

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY
AMENDED ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

COMPANY INFORMATION

DIRECTOR Lasse Ilmari Pentinpoika Rantala

REGISTERED NUMBER 11368792

REGISTERED OFFICE Office 9.17 3a
Capital Tower
91 Waterloo Road
London
SE1 8RT

INDEPENDENT AUDITORS Wilder Coe Ltd
Chartered Accountants & Statutory Auditors
1st Floor Sackville House
143-149 Fenchurch Street
London
EC3M 6BL

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

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STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The director presents his Annual Report and the audited financial statements of the Group and Company for the year ended 31 December 2019.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Strategic Report, the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law, the director has elected to prepare the Group and Company's financial statements in accordance with International Financial Reporting Standards (IFRSs). Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and Company will continue in business.

The director is 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 enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Director's Report is approved has confirmed that:

- so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware.
- the director has taken all the steps that they ought to have taken as director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditors are aware of that information.

Principal activity

The principal activity of the Company is that of a holding company representing its wider group's interests in the online gaming sector.

The principal activity of its subsidiary undertaking was the operation of an online gaming business offering casino games through the portal "Wildz" to customers worldwide under a business to customer Type 1 license issued by the Malta Gaming Authority. The subsidiary Company addresses global markets excluding territories for which a gaming license is required but not held by the Company. The Company closely monitors development across various jurisdictions and is committed to abide by any new laws and regulations issued from time to time.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Director

The director who served during the period was:

Lasse Ilmari Penttinen Rantala

Going concern basis

The financial statements have been prepared using the going concern basis of accounting. Further details of this policy can be found in the notes to these accounts.

Dividends

No dividends have been paid or proposed in the period.

Events after the reporting period

Before the financial statements of the Group were prepared, the director took reasonable steps:

- (a) to ascertain that proper actions had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group had been written down to an amount which the current assets might be expected to realise.

At the date of this report, the director is not aware of any circumstances:

- (a) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group misleading or inappropriate.

At the date of this report:

- (a) there are no charges on the assets of the Group which have arisen since the end of the financial period which secures the liabilities of any other person; and
- (b) there are no contingent liabilities in the Group which have arisen since the end of the financial period.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the director, will or may affect the ability of the Group to meet their obligations when they fall due.

At the date of this report, the director is not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group which would render any amount stated in the respective financial statements misleading.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

In the opinion of the director:

- (a) the results of the Group's operations during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the Group for the financial period in which this report is prepared.

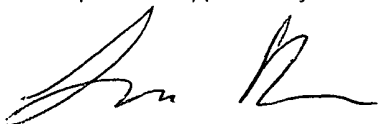
Financial instruments

Full details of risks arising on financial instruments can be found in note 4 to the accounts.

Auditors

The auditors, Wilder Coe Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on26/4/2022..... and signed on its behalf.



.....
Lasse Ilmari Penttinen
Director

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The director presents the Strategic Report of the Group for the period ended 31 December 2019.

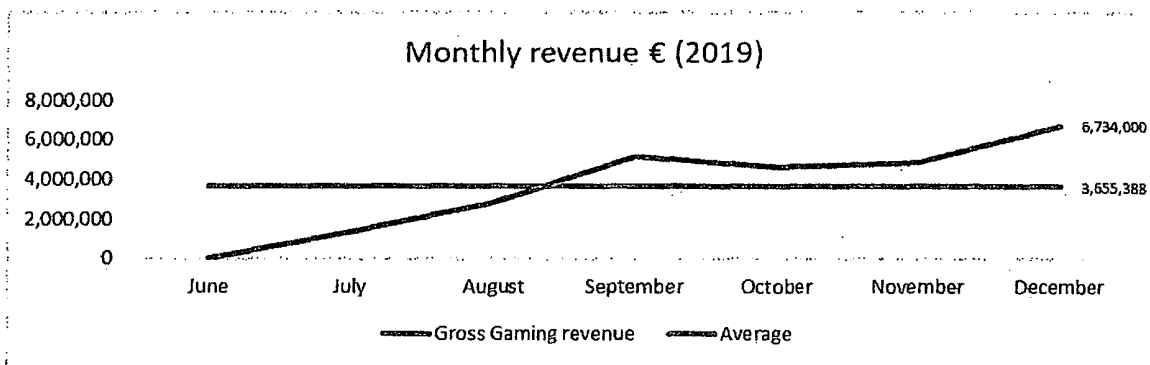
Business Review

The Group's principal activity is to operate an online gaming business offering Casino Games through Rootz Ltd ("subsidiary") to customers worldwide under the license issued by the Malta Gaming Authority. The Group addresses global markets excluding only territories where the subsidiary does not hold the required licenses. The Group closely monitors development across the various jurisdictions and is committed to abide by any new regulations issued from time to time.

