



# CRYPTO BLOCKCHAIN INDUSTRIES

Société Anonyme à conseil d'administration au capital de 19 337 000 euros

164 boulevard Haussmann - 75008 PARIS

RCS : 894283126

## DOCUMENT D'INFORMATION

EURONEXT GROWTH is a market operated by EURONEXT. Companies on EURONEXT GROWTH are not subject to the same rules as companies on a Regulated Market (a main market). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on EURONEXT GROWTH may therefore be higher than investing in a company on a Regulated Market.

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*Advisor and Listing Sponsor*

Copies of this *Document d'Information* are available free of charge from CRYPTO BLOCKCHAIN INDUSTRIES registered office hereinafter the « **Company** » or the « **Group** ». This document is also available electronically on CRYPTO BLOCKCHAIN INDUSTRIES website (<https://www.cbicorp.io>) and EURONEXT website (<http://www.euronext.com>).

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## FIRST PART: INFORMATION ABOUT THE ISSUER

### 1. RESPONSIBLE PERSON

#### 1.1. Persons in charge of the *Document d'Information*

The person below assumes responsibility for the completeness and truthfulness of the data and information contained in the *Document d'Information*:

**Frédéric CHESNAIS**

CEO of Crypto Blockchain Industries, SA

Email: [fredchesnais@cbicorp.io](mailto:fredchesnais@cbicorp.io)

#### 1.2. Certification of the responsible person

"I certify that, having taken all reasonable care to ensure such is the case, the information contained in this universal registration document, to the best of my knowledge, is in accordance with the facts and contains no omission likely to affect its import.

I certify that, to the best of my knowledge, the financial statements have been drawn up in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and profits and losses of the Company, and of all the companies included in its basis for consolidation, and that the management report gives a fair view of the business, results and financial position of the Company and of all the companies included in its basis for consolidation, and describes the main risks and uncertainties to which they are exposed."

**Frédéric CHESNAIS**

CEO of Crypto Blockchain Industries, SA

Date October 21, 2021 - Paris

#### 1.3. Persons in charge of the financial information

The person below assumes responsibility for the completeness and truthfulness of the financial information:

**Frédéric CHESNAIS**

CEO of Crypto Blockchain Industries, SA

Email: [fredchesnais@cbicorp.io](mailto:fredchesnais@cbicorp.io)

## **2. LEGAL STATUTORY AUDITORS**

### **2.1. Primary statutory auditors**

RSM Rhône Alpes was appointed statutory auditor by the General Meeting of January 6, 2021 for a period of six (6) fiscal years, the first of them covering the fiscal year ended March 31, 2021.

**RSM Rhône-Alpes represented by François de BUSTAMANTE**

2 bis, rue Tête d'or  
69006 Lyon

### **2.2. Substitute statutory auditors**

Not applicable.

### **2.3. Statutory auditors having resigned, having been dismissed or not renewed**

Not applicable.



### 3. SELECTED FINANCIAL INFORMATION

The tables below present CRYPTO BLOCKCHAIN INDUSTRIES main information on proforma consolidated financial statements for FY2020 (from 01/04/2019 to 31/03/2020) and FY2021 (from 01/04/2020 to 31/03/2021). The accounts are presented in accordance with the IFRS accounting rules.

Financial information has been prepared in accordance with the accounting rules and principles in force in France for the purposes of this *Document d'Information*. These data must be read together with the information contained in this *Document d'Information*.

(000's of euros)	March 31, 2021	March 31, 2020
<b>Revenue</b>	<b>493.6</b>	747.1
<b>Current operating income</b>	<b>299.4</b>	308.4
<b>Operating income (loss)</b>	<b>299.4</b>	308.4
<b>Net income (loss)</b>	<b>149.1</b>	151.9
<b>Total assets</b>	<b>24,292.6</b>	1,034.2
<b>Shareholders' equity</b>	<b>23,943.5</b>	679.3
<b>Shareholders' account</b>	<b>(4,583.8)</b>	-
<b>Net cash (net debt)</b>	<b>603.3</b>	(354.5)
<b>Cash and cash equivalents</b>	<b>603.3</b>	0.4
<b>Number of employees</b>	<b>10.0</b>	10.0

The net debt is mainly composed of a loan of Euro 4,450.2 from the CBI shareholder (KER VENTURES, EURL), which will be repaid when cash resources are available at the Company level or which will be converted into capital from time to time. This shareholder loan has been approved by the Board of Directors of the Company, has a maturity of 5 years (October 1, 2026) and does not bear interests.

#### 4. RISKS DISCLOSURES

Investors are invited to take into consideration all the information presented in this *Document d'Information*, including the risk factors specific to the Company and/or the Group described in this current section, before deciding to acquire or subscribe for shares in the Company.

The Company has reviewed the risks that could have a material adverse effect on the Company and/or the Group, its business, financial situation, results, outlook, or its capacity to achieve its objectives. As of the date of approval of this *Document d'Information*, the Company is not aware of any material risks other than those presented in the current section.

Investors' attention is however drawn to the fact that the list of risks and uncertainties described below is not exhaustive. Other risks or uncertainties, that are unknown or whose realization is not considered by the Company, as of the date of approval of this *Document d'Information*, to be likely to have a material adverse effect on the Group, its business, financial situation, results or outlook, may exist or could become important factors that could have a material adverse effect on the Group, its business, financial situation, results or outlook.

The risk factors below are presented according to their materiality from highest to lowest as of the filing date of this *Document d'Information* and, when possible, quantitative information on the materiality of the risk factor is provided.

These risks are classified into 4 categories without any hierarchy between them:

- Risks related to the COVID-19 pandemic;
- Financial risks;
- Risks related to the Group business and its organization;
- Legal risks;

Within each category, the most important risks according to the evaluation made by the Company are presented first, given their negative impact on the Company and the Group and the probability of their occurrence as of the date of filing of this *Document d'Information*.

#### 4.1. Risks summary table

Type of risk	Degree of risk criticality
<b>Risks related to the covid-19 pandemic</b>	moderate
<b>Financial risks</b>	
Risks associated with equity participations	high
Risks associated with new business sectors	high
Liquidity risk and risks associated with going concern	low
Foreign exchange risk	moderate
Credit risk	low
Risks associated with tax regulations	low
Risks associated with the blockchain business model	moderate
Risks associated with the lifetime and success of the blockchain-based products	high
Risks associated with industry competition	high
Risk related to the departure of key personnel	high
Risk associated with hiring needs	moderate
Risks relating to the company's board of director and potential conflicts of interest	moderate
Risks associated with customer dependency	low
Risks associated with dependency on a limited number of games and delayed releases of key games	high
Risks related to new technology	high
<b>Legal risks</b>	
Legal risks	moderate
Risks associated with the group's regulatory environment	moderate
Risks related to data security	moderate
<b>Measures implemented to risks coverage</b>	
Protection of intellectual property rights	moderate

#### 4.2. Risks related to the COVID-19 pandemic

The Group is confronted, like every other company, with the generic risk represented by the Covid-19 pandemic. In this period of global crisis, the Group has taken the necessary measures to protect the health of its employees and partners, while ensuring the continuity of its operations. The Group has deployed its digital and organizational solutions and has favored systematic remote working arrangements by giving all its employees access to the necessary collaboration tools allowing remote work in the best possible conditions while maintaining the cohesion of the teams.

The impact is still difficult to quantify. Without being exhaustive, the risk factors identified are the following:

- A negative impact on the health of Group employees or those of partner studios;
- Disruption of supply chains;
- Interference with the renewal of licensing agreements, generators of profits and royalties for the Group;
- Cash-flow problems for CBI in case of potential difficulties experienced by partners;
- Interference with the development of the casino game activities in Africa;

In this uncertain context, the CBI Group is carefully monitoring the situation and its impacts and will continue to keep its clients and shareholders informed as the situation evolves.

The Company has evaluated these risks as **moderate**, given progress made with vaccines.

#### 4.3. Financial risks

##### • RISKS ASSOCIATED WITH EQUITY PARTICIPATIONS

As part of its licensing business, the Group may purchase unlisted securities. These securities are registered at their fair value.

The Company has evaluated these risks as **high**.

Given their lack of liquidity, these securities are more difficult to value and dispose than listed shares. Their value is also more sensitive to significant and rapid variations, as these companies are generally start-ups operating in high-growth industries and are most often in the fundraising phase. The risk of default or impairment on these investments is accordingly higher, given their characteristics.

##### • RISKS ASSOCIATED WITH NEW BUSINESS SECTORS

The Group is further expanding into new activities, including blockchain projects and cryptocurrencies. Insofar as possible, the Group seeks to grow via co-investments and partnerships in order to accelerate its acquisition of expertise and to share the risks involved, but also through direct operations, i.e. businesses in which the Company is the operator, takes responsibility for the operations, instead of being a passive investor.

Nevertheless, the Group is therefore assuming a higher level of risk, insofar as it is necessary to acquire new expertise and build strong positions in these new sectors, which could lead to higher losses in the early stages of an investment.

The Company has evaluated these risks as **high**.

Development of these new sectors requires a particular analysis of revenue potential and the contractual risk taken on, and there is a risk that, during the start-up phase, such projections by the Group will not be as accurate as desired.

More generally, the realization of the plans, their operation budget and financing plan remain inherently uncertain, and the non-realization of these assumptions may impact the value of certain Group assets as well as Group liabilities.

- **LIQUIDITY RISK AND RISKS ASSOCIATED WITH GOING CONCERN**

The Company has carried out a specific review of its liquidity risk and considers that it is in a position to meet its future payments in time. Information on the going concern assumption and indebtedness is presented in Notes 2.1 & 12 to the consolidated financial statements included in this *Document d'Information*.

The Company has evaluated these risks as **low**.

The main reason is the fact that, as of the date of the present document, the Company has no third-party debt and is fully financed. In addition, the Company has access to alternative sources of financing such as the pre-sales of tokens to fund the development of the games.

- **FOREIGN EXCHANGE RISK**

The parent company is responsible for risk management according to the context of the financial markets and the procedures established by management. Foreign exchange transactions are carried out according to local laws and access to the financial markets. Subsidiaries may enter contracts directly with local banks under the supervision of the parent company and in accordance with the Group's procedures and policies.

Foreign exchange risks related to the financing of subsidiaries are concentrated at the level of the parent company and where appropriate, specific hedges are put in place according to the financing strategies envisaged. The Group has not implemented a currency hedging policy on these amounts.

Each of the main currency zones (euro, US dollar) is overall balanced between cash inflows and disbursements. For this reason, the Group has not implemented a currency hedging policy on its commercial operations.

The Company has evaluated this risk as **moderate**.

The main reason is that the revenue and expenses of the company are balanced by currency area, i.e. the revenue and the expenses in US dollar and roughly equivalent, and it is the same for the euro zone. In addition, the Company does not speculate on crypto-currencies, i.e. crypto-currencies that are collected are sold against fiat and/or stable coins.

In terms of exposure, an unfavorable change in the euro/dollar rate would not have a significant impact on the overall currency position.

- **CREDIT RISK**

The Group is essentially an investment company.

The Company has evaluated these risks as **low**.

- **RISKS ASSOCIATED WITH TAX REGULATIONS**

The Company has evaluated these risks as *low*.

The main reason is that the Company operates in stable countries, with tax regulations that are not subject to ample fluctuations or changes in a short timeframe.

#### **4.4. Risks related to the Group business and its organization**

- **RISKS ASSOCIATED WITH THE BLOCKCHAIN BUSINESS MODEL**

The blockchain business model is new, highly uncertain and will require many years to reach a stable situation.

The Company has evaluated these risks as *moderate* given the new nature of the business.

One aspect of the business model is very stable: the model of the Company is to invest in games, either offline or online, and to collect revenue by selling micro-transactions and certain in-game assets such as land, buildings and customization of avatars.

The main factor of uncertainty is the fluctuation of the price of the in-game assets, which can vary widely over short periods of time.

To mitigate the risk, the Company plans assuming low selling prices for the in-game assets.

- **RISKS ASSOCIATED WITH THE LIFETIME AND SUCCESS OF THE BLOCKCHAIN-BASED PRODUCTS**

The main risks intrinsic to the blockchain business concern the lifetime of a given blockchain-based game or application and changes in technologies. Internally, the Company has to be able to manage in parallel multiple projects. In addition, in a highly competitive market, the Company's financial position and outlook depend on its ability to successfully develop games or applications that can meet users' expectations and obtain commercial successes. The commercial success of applications depends on the public's response, which is not always predictable.

Beyond all the technical means implemented to optimize the quality of each application launched, the Group seeks to protect itself against this risk by offering a balanced and diversified range of application combining different economic sectors.

The Company has evaluated these risks as *high* given the state of development of the blockchain technology.

- **RISK ASSOCIATED WITH INDUSTRY COMPETITION**

While the competitive dynamics vary across different gaming products and platforms, the overall gaming market remains extremely competitive. The industry is growing at a strong pace and constantly evolving, creating threats and opportunities for established players, as well as new entrants.

This remains true of the blockchain-based games and blockchain-based applications

Changes in technology and evolving consumer habits and demographics require companies to constantly reinvent themselves in order to remain relevant and secure their position in the market. In addition, blockchain is a new industry, with tremendous growth and innovation situations, which is an opportunity and a risk at the same time.

Competition is widespread and includes large players like Facebook, Ubisoft, and investment funds such as Andreessen Horowitz. Due to the lower barriers to entry, competition also includes a myriad of small developers.

The Company has evaluated this risk as **high**.

To mitigate the risk, the Company is selecting its investments and relying on existing games.

- **RISK RELATED TO THE DEPARTURE OF KEY PERSONNEL**

In the event of the departure of key personnel, the Group may encounter difficulties in replacing them and its activities may be slowed down. Similarly, its financial position, results, or ability to achieve its objectives could be affected.

The success of the Group largely depends on the involvement and the expertise of its management team, as well as the leaders of the operational entities. However, the team has a strong expertise and, furthermore, the Group CEO, Frédéric Chesnais, is the main shareholder of the Company (See Section MAIN SHAREHOLDERS in this *Document d'Information*). That basically eliminates the risk of one key manager leaving the Company.

The Company has evaluated this risk as **high** even if Frédéric Chesnais is the main shareholder of the Company, has a substantial portion of his wealth invested in the Company and is less likely to resign.

The Group does not have a key personnel insurance policy and no “Executive Liability” insurance policy. More generally, the Group has no specific insurance policy and is re-evaluating its current needs depending on the business development in the short term.

- **RISK ASSOCIATED WITH HIRING NEEDS**

The success of the Group is largely due to the performance of the technical teams and their management. Like most competitors, the Group faces difficulties in hiring personnel with specialized and experienced technical skills. The success of its growth strategy will depend on its ability to attract and retain its talent.

The Company has evaluated this risk as **moderate for the following reasons**: its operational impact is limited, and the current team has significant expertise.

- **RISKS RELATING TO THE COMPANY’S BOARD OF DIRECTOR AND POTENTIAL CONFLICTS OF INTEREST**

The Chief Executive Officer or the members of the Board of Directors may allocate their time to other businesses leading to potential conflicts of interest in their determination as to how much time to devote to the Company’s affairs, which could have a negative impact on the Company’s ability to complete its strategy.

Though Mr. Frédéric CHESNAIS has committed to devote a significant portion of his working time to the Company’s affairs and to the exercise of his duties as Chief Executive Officer, none of the Chief Executive Officer or the members of the Board of Directors are required to commit their full time to the Company’s affairs, which could create a conflict of interest when allocating their time between the Company’s operations and their other commitments.

The Company may also be involved with one or more businesses and/or companies that have direct relationships with entities that may be affiliated with the members of the Board of Directors or the CEO. This may also raise potential conflicts of interest.

However, the Company considers it has a close interest between the Company's participation and the entity in which the board of Director may be affiliated.

Consequently, the Company has evaluated those risks as ***moderate***.

- **RISKS ASSOCIATED WITH CUSTOMER DEPENDENCY**

The basis of clients is very diversified, and it is mainly comprised of individual players. No player represents more than \$2,000 of actual revenue. Therefore, the Company is not exposed to the risk of departure of a major client as there is no major client, and the risk of the number of players for one given game going down to -0- in a matter of days is very limited.

Consequently, the Company has evaluated these risks as ***low***.

- **RISKS ASSOCIATED WITH DEPENDENCY ON A LIMITED NUMBER OF GAMES AND DELAYED RELEASES OF KEY GAMES**

Although the Company pays particular attention to the quality of its games, it is nevertheless exposed to a risk of dependency related to the fact that it releases a small number of games, which correspond to a large portion of its revenue.

The Company mainly outsources its development projects to independent developers hired via contract, who may not be able to release the game on schedule or who may be forced to suspend production. In addition, the Group may not find suitable developers for certain games, or the developers' level of competence may be insufficient to obtain the quality necessary for a game to succeed. The developer may also experience financial difficulties, change key members of its team, or face any other difficulty that may cause significant delays or the abandonment of a game.

Although the Group carefully chooses its external developers and the rigor of their production processes, the risk of delayed or even canceled games cannot be totally eliminated. The delayed release of major games or their abandonment could have a material adverse effect on the Company's financial position. In order to reduce these risks, the Company is seeking to increase internal technical expertise by hiring key personnel in the areas of technology, art and executive production, whilst applying strict criteria to the selection process for external development studios.

The Company has evaluated these risks as **high** given the importance of intellectual property and innovation within the Group's value chain.

- **RISKS RELATED TO NEW TECHNOLOGY**

The Group's strategy, focused on crypto-currencies and blockchain-based applications, involves a significant development of new applications. If the Group cannot generate the revenue and gross margins contemplated in the budget for these applications, the Group's financial position, revenue, and operating profit will suffer.

For the Group's success, management believes that the Company needs to invest in as many applications as possible, carefully selected, and succeed at monetizing them, while also significantly increasing the number of users of the Group's applications. The Group's efforts to increase revenue from applications may not be successful or, even if they are, the time it takes to draw significant revenue from them may be longer than expected. The risks inherent in these applications are due to the changing nature of the applications. For this reason, it is difficult for the Group to accurately



forecast sales. In addition, the direct nature of sales significantly increases competition; it also makes it more difficult to promote the Group's applications.

Some of our competitors may have more resources to invest in the development and publishing of these applications, which makes competition fiercer. In addition, this can lead to lower marketing opportunities, complicating coordinated marketing efforts. Finally, price sensitivity is increased due to the changing nature of the blockchain business.

The Company has evaluated this risk as **high** given its operational impact is more limited than for other risks.

#### 4.5. Legal risks

- **LEGAL RISKS**

In the normal course of their business, Group companies may be involved in a number of legal, arbitral, administrative and tax proceedings. In the event of claims made against the Group by one or more of its contracting parties, or by any other interested party, such claims, irrespective of their validity, can significantly harm the business of the Group, its operating results and its outlook. Litigation is handled within the Group, working with external counsel.

The Company has evaluated these risks as **moderate** given the fact that to the best of the Company's knowledge, as of the date of this *Document d'Information*, there is no claim by any part of a government, no judicial or arbitration proceedings, including any ongoing proceedings or threat of litigation, which could have a material impact on the financial position of the Group and its profitability, or has had such an impact during the last 12 months.

- **RISKS ASSOCIATED WITH THE GROUP'S REGULATORY ENVIRONMENT**

The Group must comply with many national regulations on the content of applications and the protection of consumer rights. Failure to comply with these regulations may have a negative impact on sales and on customer loyalty.

The Company has evaluated these risks as **moderate**, as the Group ensures that it complies with all applicable regulations. In particular, the Group relies on a team of external lawyers to keep the business up-to-date with applicable regulations in the European Union, the main area of operations.

- **RISKS RELATED TO DATA SECURITY**

Legislation and regulations relating to the confidentiality and security of personal data are constantly changing, and if the Group does not comply with them, or gives the impression that it does not, its business might suffer.

The Group is subject to legislation from France, the United States and other countries regarding the confidentiality and security of personal data that the Group collects from its users; these laws are constantly changing and will continue to do so for some time.

The US government, particularly the Federal Trade Commission and Department of Commerce, has announced that it is currently looking into whether there needs to be more significant regulations on collecting information about consumers' behavior on the Internet, and the European Union has instituted the GDPR policy. Various governments and consumer groups are also calling for new regulations and changes in industry practices. If the Group does not comply with laws and regulations

regarding the confidentiality of personal data or if its practices in that regard were found to be suspicious by consumers, even if those suspicions were unfounded, this could harm the Group's reputation, and operating income could suffer.

The Company has evaluated these risks as **moderate**, as there is a risk that these laws could be interpreted and applied in a contradictory fashion from one state, country, or region to another, and that such an interpretation might not reflect the practices in effect within the Company. The Company might need to make additional spending and alter its business practices in order to comply with these various obligations. Finally, if the Group were unable to sufficiently protect its users' confidential information, they might lose confidence in its services, which could negatively affect the Group's business.

#### 4.6. Measures implemented to risks coverage

- **PROTECTION OF INTELLECTUAL PROPERTY RIGHTS**

In order to minimize the risks described above, the Group uses procedures to formalize and obtain legal and technical approval for all production and marketing stages for its products. Specialized lawyers manage, oversee, and acquire intellectual property rights for the Group. The Group also works with law firms recognized for their expertise in this area and uses intellectual property monitoring services. The Group registers the brands and copyrights of its products in the countries it deems necessary, mainly in Europe, the United States, and other major countries.

