note ("Convertible Loan Note"), with a three year term and 10% coupon payable in arrears at the end of each quarter, with the first instalment due to be paid on 31 December 2019, and convertible at a price of 8p per new Ordinary Share. The Convertible Loan Note would automatically convert into new Ordinary Shares if the closing mid-market price of an Ordinary Share is 15p or more for 25 consecutive business days. On 19 December 2019, the terms of this

Convertible Loan Note were amended to match those of the 19 December 2019 Convertible Loan Note set out below;

- on 19 December 2019, the Company announced that it had raised £500,000 (or €592,000) via a Convertible Loan Note. With a 3 year term and 5% annual coupon (payable in arrears at 30 June and 31 December) and convertible at a price of 5p per new Ordinary Share. The Convertible Loan note will automatically convert into new Ordinary Shares if the closing mid-price of an Ordinary Share is 10p or more for 25 consecutive business days.

Subsequent to year-end, the Company announced further fundraises:

- on 7 May 2020, that it had raised £450,000 (or approximately €515,000);
- on 11 September 2020, that it had raised €450,000;
- on 8 December 2020, that it had raised €700,000; and
- on 16 March 2021, that it had raised €1,847,000,

all under the terms of the Convertible Loan Note announced on 19 December 2019 as stated above.

Financial review

Continuing from the restructuring during 2018, 2019 was as a year of significant challenges for the Group. During 2019, the Group shifted its focus to the marketing activities in the Casino and Sportsbook operations. With the acquisition of thr remaining 49% of Bet90, the Group's single-minded focus became the operations of the Bet90 sportsbook and casino brand.

Due to a significant reduction of marketing spend already during the second half of 2018, and the complete cessation of operations in other business verticals in 2019, revenues for the full year decreased to €4.0 million (2018: €11.6 million) of which €1.1 million relates to the online (i.e. continuing) operations. This revenue consists of revenue from the Groups' marketing contracts as well as from its online and land-based sportsbook and casino operations. Revenues relating to the loss making land-based sportsbook (i.e. discontinued) operations amounted to €2.9 million (2018: 1.6 million); as a result of the completed acquisition of the remaining 49% in Quasar Holdings Ltd (a company that wholly owns Bet90 Sports Ltd), the Group ceased these operations from 1 January 2020.

The net result for the year amounted to a loss of €5.2 million (2018: €16.7 million loss). The results for 2018 were significantly impacted by the impairment of receivables from the online financial trading and lottery business of, in aggregate, €10.7 million, combined with the impairment of the relating intangible assets of €6.4 million. During 2019, the Group had to restructure its operations to re-align the organisation to its new business focus. Furthermore, due to the strategic changes to focus on the online operations of Bet90, an impairment charge on the intangible assets relating to Bet90 was recorded (€0.8 million vs nil in 2018). Also, an impairment charge of €0.3 million was recorded relating to the T4U Marketing domain name. Due to limited cash resources, the Group was unable to further increase the Bet90 market share during 2019.

Cash Flow
The Group used to be active in three major verticals (sportsbook and casinos, online lotteries and online financial trading) and had revenues and cost centres in numerous locations in Europe. The Group experienced operational difficulties in receiving agreed marketing commissions within the online financial trading and lottery verticals as previously announced, which ultimately led to an impairment of these receivables of €10.7 million during 2018. During 2019, there continued to be only limited cash flow from the Group's operations. As a result the Group underook a number of fund raises, either through issuance of new Ordinary Shares, as well as via convertible loans.

Post the period end, the Group raised £450,000 (approximately €515,000) through a subscription in a convertible loan with certain existing shareholders on 7 May 2020, to provide further working capital to the Group. A further €450,000 was raised on 11 September 2020, €700,000 was raised on 8 December 2020 and €1,847,000 was raised on 16 March 2021, all under the same terms.

Board changes
During the year, the Company made one change to its Board and senior management to reflect the changes in the Group's operations during the year.

On 30 January 2019, the Company announced the appointment of Paul Duffen as the new Chairman of the Group, replacing Gilles Ohana, who stepped down from the Board at the same time. Paul was subsequently appointed as the Group's Executive Chairman on 7 March 2019.

The Company continues to seek a new CEO and an independent Non-executive Director in-line with the developments of the Company and a further announcements will be made as and when appropriate.

Principal risks and uncertainties
The main operational risk factors are included on page 13 of this report.

Current trading and outlook
The Group's operations were highly impacted as a result of the COVID-19 pandemic, especially in the period between mid-March and mid-June 2020, due to the cancellation of the vast majority of sporting events in our target markets during that period. With some leagues restarting in June 2020, the revenue showed signs of recovery and trading during the second half of 2020 was in line with management's revised expectations.

Whilst trading during the second half of 2020 has been in line with the Board's revised expectations, the Group continues to reduce its operating costs to match the current operations and the Directors continue to manage the Group's cash resources carefully. Whilst the Group raised additional funds by way of the issue of convertible loan notes since the 2019 year-end, amounting in aggregate to €3.5 million (including the funds raised on 16 March 2021), it remains reliant, *inter alia*, on being able to manage its cash resources carefully, continuing to manage its creditors and trading being in-line with management's expectations. Whilst the €1,847,000 raised on 16 March 2021 provides the Group with additional working capital and strengthens the balance sheet, the Group continues to remain reliant on being able to manage its creditors. Furthermore, should trading not be in-line with mangement's expectations going forward, the Group's ability to meet its liabilities may be further impacted, in which case the Group will need to raise additional funding. In such circumstances, whilst the directors are confident of being able to raise the necessary funding, there is no certainty that such funding will be available and/or the terms of such funding.

A significant development as part of today's €1,847,000 fundraising, is the participation of Ronny Breivik, who contributed €500,000 via a convertible loan, on the terms described above. Ronny has an impressive track record operating in the online gaming sector and will be joining the Group in a senior role to oversee all operations.

As part of our focus on geographic expansion, the Group is in advanced discussions with regards to engaging Oddsen.nu, the leading Norwegian online gaming affiliate, to help us grow our revenues in that territory. A further announcement will be made with regard to details of this agreement, once it is finalised.

In addition, with the issue of the Convertible Loan today and receipt of proceeds thereof, the Group is expected to resume strategic marketing initiatives and partnerships with existing partners to drive revenue, including potentially launching new products and entering into new agreements in its existing markets.

The Board would like to express our thanks to both existing and new shareholders, who have supported the Group through challenging times and we look forward to the continued journey together.

Dividend
The Directors are not proposing a dividend for the year ended 31 December 2019.

Approved by the Board of Directors and signed on behalf of the Board.

Paul J Duffen
Executive Chairman, B90 Holdings plc
16 March 2021

Directors' Report

The Directors present their report and consolidated financial statements for the year ended 31 December 2019.

Principal activities and review of the business

B90 Holdings plc is a company focused on generating marketing leads and entering into marketing contracts for the activities of its sportsbook partner in sports betting and casinos games as well as operating its own Bet90 sportsbook and casino games, in which it initially had a 51% interest. During the fourth quarter of 2018, the Group ceased its marketing activities relating to lottery and online financial trading verticals. In December 2019, the Company entered into a non-binding heads of terms with Binbar GmbH to acquire the 49% of Quasar Holdings Ltd not already owned by it, a transaction that completed in January 2020. The Group therefore currently owns 100% of the Bet90 operations. In conjunction with the full ownership of the Bet90 Sports Ltd operations, the Company terminated the loss-making land-based operations from 1 January 2020.

The principal activities from 1 January 2020 are therefore focused completely on operating the online Sportsbook and casino operation using the domain Bet90.com. Furthermore, the Group operates an affiliate platform, currently focusing on the German speaking territory, using the tippen4you.com domain.