Key Performance Indicators

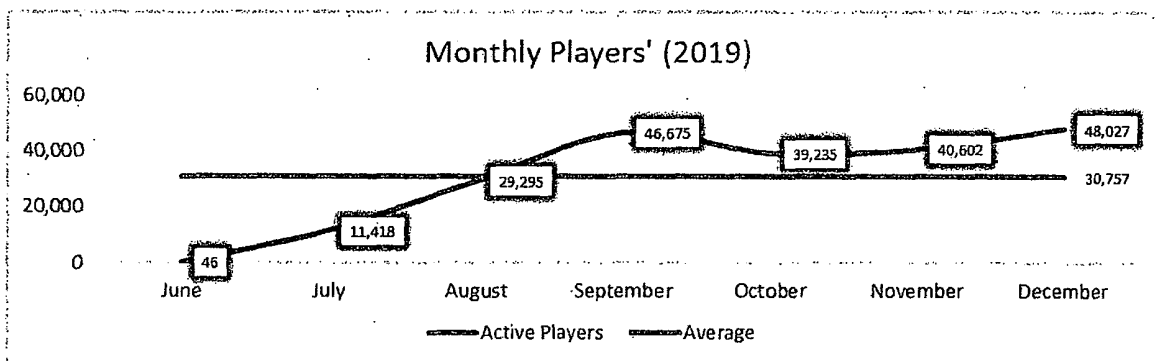
Monthly average revenue:

A key performance indicator used by management to monitor the Group's return from players is the monthly average revenue, whereby the total gross gaming revenue figures generated within a given month are analysed to a greater extent. The gross gaming revenue is defined as real money bets placed less real money winnings and the average key performance indicator figure is averaged throughout a six-month period.



Monthly average active players:

A key performance indicator used by management to assess the Group's efforts of player retention is the monthly average active players. The Group defines average active players' as being real money players having placed at least a single wager during that particular month. The average active players per month is the average active players per month, averaged throughout a six-month period.

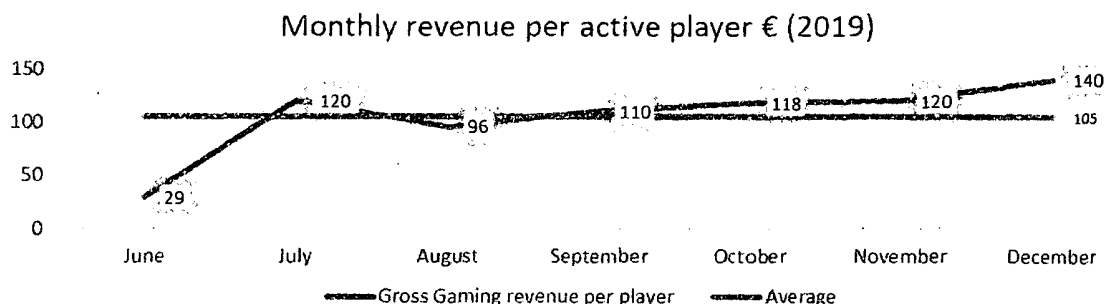


STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Monthly average revenue per player:

This is a key performance indicator used by management to assess the Group's ability to generate real money revenue by player. The Group defines monthly real money revenue as the total gross gaming revenue generated in a particular month, divided by the average active players' during that particular month. The average key performance indicator figure is averaged throughout a six-month period.



Financial Review

The Director noted that during the first year of operations, the Group, through the operations of Rootz Ltd ("subsidiary"), generated gross gaming revenue amounting to €25,587,718 and gross profits amounting to €6,821,875.

The Group incurred administrative expenditure amounting to €2,050,508 (2018: €227,112). Furthermore, marketing and affiliate costs incurred throughout the year were reported at €3,312,361. After factoring other income amounting to €44,128 (2018: €39) and income tax amounting to €66,758 (2018: €Nil), the Group reported profit after tax of €1,436,602 (2018: loss of €245,697).