The Group does not register patents for its applications and is not dependent on any particular patent.

The Company has evaluated these risks as **moderate**.

#### 5. GENERAL CAUTIONARY NOTE ABOUT FORWARD LOOKING STATEMENTS

This *Document d'Information* also includes information on the Group's objectives and key areas for development. These indications are sometimes identified by the use of forward-looking words, such as "estimate", "consider", "have as objective", "expect", "intend", "should", "want", "may" or other variations of such terms. These statements are based on data, assumptions, and forecasts that the Group considers reasonable at the time of this *Document d'Information*. Readers' attention is drawn to the fact that these objectives and key areas for development are not historical data and should not be seen as a guarantee that the described facts and data will be realized, that the assumptions will be verified or that the objectives will be met. These are objectives, which by their nature may not be achieved and the information contained in this *Document d'Information* could prove to be incorrect without the Group having any obligation to update, subject to applicable regulations, in particular the AMF General Regulations and the Regulation (EU) n°596/2014 dated April 16, 2014 on Market Abuse ("MAR Regulation").

## 6. INFORMATION ABOUT THE COMPANY

### 6.1. History and evolution of the issuer's business

#### 6.1.1 Company name

Legal name of the company is **Crypto-Blockchain Industries, SA**.

The legal acronym of the Company is **CRYPTOBI**.

#### 6.1.2 Business register and REA registration number

The company is registered in the Paris Trade, identification number SIREN 894283126

The company's NAF code is 7010Z

The company's LEI code is: 984500D2AF7044A3S764

#### 6.1.3 Date of incorporation and duration

The Company was incorporated on January 6<sup>th</sup>, 2021 for a duration of 99 years, unless dissolved or extended.

#### 6.1.4 Headquarter, legal form and references

The Company's registered office is located at: 164, boulevard Haussmann, 75008 Paris.

Unless stated otherwise in this *Document d'Information*, the information displayed on this website is not part of the present *Document d'Information*.

The Company, governed by French law, is mainly subject to articles L.224-2 and following of the French Commercial Code, as well as to its by-laws.

### 6.2. Investment policy

Developing games on the blockchain requires significant investments in the creation, design, development, launch, marketing and otherwise exploitation, ranging over periods of 12 to 48 months, which must be funded from own funds. In addition, the success of new applications is not always assured. For these reasons, positive shareholders' equity and access to funds are essential to guarantee funding for regular investments, as well as to cope with the risks linked to the success or failure of applications upon release without jeopardizing the Group's future.

The Group's investments are still in a growth phase. The goal is to grow and maximize the value of the portfolio of investments held.

The amounts for the last three financial years break down as follows:

R&D expenditures (000's of euros)	March 31, 2021		March 31, 2020	
	Amounts	% revenues	Amounts	% revenues
Other R&D expenditures	192.9	25.8%	82.1	11.0%
<b>Total R&amp;D expenditures</b>	<b>192.9</b>	<b>25.8%</b>	<b>82.1</b>	<b>11.0%</b>

R&D expenditures (000's of euros)	March 31, 2020		March 31, 2019	
	Amounts	% revenues	Amounts	% revenues
Other R&D expenditures	82.1	11.0%	134.6	24.8%
<b>Total R&amp;D expenditures</b>	<b>82.1</b>	<b>11.0%</b>	<b>134.6</b>	<b>24.8%</b>

At the date of the *Document d'Information*, there are no significant future investments that have already been committed by the Company nor its subsidiaries.

## 7. ACTIVITY DESCRIPTION

### 7.1. Overview of the company

Created in 2021, CBI is a holding company specialized in the game and blockchain industry. As of the date of this *Document d'Information*, the principal activities of the Company have been limited to the contribution of (i) equity participation in 3 companies: OP Productions, Free Reign East and National Carrier Exchange, and (ii) the contribution of liquid financial assets such as listed equity shares and tokens.

OP Productions and Free Reign East are two companies exploiting video games. These games have already been released for a few years and are being operated on a daily basis.

National Carrier Exchange is an upcoming marketplace for transportation services, and the goal of the Company is to add blockchain-based services in the product offering.

### 7.2. Equity participation owned by the Company

CBI owns 3 equity participation positions described hereinafter:

NAME	TYPE OF COMPANY	COUNTRY	% HELD
<b>CRYPTO BLOCKCHAIN INDUSTRIES, SA</b>	<b>Société Anonyme</b>	<b>France</b>	<b>Parent</b>
<b>OP PRODUCTION, LLC</b>	Limited Liabilities Company	USA	50.0%
<b>FREE REIGN EAST, LLC</b>	Limited Liabilities Company	USA	50.0%
<b>NATIONAL CARRIER EXCHANGE, LLC</b>	Limited Liabilities Company	USA	27.5%

Free Reign East, LLC: is a company that develops video games for deployment through the Internet, for video games consoles and for other platforms including mobile phones and other connected devices.

The main game of Free Reign East is a survival game (Aftermath) which is operated under license by a third-party (Electronic Extreme Co, Ltd.) in Asia. Free Reign East shares the revenue with such third-party. Extreme is a game publisher out of Thailand.

The company is a Delaware (USA) limited liability company, of which 50% is owned by CBI and 50% is owned by Arktos Entertainment Group, LLC.

The main pipeline relates to additional development in the game Aftermath.

The contribution to CBI's revenue is set forth in Section 10 of the present document.



OP Productions, LLC: has the similar activity as Free Reign East: the development and commercialization of video games for connected devices.

The company is a Delaware (USA) limited liability company, of which 50% is owned by CBI and 50% is owned by Arktos Entertainment Group, LLC.

The main game of OP Productions is a survival game (Infestation: Survivors' Stories) which is operated under license by a third-party (Freidakis, AB) on a worldwide basis. OP Productions shares the revenue with such third-party.

The main pipeline relates to additional development in the game Infestation.

The contribution to CBI's revenue is set forth in Section 10 of the present document.



Source: Website

National Carrier Exchange, LLC (NCX) is a global, online fleet management, dispatch, operations, and tracking platform that is currently operating across the US, Canada, and Mexico. NCX is currently presented and integration is being done with some first carriers, shippers, dispatchers, and transportation managers mainly in the US. However, its geographic use is unrestricted and NCX is also expanding its contacts to multiple countries.

NCX is currently and in a short future operating on 4 business line described hereafter:

- Tracking:

NCX offers both free and paid tracking systems, compliant with all applicable regulations. NCX will also provide in the near future important reporting tools to carriers, such as a breakdown of the mileage of each truck per state, enabling carriers to more easily comply with IFTA Fuel Tax regulations. These features will be offered as premium services.

- Hauling:

With NCX, carriers can communicate more easily with each of their drivers, from electronic dispatch to live awareness of their Locations, instant updates on loads, copies of the bill of lading, etc. plus fully integrated administrative tools for client-side tracking, billing, invoicing, and driver scheduling. NCX aims to become a central, daily business tool for all carriers. NCX allows carriers to administer any load through the application, whether obtained through NCX or from another source of business.

- Shipping:

With NCX, Shippers can solicit bids from any carrier, for any kind of cargo. Shippers can also set up long-term contracts and even establish VIP programs with selected carriers.

Using NCX's VIP program, shippers can create a prioritized list of carriers that receive the opportunity to service the shipper's loads first. Only if those carriers cannot accept the work does the offer get passed out to all carriers on NCX. Either way, the Shipper's needs are rapidly met.

- Blockchain:

These existing services are supplemented by a number of additional services that will be provided utilizing blockchain technology. Blockchain is a shared, distributed triple entry system that facilitates the process of recording transactions and tracking assets in a business network. An asset can be tangible, like a truck, or intangible like insurance. The blockchain that supports cryptocurrencies such as Bitcoin is a public network whose contents and transaction are open to any participant, with millions of users around the world. Given the confidential nature of transactions within the trucking industry (rates, payments, demurrage fees, addresses, insurance, documents, hazardous material asset tracking, etc.), the blockchains utilized within NCX will be private, accessible only by participating shippers and carriers.

The NCX Network will be structured as a decentralized, distributed ledger, linked via side-chains to the Ethereum platform. Each Driver in the NCX network (across multiple continents) represents a roving, mobile node in a global network, performing background processing of transactions within their Region or Sector. The main goal is obviously to have Shippers and Carriers using NCX Tokens to pay for Freight services.

Once the token of NCX released, the Company is entitled to 50% of the revenues generated by the allocation of NCX tokens.

NCX is still in a startup phase.

These three companies continue to operate within the CBI holding company. The profit generated by their activity will be used to make investments in line with the established Company strategy (please refer to section 7.5).



### 7.3. Contribution of liquid financial assets

On July 22, 2021 CBI received from its main shareholders Ker VENTURES EURL, the contribution of two financial assets described hereinafter:

#### Atari shares:

3,500,000 shares of the listed Group ATARI (ISIN: FR0010478248 Mnémo: ATA) have been contributed to CBI.

Mr. Frédéric Chesnais was the CEO of Atari until April 4, 2021, and a Board member of that company until June 7, 2021. He remains a consultant for certain consulting services in the field of licensing, as well as the Chief Executive Officer of one joint-venture, Atari Chain, Ltd (Gibraltar). Mr. Frédéric Chesnais, directly and indirectly, is also a shareholder of Atari, and owns less than 5% of Atari.

Atari is an interactive entertainment production company that manages an intellectual property portfolio focused on the Atari brand, Atari Classics games, and intellectual property assets and licenses such as RollerCoaster Tycoon. The business model is based on directly or indirectly monetizing its rights, in the broadest possible sense.

The Atari brand is known worldwide and is associated with entertainment and digital technologies. Atari has four business lines:

- Atari Games:

This division covers video games, which includes, by extension the monetization of such games via multiple channels, multimedia production and licensing activities. The strategy is to develop, exploit and monetize in the best way the portfolio of over 200 Atari games with a priority focus on mobile games and digital distribution. Atari's business model for games is that of an executive producer. Atari owns the rights (directly or through an exclusive license) to the intellectual properties and partners with third-party development studios for game production. Atari does not develop any games in-house and does not own any development studios itself. Atari then takes delivery of the finished games and publishes the game itself.

- Atari Casino:

This division covers the regulated online casino games as well as any other real-money games including e-sports. Atari Casino's strategy is to leverage the attractiveness of the brand through licensing agreements with platforms, which are suited for these types of games.

- Atari VCS:

This division's primary objective today is to launch and distribute the new Atari multimedia home console (VCS – Video Computer System) and to integrate a large content offering available online to attract the largest number of users.

- Atari Partners:

This division's objective is to take equity stakes in young growth companies led by recognized entrepreneurs, preferably through a licensing grant of the Atari brand in exchange for an equity participation. At the beginning of 2020, the Atari Group took back control of the Atari Token (described hereinafter).

#### Atari tokens:

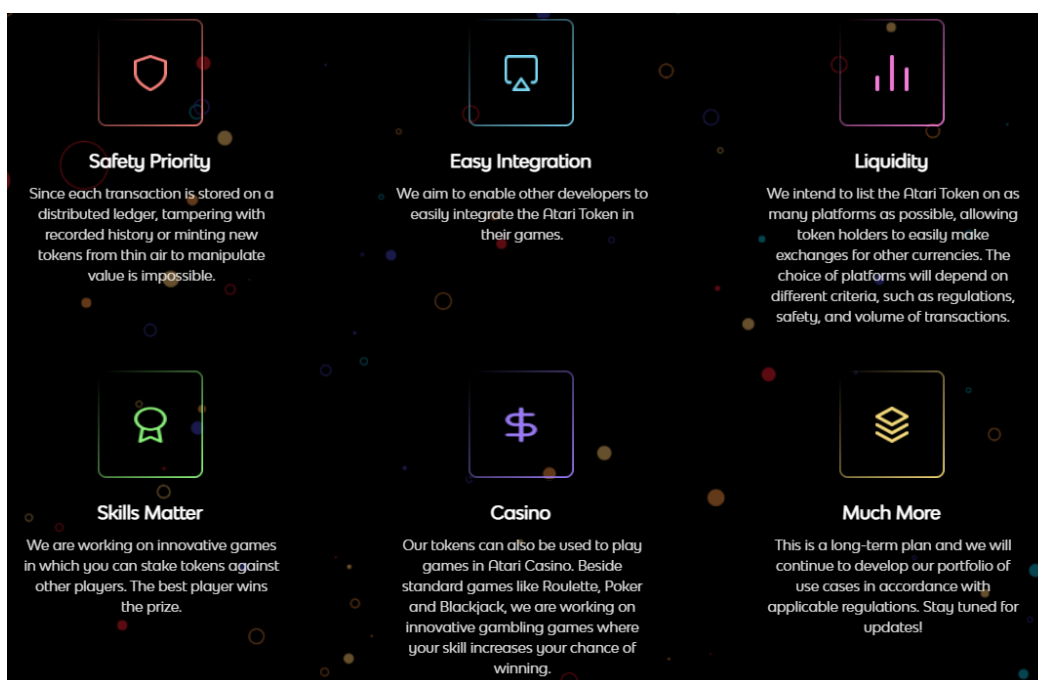
30,000,000 Atari tokens have been contributed to CBI.

Such Atari tokens are registered as assets of the Company (See March 31, 2021 Financial Statements) and their goal is to use them to further develop and invest in blockchain-based games.

Atari Token is a decentralized cryptocurrency that was created to become the token of reference for the interactive entertainment industry. The token is aiming to become a universal means of payment for the interactive entertainment industry, allowing developers and publishers new options for monetization of their products, integration of smart contracts, protection of in-game assets.

Atari Token is an ERC20 token that is based on Ethereum, the uses cases can be described as follow:

- Will be based on a decentralized system to provide security and trust;
- Can easily be bought, sold, and received;
- Enables smart contracts to facilitate the execution of tasks;
- Safely and efficiently validates the ownership and use of assets;
- Exists as the medium of exchange and token of utility on any platform that would be part of the upcoming network of platforms using the Atari Token.



Source: Atari Token

#### 7.4. Strategy of CBI

The purpose of the Company is as follows:

- **Publishing of blockchain-based games and applications:** the design, production, publishing and distribution of all blockchain, multimedia and other services providing an interactive experience, of any nature whatsoever, in any form including software, data processing and content – either interactive or otherwise – for all media and by means of all present and future means of communication;
- **Creation and Management of Intellectual Property Rights:** the creation, acquisition, use and management of intellectual and industrial property rights or other in rem and in persona rights, including by means of assignment, licensing, patents, trademarks and other copyrights;
- **Investments:** the acquisition, the search for partnerships and the acquisition of interests in other firms, including the formation of new entities and the issuance, subscription or transfer of securities in any business directly or indirectly related to the foregoing or to the products and ideas developed by the company;
- and, more generally, any transactions with a purpose similar or related to the foregoing, or otherwise likely to benefit the company.



The Company believes that Mr. Frédéric CHESNAIS has significant management expertise and combine successful experiences in complementary areas, through current and previous experience in the gaming and in the Blockchain industry. The Company further believes that his reputation, visibility and extensive network of relationships should, in compliance with the respective commitments, duties and deontological rules incumbent on each of them, provide the Company with opportunities to complete the strategy undertook, as well as additional follow-up acquisitions.

In addition, the Company believes that current macroeconomic trends create a favorable climate for potential business combinations in the crypto blockchain industry.

Finally, the Company believes that the listing on Euronext will promote alignment of the interests of the Founders and the new shareholders, as well as generate medium to long-term value creation.

Being a holding, CBI's strategy is to invest its profits into all domains of the crypto-blockchain industries and token as well as ongoing businesses and start-up companies.

The adopted approach is to select and invest in the value chain which offers the best opportunity:

- **Operating Businesses:** CBI controls, alone or with partners, its own blockchain business (transportation, games);
- **Investments:** CBI invests in start-up companies; CBI also invests and assists existing companies in a digital transition to the blockchain space;
- **Intellectual Properties:** CBI can invest into property rights (IPs), building its own portfolio of IPs;
- **Portfolio Management:** CBI holds and manages a portfolio of crypto-currencies and tokens, and also owns highly liquid assets such as cash and listed shares in the videogame/blockchain space.

CBI's investment strategy is to keep investing in ongoing businesses and start-up companies, as well as crypto-currencies and tokens.

CBI's permanent focus is to build the portfolio, maximize Return On Investment and operate on very low overhead, targeting the best opportunities in the industry. CBI uses financing techniques to leverage its resources, with a constant focus on securing guarantees in order to protect the downside.

The complementary nature of these business lines enables the optimization of synergies.

## 7.5. Investment strategy and process

The Company has implemented an investment process, whose goal is to properly identify investment opportunities and, through the investment and management process, to mitigate the risks and maximize the Return On Investment.

The Investment Process centers around the following phases:

- **Identification and Sourcing**

Key aspects include, but are not limited to, the following:

- Internal proprietary ideas
- Team relationships within the industry
- Industry focus is essential -- being able to follow closely one industry, and attendance of all major industry events are key success factors

- **Product Evaluation**

Key aspects include, but are not limited to, the following:

- Overall assessment of the product
- Market study/ market trends
- Review of competition
- Technological assessment
- Management / Track-record, References
- Technology
- Financial condition of company
- Definition of strict milestone schedules
- Review of reasonability, back-up plans
- Balance of financial commitments
- Clean chain of title - If licensed property, criteria for approval have to be available

- **Financial Analysis**

Key aspects include, but are not limited to, the following:

- Detailed and thorough financial analysis
- Review of comparable products
- Identification of additional sources of revenue
- Comprehensive valuation analysis / Review of exit scenarios
- Target's financial and strategic alternatives
- Expected exit options, including timing and risk of each alternative
- Potential buyers

- **Risk Management**

Key aspects include, but are not limited to, the following:

- Size individual positions
- Relative Risk/Reward profiles
- Downside risk and liquidity
- Industry factors / Trends
- Possible buyers on the exit
- Emphasis on diversification

- **Selection, Investment and Monitoring**

Key aspects include, but are not limited to, the following:

- Decision / Signing / Closing
- Review of projects
- Constant contact
- Management meetings

For the 2021-2026 financial years, i.e., for the next five years, the CBI Group set itself five medium-term operational goals:

1. Invest in Fintech;
2. Invest in blockchain-based games and gaming technology;
3. Invest in blockchain-based community-driven and marketing applications;
4. Invest in core Western markets (North America, Europe) and initiate positions in Africa;
5. Deliver returns on investment comparable to the industry.

The strategy of investing in blockchain startups is consistent with the sector's health forecast. The year 2020 has been marked by the delay of investment funds in starting up new fundraising activities, and by the hardening of their investment strategies. However, this year will remain a parenthesis in the dynamics of the blockchain's startups. It is expected that fundraising and investments will gradually restart from 2021 onwards.

## 7.6. The market of the Blockchain

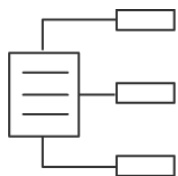
### 7.6.1 The fundamentals of the blockchain

Blockchain technology is a ledger that stores transactional records, also known as blocks, of the public in several databases, known as the “chain,” in a network connected through peer-to-peer nodes. Typically, this storage is referred to as a digital ledger. The blockchain relies on cryptographic mechanisms that guarantee the authenticity of transactions. The transactions become inseparable from their history, by grouping together in “blocks” and are therefore unforgeable.

Every transaction in this ledger is authorized by the digital signature of the owner, which authenticates the transaction and safeguards it from tampering. Hence, the information the digital ledger contains is highly secure.

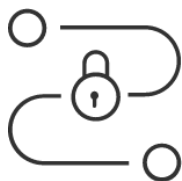
In simpler words, the digital ledger is like a spreadsheet shared among numerous computers in a network, in which, the transactional records are stored based on actual purchases. The fascinating angle is that anybody can see the data, but they can’t corrupt it.

### 7.6.2 Key elements of a blockchain:



#### Distributed ledger technology

All networks participants have access to the distributed ledger and its immutable record of transactions. With this shared ledger, transactions are recorded only once, eliminating the duplication of effort that is typical of traditional business networks.



#### Records are immutable

No participant can change or tamper with a transaction after it has been recorded to the shared ledger. If a transaction record includes an error, a new transaction must be added to reverse the error, and both transactions are then visible.



#### Smart contracts

To speed transactions, a set of rules – called a smart contract – is stored on the blockchain and executed automatically. A smart contract can define conditions for corporate bond transfers, include terms for travel insurance to be paid and much more.