Results and dividends

The Group's results for the year, after taxation, amounted to a loss of €5.2 million (2018: loss of €16.7 million). The Group's 2019 results are impacted by the costs of restructuring the business, which continued into 2020, as well as a partial impairment of intangible assets relating to T4U Marketing Ltd and Quasar Holdings Ltd. The Group's 2018 results were highly impacted by the impairment of receivables and intangible assets relating to the Group's marketing activities and operations across its then three verticals. The operating earnings before interest, tax, depreciation and amortisation ("EBITDA") for the full year 2019 amounted to negative €4.2 million (2018: €0.5 million positive).

As a result of the above, the Directors are proposing not to pay a dividend for the year ended 31 December 2019.

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 Company'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 or highly impacted net revenues in any period are also carried forward and netted off against net 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 Company 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 Company would need to move funds from its current account to the accounts that cover the liability to customers, which would immediately negatively impact the Company's working capital and its earnings for the period.

Currency risk
The Group is exposed to translation and transaction foreign exchange risk. As the majority of the Group's transactions are denominated in Euros, the Directors deem the Group's exposure to exchange rate fluctuations to be minimal.

Interest rate risk
The Group's exposure to upside interest rate risk is limited. The loans on the balance sheet have a fixed interest rate. The Directors do not consider the impact of possible interest rate changes based on current market conditions to be material to the net result for the year or the equity position at the year-end for either the year ended 31 December 2019 or 31 December 2018.

Credit risk
The Group's credit risk is primarily attributable to trade receivables. Trade receivables consist of:

- Customers running the land based operations of Bet90, via Bet90 branded terminals (which has now been terminated); and
- 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 2019, 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
The Group continued to experience significant operational difficulties during 2019 after its restructuring in respect to marketing within the online financial trading and lottery verticals. As a result, the Company has completed a number of fund raises from investors during 2020 and in 2021.

As a result of the above, the Group achieved a net loss of €5.2 million for the year ended 31 December 2019. Furthermore, the Group had a negative cash flow from operations of €2.1 million for the year ended 31 December 2019 and the Group has recorded a further loss for the year ending 31 December 2020, expected to exceed €1.75 million.

Whilst trading during the second half of 2020 has been in line with the Board's revised expectations, the Group continues to reduce its operating costs to match the current operations and the Directors continue to manage the Group's cash resources carefully. Whilst the Group raised additional funds by way of the issue of convertible loan note since the 2019 year-end, amounting in aggregate to €3.5 million (including the funds raised on 16 March 2021), it remains reliant, *inter alia*, on being able to manage its cash resources carefully, continuing to manage its creditors and trading being in line with management's expectations. Whilst the funds raised on 16 March 2021 of €1,847,000 provide the Group with additional working capital and further strengthen the balance sheet, the Group continues to remain reliant on being able to manage its creditors. Furthermore, should trading not be in line with mangement's expectations going forward, the Group's ability to meet its liabilities may be impacted, in which case the Group will need to raise further funding. In the 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 material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

Whilst acknowledging this material 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 and Company was unable to continue as a going concern.

Post balance sheet events

On 17 January 2020 the Company announced that it had completed the acquisition of the 49% of Quasar Holdings Ltd ("Quasar") not owned by the Company from Binbar GmbH. Quasar wholly owns Bet90 Sports Ltd, the online sportsbook and casino gaming company.

On 3 February 2020, the Company announced that it had changed the Company's name to B90 Holdings plc. The ticker code on the London Stock Exchange changed from VLTY to B90 on that day.

In March 2020, The Company'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 (as declared by the World Health Organisation on 11 March 2020). In June 2020, some of the main events in the target markets restarted, however, in the months of March, April and May, the Company faced a significant reduction in the number of customers placing bets. This caused a significant reduction in the Group's revenue over that period and as it is still unsure how the pandemic develops globally, no certainty can be given about the Company's future revenues. During the second half of 2020, with the restart of the main football leagues in June and July, revenues did slowly recover, with results in line with management's revised expectations for Q4 of 2020.

On 7 May 2020, the Company announced that it had raised £450,000 (or approximately €515,000) pursuant to subscriptions for Convertible Loan Notes.

On 11 September 2020, the Company announced that it had raised €450,000 (or approximately £408,000) pursuant to subscriptions for Convertible Loan Notes.

On 9 December 2020, the Company announced that it had raised €700,000 (or approximately £638,000) pursuant to subscriptions for Convertible Loan Notes.

On 16 March 2021, the Company announced that it had raised €1,847,000 (or approximately £1,585,000) pursuant to subscriptions for Convertible Loan Notes.

Directors and their interest

The following Directors held share options as at 31 December 2019:

	Number of options	Exercise Price (£)	Date of grant	Vesting period
Paul Duffen	1,000,000	0.15	14 February 2019	1-4 Years
Marcel Noordeloos	750,000	0.25	30 June 2016	1-4 years
Marcel Noordeloos	550,000	0.15	14 February 2019	1-4 years
Mark Rosman	400,000	0.25	30 June 2016	1-4 years
Mark Rosman	550,000	0.15	14 February 2019	1-4 years
Gilles Ohana	800,000	0.25	22 May 2017	1-4 Years
Rainer Lauffs	250,000	0.15	14 February 2019	1-4 Years

Directors who served during the year

	Appointed	Resigned
Gilles Ohana	20 November 2017	30 January 2019
Paul Duffen	30 January 2019	-
Mark Rosman	19 March 2014	-
Marcel Noordeloos	30 June 2016	-
Rainer Lauffs	26 March 2018	-

On 30 January 2019, Paul Duffen was appointed as Chairman, replacing Gilles Ohana. Paul Duffen was appointed Executive Chairman on 7 March 2019.

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 Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and prepare financial statements. They are also responsible for safeguarding the assets of the Company 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 Company'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. Last year it was proposed that the six-year term of the current senior statutory auditor be extended for a final year, due to the significant change in the business and management of the Group. 2019 will therefore be the final year of service of the current senior statutory auditor.

This report was authorised for issue by the Board on 16 March 2021.

Paul J Duffen
Executive Chairman, B90 Holdings plc

16 March 2021

Risk factors

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. 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 Company 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 Company 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. The Group knows these players and makes them feel valued. 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 brand, Bet90, any large wins by VIP players could potentially lead to recording a loss in such cases. The Company 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 Company may be subject to VAT or similar taxes on transactions, which have previously been treated as exempt.
The Company seeks to include geographical diversity in its operations. In order to mitigate the risks that arise, the Company actively identifies, evaluates, manages and monitors its tax risks and the geographies in which it operates. The Company works with external local tax advisers to assist them in this process.

COVID-19 Pandemic
In March 2020, the Company'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. Only in June 2020, some of the main events in the target markets restarted, however, in the months of March, April and May, the Company faced a significant reduction in the number of customers placing bets. Whereas most

sporting events have continued 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. In that situation, revenue of the Group may be significantly impacted without a proportionate reduction (if at all) in costs.

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 acquisition in 2017 of the 51% interest in online sportsbook and casino gaming company, Bet90. The Company acquired the remaining 49% in January 2020 and therefore now owns 100% of the operations.

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.

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 and one-on-one discussions. New information is released via the regulatory news service (RNS) before anywhere else and the website is update accordingly.

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 Company'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 intends to actively seek to engage regularly with its corporate advisers to ensure proactive communication regarding the Company's activities. In doing so, the Company 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 Company 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 its Annual Report and regularly reviews its strategies for minimising any adverse impact to the Company 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 and 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 four Directors of which three are Executives and one is a Non-executive, reflecting a blend of different experience and backgrounds. Considering the 2020 fundraises, in which the Group's Non-excutive Director Mark Rosman has 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 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 Company 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 2019 the Board held seven (7) 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 Company.