Principal Risks and Uncertainties

The Group through the operations of Rootz Ltd ("subsidiary") operates in an emerging online gaming industry. For internet-based casino operations, there is uncertainty as to which country's law ought to be applied, as the internet operations can be linked to several jurisdictions. Legalisation concerning online gaming is under investigation in many jurisdictions. As at today certain EU countries have regulated their market by means of country specific licenses, whilst at present, discussions are in progress on the liberalisation of a number of other markets in Europe. The Group monitors the legal situation within EU, and if any of its key markets where to regulate the market, Rootz Ltd ("Subsidiary") would obtain the required license to be in a position to continue operating in that jurisdiction. This regulatory uncertainty represents both a risk and an opportunity for the Group's ability to develop and grow the business. Reviews of gaming taxation laws are taking place in a number of EU jurisdictions, including certain jurisdictions from which the Group accepts bets. The directors are of the view that any potential exposure to unpaid taxes is not material.

This report was approved by the board on 26/04/2022

Lasse Ilmari Penttinen Rantala
Director

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

Opinion

We have audited the financial statements of Strive Holding Limited (the 'Parent Company') and its subsidiary (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 notes to the 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 UK and, as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the UK;
- the Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the UK and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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 and Parent Company 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, 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STRIVE HOLDING LIMITED AND ITS SUBSIDIARY (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Director's Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Other matter

The financial statements of Strive Holding Limited for the period ended 31 December 2018 were unaudited.

Responsibilities of directors

As explained more fully in the Director's Responsibilities statement set out on page 1 the Director is 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 director determines 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 Director is responsible for assessing the Group's and the Parent Company'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 Parent Company or to cease operations, or have no realistic alternative but to do so.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STRIVE HOLDING LIMITED AND ITS SUBSIDIARY (CONTINUED)

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: <https://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 shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Saunders (Senior Statutory Auditor)
for and on behalf of



Wilder Coe Limited
Chartered Accountants & Statutory Auditors
1st Floor Sackville House
143-149 Fenchurch Street
London
EC3M 6BL

Date: 26/4/2022

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Year ended 31 December 2019 €	Period ended 31 December 2018 €
Revenue	5	25,587,718	-
Cost of sales		(18,765,843)	-
GROSS PROFIT		6,821,875	-
Administrative expenses		(2,020,508)	(227,112)
Marketing and affiliate costs		(3,312,361)	(18,624)
Other income	8	44,128	39
Net finance costs		(29,774)	-
PROFIT/(LOSS) BEFORE TAXATION ON ORDINARY ACTIVITIES		1,503,360	(245,697)
Taxation on profit/(loss) on ordinary activities	9	(66,758)	-
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		<u>1,436,602</u>	<u>(245,697)</u>
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		<u>1,436,602</u>	<u>(245,697)</u>
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE FINANCIAL PERIOD ATTRIBUTABLE TO:			
Owners of the Parent Company		<u>1,436,602</u>	<u>(245,697)</u>

The notes on pages 17 to 32 form part of these financial statements.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY
REGISTERED NUMBER: 11368792

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	Group 2019 €	Group 2018 €
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	31,969	4,035
Intangible fixed assets	11	564,946	332,733
Investments		2,281	-
Total non-current assets		599,196	336,768
CURRENT ASSETS			
Trade and other receivables	13	807,544	212,551
Cash and cash equivalents		6,903,144	49,654
Total current assets		7,710,688	262,205
TOTAL ASSETS		8,309,884	598,973
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15	916,000	690,000
Share premium		844,000	-
Retained earnings/(losses)		1,190,905	(245,697)
Total equity		2,950,905	444,303
CURRENT LIABILITIES			
Trade and other payables	16	5,292,221	154,670
Current tax liabilities		66,758	-
Total current liabilities		5,358,979	154,670
TOTAL LIABILITIES		5,358,979	154,670
TOTAL EQUITY AND LIABILITIES		8,309,884	598,973
ISSUED CAPITAL AND RESERVES ATTRIBUTABLE TO:			
Owners of the Parent Company		<u>2,950,905</u>	<u>444,303</u>

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY
REGISTERED NUMBER: 11368792

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019 (CONTINUED)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

26/4/2022



Lasse Ilmari Penttinen
Director

The notes on pages 17 to 32 form part of these financial statements.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY
REGISTERED NUMBER: 11368792