### 7.6.3 *Overview of the industry*

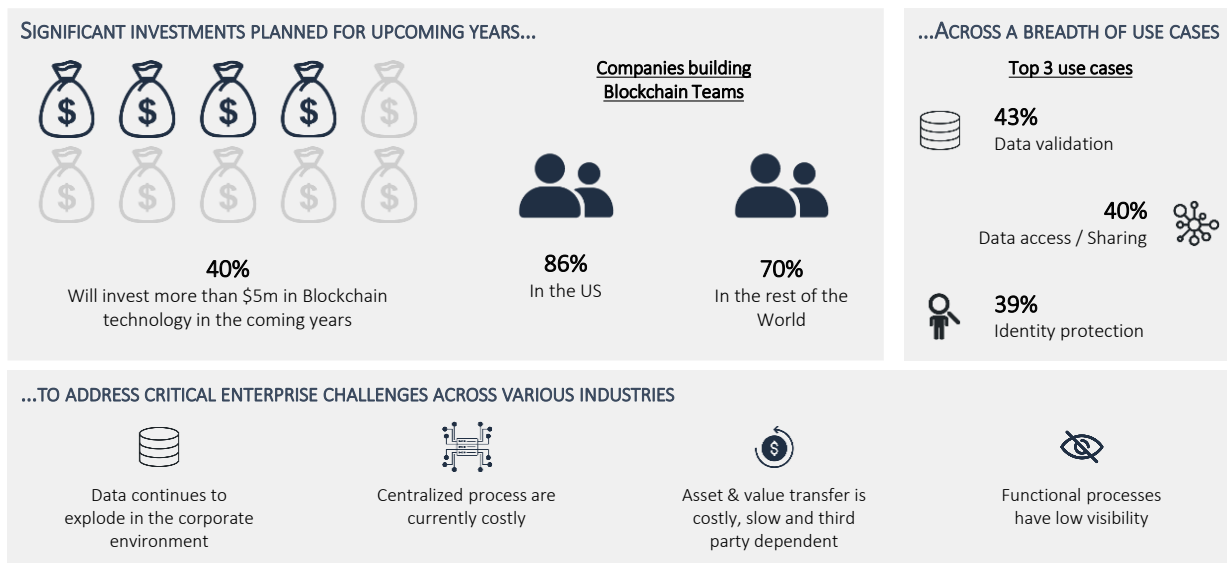
The first application of blockchain technology started when the idea behind Bitcoin was introduced on Oct. 31, 2008, at the depth of the financial crisis by a pseudonymous person called Satoshi Nakamoto. Nakamoto posted a message on a cryptography mailing list titled, "Bitcoin P2P e-cash paper." In it was a link to a white paper called "Bitcoin: A Peer-to-Peer Electronic Cash System." Both of these, are still available online. The Bitcoin blockchain is still to date the most popular and used blockchain. It's capabilities are limited and its consensus mechanism slow and the cryptocurrency is therefore seen as digital gold.

In recent years, Blockchain has been heralded as a major disrupter on track to rattle almost every industry from agriculture and manufacturing to Financial Services and insurance. While in many cases, the technology's promise can be clearly seen, faith in Blockchain has fallen victim to "the massive hype and irrational exuberance in the past, driven largely over a Bitcoin buying frenzy." In the wake of the hype, a tendency toward Blockchain tourism developed – where we would see intrigued companies come to gawk at the technology, kick it around for a few weeks before deciding they were more comfortable where they currently were. But as we moved through 2019 and 2020, we saw a fall away in this trend and a greater focus developing on utilizing the technology to solve real business issues and deliver value. Now, in 2021, we can see that the prevailing question among executives is no longer, "Will the technology work?" but rather, "How can we make technology work for us?"

A key takeaway across these applications is that blockchain is not just about disintermediating the middleman. In some cases, blockchain could disrupt markets and existing participants, while in others, it promises to help drive cost savings by reducing labor-intensive processes and eliminating duplicate effort. And in some instances, it can create new markets by exposing previously untapped sources of supply. The common thread is that by enabling a fundamentally new type of database technology that can be distributed across organizations, blockchain creates the foundation for solving problems or seizing opportunities that have eluded current systems.

Even though the main disruption came from new beginners and startups, the technology has now been widely adopted by large corporation. The last 3 years brought a greater diversification to the pool of players and ecosystems investing in the Blockchain technology – that diverse adoption will continue throughout the coming years (as shown in the chart below).

CBI also believe blockchain's transparency, security, and efficiency make it a particularly good choice for reshaping businesses that are bogged down by inefficiencies, and for enabling new business models based on distributed marketplaces and technology. Blockchain is not a "cure all" or a substitute for fixing broken business processes, but we believe it is particularly well suited to address a variety of use cases and across various industries:

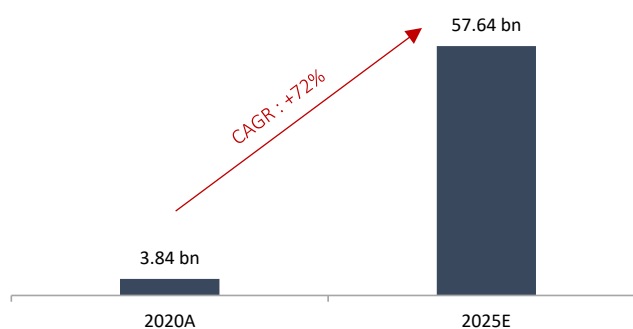


Source: Deloitte

#### 7.6.4 Current market dynamics and technology trends

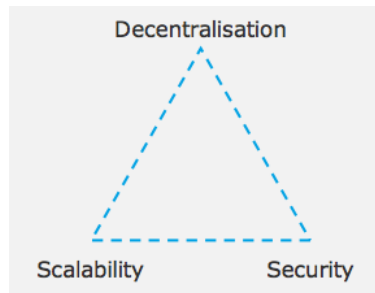
The leading platforms in 2021 onwards will be those that can offer a unique combination of features to players and consortia building enterprise level solutions. 2019 brought the rise of Blockchain's viable platforms and more pragmatic developers such as VeChain, Corda, Hyperledger, and Ethereum; Now in 2021, the leaders will emerge based on the unique combination of features that they offer to companies and consortia building production level solutions.

In the next coming years, the market size value generated across blockchain related technology is expected to rise at an impressive CAGR of 72% from 2020 to 2025.



Source: Grand view research

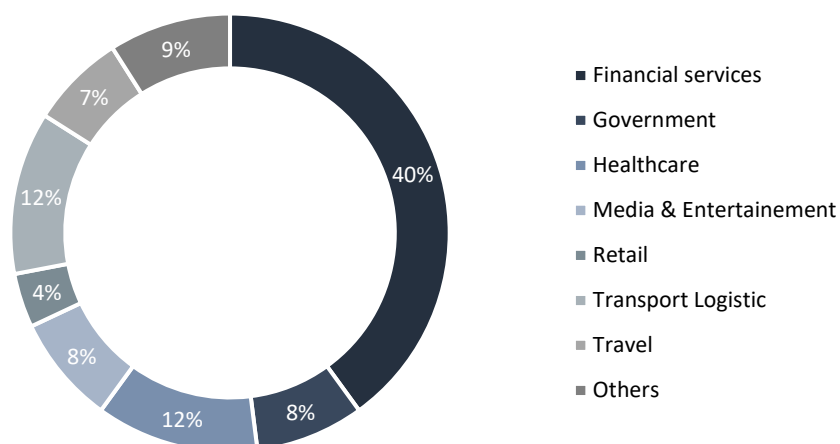
Main drivers, what has often been coined as 'the blockchain trilemma' refers to the trade off in any network between scalability, decentralization and security. The balance of these three characteristics is thus a major consideration for any blockchain network provider, as well as for their customers who choose to build their solutions on the network. In 2019, we saw a diversification in the industries investing in blockchain with a particular rise in players from supply chain, life sciences and TMT.



Source: Deloitte

- Adoption across industries is not even:

Blockchain is going through a path of diffusion across industries far beyond its initial fintech applications. More organizations in more sectors—such as technology, media, telecommunications, life sciences, health care, and government—are expanding and diversifying their blockchain initiatives. In 2019, the blockchain technology market share by end use can be breakdown as follow:



Source: Deloitte

- Industries where we are seeing rapid adoption and potential for 2020:

As new industries explore blockchain applications they do so in ways that reflects their own respective operational and strategic needs. Regulatory issues emerged as a central concern of respondents in the 2019 survey which may shed light on why some industries, more than others, have found it more difficult to identify opportunities to implement blockchain solutions in their business. We have seen particular interest emerge from the Life Science & Healthcare sector as well as Farming and Supply Chain. FSI have expanded their suite of use-cases and also promise to be a sector in which we will see further Blockchain growth in 2020.

- Life Sciences and Healthcare:

There may be nowhere that blockchain can have a more immediate and meaningful impact than in life sciences and health care—an industry in which data transparency, speed of access, immutability, traceability, and trustworthiness can provide the information necessary for life-altering decisions.

We envisage that there will be a wave of solutions which will go live once regulatory concerns have been abated. Another area of interest is that of distinguishing health records, a particularly challenging transformation that appears inextricably linked to the emergence of self-sovereign identification. The WEF and the World Bank have acknowledged the need for this development to realize a more inclusive and patient-led healthcare experience and we look forward to significant developments in the coming year.

- Farming and Supply Chain:

The supply chain is at the heart of every manufacturing organization; it is the channel through which information, materials, services, and financial resources flow from idea to end-use delivery in a life cycle of value-added transactions. Blockchain is a technology which enables scrutiny and optimization of processes in a supply chain that traditionally fall outside of enterprise solutions. We anticipate that its rise could lead to an evolution of supply chain management and logistics in the not so distant future. The IBM Foodtrust platform established itself as a meaningful provider in the Track and Trace space in 2019, working with Walmart, Carrefour and Nestle. Undoubtedly, there is room for other players here and we would expect to see an increase in interest throughout 2020.

- Financial Service:

Financial services was the sector tipped to see both the most disruption and most significant investment in Blockchain technology. Although other sectors now look like they may rival it, the previous statement remains largely true. The news in 2019 was dominated by projects like Libra, Calibra, J.P Morgan's stable coin and the Interbank Information Network as well as Central Bank Digital Currencies (CDBC's) from the European Central Bank and The People's Bank of China. Financial sector players big and small have entered the blockchain game.

Although investment in Blockchain projects and ICOs was down in 2019 over 2018, we can expect a steady increase in this figure throughout 2020. Interest remains high, particularly with governments joining the conversation to provide financial institutions with regulatory clarity around the technology.

## **7.7. Regulatory environment**

The following is a summary of recent demonstrations of regulatory action taken regarding blockchain assets. We believe that these actions will impact the Company; however, regulation of the blockchain industry is evolving rapidly. The regulatory landscape may differ from country to country, but we expect for the foreseeable future that regulators will maintain an increased focus on blockchain assets. In addition, the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), and courts have continued, and likely will continue, to promulgate statements, enforcement actions and rulings, as applicable, interpreting the characterization of blockchain assets, the issuance of blockchain assets and regulating behavior in the market.

### ***In the United States of America***

Regulation of blockchain assets by U.S. federal and state governments, foreign governments and self-regulatory organizations remains in its early stages. As blockchain assets have grown in popularity and in market size, the Federal Reserve Board, U.S. Congress and certain U.S. agencies such as the Security Exchange Commission (SEC), the Commodity Futures Trading Commission (CFTC), the Financial Crime Enforcement Network (FinCEN) and the Federal Bureau of Investigation, have begun to examine the nature of blockchain assets and the markets on which they are traded.

The SEC has taken various actions against persons or entities misusing blockchain assets, including virtual currencies, in connection with fraudulent schemes, inaccurate and inadequate publicly disseminated information, and the offering of unregistered securities. In addition, on July 25, 2017, the SEC issued Release No. 81207 (“the DAO Report”), in which it analyzed a certain issuance of tokens, and indicated that “whether or not a particular transaction involves the offer and sale of a security – regardless of the terminology used – will depend on the facts and circumstances, including the economic realities of the transaction”. The SEC clarified that the registration requirements “apply to those who offer and sell securities in the United States, regardless of whether the issuing entity is a traditional company or a decentralized autonomous organization, regardless of whether those securities are ...distributed in certificated form or through distributed ledger technology...”. On December 4, 2017, and December 11, 2017, the SEC announced enforcement actions relating to the PlexCoin and Munchie token launches, respectively. Also on, December 11, 2017, SEC Chairman Jay Clayton published a public statement entitled “Cryptocurrencies and Initial Coin Offerings.” The SEC has made a concerted effort to monitor the ICO market and address—through the DAO Report and the more recent SEC guidance—transactions and behaviors it believes are both inconsistent with and in violation of U.S. securities laws. In early 2018, media reports indicated that the SEC has subpoenaed around 80 cryptocurrency firms as part of a targeted probe. On March 7, 2018 the Divisions of Enforcement and Trading and Markets issued a public statement stating that many digital assets are likely to be securities under the federal securities laws, and urged investors to use platforms for trading such assets that are registered with the SEC, such as a national securities exchange, ATS, or broker-dealer. Since March 2018, the SEC has continued to bring enforcement actions and make public statements which further supports its view that blockchain assets should be treated as securities in almost all cases.

On December 18, 2017, the Chicago Board of Exchange began trading in bitcoin futures, and was joined shortly thereafter by CME Group, also offering bitcoin futures. In May 2018, it was reported that Goldman Sachs will offer trading in bitcoin futures and non-deliverable forwards to its clients.

Also in December 2017, Bloomberg added three cryptocurrencies to its terminal service (previously having provided bitcoin data since 2014) and the Australian Securities Exchange (ASX) announced it would move forward with a plan to replace its current clearing and settlement process with a blockchain solution.

On November 16, 2018, Division of Corporation Finance, Division of Investment Management, and Division of Trading and Markets issued the Statement on Digital Asset Securities Issuance and Trading addressing the SEC’s enforcement actions involving and relating to digital asset securities. The Statement confirmed the applicability of the federal securities law framework to new and emerging technologies, such as blockchain, and provided a summary of the circumstances under which the SEC has taken enforcement action against participants in the marketplace for digital asset securities, including actions against initial offerings and sales of securities and actors and institutions that develop and facilitate the secondary market for securities.

On April 3, 2019, the Strategic Hub for Innovation and Financial Technology (FinHub) of the SEC published informal guidance, titled “Framework for ‘Investment Contract’ Analysis of Digital Assets”



(the Framework), which provides analytical tools for determining whether a blockchain asset is a security under the U.S. federal securities laws. In the Framework, the SEC uses the term “digital asset” to refer to an asset that is issued and transferred using distributed ledger or blockchain technology. In this prospectus, we use the term “blockchain asset” to distinguish between assets that are recorded and stored using blockchain technology and assets that may be stored in digital form, but which do not utilize blockchain technology. In addition, the SEC does not use the term “security token.” The Framework provides a list of factors to consider when determining whether a digital asset offered for sale is a security. The factors included in the Framework are based on an analysis of whether the blockchain asset is an “investment contract” as that term was first used by the Supreme Court in *SEC v. Howey*, 328 U.S. 293 (1946), and which has been further clarified through subsequent case law.

The CFTC has asserted the belief that bitcoin and other virtual currencies meet the definition of a commodity and that the CFTC has regulatory authority over futures and other derivatives based on virtual currencies, subject to facts and circumstances. The CFTC defined “virtual currencies” as “a digital representation of value that functions as a medium of exchange, a unit of account, and/or a store of value, but does not have legal tender status in any jurisdiction. Bitcoin and other virtual currencies are distinct from ‘real’ currencies, which are the coin and paper money of the United States or another country that are designated as legal tender, circulate, and are customarily used and accepted as a medium of exchange in the country of issuance.” Although the CFTC maintains regulatory oversight of the commodities markets, beyond its anti-fraud and anti-manipulation authorities, the CFTC generally does not oversee “spot” or cash market exchanges and transactions involving virtual currencies that do not utilize margin, leverage, or financing. For this reason, we do not anticipate that we will be required to register with the CFTC to operate the INX Digital and INX Securities trading platforms.

In addition to relevant state money transmitter and securities laws, local state regulators may also regulate or seek to regulate blockchain assets. In July 2014, the New York State Department of Financial Services (the “NYDFS”) proposed the first state regulatory framework for licensing participants in “virtual currency business activity.” The regulations, known as the “BitLicense,” are intended to focus on consumer protection and, after the closure of an initial comment period that yielded 3,746 formal public comments and a re-proposal, the NYDFS issued its final BitLicense regulatory framework in June 2015. The BitLicense regulates the conduct of businesses that are involved in “virtual currencies” in New York or with New York customers and prohibits any person or entity involved in such activity to conduct activities without a license. Not all regulations of blockchain assets are restrictive. For example, on June 28, 2014, California repealed a provision of its Corporations Code that prohibited corporations from using alternative forms of currency or value. The bill indirectly authorizes the use of bitcoin as an alternative form of money in the state.

The IRS has released guidance treating bitcoin as property that is not currency for U.S. federal income tax purposes. Taxing authorities of several U.S. states have also issued their own guidance regarding the tax treatment of bitcoin for state income or sales tax purposes. The treatment of blockchain assets may be the subject of contemplated tax reform.

### ***In Gibraltar***

In November 2018, the Gibraltar Blockchain Exchange, a subsidiary of the Gibraltar Stock Exchange, secured a license from the Gibraltar Financial Services Commission (GFSC) to operate as a crypto blockchain exchange and currently supports trading in six digital assets, including Bitcoin, Ethereum, EOS and the exchange’s native Rock token.

The Government of Gibraltar has enacted the Financial Services (Distributed Ledger Technology Providers) Regulations 2017 (the “DLT Regulations”), which came into effect on January 1, 2018. The primary purpose of the DLT Regulations is to create a safe environment for DLT-related businesses to

operate and innovate, while simultaneously protecting consumers and safeguarding Gibraltar's reputation as a trusted and stable global business hub. Companies which use blockchain technology to store or transmit value belonging to others by way of business are caught by the DLT Regulations and require a license in Gibraltar. The activity of undertaking a token sale does not automatically fall within the scope of the DLT Regulations but may depend on the manner in which the sale of tokens is structured and the characteristics of the token. The Gibraltar Financial Services Commission (the "FSC") however has announced plans to create a complementary regulatory framework that covers the promotion and sale of tokens, aligned with the DLT Regulations (the "Complementary Framework"). It is not clear when the Complementary Framework will be created and implemented and what requirements it will impose on persons or entities wishing to undertake token sale activity or any promotional activity in connection therewith in or from within Gibraltar.

### ***In the European Union***

On November 13, 2017, the European Securities Authority ("ESMA") issued two statements, the first statement is intended to warn investors of the risks inherent in the ICOs, and the second statement sought to alert the companies involved in the ICO process regarding the need for ICOs and token issuers to meet relevant EU and member state regulatory requirements. On February 12, 2018, ESMA issued another EU-wide warning to consumers about the risks of buying virtual currencies. In July 2018, The EU Fifth Anti Money Laundering Directive (EU) 2018/843 came into force and extended the scope of the KYC/AML regulation to virtual currency exchange platforms and wallet providers. On January 9, 2019, both ESMA as well as the European Banking Authority published reports on crypto assets assessing the suitability of the existing regulatory framework to these instruments.

### ***Other jurisdictions***

Blockchain assets also face an uncertain regulatory landscape in many foreign jurisdictions. On September 4, 2017, the People's Bank of China labeled blockchain asset sales as "illegal and disruptive to economic and financial stability." Previously, China had issued a notice that classified bitcoin as legal and "virtual commodities;" however, the same notice restricted the banking and payment industries from using bitcoin, creating uncertainty and limiting the ability of Bitcoin Exchanges to operate in the then-second largest bitcoin market. South Korea's Financial Services Commission likewise prohibited all forms of tokens on September 29, 2017. Japan has enacted a law regulating virtual currencies which has brought Bitcoin exchanges under know-your-customer and anti-money laundering rules and resulted in the categorization of Bitcoin as a kind of prepaid payment instrument. The law puts in place capital requirements for exchanges as well as cybersecurity and operational stipulations. In addition, those exchanges are also required to conduct employee training programs and submit to annual audits. To date, the Japanese Financial Services Agency (FSA) has granted licenses to 15 different cryptocurrencies or tokens trading platforms. In November 2017, the Monetary Authority of Singapore ("MAS") issued a statement that tokens sold through the blockchain funding model may be considered securities under certain circumstances under Singapore law, and provided case studies as examples of tokens that do and do not constitute securities. Previously, the MAS had stated that other laws may apply to token sales, such as money laundering and terrorism financing laws.

Other jurisdictions are still researching the subject. In September 2017, the Swiss Financial Market Supervisory Authority ("FINMA") issued guidance that it was investigating ICOs and that whenever FINMA is notified about ICO procedures that breach regulatory law or which seek to circumvent financial market law it initiates enforcement proceedings. On February 16, 2018 FINMA publicly announced ICO guidelines. In December 2018, the Swiss Federal Council adopted a report on the legal framework for blockchain and distributed ledger technology in the financial sector. In March 2019, the Federal Council initiated consultation with regard to specific amendments to federal law for the purpose of adapting federal law to developments in distributed ledger technology.

In December 2017, the UK Financial Conduct Authority (“FCA”) issued a statement on distributed ledger technology which said, in part, that the FCA will gather further evidence and conduct a deeper examination of the ICO market and that its findings will help to determine whether or not there is need for further regulatory action. In June 2018, an amendment to the Tel Aviv Stock Exchange Ltd. (“TASE”) regulations entered into effect, under which shares of companies operating in the field of cryptographic currencies will be excluded and / or not included in the TASE indices, if such a company is engaged in the holding, investing or mining of distributed cryptographic currencies, and the TASE Indices Committee decides that this activity is material or expected to be material to the company’s business. The Israel Securities Authority (ISA) has previously indicated that to date, there is uncertainty as to the format and extent of the regulation that will apply to the various activities in cryptographic currencies – especially those of decentralized currencies without any centralized entity, such as Bitcoin, in terms of taxation, prevention of money laundering and terrorism, cyber security and investor protection. In addition, the ISA has appointed a special committee authorized to examine the regulation of issuances of cryptographic currencies to the public.