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:

Paul J Duffen, Executive Chairman, aged 62, brings over 35 years in management experience in various industries and being an entrepreneur. Paul was co-founder and Chief Executive Officer (until 2006) of Catalyst Media Group plc, which specialised in the sports, media and entertainment sectors, including motor racing in the USA and Horse Racing in the UK. He subsequently served as Executive Chairman of Hull City Football Club, securing their first promotion to the Premier League in 2008 and Chairman of Newsdesk Media Ltd, an international publishing Group. He currently serves as a Director of Greenacre Capital Ltd, a property investment company and as a non-executive Director of Animus Associates Ltd, a business intelligence consultancy.

Marcel Noordeloos, Chief Financial Officer, aged 52, was Group Finance Director at Playlogic International NV between 2006 and 2009 and Chief Financial Officer at Playlogic Entertainment Inc from March 2009 until December 2010 prior to becoming Chief Financial Officer at the Company. 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.

Rainer Lauffs, Chief Operating Officer, aged 48, is a business graduate from Philipps University of Marburg (Germany) and has been working in the online gaming world since 2006. Among other projects, he was significantly involved in building up PartyGaming's business in German and Dutch territories.

Mark Rosman, Non-Executive Director, aged 53, has over 15 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.

The Board also consults with external advisers, such as it 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.

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

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

Audit committee
Mark Rosman (Chairman)
Paul J Duffen

Remuneration committee
Mark Rosman (Chairman)
Paul J Duffen

The Audit Committee
The Audit Committee meets twice 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 the 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 Paul J. Duffen, Executive Chairman and Marcel Noordeloos, CFO.

Our Audit Committee Report is included on pages 21 to 22 of this Annual Report. Our Remuneration Committee Report is included on page 23 of this Annual Report.

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 members are Mark Rosman (Chairman) and Paul Duffen.

The Audit Committee consists of two members, Mark Rosman (Chairman) and Paul Duffen. Mark Rosman is considered to be independent.

The biographies of the Audit Committee members are on pages 17-18 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 2019

On 28 June 2019 the Audit Committee reviewed the financial statements for FY2018.

On 30 September 2019 the Audit Committee reviewed the financial results of the Company for H1 2019.

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 2019 and for 2018 was as listed in the table below:

	2019	**2018**
Auditor's remuneration		
Audit services	€89,000	€65,000
Acquisition and assurance services	-	-
Taxation compliance	-	-

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 2019, the audit work of the external auditors for 2019 and the remuneration of the external auditors for 2019 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
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 Paul Duffen. Mark Rosman is considered independent. 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. Paul Duffen 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 2019 are shown on page 10.

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.

Mark Rosman, *Chairman of the Remuneration Committee*

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

Opinion

We have audited the consolidated financial statements of B90 Holdings PLC (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2019 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 a summary of 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 2019 and of its loss for the year then ended;
- 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 at 31 December 2019 the Group is only able to continue as a going concern if it receives sufficient positive cash flows from its existing operations as projected by the Directors. This is contingent on future marketing activity being successful, players not having large wins, receivables being collected as they fall due and the continued support of creditors. If projected revenues are not achieved in quantum or timing, then the Group will need to raise equity or debt in order to meet its liabilities as they fall due.

The Group has made a loss for the year of €5.2m, has net current liabilities of €3.4m as at 31 December 2019, has cash outflow of €0.6m in 2019 and is projected to make losses for the year ended 31 December 2020. The business has raised €1.7m in convertible loan finance during the year ended 31 December 2020, and a further €1.8m in convertible loan finance subsequent to the year ended 31 December 2020 to fund the operations of the business.

In any event the Directors consider that further funding is likely to be required for working capital purposes and whilst they 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. If the business continues to make trading losses, the other intangible assets held by the Group at €0.25m and the goodwill held at €1.4m may be impaired, additional liabilities may arise and assets and liabilities currently classified as non-current may become current.

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.

Key audit matters

In addition to the matter around going concern described above, 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 and key observations arising with respect to that risk**
Revenue recognition	Revenue is a key performance indicator of the Group. The Group is reliant on revenues from its main business lines with the Bet90 sports and casino activity and T4U. Revenue expectations may place pressure on the Directors to distort revenue recognition. This may result in overstatement or deferral of revenues to assist in meeting current or future targets or expectations.	The Group's revenue recognition policies are stated in note 3. We evaluated the design and implementation of relevant internal controls that the Group uses to ensure the completeness, accuracy and timing of revenue recognised. In testing revenue recognition we have: • Reviewed the Group's material contracts with customers. • Performed detailed testing on a sample of revenue transactions, including agreement to third party reports. • Where cash has been received it has been agreed to bank statements and remittance advice. • agreed the receipt of income in respect of the land based terminal operations in Bet90, to the set off agreement with a supplier that recovered income from these contracts as an offset to their costs that would otherwise have been payable by the Group. • Agreed that revenue is being recognised correctly in line with IFRS 15.

Carrying amount and impairment of other intangible assets	As at 31 December 2019 the Group holds other intangible assets with a net book value of €300k. Of this balance, €225k relates to the brand and domain name of Bet90 Sports Limited and €25k to the domain name for T4U Marketing Limited. The Group has impaired €1.0m of intangible assets in the year. The Group's assessment of the carrying amount requires significant judgement, in particular regarding cash flows, growth rates, discount rates and sensitivity assumptions.	We challenged the assumptions used in the impairment model for intangible assets, described in note 10. As part of our procedures we: • considered historical trading performance by comparing both revenue and operating profit of the Group's trading platforms of Bet90 sports and casino activity and T4U with projected revenues and operating profits; • assessed the appropriateness of the assumptions concerning growth rates and inputs to the discount rate against latest market expectations; • considered the Directors' assertions about the Group's future utilisation of assets by cash generating unit; and • considered sensitivity analysis of key variables included within the value in use calculations. In performing our procedures, we used our internal valuation specialists and third party evidence to assess the appropriateness of the discount rate applied. The Directors have impaired €782k in respect of the domain name for Bet 90 Sports Limited, and €260k of the brand and domain name in T4U Marketing Limited.
Carrying amount and impairment of goodwill	As at 31 December 2019 the Group holds goodwill with a net book value of €1.4m. €1.4m of this balance relates to the acquisition of Bet90 Sports Limited. The Group's assessment of carrying amount requires significant judgement, in particular regarding cash flows, growth rates, discount rates and sensitivity assumptions.	We challenged the assumptions used in the impairment model for goodwill, described in note 9. As part of our procedures we: • considered historical trading performance of both revenue and operating profit in respect of the Bet 90 sports and casino activity; • assessed the appropriateness of the assumptions concerning growth rates and inputs to the discount rate against latest market expectations;

		• considered the Directors' assertions about the Group's future utilisation of assets by cash generating unit; and • considered sensitivity analysis of key variables included within the value in use calculations. In performing our procedures, we used our internal valuation specialists and third party evidence to assess the appropriateness of the discount rate applied. The Directors have determined that no impairment on the goodwill balance for Bet 90 Sports Limited was necessary.

Materiality
The materiality for the financial statements as a whole was set at €79,000. This has been determined with reference to the benchmark of the Group's revenue.

An overview of the scope of our audit
Of the Group's 14 reporting components, we subjected all components 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 the Group's revenue, loss before tax and net assets.

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. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 page 9, 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.