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	Company 2019 €	Company 2018 €
ASSETS			
NON-CURRENT ASSETS			
Investments in subsidiaries	12	100,000	5,000
Total non-current assets		<u>100,000</u>	<u>5,000</u>
CURRENT ASSETS			
Trade and other receivables	13	159,156	171,148
Amount due from subsidiaries	14	1,630,551	532,771
Cash and cash equivalents		1,379	-
Total current assets		<u>1,791,086</u>	<u>703,919</u>
TOTAL ASSETS		<u>1,891,086</u>	<u>708,919</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15	916,000	690,000
Share premium		844,000	-
Retained losses		(55,587)	(6,343)
Total equity		<u>1,704,413</u>	<u>683,657</u>
CURRENT LIABILITIES			
Trade and other payables	16	186,673	25,262
Total current liabilities		<u>186,673</u>	<u>25,262</u>
TOTAL LIABILITIES		<u>186,673</u>	<u>25,262</u>
TOTAL EQUITY AND LIABILITIES		<u>1,891,086</u>	<u>708,919</u>
ISSUED CAPITAL AND RESERVES ATTRIBUTABLE TO:			
Owners of the Parent Company		<u>1,704,413</u>	<u>638,657</u>

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY
REGISTERED NUMBER: 11368792

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2019

The group financial statements do not include a separate Statement of Comprehensive Income for the Company, as permitted by Section 408 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

26/4/2022



Lasse Ilmari Penttinen Rantala
Director

The notes on pages 17 to 32 form part of these financial statements.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

Group	Share capital	Share premium	Profit and loss account	Total equity
	€	€	€	€
Issue of share capital	690,000	-	-	690,000
COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD				
Loss for the financial period ended 31 December 2018	-	-	(245,697)	(245,697)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	-	-	(245,697)	(245,697)
AT 31 DECEMBER 2018 AND 1 JANUARY 2019	690,000	-	(245,697)	444,303
Issue of share capital	226,000	844,000	-	1,070,000
COMPREHENSIVE PROFIT FOR THE FINANCIAL YEAR				
Profit for the financial year ended 31 December 2019	-	-	1,436,602	1,436,602
TOTAL COMPREHENSIVE PROFIT FOR THE YEAR	-	-	1,436,602	1,436,602
AT 31 DECEMBER 2019	916,000	844,000	1,190,505	2,950,905

The notes on pages 17 to 32 form part of these financial statements.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

Company	Share capital	Share premium	Profit and loss account	Total equity
	€	€	€	€
Issue of share capital	690,000	-	-	690,000
COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD				
Loss for the financial period ended 31 December 2018	-	-	(6,343)	(6,343)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	-	-	(6,343)	(6,343)
AT 31 DECEMBER 2018 AND 1 JANUARY 2019	<u>690,000</u>	<u>-</u>	<u>(6,343)</u>	<u>638,657</u>
Issue of share capital	226,000	844,000	-	1,070,000
COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR				
Loss for the financial year ended 31 December 2019	-	-	(49,244)	(49,244)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	-	-	(49,244)	(49,244)
AT 31 DECEMBER 2019	<u>916,000</u>	<u>844,000</u>	<u>(55,587)</u>	<u>1,704,413</u>

The notes on pages 17 to 32 form part of these financial statements.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Year ended 31 December 2019 €	Period ended 31 December 2018 €
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) for the financial period	1,436,602	(245,697)
ADJUSTMENTS FOR:		
Amortisation of intangibles	75,949	-
Depreciation of property, plant and equipment	4,209	1,033
Interest expense	29,774	-
Corporation tax charge	66,758	-
Increase in trade and other receivables	(594,993)	(212,551)
Increase in trade and other payables	5,137,551	154,670
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES	6,155,850	(302,545)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangibles	(317,500)	(332,733)
Disposal of intangibles	9,338	-
Purchase of property, plant and equipment	(32,143)	(5,068)
Purchase of investments	(2,281)	-
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	(342,586)	(337,801)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	1,070,000	690,000
Interest paid	(29,774)	-
NET CASH FROM FINANCING ACTIVITIES	1,040,226	690,000
INCREASE IN CASH AND CASH EQUIVALENTS	6,853,490	49,654
Cash and cash equivalents at beginning of financial period	49,654	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	6,903,144	49,654