In its final report, published in March 2019, the special committee recommended, among other things, focusing on the following: establishing a dedicated disclosure regime to adjust to the unique characteristics of such activities; formation by a number of Israeli regulatory authorities (among others, the Bank of Israel, Israeli Tax Authority, Anti-Money-Laundering Authority, Ministry of Finance, Justice Department, Israeli National Cyber Directorate and ISA) of a ‘regulatory sandbox’ with the aim of creating a harmonious government policy and the removal of barriers to domestic industry in the field of cryptographic assets; and examining a better suitable regulatory framework for the trading activity of cryptographic assets that are deemed securities. In addition, the special committee final report further provided the following initial regulatory guidelines to this field:

1. The question of whether a cryptocurrency will be considered a security will be decided according to the totality of the circumstances and characteristics of each case on its merits against the background of the purposes of the Israeli law;
2. Cryptographic currencies that grant rights similar to those of traditional securities such as shares, bonds or participation units will be considered securities. This category includes, for example, tokens who grant rights to participate in revenue or profits generated from an enterprise; tokens granting rights to receive payments, fixed or variable, whether by way of the allocation of additional currencies or by way of redemption of currencies; or tokens granting ownership rights or membership in an enterprise whose purpose is to generate an economic yield;
3. Blockchain assets intended to be used as a method of payment, clearing or exchange only, other than in a specific enterprise, which do not confer additional rights and are not controlled by a central entity, shall not typically be considered a security;
4. Blockchain assets that embody a right to a product or service and are purchased for consumption and use only shall not typically be considered securities; and
5. A public offering of a cryptographic currency falling to the definition of a security is subject to the requirement to publish a prospectus.

On August 24, 2017, the Canadian Securities Administrators (“CSA”) published a staff position on the proposal (Offering) of cryptographic tokens to the public. The staff position indicated that there is an increasing trend in the offers of cryptographic tokens to the public, including the offerings of cryptographic tokens which are characterized as securities or derivatives, and therefore in these cases the Canadian securities and derivatives laws shall apply to the ICOs. In addition to the ICO definition, the publication includes reference to registration and disclosure requirements, the various trading platforms relevant to ICO, and how they are marketed, to the investment funds that offer cryptographic currencies and the regulatory Sandbox. Regarding the question of whether cryptographic tokens are securities, the CSA position states that, many of the ICOs that were examined

found to be that the tokens issued in this proceeding are securities, including in light of the fact that they were considered as “investment contract.”

### **7.8. Recent developments**

In the course of the development of the metaverse project called "AlphaVerse", the Company has entered into additional agreements with third parties.

Firstly, the Company has entered into an agreement with "United at Home", the charitable concerts initiative supported by French DJ and music producer David Guetta. The goal is to create an online universe dedicated to music, while raising money for charity programs supported by the artists. The agreement has been entered into by a newly-formed entity owned jointly (50/50) with "United at Home. Additional announcements will be made in the course of the last calendar quarter of 2021 end in early 2022.

Secondly, the Company has entered into an agreement with Xave, a metaverse dedicated to music experiences. As part of the agreement, CBI and Xave will exchange traffic through an affiliate program (if CBI contributes new users to Xave, Xave will pay CBI a portion of the revenue collected by Xave from such new users, and vice versa). CBI will also provide advisory services to Xave in exchange for shares issued by Xave and representing 2% of the share capital of Xave. Finally, CBI has been granted an option to buy up to 500,000 euros worth of Xave shares for a period of 3 years at a discount of 20% to the last valuation of Xave at the time of exercise of the option. For reference, the last valuation to date of Xave is US\$ 6 million, and such valuation will fluctuate over time.

The goal is to open AlphaVerse in the summer of 2022.

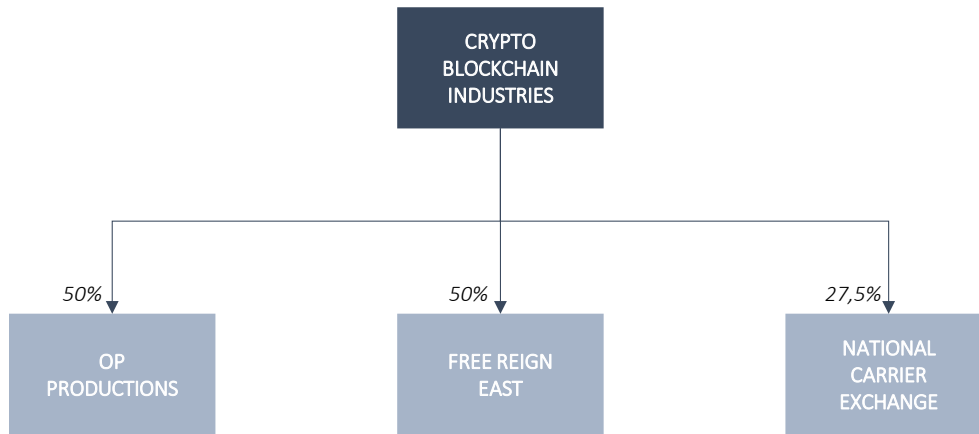
For more information, please visit [www.alphaverse.com](http://www.alphaverse.com)

## 8. ORGANIZATIONAL CHART

### 8.1. Legal organization chart

The simplified organization chart below reflects the Group's main companies.

The subsidiaries are all owned by CBI, SA, either directly or indirectly.



Source: Company

### 8.2. Companies within the group

The following three companies are part of the holding Crypto Blockchain Industries:

NAME	REGISTERED OFFICE	% HELD
<b>OP PRODUCTION, LLC</b>	1209 Orange Street, Wilmington, Delaware 19801 – USA	50.0%
<b>FREE REIGN EAST, LLC</b>	16192 Coastal Highway, County of Sussex, Delaware 19958 – USA	50.0%
<b>NATIONAL CARRIER EXCHANGE, LLC</b>	City of Wilmington, New Castle County, Delaware 19801 – USA	27.5%

## 9. REAL ESTATE PROPERTIES AND EQUIPMENT

Not applicable, as the company do not hold any tangible asset.

## 10. REVIEW OF THE FINANCIAL SITUATION

The summary financial information presented below has been extracted from the audited proforma financial statements for the years ended March 31, 2019, March 31, 2020 and March 31, 2021 which are included in the present *Document d'Information*.

### 10.1. Analysis of the consolidated income statements as at March 31, 2020

(000's of euros)	March 31, 2020		March 31, 2019		Variance	
Revenue	747.1	100.0%	543.3	100.0%	203.9	37.5%
Cost of goods sold	-	0.0%	(1.2)	-0.2%	1.2	0.0%
<b>GROSS MARGIN</b>	<b>747.1</b>	<b>100.0%</b>	<b>542.0</b>	<b>99.8%</b>	<b>205.1</b>	<b>37.8%</b>
Research and development expenses	(82.1)	-11.0%	(134.6)	-24.8%	52.5	-39.0%
Marketing and selling expenses	(348.1)	-46.6%	(46.9)	-8.6%	(301.1)	641.7%
General and administrative expenses	(8.5)	-1.1%	(13.3)	-2.5%	4.8	-35.9%
Other operating income (expenses)	-	0.0%	-	0.0%	-	0.0%
<b>CURRENT OPERATING INCOME (LOSS)</b>	<b>308.4</b>	<b>41.3%</b>	<b>347.2</b>	<b>63.9%</b>	<b>(38.8)</b>	<b>-11.2%</b>
Other income (expense)	-	0.0%	-	0.0%	-	0.0%
<b>OPERATING INCOME (LOSS)</b>	<b>308.4</b>	<b>41.3%</b>	<b>347.2</b>	<b>63.9%</b>	<b>(38.8)</b>	<b>-11.2%</b>

(000's of euros)	March 31, 2020		March 31, 2019		Variance	
<b>CURRENT OPERATING INCOME (LOSS)</b>	<b>308.4</b>	<b>41.3%</b>	<b>347.2</b>	<b>63.9%</b>	<b>(38.8)</b>	<b>-11.2%</b>
Other income (expense)	-	0.0%	-	0.0%	-	0.0%
<b>OPERATING INCOME (LOSS)</b>	<b>308.4</b>	<b>41.3%</b>	<b>347.2</b>	<b>63.9%</b>	<b>(38.8)</b>	<b>-11.2%</b>
Cost of debt	-	0.0%	-	0.0%	-	0.0%
Other financial income (expense)	-	0.0%	-	0.0%	-	0.0%
Income tax	-	0.0%	-	0.0%	-	0.0%
<b>NET INCOME (LOSS)</b>	<b>308.4</b>	<b>41.3%</b>	<b>347.2</b>	<b>63.9%</b>	<b>(38.8)</b>	<b>-11.2%</b>
Minority interests	(156.5)	-20.9%	(171.6)	-31.6%	15.1	-8.8%
<b>NET INCOME GROUP SHARE</b>	<b>151.9</b>	<b>20.3%</b>	<b>175.6</b>	<b>32.3%</b>	<b>(23.7)</b>	<b>-13.5%</b>

### Revenue

At March 31, 2020, CBI is reporting consolidated revenue of €747.1k, compared with €543.3k the previous year, up by €203.9k. CBI FY2020 revenue is derived from online games managed through the OP Productions and Free Reign East subsidiaries, as NCX is not consolidated. CBI Games continues to be the dominating business line, with a very good performance by the games catalogue and licensing business, which strongly contributed to the Group's revenue.

(000's of euros)	March 31, 2020		March 31, 2019	
OP Productions	283.0	37.9%	480.7	88.5%
Free Reign East	464.1	62.1%	62.6	11.5%
<b>GROSS MARGIN</b>	<b>747.1</b>	<b>100.00%</b>	<b>543.3</b>	<b>100.00%</b>

CBI has also continued to develop its other business lines, especially through investment which did not contribute to the turnover at the moment.

### **Gross margin**

The gross margin reached 100% of revenue in FY2020.

### **Research and development expenses**

Research and development expenses comprise investment in video game development. Their fluctuation depends on the level of new features being developed.

They were still low, due to the optimized structure of the organization of CBI, which prioritizes partnerships with external studios over the recruitment of internal teams.

The games are fully amortized, and there is no additional depreciation. The value of the intellectual property rights is recorded as a balance sheet asset and is not amortized.

### **Marketing and selling expenses**

Marketing and selling expenses comprise advertising of the game through the launch of online campaigns. The amount spent in FY2020 was high. That increase corresponds to the relaunch of the game, with additional features, leading to additional marketing expenses with a goal of acquiring more players. The marketing actions primarily included traffic acquisition, launch of online banners and some inserts in online magazines. This FY2020 level of activity was non-recurring.

### **General and administrative expenses**

General and Administrative expenses represent less than 5% of the revenue. As CBI grows, the level of General and Administrative expenses is expected to climb in order to support an expanding portfolio.

### **Current operating income and expenses**

In FY2020, Current Operating Income reached €308.4k, compared to €347.2k the prior year. The slight decrease was mainly due to the increase in advertising expenses.

### **Non-current operating income and expenses**

There is no non-recurring income or expense. Therefore, Operating Income is identical to Current Operating Income.

### **Cost of Financial Debt**

The Group has no financial debt, and the cost of financial debt is nil.

### **Income Tax**

The subsidiaries are Limited Liability Companies ("LLCs") that are tax transparent. Profits are taxed in the hands of the shareholders. CBI may therefore pay income taxes at applicable corporate rates in the future.

## Minority Interests

Minority interests represent the amount attributable to the owners of 50% of OP Productions, LLC and of Free Reign East, LLC and represent €156.5k in FY2020 and €171.6k in FY2019.

## Consolidated Net Income (Group Share)

Consolidated net income (Group share) for FY2020 came to €151.9k, compared to €175.6k the previous year.

## 10.2. Analysis of the consolidated balance sheet as at March 31, 2020

ASSETS (000's of euros)		March 31, 2020	March 31, 2019
IP Rights		912.7	890.1
LT Receivables		91.3	89.0
Non-current assets		1,004.0	979.1
Deferred Expenses		29.8	-
Cash and cash equivalents		0.4	3.8
Current assets		30.2	3.8
<b>Total assets</b>		<b>1,034.2</b>	<b>982.9</b>
EQUITY & LIABILITIES (000's of euros)		March 31, 2020	March 31, 2019
Capital stock		0.8	0.8
Retained Earnings		215.9	190.2
Net income (loss) Group share		151.9	175.6
Shareholders' equity		368.6	366.7
Minority interests		310.7	300.3
Total equity		679.3	666.9
Shareholders' Loan		-	-
Non-current financial liabilities		226.9	221.3
Non-current liabilities		226.9	221.3
Deferred Revenue		30.9	-
Distribution Fees		97.0	94.6
Current liabilities		128.0	94.6
<b>Total equity and liabilities</b>		<b>1,034.2</b>	<b>982.9</b>

## Shareholders' Equity

Consolidated shareholders' equity, Group share, totaled €368.6k as at March 31, 2020, stable when compared to March 31, 2019.



The table below shows the change in shareholders' equity during the financial year (in thousands of euros):

<b>Equity as at March 31, 2019 (000's of euros)</b>	<b>366.7</b>
Net income, Group Share	151.9
Capital increase	-
Distribution of dividends	(159.0)
Financial assets valued at fair value through other comprehensive income	-
Currency fluctuations	7.8
Other variations	1.2
<b>Equity as at March 31, 2020 (000's of euros)</b>	<b>368.6</b>

### Net Cash

At March 31, 2020, the Group had limited cash available, as the Group distributes all its cash profits to its equity holders. IFRS 16 (restatement of leases) has no impact.

At March 31, 2020, net cash/(debt) is defined as cash and cash equivalents minus loans, and calculated as follows:

(000's of euros)	March 31, 2020	March 31, 2019
Cash and cash equivalents	0.4	3.8
Non-current financial liabilities	(226.9)	(221.3)
Current financial liabilities	(128.0)	(94.6)
<b>Net cash (net debt)</b>	<b>(354.5)</b>	<b>(312.1)</b>

Non-current financial liabilities are promissory notes owed to former equity holders in the subsidiaries.

## Intangible Assets

Intangible assets are broken down as follows:

Gross value (000's of euros)	Games	IP Rights	Total
March 31, 2018	4,472.8	898.5	5,371.3
Acquisitions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	(41.8)	(8.4)	(50.2)
March 31, 2019	4,431.0	890.1	5,321.1
Acquisitions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	112.8	22.7	135.5
March 31, 2020	4,543.9	912.7	5,456.6

Amortization & provisions (000's of euros)	Games	IP Rights	Total
March 31, 2018	(4,472.8)	-	(4,472.8)
Amortization / Provisions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	41.8	-	41.8
March 31, 2019	(4,431.0)	-	(4,431.0)
Amortization / Provisions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	(112.8)	-	(112.8)
March 31, 2020	(4,543.9)	-	(4,543.9)

Net value (000's of US\$)	Games	IP Rights	Total
March 31, 2018	-	898.5	898.5
March 31, 2019	-	890.1	890.1
March 31, 2020	-	912.7	912.7

All the games are fully amortized.

The Intellectual Property Rights correspond to the acquisition price paid for one of the games, Infestation, upon its creation.

In accordance with IAS 38, an intangible fixed asset resulting from development (or the development phase of an internal project) must be recognized if, and only if, an entity can demonstrate all of the following:

- (a) That it is technically feasible to complete the intangible fixed asset for commissioning or sale.
- (b) That it intends to complete the intangible fixed asset and commission or sell it.
- (c) That it is able to commission the intangible fixed asset or sell it.

- (d) The way in which the intangible fixed asset will generate probable future economic benefits. The entity will demonstrate, among other things, that there is a market for the production resulting from the intangible fixed asset, or for the intangible fixed asset itself or, if it is to be used internally, that it is useful.
- (e) That there are adequate technical, financial, and other resources available to fully develop and commission or sell the intangible fixed asset.
- (f) That it is able to reliably estimate the expenditures attributable to the intangible fixed asset during its development.

The Group recognizes a charge for development costs (internal or external studio development expenses) if it considers that the project does not meet all of the above criteria.

At each financial year-end, the Group assesses the future economic benefits it will receive from that asset by using the principles set out in IAS 36 — *Impairment of Assets*. These assets are valued according to a minimum budget. If a deviation from this budget is identified, and depending on how significant this deviation is, the amortization plan is accelerated or the asset is impaired in full.

Video game development costs are, in principle, amortized over three years on a straight-line basis from the launch of the product; the engines, tools, and developments related to the information system are amortized over five years.

For certain products that encounter difficulties at launch, depreciation/amortization over a shorter period is applied and the Group carries out an analysis of projected cash flows.

At the financial year-end, the residual net book value is compared with future sales projections to which the contract's conditions are applied. If those sales projections fall short, a provision for additional impairment is recognized as a result.

### **Non-current Financial Assets**

As at March 31, 2020, there are no non-current financial assets.

Financial assets are initially measured at fair value plus any transaction costs directly related to the acquisition in the case of a financial asset not measured at fair value through profit or loss. Acquisition costs for financial assets measured at fair value through profit or loss are recognized in the profit and loss statement.

Non-current financial assets measured at amortized cost are mainly made up of client receivables with a maturity of over one year, recognized according to the effective interest rate method.

### 10.3. Analysis of the consolidated cash flow as at March 31, 2020

Cash and cash equivalents totaled €0.4k at March 31, 2020, versus €3.8k at the end of the previous financial year.

The cash-flow statements for the financial years ended March 31, 2020 and March 31, 2019 are summarized as follows:

<b>(000's of euros)</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Net cash (used)/generated in operating activities</b>	<b>155.4</b>	<b>178.3</b>
of which continuing operations	-	-
<b>Net cash (used)/generated in investing activities</b>	<b>-</b>	<b>-</b>
of which continuing operations	-	-
of which intangible assets and fixed assets	-	-
<b>Net cash provided (used in) by financing activities</b>	<b>(159.0)</b>	<b>(176.9)</b>
of which continuing operations	(159.0)	(176.9)
of which interest paid	-	-
<b>Other cash flows</b>	<b>-</b>	<b>-</b>
	-	-
<b>Net change in cash and cash equivalent</b>	<b>(3.5)</b>	<b>1.4</b>
	0	0
<b>Cash Beginning of Period</b>	<b>3.9</b>	<b>2.4</b>
Net change in cash and cash equivalent	(3.5)	1.4
<b>Cash End of Period</b>	<b>0.4</b>	<b>3.8</b>

Net cash from operating activities of €155.4k allowed the business to generate €159k of net cash flow. Funds were primarily used during the period for dividend distributions. The change in net cash for the period represents €(3.5)k.

#### 10.4. Analysis of the consolidated income statements as at March 31, 2021

(000's of euros)	March 31, 2021		March 31, 2020		Variance	
Revenue	493.6	100.0%	747.1	100.0%	(253.5)	-33.9%
Cost of goods sold	(1.3)	-0.3%	-	0.0%	(1.3)	0.0%
<b>GROSS MARGIN</b>	<b>492.3</b>	<b>99.7%</b>	<b>747.1</b>	<b>100.0%</b>	<b>(254.8)</b>	<b>-34.1%</b>
Research and development expenses	(102.6)	-20.8%	(82.1)	-11.0%	(20.6)	25.1%
Marketing and selling expenses	(87.1)	-17.6%	(348.1)	-46.6%	261.0	-75.0%
General and administrative expenses	(3.2)	-0.7%	(8.5)	-1.1%	5.3	-62.4%
Other operating income (expenses)	-	0.0%	-	0.0%	-	0.0%
<b>CURRENT OPERATING INCOME (LOSS)</b>	<b>299.4</b>	<b>60.7%</b>	<b>308.4</b>	<b>41.3%</b>	<b>(9.0)</b>	<b>-2.9%</b>
Other income (expense)	-	0.0%	-	0.0%	-	0.0%
<b>OPERATING INCOME (LOSS)</b>	<b>299.4</b>	<b>60.7%</b>	<b>308.4</b>	<b>41.3%</b>	<b>(9.0)</b>	<b>-2.9%</b>

(000's of euros)

<b>CURRENT OPERATING INCOME (LOSS)</b>	<b>299.4</b>	<b>60.7%</b>	<b>308.4</b>	<b>41.3%</b>	<b>(9.0)</b>	<b>-2.9%</b>
Other income (expense)	-	0.0%	-	0.0%	-	0.0%
<b>OPERATING INCOME (LOSS)</b>	<b>299.4</b>	<b>60.7%</b>	<b>308.4</b>	<b>41.3%</b>	<b>(9.0)</b>	<b>-2.9%</b>
Cost of debt	-	0.0%	-	0.0%	-	0.0%
Other financial income (expense)	-	0.0%	-	0.0%	-	0.0%
Income tax	-	0.0%	-	0.0%	-	0.0%
<b>NET INCOME (LOSS)</b>	<b>299.4</b>	<b>60.7%</b>	<b>308.4</b>	<b>62.5%</b>	<b>(9.0)</b>	<b>-2.9%</b>
Minority interests	(150.4)	-30.5%	(156.5)	-31.7%	6.1	-3.9%
<b>NET INCOME GROUP SHARE</b>	<b>149.1</b>	<b>30.2%</b>	<b>151.9</b>	<b>30.8%</b>	<b>(2.9)</b>	<b>-1.9%</b>

#### Revenue

At March 31, 2021, CBI is reporting consolidated revenue of €493.6k, compared with €747.1k the previous year.