A further description of our responsibilities for the audit of the financial statements is located 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 Company's members, as a body, in accordance with our engagement letter dated 19 February 2018. Our audit work has been undertaken so that we might state to the Company'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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

16 March 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year ended 31 December 2019 €	Year ended 31 December 2018[1] €
Revenues	4	1,065,612	10,041,732
Salary expense		(1,347,425)	(1,352,887)
Marketing and selling expense		(931,978)	(5,381,050)
General administrative expense		(1,981,042)	(2,613,684)
Bad Debt write-off	12	-	(10,712,715)
Depreciation, amortisation and impairment expense	9,10,11	(1,181,601)	(6,887,272)
Total administrative expenses		(5,442,046)	(26,947,608)
Operating loss		(4,376,434)	(16,905,876)
Financial income/(expense)		(26,454)	38,851
Loss before tax	6	(4,402,888)	(16,867,025)
Taxation	7	104,150	555,800
Loss for the period from continuing operations		**(4,298,738)**	**(16,311,225)**
Discontinued operations			
Loss for the period from discontinued operations	4	(907,418)	(392,077)
Loss and total comprehensive loss for the period		**(5,206,156)**	**(16,703,302)**
Attributable to:			
Equity holders of the Company		(3,799,744)	(15,177,112)
Non-controlling interests		(1,406,412)	(1,526,190)
		(5,206,156)	**(16,703,302)**
Loss per share attributable to equity holders of the Company			
- Basic (in €)	8	(0.0472)	(0.2029)
- Diluted (in €)	8	(0.0472)	(0.2029)
Loss per share on continuing operations, attributable to equity holdings of the Company			
- Basic (in €)	8	(0.0414)	(0.2002)
- Diluted (in €)	8	(0.0414)	(0.2002)
Loss per share on discontinued operations, attributable to equity holdings of the Company			
- Basic (in €)	8	(0.0058)	(0.0027)
- Diluted (in €)	8	(0.0058)	(0.0027)

The Notes on pages 33 to 58 form part of these financial statements

(1) *the 2018 Conslidated Statement of Comprehensive Income has been restated to report the continued and discontinued operations as per the 2019 statement, which shows the land-based operations of Bet90 as being discontinued.*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 December 2019 €	31 December 2018 €
Non-current assets			
Goodwill	9	1,410,931	1,410,931
Other intangible assets	10	251,563	1,431,925
Property, plant and equipment	11	-	1,238
Total non-current assets		1,662,494	2,844,094
Current assets			
Trade and other receivables	12	130,883	854,215
Cash and cash equivalents	13	430,626	1,031,071
Total current assets		561,509	1,885,286
Total assets		2,224,003	4,729,380
Equity and liabilities			
Share capital	14	-	-
Additional paid-in capital	15	15,162,647	14,344,702
Reverse asset acquisition reserve	16	(6,046,908)	(6,046,908)
Equity portion Convertible Bond	19	149,836	-
Retained earnings	17	(8,910,238)	(5,262,376)
Equity attributable to owners of the parent		355,337	3,035,418
Non-controlling interests		(2,817,990)	(1,411,578)
Total shareholders' equity		(2,462,653)	1,623,840
Non-current liabilities			
Borrowings	19	774,891	27,858
Total non-current liabilities		774,891	27,858
Current liabilities			
Trade and other payables	20	3,887,543	2,980,836
Corporate income tax payable		24,222	96,846
Total current liabilities		3,911,765	3,077,682
Total equity and liabilities		2,224,003	4,729,380

Approved by the board on 16 March 2021 and signed on its behalf by:

Paul Duffen
Chairman

The Notes on pages 33 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*
	€	*€*	*€*	*€*	*€*	*€*	*€*	*€*
Loss for the financial period	-	-	-	-	(15,177,112)	(15,177,112)	(1,526,190)	(16,703,302)
Dividend paid	-	-	-	-	(210,914)	(210,914)	(68,355)	(279,269)
Share based payments	-	-	-	-	176,744	176,744	-	176,744
Shares to be issued	-	555,500	-	-	-	555,500	-	555,500
Issue of share capital	-	123,969	-	-	-	123,969	-	123,969
Balance as at 31 December 2018	-	14,344,702	-	(6,046,908)	(5,262,378)	3,035,416	(1,411,578)	1,623,838
Loss for the financial period	-	-	-	-	(3,799,744)	(3,799,744)	(1,406,412)	(5,206,156)
Convertible loan note	-	-	149,836	-	-	149,836	-	149,836
Share based payments	-	-	-	-	151,884	151,884	-	151,884
Issue of share capital	-	817,945	-	-	-	817,945	-	817,945
Balance as at 31 December 2019	-	15,162,647	149,836	(6,046,908)	(8,910,238)	355,337	(2,817,990)	(2,462,653)

The Notes on pages pages 33 to 58 form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

	31 December 2019 €	*31 December 2018* €
Cash flows from operating activities		
Operating loss	(5,283,852)	(17,297,953)
Adjustments for:		
Share based payments	151,884	176,744
Depreciation	1,238	1,292
Amortisation of intangibles	137,697	403,222
Impairment of intangibles	1,042,665	6,482,752
Bad debt impairment	-	10,737,715
Cash flow from operations before working capital changes	**(3,950,368)**	**503,772**
Decrease/(increase) in trade and other receivables	723,329	(1,058,697)
Increase in trade and other payables	935,022	533,580
Cash flow from operations	**(2,292,017)**	**(21,345)**
Tax paid	-	(86,823)
Cash flow from operating activities	**(2,292,017)**	**(108,168)**
Cash flow from investing activities		
Interest received/(paid)	-	38,851
Net cash inflow from investing activities	**-**	**38,851**
Cash flow from financing activities		
Proceeds of issue of new shares	300,000	679,469
Dividends paid	-	(279,273)
Receipts from loans	1,391,572	-
Net cash inflow from financing activities	**1,691,572**	**400,196**
Net (decrease)/increase in cash and cash equivalents	(600,445)	330,879
Cash and cash equivalents at start of period	1,031,071	700,192
Cash and cash equivalents at end of period	**430,626**	**1,031,071**

The Notes on pages 33 to 58 form part of these financial statements

Notes to the Consolidated Financial Statements
For the year ended 31 December 2019

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 Company was named Veltyco Group plc until a name change to B90 Holdings plc was executed on 3 February 2020.

The Group is focused on the operation of its own online Sportsbook and Casino product (Bet90 Sports Ltd) as well as marketing activities for other online gaming companies.

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 2019 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 with International Financial Reporting Standards (''IFRS'') as adopted by the European Union and issued by the International Accounting Standards Board (''IASB''). These accounting policies comply with each IFRS that is mandatory for accounting periods ending on or after 1 January 2019. 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 to govern the financial and operating policies of an entity.

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
The Group continued to experience significant operational difficulties during 2019 after its restructuring in respect to marketing within the online financial trading and lottery verticals. As a result, the Company has completed a number of fund raises from investors during 2020 and in 2021.

As a result of the above, the Group achieved a net loss of €5.2 million for the year ended 31 December 2019. Furthermore, the Group had a negative cash flow from operations of €2.1 million for the year ended 31 December 2019 and the Group has recorded a further loss for the year ending 31 December 2020, expected to exceed €1.75 million.

Whilst trading during the second half of 2020 has been in line with the Board's revised expectations, the Group continues to reduce its operating costs to match the current operations and the Directors continue to manage the Group's cash resources carefully. Whilst the Group raised additional funds by way of the

issue of convertible loan note since the 2019 year-end, amounting in aggregate to €3.5 million (including the funds raised on 16 March 2021), it remains reliant, *inter alia*, on being able to manage its cash resources carefully, continuing to manage its creditors and trading being in line with management's expectations. Whilst the funds raised on 16 March 2021 of €1,847,000 provide the Group with additional working capital and further strengthen the balance sheet, the Group continues to remain reliant on being able to manage its creditors. Furthermore, should trading not be in line with mangement's expectations going forward, the Group's ability to meet its liabilities may be impacted, in which case the Group will need to raise further funding. In the 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 material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

Whilst acknowledging this material 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 and Company 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.