The notes on pages 17 to 32 form part of these financial statements

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Year ended 31 December 2019 €	Period ended 31 December 2018 €
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the financial period	(49,244)	(6,343)
ADJUSTMENTS FOR:		
Interest expense	29,774	-
Increase in trade and other receivables	(1,085,788)	(703,919)
Decrease in trade and other payables	161,536	25,137
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES	(943,722)	(685,125)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in subsidiaries	(95,000)	(5,000)
NET CASH USED IN INVESTING ACTIVITIES	(95,000)	(5,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	1,070,000	690,000
Interest paid	(29,774)	-
NET CASH FROM FINANCING ACTIVITIES	1,040,226	690,000
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,504	(125)
Cash and cash equivalents at beginning of financial period	(125)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	1,379	(125)

The notes on pages 17 to 32 form part of these financial statements

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. GENERAL INFORMATION

Strive Holding Limited (the "Company") (Company number: 11368792) was incorporated in England & Wales on 17 May 2018 as a private limited company under the Companies Act 2006. Its registered office is at Office 9.17 3a, Capital Tower, 91 Waterloo Road, London, United Kingdom, SE1 8RT.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention, except as disclosed in this summary of significant accounting policies and in accordance with International Financial Reporting Standards (IFRSs) as adopted by the UK.

Going concern basis

The financial statements have been prepared using the going concern basis of accounting. In determining whether the Group and Company's financial statements can be prepared on the going concern basis, the Directors considered all factors likely to affect its future development, performance and its financial position and have concluded that the Group and Company would continue in operational existence for the foreseeable future.

The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its own subsidiaries ("the Group"). The financial statements of the subsidiaries are prepared to the same reporting date as the Company and the Group.

Subsidiaries are consolidated from the date on which the Company obtains control and continue to be consolidated until the date that such control ceases.

The Group has taken the exemption under section 405 of the Companies Act not to consolidate the results of World Spinner Limited on the grounds that it is not material for the purpose of giving a true and fair view.

In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

The Company and Group applies the acquisition method to account for business combinations. The consideration transferred for acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The excess of the consideration transferred over the fair value of the Company's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the gain is recognised in the Consolidated Statement of Comprehensive Income.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

Functional and presentational currency

The financial statements are presented in Euro (€), which is the Group and Company's functional currency.

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognised in the Statement of Comprehensive Income.

Finance costs

Finance costs are recognised as expenses in the period in which they fall due.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable services provided in the normal course of business, net of value added tax and discounts, where applicable. Revenue is recognised to the extent that it is probable that future economic benefits will flow to the Group and these can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised:

Gross gaming revenue

Revenue attributable to gaming transactions in which the Company assumes an open position against the player are reported net after deductions for player winnings and jackpot contributions.

Property, plant and equipment ('PPE')

Cost of an item of property, plant and equipment shall be recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Group and if the costs of the item can be measured reliably.

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to the working condition for their intended use, and the initial estimate of costs of dismantling and removing the items and restoring the site on which they are located.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or requirement of any item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Comprehensive Income.

Depreciation is recognised so as to write-off the cost or valuation of assets less their residual value over their useful lives using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The estimated useful lives of property, plant and equipment are as follows:

Office equipment	- 4 years
IT equipment	- 4 years
Furniture and fixtures	- 10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

At the end of the reporting period, the Group assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount and is recognised in the Statement of Comprehensive Income.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amount of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets

Acquired intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Domains owned by the Company are considered to have an indefinite useful life so no amortisation is required.

Amortisation is based on a useful life of 4 years for acquired software, 5 and 10 years for acquired licenses and is charged to the Statement of Comprehensive Income.

Internally generated intangible assets

The creation of internally generated intangible assets involves a research and a development phase. Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset, arising from the Company's development of branded software, is recognised only if all of the following can be demonstrated by the Company:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it
- The ability to use or sell the intangible asset
- How the asset will generate probable future economic benefits
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. When the intangible asset will become available for use, it will be amortised on a straight-line basis over its estimated useful life which is assumed to be 4 years for all software and 10 years for licenses.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

Valuation of investments

Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Trade and other receivables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less accumulated impairment losses.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents comprise cash in hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables generally arise from transactions outside the usual operating activities of the Group. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost, which is the fair value of the consideration to be paid in the future for the goods and services received.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Where the Group expects a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Financial Instruments

The Group enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the end of the reporting period.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Share Capital

Ordinary shares are classified as equity.

Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity.

Current and deferred taxation

The income tax expense represents the sum of tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other periods and in further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (CONTINUED)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Statement of Financial Position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at Statement of Financial Position date. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Adoption of new and revised IFRSs

During the current year the Group and Company adopted all the new and revised International Financial Reporting Standards (IFRSs) that are relevant to its operations and are effective for accounting periods beginning on or after 1 January 2019.