(000's of euros)	March 31, 2021		March 31, 2020	
OP Productions	370.3	75.0%	283.0	37.9%
Free Reign East	123.4	25.0%	464.1	62.1%
<b>GROSS MARGIN</b>	<b>493.6</b>	<b>100.00%</b>	<b>747.1</b>	<b>100.00%</b>

The decrease is primarily due to the launch of new features in FY2020. These features were accompanied by a very significant increase of marketing expenses in FY2020. In FY2021, the level of revenue came back to more recurring levels, and the amount of marketing expenses was reduced accordingly.

The goal of CBI is to maximize profitability, and marketing expenses were reduced accordingly to reach that objective.

Revenue is derived from online games managed through the OP Productions and Free Reign East subsidiaries, as NCX is not consolidated. CBI Games continues to be the dominating business line, with a very good performance by the games catalogue and licensing business, which strongly contributed to the Group's revenue.

CBI has also continued to develop its other business lines, especially through investment which did not contribute to the turnover at the moment.

### **Gross margin**

The gross margin reached 99.7% of revenue in FY2021.

### **Research and development expenses**

Research and development expenses comprise investment in video game development. The nature of expenses includes mainly wages, investments in software, software prototypes and game engines. There is no tangible asset created.

The increase compared to the previous year reflects work allocated to the development of additional features. Their fluctuation depends on the level of new features being developed. They were still low, due to the optimized structure of the organization of CBI, which prioritizes partnerships with external studios over the recruitment of internal teams.

The games are fully amortized, and there is no additional depreciation. The value of the intellectual property rights is recorded as a balance sheet asset and is not amortized.

### **Marketing and selling expenses**

Marketing and selling expenses comprise advertising of the game through the launch of online campaigns. They were lower, given again to the structure of the organization of CBI and to the fact that FY2020 did show a non-recurring level of marketing expenses. The decrease in 2021 corresponds to the usual level of activity.

### **General and administrative expenses**

General and Administrative expenses represent less than 5% of the revenue. As CBI grows, the level of General and Administrative expenses is expected to climb in order to support an expanding portfolio.

### **Current operating income and expenses**

In FY2021, Current Operating Income reached €299.4k, compared to €308.4k the prior year.

### **Non-current operating income and expenses**

There is no non-recurring income or expense. Therefore, Operating Income is identical to Current Operating Income.

### **Cost of Financial Debt**

The Group has no financial debt, and the cost of financial debt is nil.

### **Income Tax**

The subsidiaries are Limited Liability Companies (“LLCs”) that are tax transparent. Profits are taxed in the hands of the shareholders. CBI may therefore pay income taxes at applicable corporate rates in the future.

## Minority Interests

Minority interests represent the amount attributable to the owners of 50% of OP Productions, LLC and of Free Reign East, LLC and represent €150.4k in FY2021 and €156.5k k in FY2020.

## Consolidated Net Income (Group Share)

Consolidated net income (Group share) for FY2021 came to €149.1k, compared to €151.9k the previous year.

### 10.5. Analysis of the balance sheet as at March 31, 2021

ASSETS (000's of euros)	March 31, 2021	March 31, 2020
IP Rights	852.9	912.7
LT Receivables / Goodwill	3,381.8	91.3
<b>Non-current assets</b>	<b>4,234.7</b>	<b>1,004.0</b>
Deferred Expenses	-	29.8
Investments	23,689.3	-
Cash and cash equivalents	603.3	0.4
<b>Current assets</b>	<b>24,292.6</b>	<b>30.2</b>
<b>Total assets</b>	<b>28,527.3</b>	<b>1,034.2</b>

EQUITY & LIABILITIES (000's of euros)	March 31, 2021	March 31, 2020
Capital stock and Premium	18,210.4	0.8
Retained Earnings	5,306.4	215.9
Net income (loss) Group share	149.1	151.9
<b>Shareholders' equity</b>	<b>23,665.8</b>	<b>368.6</b>
Minority interests	277.7	310.7
<b>Total equity</b>	<b>23,943.5</b>	<b>679.3</b>
Shareholders' Loan	4,583.8	-
Non-current financial liabilities	-	226.9
<b>Non-current liabilities</b>	<b>4,583.8</b>	<b>226.9</b>
Deferred Revenue	-	30.9
Distribution Fees	-	97.0
<b>Current liabilities</b>	<b>-</b>	<b>128.0</b>
<b>Total equity and liabilities</b>	<b>28,527.3</b>	<b>1,034.2</b>

## Shareholders' Equity

Consolidated shareholders' equity, Group share is 23,665.8k, compared to €368.6k as at March 31, 2020. The increase is mainly due to the contribution in kind made by the main shareholder, Ker Ventures, EURL.

The table below shows the change in shareholders' equity during the financial year (in thousands of euros):

<b>Equity as at March 31, 2020 (000's of euros)</b>	<b>368.6</b>
Net income, Group Share	149.1
Capital increase	23,000.0
Distribution of dividends	(82.9)
Financial assets valued at fair value through other comprehensive income	-
Currency fluctuations	231.1
Other variations	-
<b>Equity as at March 31, 2021 (000's of euros)</b>	<b>23,665.8</b>

### Net Cash

At March 31, 2020, the Group had limited cash available, as the Group distributes all its cash profits to its equity holders. IFRS 16 (restatement of leases) has no impact.

At March 31, 2021, net cash/(debt) is defined as cash and cash equivalents minus loans, and calculated as follows:

(000's of euros)	March 31, 2021	March 31, 2020
Cash and cash equivalents	603.3	0.4
Non-current financial liabilities	(4,583.8)	(226.9)
Current financial liabilities	-	(128.0)
<b>Net cash (net debt)</b>	<b>(3,980.5)</b>	<b>(354.5)</b>

In FY2021, the non current financial liabilities are a shareholder's loan that does not bear any interest. In FY 2020, non-current financial liabilities are promissory notes owed to former equity holders in the subsidiaries.



## Intangible Assets

Intangible assets are broken down as follows:

Gross value (000's of euros)	Games	IP Rights	Total
<b>March 31, 2019</b>	<b>4,431.0</b>	<b>890.1</b>	<b>5,321.1</b>
Acquisitions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	112.9	22.7	135.5
<b>March 31, 2020</b>	<b>4,543.9</b>	<b>912.7</b>	<b>5,456.6</b>
Acquisitions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	-	(59.9)	(59.9)
<b>March 31, 2021</b>	<b>4,543.9</b>	<b>852.8</b>	<b>5,396.7</b>

Amortization & provisions (000's of euros)	Games	IP Rights	Total
<b>March 31, 2019</b>	<b>(4,431.0)</b>	<b>-</b>	<b>(4,431.0)</b>
Amortization / Provisions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	(112.9)	-	(112.9)
<b>March 31, 2020</b>	<b>(4,543.9)</b>	<b>-</b>	<b>(4,543.9)</b>
Amortization / Provisions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	-	-	-
<b>March 31, 2021</b>	<b>(4,543.9)</b>	<b>-</b>	<b>(4,543.9)</b>

Net value (000's of euros)	Games	IP Rights	Total
<b>March 31, 2019</b>	<b>-</b>	<b>890.1</b>	<b>890.1</b>
<b>March 31, 2020</b>	<b>-</b>	<b>912.7</b>	<b>912.7</b>
<b>March 31, 2021</b>	<b>-</b>	<b>852.8</b>	<b>852.8</b>

All the games are fully amortized.

The Intellectual Property Rights correspond to the acquisition price paid for one of the games, Infestation, upon its creation.

In accordance with IAS 38, an intangible fixed asset resulting from development (or the development phase of an internal project) must be recognized if, and only if, an entity can demonstrate all of the following:

- (a) That it is technically feasible to complete the intangible fixed asset for commissioning or sale.
- (b) That it intends to complete the intangible fixed asset and commission or sell it.
- (c) That it is able to commission the intangible fixed asset or sell it.

- (d) The way in which the intangible fixed asset will generate probable future economic benefits. The entity will demonstrate, among other things, that there is a market for the production resulting from the intangible fixed asset, or for the intangible fixed asset itself or, if it is to be used internally, that it is useful.
- (e) That there are adequate technical, financial, and other resources available to fully develop and commission or sell the intangible fixed asset.
- (f) That it is able to reliably estimate the expenditures attributable to the intangible fixed asset during its development.

The Group recognizes a charge for development costs (internal or external studio development expenses) if it considers that the project does not meet all of the above criteria.

At each financial year-end, the Group assesses the future economic benefits it will receive from that asset by using the principles set out in IAS 36 — *Impairment of Assets*. These assets are valued according to a minimum budget. If a deviation from this budget is identified, and depending on how significant this deviation is, the amortization plan is accelerated or the asset is impaired in full.

Video game development costs are, in principle, amortized over three years on a straight-line basis from the launch of the product; the engines, tools, and developments related to the information system are amortized over five years.

For certain products that encounter difficulties at launch, depreciation/amortization over a shorter period is applied and the Group carries out an analysis of projected cash flows.

At the financial year-end, the residual net book value is compared with future sales projections to which the contract's conditions are applied. If those sales projections fall short, a provision for additional impairment is recognized as a result.

### **Non-current Financial Assets**

As at March 31, 2021, there are no non-current financial assets.

Financial assets are initially measured at fair value plus any transaction costs directly related to the acquisition in the case of a financial asset not measured at fair value through profit or loss. Acquisition costs for financial assets measured at fair value through profit or loss are recognized in the profit and loss statement.

Non-current financial assets measured at amortized cost are mainly made up of client receivables with a maturity of over one year, recognized according to the effective interest rate method.

#### 10.6. Analysis of the consolidated cash flow as at March 31, 2021

Cash and cash equivalents totaled €603.3k at March 31, 2021, versus €0.4k at the end of the previous financial year. The variance is due to the contribution in kind made by the main shareholder, Ker Ventures, EURL.

The cash-flow statements for the financial years ended March 31, 2021 and March 31, 2020 are summarized as follows:

(000's of euros)	March 31, 2021	March 31, 2020
<b>Net cash (used)/generated in operating activities</b>	<b>53.8</b>	155.4
of which continuing operations	53.8	155.4
<b>Net cash (used)/generated in investing activities</b>	<b>(26,901.2)</b>	-
of which continuing operations	(26,901.2)	-
of which intangible assets and fixed assets	-	-
<b>Net cash provided (used in) by financing activities</b>	<b>27,450.2</b>	(159.0)
of which continuing operations	27,450.2	(159.0)
of which interest paid	-	-
<b>Other cash flows</b>	<b>-</b>	-
		-
<b>Net change in cash and cash equivalent</b>	<b>602.9</b>	(3.5)
<b>Cash Beginning of Period</b>	<b>0.4</b>	3.9
Net change in cash and cash equivalent	602.9	(3.5)
<b>Cash End of Period</b>	<b>603.3</b>	0.4

Net cash from operating activities of €53,8k was reduced due to the payment of outstanding distribution fees. Without this payment, the performance would have been similar.

#### 10.7. Restriction to the use of funds

At the date of the present *Document d'Information*, there are no restrictions on the use of cash available by the Company. The sale of the Atari tokens is partially restricted until March 31, 2022, so as not to add to the market volatility.

## 11. RESEARCH & DEVELOPMENT, BRANDS AND LICENSE

### 11.1. Brands franchise and licenses

Except for the name of domain [www.cbicorp.io](http://www.cbicorp.io) and [www.alphaverse.com](http://www.alphaverse.com), the company's activity do not required any brand, license or specific patent.

As the Company is an investment company, there is no material franchising or licensing contract.

### 11.2. Research & development

The crypto-blockchain space requires significant investments in the creation, design, development, launch, marketing and otherwise exploitation, ranging over periods of 12 to 48 months, which must be funded from own funds. In addition, the success of new applications is not always assured. For these reasons, positive shareholders' equity and access to funds are essential to guarantee funding for regular investments, as well as to cope with the risks linked to the success or failure of applications upon release without jeopardizing the Group's future.

The Group's investments are still in a growth phase. The goal is to grow and maximize the value of the portfolio of investments held.

The amounts for the last three financial years break down as follows:

R&D expenditures (000's of euros)	March 31, 2021		March 31, 2020	
	Amounts	% revenues	Amounts	% revenues
Other R&D expenditures	192.9	25.8%	82.1	11.0%
<b>Total R&amp;D expenditures</b>	<b>192.9</b>	<b>25.8%</b>	<b>82.1</b>	<b>11.0%</b>

R&D expenditures (000's of euros)	March 31, 2020		March 31, 2019	
	Amounts	% revenues	Amounts	% revenues
Other R&D expenditures	82.1	11.0%	134.6	24.8%
<b>Total R&amp;D expenditures</b>	<b>82.1</b>	<b>11.0%</b>	<b>134.6</b>	<b>24.8%</b>

### 11.3. New projects

One of the major goals of the Company is to develop an online persistent world operating on the blockchain, i.e. a "Metaverse" (as defined below).

Such Metaverse will incorporate major brands, to attract more players by taking advantage of the awareness of such brands.

The Company has recently achieved major milestones:

- As of June 7, 2021, Atari, one of the leading publishers of interactive entertainment and the creator of the videogame industry, has announced that it had granted the Company a long-term license to exploit the Atari brand and the portfolio of Atari games for the purpose of branding in the Metaverse. Being able to secure such a worldwide known license is very important for the future of the Metaverse.
- As of June 14, 2021, D-Cave (the family office of the Diesel Group) has granted the Company the rights to develop NFTs based on some brands owned directly by D-Cave.
- More licenses are under negotiation.

- The Company has entered into an agreement with "United at Home", the charitable concerts initiative supported by French DJ and music producer David Guetta. The goal is to create an online universe dedicated to music, while raising money for charity programs supported by the artists. The agreement has been entered into by a newly-formed entity owned jointly (50/50) with "United at Home. Additional announcements will be made in the course of the last calendar quarter of 2021 end in early 2022.
- The Company has entered into an agreement with Xave, a metaverse dedicated to music experiences. As part of the agreement, CBI and Xave will exchange traffic through an affiliate program (if CBI contributes new users to Xave, Xave will pay CBI a portion of the revenue collected by Xave from such new users, and vice versa). CBI will also provide advisory services to Xave in exchange for shares issued by Xave and representing 2% of the share capital of Xave. Finally, CBI has been granted an option to buy up to 500,000 euros worth of Xave shares for a period of 3 years at a discount of 20% to the last valuation of Xave at the time of exercise of the option. For reference, the last valuation to date of Xave is US\$ 6 million, and such valuation will fluctuate over time.

The use of third-party licenses is always subject to prior approval of the rights owner.

### ***Definition of a metaverse / Overview of the experience***

The "Metaverse" refers to a shared online world developed featuring various themed or branded environments. Users can interact freely within them, sharing in virtual experiences that combine social interaction with the best of online gaming. Metaverses are composed of a series of 2D or 3D virtual plots that link into a homogenous universe. They may include some sections, parts, levels and/or which are not developed on a blockchain platform.

The Metaverse will be composed of several sub-universes, some of which will be branded and others not. CBI intends to acquire a wide variety of licenses in order to offer an expansive and diverse experience for users. CBI has already acquired a license from Atari.

Third-party operators will be able to run their own sections under agreements with the metaverse, i.e. through revenue share. Each universe will provide its own unique feel, style, and experience for users, creating a rich world for players to interact in.

Some of the activities and games will be developed and operated by the publisher, while others will be run by the users themselves through the use of in-game tools.

Overall, the goal of the metaverse is to:

- Offer users interactive experiences directly created by the metaverse. This will include NPCs and PVE settings for players.
- Offer tools to players so they can create their own experiences. The community will create their own games and assets through the use of in-game builders, which they can later monetize and sell (with a revenue share to the publisher – such as User Generated Content). For example, a player can create his or her own collection of NFTs and sell them to the other players, with a % being taken by the publisher

### ***Timeline***

CBI's goal is to launch the Beta version of the Metaverse in fiscal 2022/2023.

### ***Sources of Revenue***

The Company plans to derive its revenue through the following sources:

- Sale of virtual land NFTs
- Sale of infrastructure NFTs: This includes buildings, monuments, display galleries/museums, roads/bridges for use on within land parcels. There will be different types of buildings and vehicles. Roads, bridges, signage and equivalent items will also be made available.
- Sale of Avatars.
- Sale of consumables: this includes the following potions or digital consumable [weapons, ammo, food, drinks, gas, fuel for vehicles, etc..] that can be used for gameplay and for certain upgrades in the Atari Virtual World within the metaverse.
- Sale of cosmetics: this includes any type of digital wearable items (such as t-shirts or robes), customizable avatars, skins for avatars, digital pets, other assets for use in the Atari Virtual World within the metaverse.
- Sale of games inside the metaverse (excluding Atari games, as the Atari assets will be used for branding only).

### ***Royalties / Duration of the Atari license***

The duration of the license is over 7 years, with a royalty rate of 50%.

The initial term will be three years from the Effective Date ending on May 31, 2024 (the "Initial Term").

If Atari has received cumulative royalties of at least \$1,000,000 by the end of the Initial Term, the license shall be automatically extended by 2 years. If by the end of the 2-year extended period, without taking into account the royalties paid during the Initial Term, Atari has received cumulative royalties of \$2,000,000, the license shall be automatically extended by another 2 years.

CBI will be able to settle any shortfall through a cash payment in order to meet such threshold(s) and any such payment will not be recoupable against future royalties.

Atari also has an option to purchase 5% of the fully diluted equity of CBI at nominal value, once CBI has received financing of at least \$1 million from third-parties.

### ***License with D-Cave***

The license is until December 31, 2023 and will be used for NFTs before the launch of the Metaverse, as well as for assets of the Metaverse at launch.

### ***Additional licenses***

The Company is in the process of negotiating additional brand licenses for the Metaverse, in many sectors such as music or beverage, in order to provide a broad experience to the players.

#### 11.4. Group materials contracts

The main agreements are operating agreements for OP Productions and Free Reign East.

For NCX:

- In addition, CBI has agreed to advance \$50K to National Carrier Exchange, LLC (“NCX”), on a non-refundable and non-recoupable basis, against a perpetual royalty of 15% of the revenue generated by an upcoming application of NCX offering assistance in the tracking of trucks in the USA. This application is still under development;
- CBI has a management agreement with NCX with respect to tokens that could be issued by NCX in the future; CBI is entitled to 50% of the sale of tokens by NCX over the next 30 years, in exchange for the management of the issuance of the tokens;

OP Productions, LLC has a license agreement with Freidakis AB to exploit the “Infestation: Survivors’ Stories” game on a worldwide basis, whereby revenues are shared on a 50/50% basis. Freidakis pays for the game development in exchange for the revenue share. The license typically runs over periods of 3 years, and is extended.

Free Reign East, LLC has a license agreement with Electronic Extreme Co, Ltd. to exploit the “Aftermath” game in Asia, whereby revenues are shared on a 50/50% basis. Electronic Extreme Co, Ltd. pays for the game development in exchange for the revenue share.

#### 12. PROFIT FORECAST AND ESTIMATES

For the 2021-2026 financial years, i.e. for the next five years, the CBI Group set itself five medium-term operational goals:

- Develop operations in Fintech;
- Develop operations in blockchain-based games and gaming technology;
- Develop operations in blockchain-based community-driven and marketing applications;
- Develop operations in core Western markets (North America, Europe) and initiate positions in Africa;
- Deliver returns on investment comparable to the industry.

However, as of the date of this *Document d’Information*, the Company does not intend to make forecasts for the current nor the future financial years.

#### 13. ADMINISTRATIVE, EXECUTIVE AND SUPERVISORY BODIES

##### 13.1. Direction of the company

At its meeting on January 6, 2021, the Company’s Board of Directors decided to adopt the MiddleNext Corporate Governance Code of September 2016 for small and mid-caps (the “MiddleNext Code”) as a reference code for the Company in terms of corporate governance, considering that it is the most suitable for its size and its shareholding structure. This code is available on the MiddleNext website ([www.middlenext.com](http://www.middlenext.com)).

The MiddleNext code contains points of vigilance which call to mind the questions that the Board of Directors must ask itself for the good functioning of governance.

As of the date of this report, the Company deems itself to be in compliance with all the recommendations of the MiddleNext Code.

### **13.2. Executive management**

The Company is a French Société Anonyme (public limited company) with a Board of Directors. Until the date of this *Document d'Information*, the functions of Chairman of the Board of Directors and Chief Executive Officer are not separated.

### **13.3. Board of directors**

As of the date of this *Document d'Information*, the Board of Directors is composed of three directors, 67.6% of whom are independent directors within the meaning of Recommendation No. 3 of the MiddleNext corporate governance code.

The members of the Board of Directors are:

- Frédéric CHESNAIS, Chairman, Chief Executive Officer, non-independent director,
- Christophe CHAIX, independent director,
- Edward MOALEM, independent director.

Directors are appointed by the General Meeting of Shareholders for a period of three years.