Areas of estimation

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. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and select a suitable discount rate in order to calculate present value together with an assessment as to whether future cash flows are subject to any degree of uncertainty. The work to assess the existence of impairment indicators and, where applicable, to evaluate the impairment of goodwill and intangible assets was conducted internally by the Directors. Further details are provided in Notes 9 and 10 of this report. However, there is a risk of a further impairment next year. There is a risk that there are insufficient future cash flows to support the value in use of these assets.

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.

Convertible Bond Note
In September and December 2019 respectively, the Company issued a €300,000 and a £500,000 (€591,200 at year-end) secured convertible bonds of 5%. Interest is paid twice a year or accrued at the request of the lender. The bonds are repayable three years from their issue date, they can 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 is triggered when the Company's shares are trading above 10p for 25 consecutive dealing days.

Under IAS 32, the convertible bonds are accounted for as a compound financial instrument. For the calculation of the fair value, 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 is 12%.

New Standards, interpretations and amendments adopted by the Group

The following interpretation and amendments to International Financial Reporting Standards, issued by the IASB and adopted by the EU, were effective from 1 January 2019 and have been adopted by the Group during the year with no significant impact on the parent company or on the consolidated results or financial position:

- Amendments to IAS28 – Long-term Interests in Associates and Joint Ventures
- Annual Improvements to IFRS Standards 2015-2017 Cycle
- IFRIC Interpretation 23 – Uncertainty over Income Tax Treatments
- Amendments to IAS19: Plan Amendment, Curtailment or Settlement
- Amendments to IFRS 9: Prepayment Features with Negative Compensation

Changes in accounting policies

Initial adoption of new financial reporting and accounting standards and amendments to existing financial reporting and accounting standards:

Initial adoption of IFRS 16: "Leases"

IFRS 16 Leases – IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 Leases requires lessees to recognise right-of-use assets and lease liabilities for most leases. A contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets are initially measured at cost and depreciated by the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The cost of right-of-use assets comprises of initial measurement of the lease liability, any lease payments made before or at the commencement date and initial direct costs. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and subsequently measured at amortised cost with the interest expense recognised within finance income (expense) in the consolidated statement of income.

The Group only has one short term lease agreement in place, for which the costs are expensed in the year in which the rent arises.

In accordance with the transition provisions in IFRS 16, the Group is entitled to choose to apply the modified retrospective approach. Under this approach, a lessee does not restate comparative information and recognise the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of retained earnings at the date of initial application. The Company nor its subsidiaries do not have any lease commitments that exceed 12 months after the year-end and therefore there is no impact on the 2019 figures.

New standards that have not been adopted by the Group as they were not effective for the year:

The following relevant interpretations and amendments to existing standards issued by the IASB, have not been adopted by the Group as they were either not effective for the year or not yet endorsed for use in the EU. The Group is currently assessing the impact of these interpretations and amendments will have on the presentation of, and recognition in, parent company or consolidated results or financial position in future periods:

- Amendments to References to the Conceptual Framework in IFRS Standards, Effective date 1 January 2020
- Amendments to IAS 1 and IAS 8: Definition of Material, Effective date 1 January 2020

The Directors do not expect the adoption of these standards and interpretations to have a material impact on the consolidated or company 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.

Marketing commission revenue
Revenue from marketing contracts with customers is recognised when the reports are received from the customers on which the Company is basing the amounts to be invoiced. 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.

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 consists of income from activities and income generated on customer deposit and withdrawals and account fees.

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
Casino and Bingo 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.

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
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.

Retirement benefit costs and pensions
The Group does not operate any defined benefit pension schemes for employees or Directors. The Group has no payment obligations relating to retirement and pension plans.

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 for domain names is ten years. The useful life of customer lists is 1 to 8 years.

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
Customer relationship	Excess earnings
Domain names	Relief from royalty
Licenses	Cost approach

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.

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. At this point 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.

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).

Investments

The Group reports its investments in entities at fair value with movements in fair value being taken directly to equity. The fair value of investments in unquoted equity securities cannot be reliably measured and they are therefore held at cost.

Equity

Equity comprises the following:

- "Share capital" represents amounts subscribed for shares at nominal value.
- "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 Veltyco Group plc (currently named B90 Holdings plc) and the Share capital of Sheltyco on the acquisition date (June 2016).
- “Retained earnings” represents the accumulated profits and losses attributable to equity shareholders.

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, 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 or less and bank overdrafts. 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 ‘Convertible debt option reserve’ within shareholders' equity, net of income tax effects. Issue costs incurred are allocated between liability and equity in proportion to the value of each component.

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 a single activity, being the marketing and promotion of gaming websites, lottery and online financial trading. Therefore, the Group is organised into one operating segment and there is one primary reporting segment. The segment information is the same as that set out in the Consolidated Statements of Comprehensive Income, Consolidated Statements of Financial Position, Consolidated Statements of Changes in Equity and Consolidated Statements of Cash Flows.

Revenue originates from:

	2019 €	2018 €
British Virgin Islands	195,790	3,661,574
Malta	869,822	6,380,158
Total	1,065,612	10,041,732

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. B90 operates an integrated business model and, therefore, does not allocate operating expenses, assets and liabilities to any of the originating countries.

As presented in the 2018 accounts, the Group has terminated the marketing agreements relating to the online financial trading and lottery verticals. During 2019 the Group operated both an online as well as offline sportsbook and casino. At the completion of the 49% acquisition of Quasar Holdings Ltd in January 2020, the Group also terminated operations of the (loss making) offline sportsbook operations.

The land-based operations of the Group were discontinued with effect from 31 December 2019. The results of these discontinued operations were as follows:

	2019 €	2018 €
Revenue	2,896,012	1,592,441
Net operation costs	(3,803,430)	(1,984,518)
Loss from operations	(907,418)	(392,077)

The results of the discontinued operations of the Group for the year ended 31 December 2018 have been represented, as required by IFRS5, so that the disclosure relates to all operations that have been discontinued by 31 December 2019 for all periods presented.

During the year the discontinued operations contributed €907,418 negative (2018:€392,077 negative) to the Group's net operating cash flows. No contributions to the Group's investing and financing activities for both 2018 and 2019.

Note 5: Key management remuneration

Key management remuneration for each period was as follows:

	Cash based salary €	*Share based payments* €	*Total Remuneration 2019* €	*Total Remuneration 2018* €
Gilles Ohana *(Resigned 30 January 2019)*	92,650	56,935	149,585	182,151
Paul Duffen	130,000	4,182	134,182	-
Marcel Noordeloos	144,000	5,563	149,563	164,594
Mark Rosman	50,400	4,040	54,440	148,021
Rainer Lauffs *(Appointed 26 March 2018)*	156,000	4,309	160,309	162,585
Total	573,050	75,029	648,079	657,351

Note 6: Profit for the year

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

	Year ended 31 December 2019 €	*Year ended 31 December 2018* €
Depreciation of property, plant and equipment	1,238	1,292
Amortisation of intangibles	137,698	403,222
Impairment of intangibles	1,042,665	6,482,758
Impairment of receivables	-	10,712,715
Operating lease expenses	-	56,760
Short term lease expense	3,734	-
Share based payment charge	151,884	176,744
Foreign exchange (gains)	2,698	(11,113)

Note 7: Taxation

	Year ended 31 December 2019 €	*Year ended 31 December 2018* €
Loss before tax	(4,402,888)	(17,259,102)
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	(104,150)	(608,733)
Effect of different tax rates in other countries	-	52,933
Tax credit	(104,150)	(555,800)