The amendments to IFRS 11, IAS 12, IAS 19 and IAS 23, which came into effect from 1 January 2019 are not relevant to these financial statements.

At the date of authorisation of these financial statements, the following significant standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective (and in some cases have not yet been adopted by the UK):

- IFRS 3 "Business Combinations": the amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. It is effective from periods beginning on or after 1 January 2020 and, where applicable, it will be effective in the Group accounts for the year ending 31 December 2020.
- The Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) requires additional disclosures around uncertainty arising from the interest rate benchmark reform. The amendments are effective for periods beginning on or after 1 January 2020 and will be effective in the Group accounts for the year ending 31 December 2020.

The director does not expect that the adoption of the standards and interpretations listed above will have a material impact on the financial statements of the Group or Company in future periods.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equate to the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have a material impact on the Group and Company's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are outlined below:

Estimated useful lives of PPE and intangible assets

The Group and Company regularly review the estimated useful lives of PPE and intangible assets based on factors such as business plans and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of PPE or intangibles would increase the recorded depreciation and decrease the value of PPE/intangibles.

Impairment of PPE

The Group and Company assess impairment of assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, i.e., the carrying amount of the asset is more than the recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. Projected future cash flows are based on the Group and Company's estimates calculated based on historical, sector and industry trends, general market and economic conditions, changes in technology and other available information.

4. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Market risk

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposure, primarily with respect to the Canadian dollar, Norwegian Krone, New Zealand Dollar & Indian Rupee. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations

Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties are accepted. Risk control assesses the credit quality of customers, taking into account its financial position, past experience and other factors. The utilisation of credit limits is regularly monitored. No credit limits were exceeded during the year and management does not expect any losses from non-performance by these counterparties

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

Price risk

Management does not consider the Company to be exposed to significant market risk in terms of the online casino since the outcome of wagers is based on a fixed winnings percentage.

Liquidity risk

Liquidity risk is the risk that the Group and Company will not be able to meet its financial obligations as they fall due. The Group and Company's exposure to liquidity risk arise principally from its various payables, loans and borrowings.

The Group and Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the Group and Company to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

As at 31 December 2019, the Group has sufficient financial capacity and available facility to meet its obligations as and when they fall due within 12 months from the financial statement date.

Intercompany balances: Risk management objectives, policies and processes for managing the risk

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Intercompany balances: Exposure to credit risk, credit quality and collateral

As at the end of the financial period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position. Loans and advances are only provided to subsidiaries by the Company.

Fair value of financial instruments

The carrying amounts of deposits, bank and cash balances, short term receivables and payables and short term borrowings approximate their fair values and are equivalent to nominal values due to the relatively short term nature of these financial instruments.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Management considers capital to consist of equity plus net debt as disclosed in the Statement of Financial Position. The primary objective of the Group and the Company's capital management is to ensure healthy capital ratios in order to support its business and maximise shareholder value. The Group and the Company's financial instruments comprise cash and liquid resources and various items, such as receivables and trade payables that arise directly from its operations. The Group and the Company's policy is to finance its operations through Group borrowings. It is the Group and the Company's policy not to hold financial instruments for speculative purposes.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

5. REVENUE

The whole of the revenue is attributable to the principal activity of the Group, being the generation of funds from online gaming customers.

The Group and Company derives revenue from one distinct category:

	Year ended 31 December 2019 €	Period ended 31 December 2018 €
Gross gaming revenue ("GGR")	<u>25,587,718</u>	<u>-</u>

6. OPERATING PROFIT/(LOSS) BEFORE TAXATION

	Year ended 31 December 2019 €	Period ended 31 December 2018 €
Profit/(loss) is stated after charging the following items:		
Depreciation (included within administrative expenses)	4,209	1,033
Amortisation (included within administrative expenses)	75,949	-
Operating lease payments	31,320	122,113
Director's remuneration	16,613	-
Net realised losses from currency exchange	80,226	-
Auditors' remuneration	<u>11,124</u>	<u>3,900</u>

Fees payable to the Company's auditor and their associates for the audit of the Strive Holding Limited and its subsidiaries are €23,887.