### **13.4. Ethics of the Directors**

In accordance with Recommendation No. 1 of the MiddleNext Code, all directors are made aware of the responsibilities incumbent on them at the time of their appointment and are encouraged to observe the rules of ethics relating to their directorship.

Directors must comply with the legal rules governing multiple directorships, inform the Board in the event of a conflict of interest occurring after obtaining a directorship, be diligent in attending Board meetings and General Meetings, and ensure that they have all the necessary information on the agenda of the Board meetings before making any decision.

Directors are required to respect confidential information given as such by the Chairman of the Board of Directors.

### **13.5. Conditions for Preparing and Organizing the Work of the Board of Directors**

Article 14 of the Articles of Incorporation stipulates that the Company's Board of Directors must have a minimum of three and maximum of 18 members, subject to an exemption provided for by the legal provisions.

The Board of Directors does not have a director elected by the employees.

The members of the Board of Directors have been chosen because of their recognized expertise in the areas of management, finance, and accounting, on the one hand, and the interactive entertainment industry, on the other.

In accordance with the Company's Internal Regulations approved by the Board of Directors on January, 6<sup>th</sup> 2021 the Board of Directors has the broadest management powers to act in all circumstances for and on behalf of the Company. It defines the Company's general management policy and ensures that it is implemented, and more generally all important matters are referred to it in accordance with Recommendation No. 5 of the MiddleNext code.

The Board of Directors approves the Company's strategic guidelines and ensures its implementation by senior management. In particular, the Board of Directors sets the thresholds for prior authorization necessary for the Chief Executive Officer (or other senior executives) to finalize and give effect to the



Company's main operations and approves the annual budget and the multi-year game publishing plan. The Board also approves any material changes to the Budget or publishing plan during the year.

In accordance with the law and the Board's Internal Regulations, the directors have the necessary means to obtain all information essential to carry out an independent and critical analysis of the Group's business, its financial position, its results, and its prospects. The Board of Directors ensures that at least one-third of its members are independent directors. At the date of this *Document Information*, the Board of Directors had 2 independent directors out of 3 members (i.e. 66.7%):

The Board of Directors meets as often as the interests of the Company require and at least four times a year in accordance with Recommendation No. 5 of the MiddleNext Code.

The Board of Directors can also meet several times in an "Executive Session" (excluding Frédéric CHESNAIS) to review the situation of the Company and the compensation of Frédéric CHESNAIS.

In accordance with Recommendation No. 6 of the MiddleNext Code, the Board of Directors is assisted by two standing committees: the Audit Committee and the Nomination and Compensation Committee.

Each committee will meet as often as necessary, convened by its chairman or by at least half of its members, to examine any matter within its remit. Independent directors constitute at least half of the members of the committees. Each committee is chaired by an independent director appointed by the Board of Directors.

- The Audit Committee assists the Board of Directors to review and audit the financial statements and to verify the clarity and accuracy of information provided to shareholders and the financial markets.

The Audit Committee is composed of two members: Christophe CHAIX and Edward MOALEM.

- The Nomination and Compensation Committee assists the Board of Directors in its duty to oversee the Group's compensation policy (mainly executive compensation) and awards of stock options or free shares. The policy on compensation and benefits of all kinds granted to the Company's executive officers is in accordance with Recommendation No. 13 of the MiddleNext Code, while the principles for determining remuneration meet the criteria of completeness, balance, benchmark, consistency, readability, measurement and transparency.

The Nomination and Compensation Committee is composed of the following members: Christophe CHAIX and Edward MOALEM.

### **13.6. Limitation of the powers of the Chief Executive Officer**

In accordance with Recommendation 4 of the MiddleNext Code, all documents and information necessary for the assignment of the directors have been communicated to them or made available in sufficient time prior to the meetings of the Board. In addition, directors may supplement their information on their own initiative, with the Chairman and Chief Executive Officer being permanently at the disposal of the Board of Directors to provide explanations and significant information.

At each Board meeting, the Chief Executive Officer reports on current operations and significant developments affecting the Company.

However, the Board of Directors' bylaws provide that the prior authorization of said Board is necessary for the following operations:

- The creation of joint ventures or the acquisition of activities worth more than €1m, the acquisition of participating interests or activities or the signing of joint venture agreements whenever the operation involves more than €1m

- The sale or disposal of activities or assets for more than €1m, the sale of any participating interest or activity involving more than €1m
- Mergers or proposed mergers concerning the Company or, in general, all transactions involving the assignment or sale of all or substantially all of the assets of the Company
- In the event of litigation, the signing of any negotiated agreement or amicable settlement or the acceptance of a negotiated settlement, whenever the amount exceeds €750k
- The granting of guarantees on the Company's assets, whenever the guaranteed obligation or the value of the collateral is greater than €1m
- The signing of any licensing or intellectual property agreement, whenever the amount involved is greater than €1m

### 13.7. Directorships held and functions performed by the members of the administrative bodies

**Frédéric CHESNAIS:** Mr. CHESNAIS is a graduate of the Institute of Political Studies Paris, and has a degree in Finance and Law. He began his career as a financial advisor and practiced as a lawyer specializing in mergers and acquisitions. He then worked for Lazard Bank from 1995 to 2000. From 2001 to 2007, he was a member of the Atari Group's management team, first as Group Deputy Chief Operating Officer and Chief Financial Officer, then as Chief Executive Officer of Atari Interactive. In 2007, he left Atari to create his own video game company. In 2013, he became the largest shareholder of the Atari Group by purchasing Atari shares. Up to April 4, 2021, he was also the Atari Group's Chief Executive Officer, and until June 7, 2021, he was a Board Member.

Mr. CHESNAIS is the sole owner of Ker Ventures, LLC and of Ker Ventures, EURL. These holding companies own shares in Atari. Mr. CHESNAIS owns directly and indirectly approximately 5% of the share capital of Atari.

- Primary offices and positions held in the CBI Group:

Name	Main Functions In The Group
Frédéric Chesnais	<p>CEO ( France ) :</p> <p>Crypto Blockchain Industries, SA</p> <p>General Manager ( USA )</p> <p>Ker Ventures, LLC (United States)</p> <p>OP Productions, LLC (United States)</p> <p>Free Reign East, LLC (United States)</p>

- Primary offices and positions held outside the CBI Group:

Name	Main Functions Outside The Group
Frédéric Chesnais	<p><b>Various administrative position (Worldwide) :</b></p> <p>Atari US Holdings Inc, Atari Inc, Atari Interactive Inc, Atari Studios Inc, RCTO Productions LLC, Atari Games Corp.,</p> <p>Atari Connect LLC, Atari Casino LLC, Atari VCS LLC, Atari Hotels Corp, Magnet Productions (United States)</p> <p>Atari Entertainment Africa Ltd (Mauritius), Atari Gaming Ltd (Kenya), Atari Liberia.</p> <p>Atari RDC Eurl, Atari Lifestyle Ltd (Nigeria), Atari Entertainment Ghana Ltd</p>

**Edward MOALEM:** Mr. Moalem brings more than 25 years of technology experience to CBI Group, having previously held positions at leading gaming companies and major corporations, including NewsCorp, Apple, and Google. While working at Google as Senior Director of Content Acquisition, Moalem initiated and brokered the acquisition of Adscape, an in-game advertising company. He also

initiated and brokered the first DRM deal with Disney for their PC version of Toy Story. Other notable experience includes working with Microsoft to encrypt and distribute Office2000, as well as brokering the first networking deal between the GameSpy publisher services group and Nintendo.

- Primary offices and positions held in the CBI Group:

Name	Main Functions In The Group
<b>Edward MOALEM</b>	<b>Administrator ( France ) :</b> Crypto Blockchain Industries, SA

**Christophe CHAIX:** Mr. CHAIX has more than three decades of experience in the luxury retail industry, which started at Richemont Group with Montblanc then Alfred Dunhill to develop the brand in France. From there, he moved to Van Cleef & Arpels to rebuild the international distribution network after its takeover by Richemont Group.

His experience with merchandising luxury continued at his subsequent role as International Director and Member of the Executive Committee at La Montre Hermès in Switzerland, the watch division of the Hermes Group.

Christophe served also as the Vice President of International Sales, Business Development, and Retail Operations at Coach from 2008 to 2012 in New York before joining DFS Group in January 2013 as Senior Vice President, Global Merchandising based in Hong Kong. Christophe has been responsible for strengthening DFS Group position as the leading luxury retailer.

Last, Christophe joined Melco in 2019 to lead their Retail Department. He defined and implemented the retail vision and strategy for Melco Resorts existing properties and projects in Macau and Japan notably, deciding the brand line-up and concepts and negotiating with major brands.

- Primary offices and positions held in the CBI Group:

Name	Main Functions In The Group
<b>Christophe Chaix</b>	<b>Administrator ( France ) :</b> Crypto Blockchain Industries, SA

### 13.8. Convictions and Family Ties

To the best of the Company's knowledge, during the last five years, none of the members of the Administrative bodies:

- Have been convicted of fraud;
- Have been associated with bankruptcy, receivership or liquidation;
- Have been incriminated or officially sanctioned by any statutory or regulatory authority, including professional organizations;
- Have been prevented by a court from acting as a member of an administrative, management, or supervisory body of an issuer or from acting in the management or conduct of the affairs of an issuer.

As of the date of this *Document Information*, the directors are not related to each other.

### **13.9. Conflict of interest among the administrative, executive and supervisory bodies**

To the best of the Company's knowledge, there is no potential conflict of interest between their duties with respect to the Company and the private interests of any of the members of the Board of Directors of the Company.

### **13.10. Internal control**

Internal control is a process implemented by the Chief Executive Officer and the officers, under the control of the Board of Directors, to provide reasonable assurance as to the achievement of the following objectives:

- The proper functioning of the Company's internal processes;
- The performance and optimization of operations;
- The reliability of financial transactions;
- Compliance with applicable laws and regulations.

One of the objectives of the internal control system is to prevent and control the risks arising from the Company's business and the risks of errors or fraud, particularly in accounting and financial matters. Like any control system, however, it cannot provide an absolute guarantee that these risks are completely eliminated.

## **14. COMPENSATION AND BENEFITS**

### **14.1. Compensation of the administrators and Executive Board**

CBI's corporate officers are its directors, and the Chief Executive Officer is the only director to have an executive position.

The General Shareholders' Meeting approves the principles and criteria for determining, distributing and allocating the fixed and variable components of the overall compensation package and benefits of any kind to be awarded to the Company's executive officers in accordance with Article L.225-37-2 of the French commercial code.

### **14.2. Compensation for the chairman and chief executive officer for 2019-2020**

- Annual fixed compensation

There was no compensation.

- Variable compensation / Options

There was no compensation and there was no stock option granted.

- Compensation due for directorships

There was no compensation.

### **14.3. Compensation for the chairman and chief executive officer for 2020-2021**

- Annual fixed compensation

There is no fixed compensation.

- Variable compensation / Options

In addition, in the event of a listing of the shares of the Company and unless such bonus has already been paid during a prior year, Mr. Frédéric Chesnais will be allocated a fixed bonus of 250,000 euros, grossed up for any social protection, retirement plan and/or social contributions in the same proportions as the ones indicated above for his monthly compensation.

- Compensation due for directorships

There is a fixed fee of twenty-five thousand euros.

#### **14.4. Compensation for the chairman and chief executive officer for 2021-2022**

- Annual fixed compensation

There is a fixed monthly compensation of twenty-five thousand euros. This compensation is detailed in the notes to the financial statements for the year ended March 31, 2021.

In addition, in the event of a listing of the shares of the Company and unless such bonus has already been paid during a prior year, Mr. Frédéric Chesnais will be allocated a fixed bonus of 250,000 euros, grossed up for any social protection, retirement plan and/or social contributions in the same proportions as the ones indicated above for his monthly compensation.

- Variable compensation / Options

The Board of Directors decided, as recommended by the Nomination and Compensation Committee, to allocate to the management team a pool of carried interest for each investment, equal to 20% of the return on investment generated by the Company after an annual hurdle rate of 5%. Mr. Frédéric CHESNAIS is allocated 40% of such pool, the balance of the pool being allocated to the investment team. Therefore Mr. Chesnais is entitled to 8% of the overall performance.

The Board of Directors also decided, as recommended by the Nomination and Compensation Committee, to allocate an annual discretionary bonus which could represent (except in exceptional circumstances) between 0% and 200% of the annual fixed compensation paid, incorporating the following elements: level of revenue, EBITDA margin, cash generation, share price performance, growth in recurring net earnings per share, which makes it possible to take into account all the other elements on the income statement, as well as various objective criteria related to the activity, in addition to the return on investment allocated under the prior paragraph.

In addition, under the delegation of authority granted by the General Meeting, the Board of Directors reserves the right to award stock options as part of an option plan.

Mr. Frédéric Chesnais is also entitled to some free tokens in the event of the creation of a cryptocurrency or non-fungible tokens. This compensation is detailed in the notes to the financial statements for the year ended March 31, 2021. In the event of a creation of a crypto currency or non-fungible tokens by the Company, fifteen per cent (15%) will be set aside for compensation of the Management team, of which eight per cent (8%) for the Chief Executive Officer.

This compensation policy was approved at the General Shareholders' Meeting on January 6<sup>th</sup>, 2020 and on July 22, 2021.

#### **14.5. Compensation for directors**

- Annual fixed compensation

There is no fixed compensation.

- Compensation due for directorships

The directors receive compensation for their office (previously “directors’ fees”). The maximum budget for the compensation to be distributed between the directors is voted on by the General Shareholders’ Meeting, as proposed by the Board of Directors, based on recommendations from the Nomination and Compensation Committee, taking into account the Company’s interests.

Each Director will be allocated a fixed bonus of 50,000 euros in the event of a listing of the shares of the Company.

For FY 2021-2022 and the following years, the Board of Directors set, subject to approval by the General Meeting deliberating on the financial statements for the year ended March 31, 2022, the compensation for directorships to twenty five thousand euros per year. In addition, each Director will be allocated a fixed bonus of 50,000 euros in the event of a listing of the shares of the Company, unless such bonus has already been paid during a prior year.

In addition, 5% of the pool of carried interest is split equally among the directors other than the CEO. Finally, the directors are entitled to some free tokens in the event of the creation of a crypto-currency or non-fungible tokens. This compensation is detailed in the notes to the financial statements for the year ended March 31, 2021. In the event of a creation of a crypto currency by the Company, five per cent (5.0%) will be set aside for compensation of the directors, of which two per cent (2.0%) for the Chairman of the Board and one and a half per cent (1.5%) for each director.

#### **14.6. Compensation for non-executive corporate officers:**

None.

#### **14.7. BSA, BSPCE or other securities giving access to the capital granted to administrators and Executive Board**

At the date of the present *Document d’Information*, there are no financial instruments giving access to the capital of the Company.

### **15. EMPLOYEES**

#### **15.1. Evolution of the workforce**

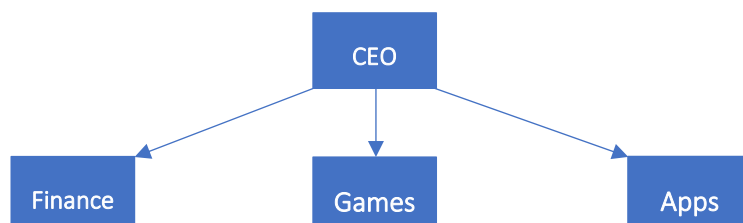
At March 31, 2021, the Group’s workforce at the level of the Company is limited to less than 10 individuals, as the main activity is the investment and the supervision of portfolio companies.

In the portfolio companies, the workforce is divided between operations and development, with the use of third party-studios. The number of employees is very different depending on the type of organization of each portfolio company and is therefore not representative.

The goal of the Company is to be highly selective in terms of employees and to limit its financial commitments. As of the date hereof, direct employees of CBI are three (3), of which the CEO and the CFO, the rest of the employees are at the level of the subsidiaries. It should be noted that such count

does not include any developer working on the games at the level of Freidakis and Extreme, as it is quite difficult to allocate their internal workforce and as the Company has no commitment whatsoever to pay any salary.

The organization chart is as follows:



## 15.2. Participation and stock option

At the date of this *Document d'Information*, employees did not own any shares in the Company's capital through a Company Savings Plan.

## 15.3. Employee representative

Not applicable.

# 16. MAIN SHAREHOLDERS

## 16.1. Breakdown of equity

At the date of this *Document d'Information* and, on a proforma basis, as at March 31, 2021, the Company's subscribed and fully paid-up capital totals is €18,037,000 divided into 18,037,000 shares with a par value of €1.00. The number of voting rights assigned to the Company's shares is 18,037,000.

At the date of this *Document d'Information*, the shareholder breakdown of the capital and voting rights was as follows:

Ownership	October, 2021					
	Number of shares	%	Theoretical voting rights	%	Exercisable voting rights	%
Ker Ventures, EURL	18,000,000	93.09%	18,000,000	93.09%	18,000,000	93.09%
Ker Ventures, LLC	36,999	0.19%	36,999	0.19%	36,999	0.19%
Frédéric Chesnais	1	n/s	1	n/s	1	n/s
INFINITY REALITY ENTERTAINMENT, INC	750,000	3.88%	750,000	3.88%	750,000	3.88%
EXCESS INVESTMENT, LTD	275,000	1.42%	275,000	1.42%	275,000	1.42%
ISH INVESTMENT KFT. "KT. A."	275,000	1.42%	275,000	1.42%	275,000	1.42%
Public	0	0.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>19,337,000</b>	<b>100.00%</b>	<b>19,337,000</b>	<b>100.00%</b>	<b>19,337,000</b>	<b>100.00%</b>

n/s: not significant

There are two shareholders who directly, indirectly or jointly own 2% or more of the Company's issued capital or voting rights :

- Frédéric Chesnais (via Ker Ventures, EURL and Ker Ventures, LLC)
- INFINITY REALITY ENTERTAINMENT, INC.

## 16.2. Voting rights

At the Date of the *Document d'Information*, the Company has only issue ordinary shares; there are no

shares carrying other rights than simple voting rights.

However, registered shares may benefit from a double voting right if held for at least two years. At the date of this *Document d'Information*, no share is entitled to double voting rights.

### **16.3. Shareholders' agreements**

There are no shareholders' agreements in place.

### **16.4. Information concerning the threshold crossed.**

In accordance with Article 4.3. of the Euronext Growth Market Rules, entered into force on June 30<sup>th</sup>, 2017, the Company is required to disclose to the public:

- (i) within five (5) trading days after the day on which it becomes aware, the crossing up or down, by any person acting alone or jointly, of thresholds representing fifty percent (50%) or ninety-five percent (95%) of the capital or voting rights;
- (ii) within five (5) trading days after the day on which it becomes aware, the capital transactions of its managers or directors.

According to Article 4.4. of the non-harmonized rules applicable to the Euronext Growth market in Paris, of the Euronext Growth market rules, the direct or indirect crossing of the threshold of 50% of the voting rights or capital by a person, acting alone or jointly, must lead to public offer under the conditions set by the AMF General Regulation.

Articles 236-1, 236-3 and 236-7 and Chapter VII of Book II of the General Regulations of the Autorité des Marchés Financiers are applicable to the Company.

Title III of Book II of the AMF General Regulation dealing with public offering is applicable to the Company for a period of three years following the admission of its shares to Euronext Growth.

Also, pursuant to the provisions of its Articles of Incorporation, any person, whether acting alone or in concert, who begins to own or ceases to own, directly or indirectly at least 1% of the Company's capital or voting rights, or any multiple of this percentage, is required to inform the Company.

### **16.5. Information concerning the control of the company.**

At the date of the present *Document d'Information*, Frédéric CHESNAIS holds directly or indirectly through KER VENTURES, EURL and KER VENTURES, LLC 100% of the capital and the voting rights of the Company, he is currently the majority shareholder of the Company.

### **16.6. Agreements that may result in the control of the company.**

To the best of the Company's knowledge, there is no agreement in force, the implementation of which could, at a later date, result in a change of control of the Company.

## **17. RELATED PARTIES TRANSACTION**

### **17.1. Operations with subsidiaries**

These transactions with related parties will be described in the notes to the consolidated and individual financial statements of CBI SA for the year ended March 31, 2021 and in the Statutory Auditors' special



report prepared in accordance with the provisions of article L.225-40. of the French Commercial Code and appearing below.

## 18. FINANCIAL INFORMATION

### 18.1. Auditors report on the proforma consolidated financial statements as at March 31, 2020



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#### 9 AUDITORS REPORT ON THE PROFORMA CONSOLIDATED FINANCIAL STATEMENTS

Au président du Conseil d'administration,

En notre qualité de commissaire aux comptes titulaire de votre Société et en application du règlement (UE) n°2017/1129 complété par le règlement délégué (UE) n°2019/980, nous avons établi le présent rapport sur les informations pro forma consolidées de la société CRYPTO BLOCKCHAIN INDUSTRIES relatives aux exercices 2019 et 2020 inclus dans le présent document d'information établi à l'occasion de l'apport envisagé comme expliqué ci-dessous (les « Informations Financières Pro Forma »)

Ces Informations Financières Pro Forma consolidées ont été préparées aux seules fins d'illustrer l'effet que les opérations d'apports décrites à la note - bases de préparation des notes annexes aux informations proforma consolidées - auraient pu avoir sur le bilan et le compte de résultat consolidées de la société CRYPTO BLOCKCHAIN INDUSTRIES au 31 mars 2020 et au 31 mars 2019 si ces opérations avaient été réalisées comme indiqué ci-dessous :

- L'apport des sociétés opérationnelles OP Productions, LLC et Free Reign East, LLC a été effectué sur une base proforma le 1er avril 2018. Les comptes proforma reflètent ainsi l'activité entière de ces deux sociétés sur la période du 1er avril 2018 au 31 mars 2019 et sur la période du 1er avril 2019 au 31 mars 2020;
- L'apport des disponibilités, des actions ATARI, des tokens ATARI et de l'investissement dans National Carrier Exchange, LLC a été effectué sur une base proforma au 30 septembre 2020, soit en fin de période.

