



SAMBA DIGITAL, INC.

FINANCIAL STATEMENTS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018



SAMBA DIGITAL, INC.

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To the Board of Directors and Management

Samba Digital, Inc.

Management is responsible for the accompanying financial statements of Samba Digital, Inc., which comprise the balance sheets as of December 31, 2019 and 2018 and the related statements of profit or loss, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements in accordance with International Financial Reporting Standards.

I have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

The schedule of operating expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. I have performed a compilation engagement on the information. I have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, or provide any assurance on such information

I am not independent with respect to Samba Digital, Inc as I provided additional services which impaired our independence.

*Maxime Sambourg*

Maxime Sambourg, CPA

Atlanta, Georgia  
April 11, 2020



SAMBA DIGITAL, INC.

BALANCE SHEETS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018

ASSETS

	<u>2019</u>	<u>2018</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents (Note 2)	\$ 188,483	\$ 75,753
Trade and other receivables (Note 2)	90,442	39,282
Accrued revenue	3,110	-
Prepaid expenses	299	570
	<hr/>	<hr/>
Total current assets	282,334	115,605
Non-current assets		
Intangible assets (Notes 2 et 3)	221,559	-
Security deposits	2,000	67
	<hr/>	<hr/>
Total non-current assets	223,559	67
	<hr/>	<hr/>
<b>Total assets</b>	<b>\$ 505,894</b>	<b>\$ 115,672</b>

See accompanying notes to financial statements.



SAMBA DIGITAL, INC.

BALANCE SHEETS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018

LIABILITIES AND EQUITY

	<u>2019</u>	<u>2018</u>
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	\$ 16,173	\$ 40,107
Related party payables (Note 4)	-	54,936
Customer deposits	6,000	-
Accrued expenses	158,149	16,320
Income Tax Payable	4,181	695
	<hr/>	<hr/>
Total current liabilities	184,503	112,058
Non-current liabilities		
Advances from shareholders (Note 4)	190,000	-
	<hr/>	<hr/>
Total non-current liabilities	190,000	-
	<hr/>	<hr/>
Total liabilities	374,503	112,058
Stockholder's equity		
Common stock	1,000	1,000
Additional paid in capital	109,340	-
Retained earnings	21,050	2,614
	<hr/>	<hr/>
Total Stockholder's equity	131,390	3,614
	<hr/>	<hr/>
<b>Total liabilities and equity</b>	<b>\$ 505,894</b>	<b>\$ 115,672</b>

See accompanying notes to financial statements.



SAMBA DIGITAL, INC.

STATEMENT OF PROFIT OR LOSS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u> (7 months)
Continuing operations		
Revenue	\$ 1,278,257	\$ 242,666
Cost of sales	<u>123,178</u>	<u>-</u>
Gross profit	1,155,079	242,666
Other operating income	3,306	-
Operating expenses (Table I)	(1,095,237)	(233,386)
Other expenses	<u>(39,531)</u>	<u>(5,972)</u>
Profit from operations	<u>23,617</u>	<u>3,308</u>
Profit before tax	23,617	3,308
Income tax expense	<u>(5,181)</u>	<u>(695)</u>
Profit from continuing operations	<u>18,436</u>	<u>2,614</u>
<b>Profit for the period</b>	<b><u>\$ 18,436</u></b>	<b><u>\$ 2,614</u></b>

See accompanying notes to financial statements.



SAMBA DIGITAL, INC.

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018

	Share Capital	Retained Earnings	Total Equity
<b>Balance as of May 18, 2018</b>	\$ -	\$ -	\$ -
Issue of share capital	1,000	-	1,000
Profit for the year	-	2,614	2,614
<b>Balance as of December 31, 2018</b>	<b>1,000</b>	<b>2,614</b>	<b>3,614</b>
Additional paid in capital	109,340	-	109,340
Profit for the year	-	18,436	18,436
<b>Balance as of December 31, 2018</b>	<b>\$ 110,340</b>	<b>\$ 21,050</b>	<b>\$ 131,390</b>

See accompanying notes to financial statements.



SAMBA DIGITAL, INC.

STATEMENT OF CASH FLOWS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u> (7 months)
Cash flows from operating activities		
Profit for the year	\$ 18,436	\$ 2,614
(Increase) decrease in:		
Trade and other receivables	(51,160)	(39,282)
Prepaid expenses	271	(570)
Accrued revenue	(3,110)	-
Security deposits	(1,933)	(67)
(Decrease) increase in:		
Trade and other payables	(23,933)	40,107
Accrued expenses	141,829	16,320
Related party payables	(54,936)	54,936
Customer deposits	6,000	-
Cash generated from operations	31,464	74,058
Income taxes paid	3,486	695
Net cash flows from operating activities	34,950	74,753
Cash flows from investing activities		
Payment for intangible assets	(221,559)	-
Net cash used in investing activities	(221,559)	-

See accompanying notes to financial statements.