7. WAGES AND SALARIES

Wages and salaries for the year/period comprise of the following:

	Year ended 31 December 2019 €	Period ended 31 December 2018 €
Wages and salaries	614,983	20,964
Employer's share of social security contributions	<u>32,748</u>	<u>1,503</u>
	<u>647,731</u>	<u>22,467</u>

The director received remuneration of €16,613 (2018: €Nil) from the group.

Average number of persons employed by the Group, including the director, was as follows:

	Year ended 31 December 2019	Period ended 31 December 2018
Operational	<u>13</u>	<u>1</u>

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

8. OTHER INCOME

	Year ended 31 December 2019 €	Period ended 31 December 2018 €
Net unrealised gains from currency exchange	33,019	39
Other income	11,109	-
	<u>44,128</u>	<u>39</u>

9. TAXATION

	Year ended 31 December 2019 €	Period ended 31 December 2018 €
Corporation tax	<u>66,758</u>	<u>-</u>

Tax reconciliation

The tax assessed for the year/period is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

Profit/(loss) on ordinary activities before taxation	<u>1,503,360</u>	<u>(245,697)</u>
Corporation tax charged at 19%	285,638	(46,682)
Expenses disallowed for tax purposes	15,783	83,774
Depreciation for the year less than capital allowances	(16,934)	-
Exempt income	(5,385)	-
Losses brought forward	(7,514)	-
Effect of fiscal consolidated tax unit	(81,362)	-
Differences in overseas tax rate	(137,438)	(38,297)
Other differences leading to an increase in the tax charge	13,970	1,205
Tax charge	<u>66,758</u>	<u>-</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

10. PROPERTY, PLANT AND EQUIPMENT

Group

	Furniture and fixtures €	Office equipment €	IT Equipment €	Total €
COST				
Additions	<u>1,565</u>	<u>503</u>	<u>3,000</u>	<u>5,068</u>
At 31 December 2018 and 1 January 2019	1,565	503	3,000	5,068
Additions	<u>6,937</u>	<u>206</u>	<u>25,000</u>	<u>32,143</u>
At 31 December 2019	8,502	709	28,000	37,211
DEPRECIATION				
Charge for the financial period ended 31 December 2018	<u>(157)</u>	<u>(126)</u>	<u>(750)</u>	<u>(1,033)</u>
At 31 December 2018 and 1 January 2019	(157)	(126)	(750)	(1,033)
Charge for the financial year ended 31 December 2019	<u>(443)</u>	<u>-</u>	<u>(3,766)</u>	<u>(4,209)</u>
At 31 December 2019	(600)	(126)	(4,516)	(5,242)
CARRYING AMOUNT				
At 31 December 2019	<u>7,902</u>	<u>583</u>	<u>23,484</u>	<u>31,969</u>
<i>At 31 December 2018</i>	<u>1,408</u>	<u>377</u>	<u>2,250</u>	<u>4,035</u>

The Company held no tangible fixed assets at 31 December 2019 and 31 December 2018.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

11. INTANGIBLE FIXED ASSETS

Group

	Domains €	Internally Generated Software €	Acquired software €	Licenses €	Total €
COST					
Additions	-	138,015	148,380	46,338	332,733
At 31 December 2018 and 1 January 2019	-	138,015	148,380	46,338	332,733
Additions	33,089	246,032	38,379	-	317,500
Disposals	-	-	-	(9,338)	(9,338)
At 31 December 2019	33,089	384,047	186,759	37,000	640,895
AMORTISATION					
Charge for the financial period ended 31 December 2018	-	-	-	-	-
At 31 December 2018 and 1 January 2019	-	-	-	-	-
Charge for the financial year ended 31 December 2019	-	(48,226)	(26,223)	(1,500)	(75,949)
At 31 December 2019	-	(48,226)	(26,223)	(1,500)	(75,949)
CARRYING AMOUNT					
At 31 December 2019	<u>33,089</u>	<u>335,821</u>	<u>160,536</u>	<u>35,500</u>	<u>564,946</u>
At 31 December 2018	<u>-</u>	<u>138,015</u>	<u>148,380</u>	<u>46,338</u>	<u>332,733</u>

The Company held no intangible fixed assets at 31 December 2019 and 31 December 2018.

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

12. INVESTMENTS IN SUBSIDIARIES

Company

	Investments in subsidiaries €
COST	
Additions	5,000
At 31 December 2018 and 1 January 2019	<u>5,000</u>
Additions	95,000
At 31 December 2019	<u>100,000</u>

Details of the subsidiary can be found in Note 18.