De par la nature même des comptes proforma, ils décrivent une situation hypothétique et ne sont pas nécessairement représentatifs de la situation financière ou des performances qui auraient pu être constatées si l'opération était survenue à une date antérieure à celle de sa survenance réelle ou envisagée.

Ces Informations Financières Pro Forma consolidées ont été établies sous votre responsabilité en application des dispositions du règlement (UE) n° 2017/1129 et des recommandations ESMA relatives aux Informations Financières Pro Forma.

Il nous appartient, sur la base de nos travaux, d'exprimer une conclusion, dans les termes requis par l'annexe 20, section 3, du règlement délégué (UE) n°2019/980, sur le caractère adéquat de l'établissement des Informations Financières Pro Forma consolidées sur la base indiquée.

Nous avons mis en œuvre les diligences que nous avons estimées nécessaires au regard de la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette mission. Ces travaux qui ne comportent pas d'examen des informations financières sous-jacentes à l'établissement des Informations Financières Pro Forma consolidées ont consisté principalement à vérifier que les bases à partir desquelles ces Informations Financières Pro Forma consolidées ont été établies concordent avec les documents sources, tels que décrits dans les notes explicatives aux



Informations Financières Pro Forma consolidées, à examiner les éléments probants justifiant les retraitements pro forma et à nous entretenir avec la direction de la Société CRYPTO BLOCKCHAIN INDUSTRIES pour collecter les informations et les explications que nous avons estimé nécessaires. A notre avis :

- les Informations Financières Pro Forma consolidées ont été établies correctement sur la base indiquée ;
- cette base est conforme aux méthodes comptables appliquées par l'émetteur.

Ce rapport est émis aux seules fins de l'enregistrement du document d'information auprès d'Euronext et, le cas échéant, de l'offre au public de titres financiers de la Société en France et dans les autres pays de l'Union européenne dans lesquels un prospectus serait notifié, et ne peut être utilisé dans un autre contexte.

Le 11 Mai 2021

Pour RSM Rhône-Alpes  
François de BUSTAMANTE  
Expert-Comptable  
Associé



## 18.2. Consolidated proforma Financial Statement at March 31, 2020

### CONSOLIDATED INCOME STATEMENT

(000's of euros)		March 31, 2020	March 31, 2019
Revenue		747.1	543.3
Cost of goods sold		-	(1.2)
<b>GROSS MARGIN</b>		<b>747.1</b>	<b>542.0</b>
Research and development expenses		(82.1)	(134.6)
Marketing and selling expenses		(348.1)	(46.9)
General and administrative expenses		(8.5)	(13.3)
Other operating income (expense)		-	-
<b>CURRENT OPERATING INCOME (LOSS)</b>		<b>308.4</b>	<b>347.2</b>
Restructuring costs		-	-
Other income (expense)		-	-
<b>OPERATING INCOME (LOSS)</b>		<b>308.4</b>	<b>347.2</b>
Cost of debt		-	-
Other financial income (expense)		-	-
Income tax		-	-
<b>NET INCOME (LOSS) FROM CONTINUING OPERATIONS</b>		<b>308.4</b>	<b>347.2</b>
Net income (loss) from discontinued operations		-	-
<b>NET INCOME (LOSS) FOR THE YEAR</b>		<b>308.4</b>	<b>347.2</b>
Group share		151.9	175.6
Minority interests		156.5	171.6
Basic earnings per share (in euros)		0.008	0.010
Diluted earnings per share (in euros)		0.008	0.010

## CONSOLIDATED BALANCE SHEET

ASSETS (000's of euros)		March 31, 2020	March 31, 2019
IP Rights		912.7	890.1
LT Receivables / Goodwill		91.3	89.0
<b>Non-current assets</b>		<b>1,004.0</b>	<b>979.1</b>
Deferred Expenses		29.8	-
Cash and cash equivalents		0.4	3.8
<b>Current assets</b>		<b>30.2</b>	<b>3.8</b>
<b>Total assets</b>		<b>1,034.2</b>	<b>982.9</b>
EQUITY & LIABILITIES (000's of euros)		March 31, 2020	March 31, 2019
Capital stock		0.8	0.8
Retained Earnings		215.9	190.2
Net income (loss) Group share		151.9	175.6
<b>Shareholders' equity</b>		<b>368.6</b>	<b>366.7</b>
Minority interests		310.7	300.3
<b>Total equity</b>		<b>679.3</b>	<b>666.9</b>
Shareholders' Loan		-	-
Non-current financial liabilities		226.9	221.3
<b>Non-current liabilities</b>		<b>226.9</b>	<b>221.3</b>
Deferred Revenue		30.9	-
Distribution Fees		97.0	94.6
<b>Current liabilities</b>		<b>128.0</b>	<b>94.6</b>
<b>Total equity and liabilities</b>		<b>1,034.2</b>	<b>982.9</b>

The following notes are an integral part of the consolidated financial statements.

## CONSOLIDATED CASH FLOW

(000's of euros)	March 31, 2020	March 31, 2019
<b>Net cash (used)/generated in operating activities</b>	<b>155.4</b>	<b>178.3</b>
of which continuing operations	-	-
<b>Net cash (used)/generated in investing activities</b>	<b>-</b>	<b>-</b>
of which continuing operations	-	-
of which intangible assets and fixed assets	-	-
<b>Net cash provided (used in) by financing activities</b>	<b>(159.0)</b>	<b>(176.9)</b>
of which continuing operations	(159.0)	(176.9)
of which interest paid	-	-
<b>Other cash flows</b>	<b>-</b>	<b>-</b>
	-	-
<b>Net change in cash and cash equivalent</b>	<b>(3.5)</b>	<b>1.4</b>
	0	0
<b>Cash Beginning of Period</b>	<b>3.9</b>	<b>2.4</b>
Net change in cash and cash equivalent	(3.5)	1.4
<b>Cash End of Period</b>	<b>0.4</b>	<b>3.8</b>

## STATEMENT OF CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY

<b>Equity as at March 31, 2019 (000's of euros)</b>	<b>366.7</b>
Net income, Group Share	151.9
Capital increase	-
Distribution of dividends	(159.0)
Financial assets valued at fair value through other comprehensive income	-
Currency fluctuations	7.8
Other variations	1.2
<b>Equity as at March 31, 2020 (000's of euros)</b>	<b>368.6</b>

## BASIS OF PRESENTATION OF THE PROFORMA FINANCIAL STATEMENTS

Crypto Blockchain Industries, SA ("CBI" or the "Company") is a French-law company.

These proforma financial statements have been prepared so as to illustrate the impact that the following transactions would have had on the balance sheet and income statement of the Company as at March 31, 2020 and March 31, 2019 if they had been implemented as follows:

- The contribution in kind of operating companies OP Productions, LLC and Free Reign East, LLC as at April 1, 2018. The present proforma financial statements do reflect the activities of these 2 companies from April 1, 2018 to March 31, 2020;
- The contribution in kind of cash, ATARI shares and ATARI tokens ATARI and the investment in National Carrier Exchange, LLC as at September 30, 2020, i.e. after the date of closing of the financial statements;
- All the new shares are deemed issued on September 30, 2020.

The contribution in kind is subject to the conditions precedent of (i) the effective transfer of the assets to the Company by Ker Ventures, EURL, the contributing company, and of (ii) its approval by the shareholders of the Company and the issuance of the new Company shares. The completion of such condition's precedent is pending as of the date of the present proforma financial report.

The proforma restatements are as follows: (i) inclusion as at April 1, 2018 of the results and operations of operating companies OP Productions, LLC and Free Reign East, LLC, even if the Company shares compensating such contribution are deemed to be issued on September 30, 2020; and (ii) proforma completion as at September 30, 2020 of the contribution in kind of the other assets, thereby assuming that the conditions precedent set forth above have been met at that date.

## GROUP PRESENTATION

CBI is one of the very few companies offering a global investment approach, covering all domains of the Crypto Blockchain Industries, investing after careful selection in the portions of the value chain offering the best opportunities:

- Operating Businesses: CBI controls, alone or with partners, its own blockchain business (transportation, games)
- Investments: CBI invests in start-up companies; CBI also invests and assists existing companies in a digital transition to the blockchain space

- Intellectual Properties: CBI can invest into property rights (IPs), building its own portfolio of IPs
- Portfolio Management: CBI holds and manages a portfolio of crypto-currencies and tokens, and also owns highly liquid assets such as cash and listed shares in the videogame/blockchain space

CBI's investment strategy is to keep investing in ongoing businesses and start-up companies, as well as crypto-currencies and tokens.

CBI's permanent focus is to build the portfolio, maximize Return On Investment and operate on very low overhead, targeting the best opportunities in the industry. CBI uses financing techniques to leverage its resources, with a constant focus on securing guarantees in order to protect the downside.

The complementary nature of these business lines enables the optimization of synergies.

The corporate purpose of the Company CBI, in accordance with article 2 of its by-laws, in France or abroad, directly or indirectly, is:

- the design, production, publishing and distribution of all blockchain, multimedia and other services providing an interactive experience, of any nature whatsoever, in any form including software, data processing and content – either interactive or otherwise – for all media and by means of all present and future means of communication;
- the purchase, sale, supply and more generally distribution of all products and services related to the foregoing;
- the creation, acquisition, use and management of intellectual and industrial property rights or other in rem and in persona rights, including by means of assignment, licensing, patents, trademarks and other copyrights;
- the acquisition, the search for partnerships and the acquisition of interests in other firms, including the formation of new entities and the issuance, subscription or transfer of securities in any business directly or indirectly related to the foregoing or to the products and ideas developed by the company;
- and, more generally, any transactions with a purpose similar or related to the foregoing, or otherwise likely to benefit the company.

## **NOTE 1 – HIGHLIGHTS OF THE PERIOD**

The highlights of the period are, on a proforma basis:

- Additional investments in National Carrier Exchange, LLC, a company whose goal is to develop a market place for trucks and freight;
- Pursuit of the operations of the games.

## **NOTE 2 – ACCOUNTING RULES AND METHODS**

### **GENERAL PRINCIPLES**

CBI's consolidated financial statements have been prepared in accordance with IFRS (standards and interpretations) as adopted in the European Union and mandatory from April 1, 2019, with the exception of the new rules and interpretations, whose application is not mandatory for the 2019-2020 financial year.

The Group's financial statements are presented in thousands of euros with one decimal, unless otherwise indicated. Figures rounded to the nearest thousand euros may in some situations lead to minor discrepancies in the totals and subtotals of the tables.

### **Preparation of the Financial Statements**

The Group's condensed consolidated financial statements at March 31, 2020 have been prepared:

- in accordance with IAS/IFRS and their interpretations as adopted by the European Union. These standards are available on the European Commission website: [http://ec.europa.eu/finance/company-reporting/index\\_fr.htm](http://ec.europa.eu/finance/company-reporting/index_fr.htm) ;
- in accordance with IFRS as published by the IASB;
- applying the same principles and accounting methods as those applied as of March 31, 2019, except for standards, amendments, and interpretations which applied for the first time to financial years beginning after April 1, 2019.

## **CHANGE IN ACCOUNTING METHODS**

### **IFRS 16**

On April 1, 2019, the Group applied for the first time IFRS 16 – Leases, which came into effect for financial years beginning after January 1, 2019. This has no impact for the Group.

## **METHODS AND BASIS FOR CONSOLIDATION**

### **Full consolidation**

All companies in which the Group exercises control, i.e. in which it has the power to govern their financial and operating policies in order to obtain benefits from their activities, are fully consolidated.

### **Basis for Consolidation**

All of the consolidated companies are listed in the table below:

Name	Type of Company	Country	% held
<i>Crypto-Blockchain Industries, SA</i>	<i>SA</i>	<i>France</i>	<i>Parent</i>
<i>OP Productions, LLC</i>	<i>Limited Liability Company</i>	<i>USA</i>	<i>50.00%</i>
<i>Free Reign East, LLC</i>	<i>Limited Liability Company</i>	<i>USA</i>	<i>50.00%</i>

## **INTERNAL TRANSACTIONS**

All transactions between the consolidated companies and the internal results of the consolidated entity are eliminated.

## **FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate prevailing on the transaction date. On the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rates prevailing at the balance sheet date. All differences are recorded in profit or loss for the period, except for



differences on foreign currency borrowings that constitute a hedge of the net investment in a foreign entity. These are directly charged to equity until the outflow of the net investment.

Foreign exchange differences resulting from the translation of net investments in foreign subsidiaries are recognized directly in equity.

## CONVERSION OF THE INDIVIDUAL FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES

The operating currency of foreign affiliates is the local currency in effect.

Assets and liabilities of foreign subsidiaries are translated at the exchange rate recorded at the balance sheet date. The items in their income statement are translated at the average rate for the period. The resulting translation difference is recognized directly in shareholders' equity under "Translation differences," for the Group's share and under "Minority Interests" for the portion attributable to third parties. This difference impacts the result only when the company is sold or removed from the basis for consolidation.

The exchange rates of the main currencies used by the Group are as follows:

	March 31, 2020		March 31, 2019	
	Closing rate	Average rate	Closing rate	Average rate
USD	1.0956	1.1113	1.1235	1.1576

## NON-CURRENT ASSETS HELD FOR SALE & DISCONTINUED OPERATIONS

None.

## USE OF ESTIMATES

Preparing the consolidated financial statements in accordance with the rules of IFRS requires the Group to make a certain number of estimates and to adopt certain assumptions that it considers reasonable and realistic. These estimates and assumptions affect the amount of assets and liabilities, shareholders' equity, profits, and the amount of contingent assets and liabilities, as presented as of the balance sheet date.

Estimates may be revised if the circumstances on which they were based change, or as a result of new information. Actual results may differ from these estimates and assumptions.

The estimates and assumptions prepared on the basis of the information available as of the balance sheet date relate in particular to: valuations of non-current assets, recoverable amounts of deferred tax assets, provisions for risks.

There is still inherent uncertainty in the realization of the objectives, the operating budget and the financing plan, and the failure of these assumptions to materialize may affect the value of the Group's assets and liabilities.

## OTHER INTANGIBLE FIXED ASSETS

Intangible fixed assets mainly include items such as acquired enterprise software and license rights, brands and development costs for applications.

### **Licenses**

Licenses for the right to use intellectual property are recognized as intangible fixed assets from the date of signature of the contract when no significant obligation is expected from the lessor; the capitalized amount corresponds to the discounted sum of the annual minimum fees stipulated in the contract. Amounts paid above guaranteed minimums are expensed.

These licenses are amortized from their execution date using the highest rate of either the contractual rate applied to the units sold or the linear rate based on the life of the license. The amortization expense is recorded in "Cost of Sales."

The Group regularly checks the recoverable amount of the amounts capitalized and conducts an impairment test, as described in paragraph 2.11, as soon as indicators of impairment appear. An impairment is, if necessary, recorded under "Cost of Sales" if the game to which this license is attached has been marketed, and under "Research and Development Expenses" if not.

### **Development Costs of Applications**

In accordance with IAS 38, an intangible fixed asset resulting from development (or the development phase of an internal project) must be recognized if, and only if, an entity can demonstrate all of the following:

- (a) That it is technically feasible to complete the intangible fixed asset for commissioning or sale.
- (b) That it intends to complete the intangible fixed asset and commission or sell it.
- (c) That it is able to commission the intangible fixed asset or sell it.
- (d) The way in which the intangible fixed asset will generate probable future economic benefits. The entity will demonstrate, among other things, that there is a market for the production resulting from the intangible fixed asset, or for the intangible fixed asset itself or, if it is to be used internally, that it is useful.
- (e) That there are adequate technical, financial, and other resources available to fully develop and commission or sell the intangible fixed asset.
- (f) That it is able to reliably estimate the expenditures attributable to the intangible fixed asset during its development.

The Group recognizes a charge for development costs (internal or external studio development expenses) if it considers that the project does not meet all of the above criteria.

At the financial year-end, the residual net book value is compared with future sales projections to which the contract's conditions are applied. If those sales projections fall short, a provision for additional impairment is recognized as a result.

### **Other Intangible Fixed Assets**

Other intangible assets include identifiable intangible assets arising from acquisitions (e.g. brands)

and software acquired for internal use (e.g. accounting software). With the exception of brands, these fixed assets are amortized under “General and Administrative Expenses” or “Research and Development Expenses” on a straight-line basis over a period that cannot exceed their estimated useful lives (between one and four years).

## **TANGIBLE FIXED ASSETS**

Tangible fixed assets are accounted for under the cost method at their acquisition value less depreciation and impairment. Depreciation is calculated using the straight-line method over the estimated useful life of the assets concerned. Improvements on rented property are depreciated over their estimated useful life or over the term of the lease if the latter is shorter. The term of the lease takes into account the possible renewal periods. Land is not depreciated.

The estimated useful lives of fixed assets are as follows:

- Computer equipment: 1 to 3 years
- Furniture and fixtures and other equipment: 3 to 10 years

## **RIGHTS OF USE RELATING TO LEASES**

When the Group is the lessee, leases (with the exception of short-term leases and leases of low value assets) are accounted for by recognizing a right-of-use asset in tangible fixed assets at the date when the leased asset is available for use.

The corresponding liability towards the lessor is recognized on the balance sheet as a financial obligation. Payments under the lease are split between financial costs and the repayment of the lease obligation, so that a constant interest rate is obtained for the remaining amount due on the liability side of the balance sheet.

A right-of-use asset is amortized over the contractual period which was determined to calculate the corresponding lease liability.

## **IMPAIRMENT TEST**

The Group regularly performs impairment tests on its assets: goodwill, intangible fixed assets, and tangible fixed assets. For tangible fixed assets and intangible fixed assets with a fixed useful life, this impairment test is performed as soon as indicators of impairment are observable.

These tests consist of comparing the net book value of the assets with their recoverable value, which corresponds to the higher of either their fair value less sale costs or their value in use, estimated by the net present value of the future cash flows generated by their use.

When the fair value of an intangible fixed asset (excluding goodwill) or a tangible fixed asset is assessed during a financial year and the recoverable amount exceeds the book value of the asset, any impairment losses recorded in prior years are recognized in profit or loss.

For goodwill and other intangible fixed assets with an undetermined useful life and intangible fixed assets in progress, an impairment test is systematically performed each year on the basis of the highest of the following values and each time an indicator of impairment is observed:

- Updated projection of future operating cash flows over four years and of a residual value
- Net selling price if there is an active market

When the selling price net of disposal costs cannot be determined reliably, the book value of the fixed assets is compared to the net present value of future cash flows excluding financial expenses but after tax.

The residual value results from the discounting to infinity of a normative cash flow determined based on the cash flow from the last year of the business plan to which a long-term growth rate has been applied. The rate used to discount cash flows corresponds to the Group's average cost of capital.

If the annual impairment test reveals a recoverable value that is lower than the net book value, an impairment is recognized to reduce the book value of the fixed assets or goodwill to their fair value.

Impairment losses recorded on goodwill are never recognized in profit or loss.

## **NON-CURRENT FINANCIAL ASSETS**

Financial assets consist of securities of non-consolidated companies, investments in related companies, derivative instruments not designated as hedges, deposits and loans, marketable securities, cash and cash equivalents, and trade receivables.

Financial assets are classified as "non-current", except for those due less than 12 months after the reporting date, which are classified as "current assets" or "cash & cash equivalents", as appropriate.

In accordance with IFRS 9 – *Financial Instruments*, financial assets held by the Group are classified based on the business model and its objectives:

- assets measured at amortized cost (financial assets held in order to collect the contractual cash flows),
- assets measured at fair value (financial assets held for resale and to collect the contractual cash flows).

The classification depends on the nature and objective of each financial asset and is determined when it is initially recognized.

Treasury shares held by the parent company or one of its consolidated subsidiaries are presented as a deduction from consolidated shareholders' equity at their acquisition value or their entry value in the consolidated balance sheet. Gains or losses realized on the sale of these shares are eliminated from the consolidated income statement and recognized in consolidated shareholders' equity.

## **INVENTORIES**

When inventories are recognized, they are valued using the FIFO (first in, first out) method. Their gross value includes the purchase price plus incidental purchase costs. Financial expenses are excluded from the value of inventories. A provision for depreciation/amortization is recognized in order to reduce the value of inventories to their net realizable value when their probable market value is lower than their cost price. This depreciation/amortization is recorded under "Cost of Sales" in the consolidated income statement.

## **TRADE ACCOUNTS RECEIVABLE**

Trade accounts receivable are recorded at their fair value, which generally corresponds to their nominal value. Loans considered doubtful are subject to provisions for impairment determined according to their risk of non-recovery.