SAMBA DIGITAL, INC.

STATEMENT OF CASH FLOWS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018  
(Continued)

	<u>2019</u>	<u>2018</u> (7 months)
Cash flows from financing activities		
Advances from shareholders	190,000	-
Proceeds from common stock issuance	-	1,000
Additional paid in capital	109,340	-
	<hr/>	<hr/>
Net cash from financing activities	299,340	1,000
Net increase in cash and cash equivalents	<hr/> 112,731	<hr/> 75,753
Cash and cash equivalents at beginning of year	<hr/> 75,753	<hr/> -
<b>Cash and cash equivalents at end of year</b>	<hr/> <b>\$ 188,483</b> <hr/>	<hr/> <b>\$ 75,753</b> <hr/>

See accompanying notes to financial statements.



SAMBA DIGITAL, INC.

NOTES TO FINANCIAL STATEMENTS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018

Note 1 Reporting entity

Samba Digital, Inc. (the "Company") is a United States Corporation incorporated in the State of Delaware. The Company is an international sports and entertainment agency working with rights holders to develop their global presence across LatAm, the US, Asia & beyond.

Note 2 Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

Comparative information

The year ended December 31, 2018 includes only 7 months of activity as the Company was incorporated on May 18, 2018. Consequently, comparative amounts are not entirely comparable.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with International Financial Reporting Standards ("IFRS").

Functional and presentation currency

These financial statements are presented in US Dollars, which is the Company's functional currency.

Use of Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments which are readily convertible into cash within ninety (90) days or less from the date of purchase and consist of demand deposits and money market accounts.



SAMBA DIGITAL, INC.

NOTES TO FINANCIAL STATEMENTS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018  
(Continued)

Note 2 Summary of Significant Accounting Policies (continued)

Foreign exchange transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Revenue recognition

Revenue from providing services is recognized in the accounting period in which the services are rendered.

Intangible Assets

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment losses

Other intangible assets, including customer relationships, patents and trademarks, that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.



SAMBA DIGITAL, INC.

NOTES TO FINANCIAL STATEMENTS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018  
(Continued)

Note 2 Summary of Significant Accounting Policies (continued)

Income tax

Income tax expense comprises current and deferred tax.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Note 3 Intangible assets

	<u>2019</u>	<u>2018</u>
Patents, Trademarks and Copyrights	\$ 109,539	\$ -
Software development costs	112,020	-
Total Intangible assets	221,559	-
Accumulated amortization and impairment losses	-	-
<b>Intangible assets, net</b>	<b>\$ 221,559</b>	<b>\$ -</b>



SAMBA DIGITAL, INC.

NOTES TO FINANCIAL STATEMENTS  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018  
(Continued)

Note 4 Related party transactions

For the years ended December 31, 2019 and 2018, the transactions with related parties are as follows:

	<u>2019</u>	<u>2018</u>
<u>Related party payables</u>		
Due to officers	\$ -	\$ 54,936
<b>Total related party payables</b>	<b>\$ -</b>	<b>\$ 54,936</b>
<u>Advances from shareholders</u>		
Advance from shareholder - B. Calvignac	\$ 95,000	\$ -
Advance from shareholder - F. Fausser	95,000	-
<b>Total advances from shareholders</b>	<b>\$ 190,000</b>	<b>\$ -</b>

Management fees

During the normal course of operations, the Company also incurred management fees with officers amounting \$190,000 for the years ended December 31, 2019.

Note 5 Subsequent events

The Company has performed an evaluation of subsequent events through the date of the financial statements were available to be issued. The evaluation did not result in any additional subsequent events that required disclosures and/or adjustments.



SAMBA DIGITAL, INC.

SCHEDULE OF OPERATING EXPENSES  
FOR YEARS ENDED DECEMBER 31, 2019 AND 2018

Table I

	<u>2019</u>	<u>2018</u>
Outside Labor	\$ 608,598	\$ -
Management fees	404,925	-
Professional Fees	22,491	187,035
Travels	21,868	10,022
Bank services	8,974	999
Tradeshows	8,294	-
Advertising & marketing	6,639	33,638
Dues & subscriptions	3,807	60
Rent & Lease	3,023	-
Meals & entertainment	2,110	-
Office expenses	1,898	418
Shipping, Freight & Delivery	1,205	-
Other Miscellaneous Expense	757	72
Telephone Expense	648	-
Commissions	-	1,141
	<hr/>	<hr/>
<b>Total Operating expenses</b>	<b>\$ 1,095,237</b>	<b>\$ 233,386</b>