13. TRADE AND OTHER RECEIVABLES

	Group 2019 €	Company 2019 €	Group 2018 €	Company 2018 €
DUE WITHIN ONE YEAR				
Other receivables	684,441	159,156	211,606	171,148
Prepayments and accrued income	123,103	-	945	-
	<u>807,544</u>	<u>159,156</u>	<u>212,551</u>	<u>171,148</u>

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. AMOUNT DUE FROM SUBSIDIARIES

	Company 2019 €	Company 2018 €
DUE WITHIN ONE YEAR		
Amounts due from subsidiaries	<u>1,630,551</u>	<u>532,771</u>

Amounts due from subsidiary are unsecured, interest free and repayable on demand.

15. SHARE CAPITAL

Allotted, called-up and fully paid

	Company 2019 €	Company 2018 €
916,000 (2018: 690,000) Ordinary shares of €1.00 each	<u>916,000</u>	<u>690,000</u>

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

16. TRADE AND OTHER PAYABLES

	Group 2019 €	Company 2019 €	Group 2018 €	Company 2018 €
Trade payables	1,256,925	-	119,854	-
Other creditors	2,840,394	186,673	28,561	25,262
Accruals and deferred income	1,194,902	-	6,255	-
	<u>5,292,221</u>	<u>186,673</u>	<u>154,670</u>	<u>86,273</u>

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

17. FINANCIAL INSTRUMENTS

Financial instruments are classified as follows:

	Group 2019 €	Company 2019 €	Group 2018 €	Company 2018 €
Financial assets measured at amortised cost:				
Trade receivables	-	-	-	-
Other receivables	681,474	159,156	211,606	171,148
Accrued income	-	-	-	-
Financial liabilities measured at amortised cost:				
Trade payables	1,256,925	-	119,854	-
Accruals	1,194,202	-	6,255	-

18. SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Company name	Registered address	Class of share held	% owned	Direct/Indirect
Rootz Limited	Ewropa Business Centre, Level 3 - 701, Dun Karm Street, Birkirkara, BKR 9034	Ordinary	100%	Direct
World Spinner Limited	5 Secretary's Lane, GX11 1AA, Gibraltar,	Ordinary	100%	Indirect

19. RELATED PARTIES

The following are the balances with related parties as at 31 December:

	2019 €	2018 €
Receivables		
Amounts due from ultimate beneficial owners	37,091	131,148
Amounts due from minority shareholders	<u>157,500</u>	<u>40,000</u>
Payables		
Amounts due to ultimate beneficial owners	<u>194,558</u>	<u>23,358</u>

STRIVE HOLDING LIMITED AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

19. RELATED PARTIES (CONTINUED)

Amounts due from ultimate beneficial owners are unsecured. Some of the amounts carry an annual interest rate of 1%, others are interest free.

Amounts due to ultimate beneficial owners are unsecured, interest free and repayable when the Company will be in a position to affect such repayment.

20. ULTIMATE CONTROLLING PARTY

At 31 December 2019 and 31 December 2018, there is no ultimate controlling party.

21. SUBSEQUENT EVENTS

During the first quarter of 2020 there was an outbreak of the pandemic COVID-19 throughout the Globe. Indirectly, the pandemic has resulted in a number of European countries taking stricter and tighter measures which has effected various industries including the remote gaming industry. Management deems this event as a non-adjusting event.

There is a risk that the prevailing adverse economic conditions due to the COVID-19 pandemic have a negative impact on the customers' disposable income thereby directly affecting the results attained by the Group's brands in the long-term. On the contrary, there could also be positive synergies from a potential shift of gambling activity from offline bricks and mortar casinos to online casinos.

Management are of the opinion that as at the date of approval of the financial statements, the effect of COVID-19 did not have a negative impact on the Group's returns due to the fact that higher returns and growth levels were attained post Balance Sheet date. Nevertheless, management do not exclude the possibility that the prevailing economic conditions might deteriorate, and such conditions might negatively effect the purchasing power of its customers.

During the first half of 2021, the Group implemented a number of changes and restrictions to its casinos, specifically for German players. These changes were implemented so as to be in compliance with new regulations that came into force during the same period, and in anticipation of, and eligibility to a gambling license application in the same jurisdiction. The changes and restrictions implemented resulted in a decrease in traffic generated from German players, which was expected to gradually increase. Management are satisfied that the Group will still continue to generate positive returns despite this issue.