Note 8: Earnings per share (basic and diluted)

	Year ended 31 December 2019 €	*Year ended 31 December 2018* €
Earnings		
Earnings for the purposes of basic and diluted earnings per share, being net profit after tax attributable to equity shareholders		
- Continuing operations	(3,336,960)	(14,977,153)
- Discontinued operations	(462,783)	(199,959)
- Continuing and discontinued operations	(3,799,744)	(15,177,112)
Number of shares		
Weighted average number of ordinary shares for the purposes of:		
Basic earnings per share	80,528,381	74,819,180
Diluted earnings per share	80,528,381	74,819,180
Basic loss per share (in €)	(0.0472)	(0.2029)
Diluted loss per share (in €)	(0.0472)	(0.2029)
Loss per share from continuing operations		
Basic loss per share (in €)	(0.0414)	(0.2002)
Diluted loss per share (in €)	(0.0414)	(0.2002)
Loss per share from discontinued operations		
Basic loss per share (in €)		
Diluted loss per share (in €)	(0.0058)	(0.0027)
	(0.0058)	(0.0027)

The Group has granted share options in respect of equity shares to be issued, the details of which are disclosed in Note 18. Share options and warrants outstanding are anti dilutive due to the losses incurred in each period.

Note 9: Goodwill

	Goodwill
	€
Cost	
At 1 January 2018	1,743,485
Additions	-
Disposals	-
Impairments	(332,554)
At 31 December 2018	1,410,931
Additions	-
Impairments	-
At 31 December 2019	1,410,931
Net Book Value	
At 1 January 2018	-
At 31 December 2018	1,410,931
At 31 December 2019	1,410,931

Goodwill
Goodwill arose following the acquisition of 51% in T4U Marketing Ltd and 51% in Quasar Holdings Ltd in 2017.

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 have been applied to revenue and are based on past experience, including the results in 2017 and 2018. Key assumptions in preparing these cash flow projections include moderate growth in revenue, a stable level of costs per customer acquisition and the expectation that the Group will continue to operate in the countries currently being covered.

The Directors have performed an impairment review at the end of the year. This is done based on the discounted cash flow methodology, using the 2017, 2018 and 2019 results as the basis for the review, for which a weighted average cost of capital ("WACC") rate was used of 26% and no growth rate for the T4U Marketing Ltd acquisition.
For the acquisition of Quasar Holdings Ltd (including Bet90 Sports ltd) the same WACC of 26% was used and a 2% long term growth rate after 5 years was used.

The impairment review resulted in an impairment to goodwill of €332,554 for the year 2018 on the goodwill paid following the acquisition of T4U Marketing Ltd. No impairment is needed for the year 2019.

In assessing for impairment, the recoverable amount has been based on value in use.

Note 10: Other intangible assets

	Customer database	*Brand and domain names*	*Other*	*Total*
	€	€	€	€
Cost				
At 1 January 2018	61,742	4,570,103	105,000	4,736,845
Additions[(1)]	4,000,000	-	-	4,000,000
Disposals	-	-	-	-
At 31 December 2018	4,061,742	4,570,103	105,000	8,736,845
Disposals	(4,000,000)	-	-	(4,000,000)
At 31 December 2019	61,742	4,570,103	105,000	4,736,845
Amortisation				
At 1 January 2018	(34,852)	(686,334)	(30,312)	(751,498)
Charge for the period	(7,717)	(360,505)	(35,000)	(403,222)
Impairment	(4,000,000)	(2,150,201)	-	(6,150,201)
At 31 December 2018	(4,042,569)	(3,197,039)	(65,312)	(7,304,920)
Charge for the period	(19,173)	(86,024)	(32,500)	(137,697)
Impairment	-	(1,042,665)	-	(1,042,665)
Disposals	4,000,000	-	-	4,000,000
At 31 December 2019	(61,742)	(4,325,728)	(97,812)	(4,485,282)
Net Book Value				
At 1 January 2018	26,890	3,883,769	74,688	3,985,347
At 31 December 2018	19,173	1,373,064	39,688	1,431,925
At 31 December 2019	-	244,375	7,188	251,563

During 2018, the domain names relating to the online financial trading vertical have been impaired. The book value of these domains amounted to €2,143,218. Furthermore, a €6,983 impairment charge for the Tippen4you.com domain was recorded. The remaining book value of the brand and domain names relate to the acquisition of Quasar Holdings Ltd and T4U Marketing ltd in 2017.

In May 2018, the Company completed the acquisition of 100% in Marsovia Holding Ltd for a consideration of €4.0 million. During 2018, the Company has impaired the value of the database held by Marsovia, resulting in a remaining book value of nil. For the year-end 2019, considering the change of focus to being a Sportsbook operator, the database was considered unusable for the future operations. The database contained data from financial trading operations and considering current operations and GDPR rules it will be unusable for the current sportsbook operations and was therefore destroyed.

The Directors have performed an impairment review at the end of the year. This is done based on the "relief from royalty" methodology, using the previous years results as the basis for the review, for which a weighted average cost of capital ("WACC") rate was used of 26% and no a growth rate of 2%. A royalty rate of 2.5% was used for the impairment review of Quasar Holdings ltd and a 12.5% royalty rate for T4U marketing ltd.

The impairment review resulted in an impairment to brand and domainnames of €259,864 for the year 2019 for T4U Marketing Ltd. For the year 2019, an impairment of €782,801 was recorded for the domainname Bet90.com, resulting in a total impairment charge for the year 2019 of €1,042,665.

Note 11: Property, plant & equipment

	Furniture & equipment €	*Computers* €	*Total* €
Cost			
At 1 January 2018	4,500	1,005	5,505
Additions	-	-	-
Disposals	-	-	-
At 31 December 2018	4,500	1,005	5,505
Additions	-	-	-
Disposals	-	-	-
At 31 December 2019	4,500	1,005	5,505
Depreciation			
At 1 January 2018	(2,137)	(838)	(2,975)
Charge for the period	(1,125)	(167)	(1,292)
Disposals	-	-	-
At 31 December 2018	(3,262)	(1,005)	(4,267)
Charge for the period	(1,238)	-	(1,238)
Disposals	-	-	-
At 31 December 2019	(4,500)	(1,005)	(5,505)
Net Book Value			
At 1 January 2018	2,363	167	2,530
At 31 December 2018	1,238	-	1,238
At 31 December 2019	-	-	-

Note 12: Trade and other receivables

	Year ended 31 December 2019 €	*Year ended 31 December 2018* €
Trade receivables	-	132,544
VAT receivables	59,333	117,163
Other receivables and prepayments	71,550	350,700
Accrued income	-	253,808
Total	130,883	854,215

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.

Trade and other 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. During the year ended 31 December 2018, the Company recorded an impairment charge for potential recoverability problems on the receivables, amounting to €10,712,715. No impairment charge was recorded during the year ended 31 December 2019.

As at 31 December 2018 and 2019, the ageing of trade and other receivables that were not impaired are as follows:

	Year ended 31 December 2019 €	*Year ended 31 December 2018* €
Not due	-	58,270
Past due 1-30 days	-	41,167
Past due 31-120 days	-	24,117
Past due more than 120 days	-	8,990
Total	-	132,544

Management believes that the unimpaired amounts that are past due are collectible in full.

Note 13: Cash and cash equivalents

	Year ended 31 December 2019 €	*Year ended 31 December 2018* €
Cash held in current accounts	384,346	1,031,071
Restricted cash	46,280	-
Total	430,626	1,031,071

The restricted cash related to a regulatory amount to cover liabilities to players at year-end.

Note 14: Share capital

	Year ended 31 December 2019 €	*Year ended 31 December 2018* €
Allotted, called up and fully paid		
90,889,492 (2018: 74,956,159) Ordinary shares	-	-
Par value of the shares	nil	nil

During the year a total of 15,933,333 new Ordinary Shares have been issued on subscription and conversion of debt.

On 30 January 2019, the Company issued 3,333,333 new Ordinary Shares pursuant to a subscription agreement for £500,000 (or approximately €590,000). Also, on the same date the Company issued 200,000 new Ordinary Shares in lieu of certain fees payable. The amount was already received in December 2018 and was recorded under Shares to be issued as at 31 December 2018.

On 30 May 2019, the Company issued 4,000,000 new Ordinary Shares pursuant to a subscription agreement for €300,000 (or approximately £264,000).

On 19 December 2019, the Company issued 8,400,000 new Ordinary Shares for converting a loan with a principle amount of €500,000 (or approximately £425,000) plus €17,945 of accrued interest.

Note 15: Additional paid in capital

Additional paid in capital represents amounts subscribed for share capital in excess of nominal value. Details of additions are described in Note 14 above.

Note 16: Reverse asset acquisition reserve

The reverse acquisition completed on 30 June 2016 has been accounted for as a share-based payment transaction which should be accounted for 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 17: 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 18: Share based payments

Equity-settled 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.

As at 31 December 2019, 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. These options expire on its 5th anniversary on 30 June 2021. Further to this, 800,000 options have a grant date of 22 May 2017, with an exercise price of £0.25 for all of the options. These 800,000 options expire on its 5th anniversary on 22 May 2022. These options vest over 4 equal yearly instalments starting 1 year after grant date provided that the participant remains a Director or employee of the Company during this period.

At the same 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. These options expire on its 5th anniversary on 14 February 2024. All options vest over 4 equal yearly instalments starting 1 year after the grant date provided that the participant remains a Director or employee of the company during this period

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 Company 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 Company issued new Ordinary Shares. Also, during those years a total of 1,025,000 options were cancelled due to employees or directors leaving the Company.

As a result of the above the total of 5,645,000 options are outstanding at 31 December 2019.

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.

Furthermore, on 30 June 2016, 500,000 existing warrants were converted into 20,000 warrants as part of the 25 to 1 consolidation of shares. These warrants have an exercise price of £0.75. These warrants had an end-date of until 17 February 2019, were not exercised and have therefore lapsed.

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 £0.895 per warrant and can be exercised during the period from the date of issue until

the 5th anniversary. During the year, the Company agreed to reprice these options to an exercise price of £0.15 per warrant. The other conditions have not changed.

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.

No warrants have been exercised during 2018 and 2019.

As a result of the above a total of 310,344 warrants are outstanding at 31 December 2019.

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

	Number of share options and warrants[1]	*Weighted average exercise price (£)*
Outstanding as at 1 January 2017	5,344,019	0.262
Exercisable as at 1 January 2017	954,019	0.319
Forfeited during 2017	(690,000)	0.424
Options granted on 22 May 2017	800,000	0.250
Options granted on 5 July 2017	1,200,000	0.650
Warrants granted on 5 October 2017	109,846	0.895
Warrants exercised on 21 July 2017	(733,521)	0.310
Options exercised on 18 September 2017	(262,500)	0.250
Outstanding as at 31 December 2017	5,767,844	0.314
Exercisable as at 31 December 2017	957,999	0.264
Options exercised on 16 February 2018	(250,000)	0.250
Options exercised on 19 July 2018	(187,500)	0.250
Outstanding as at 31 December 2018	5,330,344	0.335
Exercisable as at 31 December 2018	1,850,000	0.326
Options granted on 14 February 2019	2,420,000	0.150
Cancelled on 14 February 2019	(900,000)	0.650
Forfeited during 2019	(875,000)	0.250
Warrants lapsed on 17 February 2019	(20,000)	0.750
Outstanding as at 31 December 2019	5,955,344	0.210
Exercisable as at 31 December 2019	2,585,344	0.250

[1] The warrants, options and prices in this table have been adjusted to reflect the 25:1 consolidation of shares as executed on 30 June 2016.

The options outstanding as at 31 December 2019 had a weighted average remaining contractual life of 2.1 years. The value of the options has been derived by using a Black Scholes pricing model for the options granted on 22 May 2017 and granted on 14 February 2019. The inputs into the pricing models were as follows:

	Options granted on 22 May 2017	*Options granted on 5 July 2017*	*Warrants granted on 14 February 2019*
Share price at grant date	£0.52	£0.62	£0.0725
Exercise price	£0.25	£0.65	£0.15
Volatility	34.3%	34.3%	34.3%
Expected life	5 years	5 years	5 years
Risk free rate	2.51%	2.51%	1.4%
Expected dividend yield	0%	0%	0%

As the Company has only been trading since 30 June 2016, 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 30 June 2016 is €173,129. Of this amount, €16,315 has been charged in the financial statements for the year ended 31 December 2019 (2018: €32,923). The remaining balance of €5,085 will be charged in the financial statements of the years ending 31 December 2020 and 2021.

The total value of the options granted on 22 May 2017 is €287,272. Of this amount, €56,935 has been charged in the financial statements for the year ended 31 December 2019 (2018: €70,492). The remaining balance of €114,834 will be charged in the financial statements of the years ending 31 December 2020, 2021 and 2022.

The total value of the options granted on 5 July 2017 is €276,712. These options were cancelled per 14 February 2019. The unamortised balance amounting to €68,806 has been charged to the income statements for the year ended 31 December 2019.

The total value of the options granted on 14 February 2019 is €22,250. Of this amount, €9,828 has been charged in the financial statements for the year ended 31 December 2019 (2018: nil). The remaining balance of €12,422 will be charged in the financial statements of the years ending 31 December 2020, 2021, 2022 and 2023.

Note 19: Borrowings

	31 December 2019 €	*31 December 2018* €
Convertible loan[1]	746,661	-
Loan from a shareholder	28,230	27,858
	774,891	27,858

(1) The Convertible Loan has a 3 year term, bears a 5% coupon, which is payable in arrears at 30 June and 31 December (with the first payment due on 30 June 2020). The Loan can be converted by the note holder at any time and will automatically convert into new Ordinary Shares when the share price exceeds 10p for 25 consecutive days. The Convertible Loan is unsecured and will be repaid in full on its third year anniversary if not converted by this date.

In September and December 2019, the Company issued a €300,000 and a £500,000 (€591,200 at year-end) secured convertible bonds of 5%. Interest is paid twice a year or accrued at the request of the lender. The bonds are repayable three years from their issue date, they can 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 is triggered when the Company's shares are trading above 10p for 25 consecutive dealing days.

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.

The value of the liability is held on the balance sheet at amortised cost. This value will increase to its principal value of €891,200 over the life of the instrument, with interest costs being taken to the Income Statement on an monthly basis.

The loan from a shareholder is a long-term loan provided by a previous majority shareholder in the Company, Lensing Management Services Ltd ("Lensing"), a related party at that time, indirectly owned and controlled by one of the Company's shareholders, amounting to €28,230 (2018: €27,858). This loan bears interest at 3% per annum and remains outstanding.

Note 20: Trade and other payables

	31 December 2019	*31 December 2018*
	€	€
Trade payables	1,649,049	1,626,884
Accrued expenses	553,406	107,077
Liabilities to customers	191,729	201,709
Other creditors	1,493,359	1,045,166
	3,887,543	2,980,836

Note 21: Capital commitments

At 31 December 2019 and 31 December 2018 there were no capital commitments.

Note 22: Contingent liabilities

There were no contingent liabilities at 31 December 2019 or 31 December 2018.

Note 23: 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	**2019** **€**	**2018** **€**
Trade and other receivables (Note 12)	130,883	854,215
Cash and cash equivalents (Note 13)	430,626	1,031,071
Total	561,509	1,885,286

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

Financial liabilities	**2019** **€**	**2018** **€**
Trade and other payables[1] (Note 20)	3,334,137	2,873,760
Accrued liabilities	553,406	107,077
Borrowings (Note 19)	774,891	27,858
Total	4,662,434	3,008,695

[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

The Group's credit risk is primarily attributable to trade receivables, most of which are due from the Group's partners for which it operates the marketing activities and player acquisitions. These are third party companies that operate the websites. As the Group operates a limited number of brands the trade receivables are with a limited number of partners.

The risk is that a partner would fail to discharge its obligation with regard to the balance owed to the Group. The Group reduces this credit risk by monitoring the activity for these operations and arranging for the shortest possible cash settlement intervals. As the Group has ongoing relationships with its partners, the Directors have visibility on the activity in its partners' operations.

The Group considers that based on the factors above, recent developments with respect to these partners, to provide for the collectability risk. Due to this, the Company has recorded a charge of €10,712,715 in the 2018 accounts. No charge was recorded in the 2019 accounts.

For the Group's own operations in Bet90, an additional 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 2019 has been assessed by the Board to being immaterial.

Trade receivables are considered in default and subject to additional credit control procedures when they are more than 60 days past due in line with industry practice. Trade receivables are only written off when there is no reasonable expectation of recovery due to insolvency of the debtor.

12 month and lifetime expected credit losses are estimated based on historical loss rates for the relevant country, adjusted where evidence is available that different rates are likely to apply in the future. This is based on changes to the expected insolvency rates in the relevant countries.

Financial assets which are past due but not impaired

			2019		
	Not yet due	Up to 3 months over due	Up to 12 months over due	Over 1 year over due	Total
	€	€	€	€	€
Trade receivables	-	-	-	-	-
Accrued income	-	-	-	-	-
Other receivables	60,287	-	-	70,597	130,883
Total	60,287	-	-	70,597	130,883

The amount over 1 year overdue relate to funds held by SATA bank in Malta. SATA bank has lost its banking licenses and are currently under investigation with the European Central Bank ("ECB"). Funds have been secured by the ECB and will be release in due course, although timing is still unsure.

			2018		
	Not yet due	Up to 3 months over due	Up to 12 months over due	Over 1 year over due	Total
	€	€	€	€	€
Trade receivables	68,597	41,167	22,780	-	132,544
Accrued income	253,808	-	-	-	253,808
Other receivables	267,863	-	200,000	-	467,863
Total	590,268	41,167	222,780	-	854,215

For further information, refer to the going concern disclosure in Note 1.

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:

	2019				
	On demand	In 3 months	Between 3 months and 1 year	More than 1 year	Total
	€	€	€	€	€
Trade and other payables[1]	3,334,137	-	-	-	3,334,137
Accrued liabilities	-	553,406	-	-	553,406
Borrowings	-	-	-	774,891	774,891
Total	3,334,137	553,406	-	774,891	4,662,434

[1]Excludes taxes payable.

	2018				
	On demand	In 3 months	Between 3 months and 1 year	More than 1 year	Total
	€	€	€	€	€
Trade and other payables[1]	2,873,760	-	-	-	2,873,760
Accrued liabilities	107,077	-	-	-	107,077
Borrowings	-	-	-	27,858	27,858
Total	2,980,837	-	-	27,858	3,008,695

[1]Excludes taxes payable.

Note 24: List of subsidiaries

The Company held the issued shares of the following subsidiary undertakings as at 31 December 2019:

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
Marsovia Holding ltd	Cyprus	100%	Indirect, through Sheltyco Enterprises Group Ltd
Quasar Holdings Ltd	Malta	51%	Indirect, through B90 Ventures Ltd
Bet90 Sports Ltd	Malta	51%	Indirect, through Quasar Holdings Ltd
Velty Bulgaria Ltd	Bulgaria	100%	Indirect, through B90 Ventures Ltd
Veltyco Licensing Ltd	Malta	100%	Indirect, through B90 Ventures Ltd

Note 25: Reconciliation of debt

The Group had the following movement in the borrowings:

	At 1 January 2019	*Cash*	*Interest Charged*	*Converted to equity*	*Other settlements*	*At 31 December 2019*
	€	€	€	€	€	
Borrowings	27,858	891,572	10,612	(149,836)	(5,315)	774,891
Loans from directors	-	500,000	17,945	(517,945)	-	-
	27,858	1,391,572	28,557	(667,781)	(5,315)	774,891

	At 1 January 2018	*Cash*	*Other settlements*	*At 31 December 2018*
	€	€	€	
Borrowings	1,355,223	-	(1,327,365)	27,858
	1,355,223	-	(1,327,365)	27,858

Note 26: Related party transactions

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

Loan from Directors
On 1 April 2019, the Company entered into separate loan agreements with three of its Directors (Mark Rosman, Paul Duffen and Marcel Noordeloos), raising a total of €500,000. This loan amount, including accrued interest of €17,945, was converted into 8,400,000 New Ordinary Shares on 19 December 2019.

Other related party transactions
The Group has recorded expenses totalling €nil (2018: €152,039) to Softlot Software Services Ltd ("Softlot"), a company previously controlled by one of the Company's shareholders. Softlot provided B2B services for lottery operations and following the cessation of marketing activities in this vertical, Softlot is currently providing no services to the Group and as 31 December 2019, no amounts were outstanding to be paid to Softlot (2018: nil).

Furthermore, the Group has a loan payable to a Company's shareholder, Lensing, a company indirectly owned and controlled by one of the Company's shareholders, amounting to €28,230 (2018: €27,858). This loan bears an interest of 3% per annum.

Included within other creditors, the Group has accrued for unpaid salaries with its Directors, amounting to €61,500 at 31 December 2019 (2018: nil receivable from Directors).

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

	Year ended 31 December 2019	*Year ended 31 December 2018*
	€	€
Unpaid salaries and fees to Directors	61,500	-
Loan from Lensing (Note 19)	28,230	27,858
Total	89,730	27,858

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 27: Ultimate controlling party

As at 31 December 2019 the Directors do not believe there to be any single controlling party.

Note 28: Post balance sheet events

On 17 January 2020 the Company announced that it had completed the acquisition of the 49% of Quasar Holdings Ltd ("Quasar") not owned by the Company from Binbar GmbH. Quasar wholly owns Bet90 Sports Ltd, the online sportsbook and casino gaming company.

On 3 February 2020, the Company announced that it had changed the Company's name to B90 Holdings plc. The ticker code on the London Stock Exchange changed from VLTY to B90 on that day.

In March 2020, The Company'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. In June 2020, some of the main events in the target markets restarted, however, in the months of March, April and May, the Company faced a significant reduction in the number of customers placing bets. This has led to a significant reduction in the Group's revenue over that period and as it is still unsure how the pandemic develops globally, no certainty can be given about the Company's future revenues. The Company's shares were suspended from trading on AIM on 17 March 2020.

On 7 May 2020, the Company announced that it had raised £450,000 (or approximately €515,000) pursuant to subscriptions for Convertible Loan Notes.

On 11 September 2020, the Company announced that it had raised €450,000 (or approximately £408,000) pursuant to subscriptions for Convertible Loan Notes.

On 9 December 2020, the Company announced that it had raised €700,000 (or approximately £638,000) pursuant to subscriptions for Convertible Loan Notes.

On 16 March 2021, the Company announced that it had raised €1,847,000 (or approximately £1,585,000) pursuant to subscriptions for Convertible Loan Notes

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