IFRS 9 requires accounting for expected credit losses on trade receivables. The Group has thus completed a review of its trade receivables based on an analysis of the country risk and the default probability of the counterparties. This review did not result in any material impact on the Group's financial position.

## **CASH AND CASH EQUIVALENTS**

In accordance with IAS 7 — Statement of Cash Flows, the cash and cash equivalents shown in the consolidated cash flow statement include cash (cash on hand and demand deposits) and cash equivalents (highly liquid, short-term investments which are easily convertible into a known amount of cash and which are subject to a negligible risk of change in value).

Investments with an original maturity of more than three months with no early exit option are excluded from cash and cash equivalents.

## **SHARE-BASED PAYMENTS**

The Group makes share-based payments, paid in equity instruments in the form of stock options or free share awards.

Share-based payments, paid in equity instruments, are measured at fair value at the award date (excluding non-market conditions). The recognized cumulative expense is based on the fair value at the award date and the estimated number of shares that will ultimately be vested (taking into account the effect of non-market vesting conditions). It is recorded, throughout the vesting period, in current operating profit with a direct contra entry in equity.

The fair value of stock options is determined using the Black-Scholes model. This model makes it possible to take into account the characteristics of the plan (exercise price, exercise period), market data at the time of allocation (risk-free rate, stock price, volatility, expected dividends) and a behavioral assumption for the beneficiaries.

## **MINORITY INTERESTS**

In the consolidated financial statements, under equity, non-controlling shareholdings must be presented separately from the interest of the parent company's owners. Comprehensive net income must be attributed to the owners of the parent company and to non-controlling interests, even if this results in a negative balance for non-controlling interests.

## **PROVISIONS**

A provision is recorded when there is an obligation (legal or implicit) towards a third party, resulting from past events, the measurement of which can be reliably estimated and which will probably result

in an outflow of resources in favor of this third party without at least equivalent compensation expected from it. If the amount or timing cannot be reliably estimated, then it is a contingent liability that is an off-balance sheet commitment.

## **PROVISIONS FOR RETIREMENT AND SIMILAR BENEFITS**

### **Defined Contribution Plans**

In accordance with the laws and practices in force in each country, the Group's subsidiaries take on commitments related to pension plans, life and disability insurance plans, the coverage of active employees' medical expenses and other plans concerning social benefits. In the case of commitments taken on exclusively under a defined contribution plan, the Group recognizes the related expenses as and when the contributions are due.

The Group recognizes the contributions to be paid as an expense under operating costs, when they are incurred, depending on the beneficiaries of the plan.

### **Defined Benefit Plans**

Estimates of the Group's defined retirement benefit obligations are calculated annually, in accordance with IAS 19R, using the projected unit credit method. This method takes into account, based on actuarial assumptions, the probable duration of the employee's future service, future compensation level, life expectancy, discount rate, and the personnel turnover rate.

The amount provisioned for retirement and similar obligations corresponds to the present value of the defined benefit obligation. The actuarial gains and losses resulting from the change in the value of the discounted defined benefit obligation include, on the one hand, the effects of the differences between the previous actuarial assumptions and the realized actuarial assumptions, and, on the other hand, the effects of changes in actuarial assumptions. Actuarial gains and losses are fully recognized in equity.

## **FINANCIAL LIABILITIES AND INSTRUMENTS**

Financial liabilities include bonds and other borrowings, finance lease debts, and trade accounts payable.

Financial liabilities are included in "non-current", except for those due less than 12 months after the closing date, which are classified as "current liabilities".

### **Bond Debts and Other Borrowings**

Bond and other interest-bearing borrowings are initially recognized at fair value of the consideration received, which is the cost, net of expenses directly attributable to the issuance of the debt. These financial liabilities are then measured at amortized cost using the effective interest method. This interest rate corresponds to the internal rate of return that makes it possible to discount the series of expected cash flows over the life of the loan.

### **Trade Accounts Payable**

Trade accounts payable are initially recognized at fair value, which in most cases corresponds to their nominal value, and subsequently measured at amortized cost.

## REVENUE RECOGNITION – REVENUE FROM ORDINARY ACTIVITIES

### Revenue from Games

CBI accounts for its revenue from the sale of online games, and games on smartphones and tablets. The Group records its revenue by reporting to the relevant month the revenue reported by distributors or agents for the same period.

For each contract entered into, CBI examines the characteristics in order to determine whether it is appropriate to recognize the gross or net revenue of the services rendered by platforms:

- Liability in the transaction
- Freedom to determine the price
- Determination of the product's specifications
- Credit risk

On the basis of these criteria, and in accordance with IFRS 15, all revenue is measured at the fair value of the consideration received or receivable, net of VAT and other taxes and net of distribution costs.

## RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses are capitalized in the balance sheet when the criteria provided for in IAS 38 are met:

- That it is technically feasible to complete the intangible fixed asset for commissioning or sale.
- That the company intends to complete the intangible fixed asset and commission or sell it.
- That the company is able to commission the intangible fixed asset or sell it.
- That this intangible fixed asset can generate future economic benefits.
- That the company has adequate technical, financial, and other resources available to fully develop and commission or sell the intangible fixed asset.
- That the company is able to reliably estimate the expenditures attributable to the intangible fixed asset during its development.

Research and development expenses that do not meet these criteria are recognized as expenses in the year in which they are incurred.

The Group does not directly receive research tax credits.

## **MARKETING AND SALES EXPENSES**

Advertising and user acquisition costs for mobile and online games are expensed as and when they are incurred and included in the “Marketing and Sales Expenses” item of the consolidated income statement.

## **CURRENT OPERATING INCOME AND OPERATING INCOME**

Current operating income is comprised of gross margin less current operating expenses. Current operating expenses include research and development costs, marketing and sales expenses, general and administrative expenses, and share-based payment costs.

Operating income corresponds to current operating income after taking into account:

- Gains and losses on disposals of non-financial assets other than intellectual property rights
- Restructuring costs
- Impairment on goodwill or negative goodwill
- Impact of litigation and other non-recurrent items

## **FINANCIAL INCOME AND EXPENSES**

### **Cost of Debt**

Net financial debt consists of all current and non-current financial borrowings and debts, less cash and cash equivalents. The cost of net financial debt is comprised of expenses and income generated by the components of net financial debt during the period, including related net income from the interest rate and currency hedging. The net cost of debt notably includes the following items:

- Interest expense and income on consolidated net debt, consisting of bonds, the debt portion of hybrid instruments, other financial liabilities (including debt on finance leases) and cash and cash equivalents
- Other fees paid to banks on financial transactions

### **Other Financial Income and Expenses**

“Other Financial Income and Expenses” include the following items:

- Dividends received from non-consolidated shareholdings
- The effect of discounting provisions
- Capital gains and losses from the sale of financial assets
- Foreign exchange net income

## **TAXES**

The Group records tax expenses per applicable regulations.



## **EARNINGS PER SHARE**

The Group presents basic earnings per share and diluted earnings per share.

Earnings per share correspond to the Group's net income compared to the weighted average number of shares outstanding during the financial year, less treasury shares, if any.

Given the fact that this is a proforma analysis, the number of shares taken into account is the proforma number of shares at the date of the present Document and as of September 30, 2020.

Diluted earnings per share are calculated by dividing the restated Group share of net income by the weighted average number of common shares in circulation plus all potential dilutive common shares. Potential dilutive common shares, if any, include stock options or warrants, free shares, bonds convertible into shares and bonds repayable by shares issued by the Group.

## NOTE 3 – INTANGIBLE FIXED ASSETS

At March 31, 2020, intangible fixed assets break down as follows:

Gross value (000's of euros)	Games	IP Rights	Total
<b>March 31, 2019</b>	<b>4,431.0</b>	<b>890.1</b>	<b>5,321.1</b>
Acquisitions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	112.8	22.7	135.5
<b>March 31, 2020</b>	<b>4,543.9</b>	<b>912.7</b>	<b>5,456.6</b>
Amortization & provisions (000's of euros)	Games	IP Rights	Total
<b>March 31, 2019</b>	<b>(4,431.0)</b>	<b>-</b>	<b>(4,431.0)</b>
Amortization / Provisions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	(112.8)	-	(112.8)
<b>March 31, 2020</b>	<b>(4,543.9)</b>	<b>-</b>	<b>(4,543.9)</b>
Net value (000's of euros)	Games	IP Rights	Total
<b>March 31, 2019</b>	<b>-</b>	<b>890.1</b>	<b>890.1</b>
<b>March 31, 2020</b>	<b>-</b>	<b>912.7</b>	<b>912.7</b>

All the games are fully amortized.

The Intellectual Property Rights correspond to the acquisition price paid for one of the games.

At each financial year-end, the Group assesses the future economic benefits it will receive from these assets by using the principles set out in IAS 36—*Impairment of Assets*. These assets are valued according to a minimum budget. If a deviation from this budget is identified, and depending on how significant this deviation is, the amortization plan is accelerated, or the asset is impaired in full.

### Licenses

Licenses are rights acquired from third-party publishers.

At the end of the financial year, the residual net book value is compared to the future sales prospects to which the terms of the contract are applied. If these sales prospects are not sufficient, a provision for additional impairment is recorded accordingly.

## NOTE 4 – RIGHTS OF USE RELATING TO LEASES

This is not significant for the Group.

## NOTE 5 – FINANCIAL INSTRUMENTS

### NON-CURRENT FINANCIAL ASSETS

There are no non-current financial assets at March 31, 2020.

Financial assets are initially measured at fair value plus any transaction costs directly related to the acquisition in the case of a financial asset not measured at fair value through profit or loss. Acquisition costs for financial assets measured at fair value through profit or loss are recognized in the profit and loss statement.

The Group classifies its financial assets into the following three categories:

- amortized cost;
- fair value through other comprehensive income (FVTOCI);
- fair value through profit and loss.

The classification depends on the business model of the entity holding the asset defined by the Group and the cash flow characteristics of the financial instruments.

#### **Financial assets measured at amortized cost**

Financial assets are measured at amortized cost when they are not designated as FVTPL, when they are held in order to collect the contractual cash flows, and their cash flows are solely payments of principal and interest (“SPPI” criterion).

#### **Financial assets measured at fair value through other comprehensive income (OCI)**

This category comprises debt and equity instruments.

- Debt instruments are measured at FVTOCI if they are not designated as FVTPL and if they are held in order to both collect the contractual cash flows and sell the financial asset and if their cash flows are solely payments of principal and interest (“SPPI” criterion). Interest received, exchange rate profit or loss and impairments are recognized in profit or loss. Other net profit or loss is recognized in OCI. Upon derecognition, all cumulative gains or losses are then recognized in net earnings.
- Equity investments that are not held for trading can be measured at FVTOCI. The Group can make an irrevocable choice in that respect for each individual investment. Dividend income is then recognized in profit or loss unless it clearly corresponds to a partial repayment of the initial investment cost. Other profit or loss is recognized in OCI and never reclassified as profit or loss.

#### **Financial assets at fair value through profit and loss**

All assets not designated as measured at amortized cost or as fair value through OCI are measured at fair value through profit and loss. The net profit or loss, including interest or dividend income, is recognized as profit or loss.

**Financial assets at fair value through OCI**

None

**Financial assets at fair value through profit and loss**

None

**Financial assets measured at amortized cost**

Non-current financial assets measured at amortized cost are primarily made up of:

- deposits and guarantees
- trade receivables, with a maturity over one year, recognized using the effective interest rate method.

**BALANCE SHEET INFORMATION**

Financial instruments consist of financial assets, financial liabilities, and derivatives.

Financial instruments are presented under different headings on the balance sheet (non-current financial assets, trade accounts receivable, trade accounts payable, financial debts, etc.).

The following table presents the breakdown for current financial assets and financial liabilities according to the different balance sheet headings and their breakdown by maturity.

As at March 31, 2020 (000's in euros)	Net Value	Schedule		
		Less than 1 year	Between 1 & 5 years	More than 5 years
Stock	-	-	-	-
Trade accounts receivables	-	-	-	-
Current tax liability	-	-	-	-
Other current assets	29.8	29.8	-	-
Cash and cash equivalent	0.4	0.4	-	-
<b>FINANCIAL ASSETS</b>	<b>30.2</b>	<b>30.2</b>	<b>-</b>	<b>-</b>
Lease liabilities	-	-	-	-
Shareholders' loan	-	-	-	-
Notes Payable	226.9	-	226.9	-
Current tax liabilities	-	-	-	-
Trade payables	-	-	-	-
Shareholders' loan	-	-	-	-
Other current liabilities	128.0	128.0	-	-
<b>FINANCIAL LIABILITIES</b>	<b>354.9</b>	<b>128.0</b>	<b>226.9</b>	<b>-</b>

## NOTE 6 – INVENTORIES

At March 31, 2020, the Group has no inventory.

## NOTE 7 – TRADE ACCOUNTS RECEIVABLE

At March 31, 2020, and March 31, 2019, the balance of trade accounts receivable corresponds to receivables from distributors, collected with a term of 30 to 60 days, in addition to receivables from online casino licenses.

The item “Trade accounts receivable”, after deducting sales returns and other future trade discounts, is -0- as at March 31, 2020.

(000's of euros)	March 31, 2020	March 31, 2019
Trade receivables	-	-
Provisions for impairment in value	-	-
<b>Trade receivables net value</b>	<b>-</b>	<b>-</b>

Receivables considered doubtful are subject to provisions for impairment determined according to their risk of non-recovery. The limited number of customers enables the Company to regularly review trade receivables. When a payment delay is noted, an analysis is carried out, notably concerning the age of the receivable, the customer's financial position, the possibility of negotiating a payment plan, guarantees received and possibly credit insurance to determine the recoverable amount. Any difference between the book value and the recoverable value is recognized under current operating income via an allowance for provisions. Impairment is considered final when the receivable itself is considered to be permanently irrecoverable and is then recognized as a loss.

## NOTE 8 – OTHER CURRENT ASSETS

Other current assets break down as follows:

(000's of euros)	March 31, 2020	March 31, 2019
Receivables from employees	-	-
Prepaid and recoverable taxes	-	-
Current financial assets	-	-
Prepaid expenses	<b>29.8</b>	-
Other	-	-
<b>Other current assets</b>	<b>29.8</b>	<b>-</b>

Prepaid expenses correspond to operating expenses related to the following year.

## NOTE 9 – CASH AND CASH EQUIVALENTS

The cash and cash equivalents shown in the consolidated cash flow statement include (i) cash (cash on hand and demand deposits) of €0.4 and (ii) cash equivalents (highly liquid, short-term investments which are easily convertible into a known amount of cash and which are subject to a negligible risk of change in value) measured at the market value on the balance sheet date.

(000's of euros)	March 31, 2020	March 31, 2019
Cash (Cash on hand and demand deposits)	0.4	3.8
Cash equivalents (Highly liquid, short-term investments )	-	-
<b>Cash and cash equivalents</b>	<b>0.4</b>	<b>3.8</b>

## NOTE 10 – SHAREHOLDERS' EQUITY

### CAPITAL

#### Common shares

At the date of this Document and as at September 30, 2020, the Company's subscribed and fully paid-up capital totals is €18,037,000 divided into 18,037,000 shares with a par value of €1.0. The number of voting rights assigned to the Company's shares is 18,037,000.

At the date of this Document, the breakdown of shareholders with more than 2% of the capital and voting rights was as follows:

Ownership	March 31, 2021 (Proforma)					
	Number of shares	%	Theoretical voting rights	%	Exercisable voting rights	%
Ker Ventures, EURL	18 000 000	99,79%	18 000 000	99,79%	18 000 000	99,79%
Ker Ventures, LLC	36 999	0,21%	36 999	0,21%	36 999	0,21%
Frédéric Chesnais	1	n/s	1	n/s	1	n/s
Public	0	0,00%	0	0,00%	0	0,00%
<b>Total</b>	<b>18 037 000</b>	<b>100,00%</b>	<b>18 037 000</b>	<b>100,00%</b>	<b>18 037 000</b>	<b>100,00%</b>

n/s: not significant

Registered shares may benefit from a double voting right if held for at least two years. At the date of this Document, no share is entitled to double voting rights.

There are no other shareholders who directly, indirectly or jointly own 2% or more of the Company's issued capital or voting rights.

The shares are not listed.

Each share entitles the holder to one vote on each of the resolutions submitted to the shareholders. A double voting right is attached to all the existing paid-up shares held by the same shareholder for a minimum of two years, as well as to any shares subsequently acquired by the same shareholder by exercising the rights attached to these registered shares.

#### Dividends

The Board of Directors may propose the distribution of dividends to the Company's shareholders up to the full amount of the Company's profit and distributable reserves. These distributions are made as decided by the Company's shareholders during a General Meeting. The Group has not made dividend payments for the past three years.

#### TREASURY SHARES

At March 31, 2020, the Company has no treasury shares.

## CBI SA STOCK OPTION PLAN

At March 31, 2020, the Company has no stock-option plan.

## NOTE 11 – PROVISIONS FOR CONTINGENCIES AND LOSSES – CURRENT / NON-CURRENT

In the normal course of business, Group companies may be involved in a number of legal, arbitral, administrative, and tax proceedings.

As at March 31, 2020, there is no such proceeding, and there is no provision for contingencies or losses.

## NOTE 12 – DEBT

### DEBT ANALYSIS BY TYPE

The Group has no financial debt.

### DEBT ANALYSIS BY INTEREST RATE (FIXED – FLOATING)

This section is not applicable.

## NOTE 13 – LEASE LIABILITIES - CURRENT AND NON-CURRENT

The Group has no lease liability.

## NOTE 14 – OTHER CURRENT AND NON-CURRENT LIABILITIES

Other liabilities break down as follows:

(000's of euros)	March 31, 2020	March 31, 2019
Other non-current liabilities	226.9	221.3
<b>Other non-current liabilities</b>	<b>226.9</b>	<b>221.3</b>
Trade payables	-	-
Tax liabilities	-	-
Other current liabilities	128.0	94.6
<b>Other current liabilities</b>	<b>128.0</b>	<b>94.6</b>

Other current liabilities represent €128 as at March 31, 2020, mainly promissory notes due to former equity holders in the subsidiaries.

## NOTE 15 – SEGMENT INFORMATION

IFRS 8 defines an operating segment as a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity)

- whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and
- for which discrete financial information is available

CBI operates in one single operating segment (blockchain).

CBI's business is understood to be fully contained within a single operating segment representative of its cash-generating unit (CGU). Performance indicators regularly tracked by the chief operating decision maker ('CODM') are the Group's revenue, EBIT and consolidated net income.

#### NOTE 16 – CURRENT OPERATING EXPENSES

For the purposes of comparison with other companies in the sector, CBI presents its consolidated income statement by function.

##### Research and development expenses

Research and development expenses amount to €82 for FY2020, compared with €135 for the previous financial year. This decrease, net of the amounts capitalized as intangible assets in development, is consistent with the timeline of the releases of the games.

Research and development expenses are analyzed as follows:

(000's of euros)	March 31, 2020	March 31, 2019
R&D expenditures	82.1	134.6
R&D capitalized	-	-
Amortization	-	-
<b>Research and development expenses</b>	<b>82.1</b>	<b>134.6</b>

##### Marketing and sales expenses

Marketing and sales expenses totaled €348 during FY2020. In FY2019, they totaled €47, with this increase reflecting the addition of a deal and start-up costs in connection therewith.

##### General and administrative expenses

General and administrative expenses are less than 5% of the revenue in both financial years.

#### NOTE 17– OTHER OPERATING INCOME AND EXPENSES

At March 31, 2020, the amount of other operating income and expenses is not significant.

#### NOTE 18 – OTHER INCOME AND EXPENSES

Other income and expenses are negligible.



## **NOTE 19 – NET FINANCIAL INCOME (EXPENSE)**

Net financial income is negligible.

At March 31, 2020, the cost of debt is nil.

## **NOTE 20 – INCOME TAX**

### **ANALYSIS OF THE TAX CHARGE**

The Group did not have any significant tax expense for the year ended March 31, 2020.

### **ANALYSIS OF DEFERRED TAXES**

The subsidiaries are Limited Liability Companies (“LLCs”) that are tax transparent. Profits are taxed in the hands of the shareholders. CBI may therefore pay income taxes at applicable corporate rates in the future.

The Group has no deferred tax.

## **NOTE 21 – DISCONTINUED OPERATIONS**

### **NET INCOME FROM DISCONTINUED OPERATIONS**

For FY 2019-2020, there are no discontinued activities.

For FY 2018-2019, there were no discontinued activities.

### **ASSETS AND LIABILITIES HELD FOR SALE**

At March 31, 2020, there are no assets or liabilities held for sale.

At March 31, 2019, there were no assets or liabilities held for sale.

## **NOTE 22 – OFF-BALANCE SHEET COMMITMENTS**

### **COMMITMENTS GIVEN**

At March 31, 2020, there are no commitments given.

At March 31, 2019, there are no commitments given.

### **COMMITMENTS RECEIVED**

At March 31, 2020, there are no commitments received.

At March 31, 2019, there are no commitments received.

## **NOTE 23 – MARKET RISK MANAGEMENT**

The holding company is responsible for risk management according to the context of the financial markets and the procedures established by management. Foreign exchange transactions are carried out according to local laws and access to the financial markets. Subsidiaries may enter into contracts directly with local banks under the supervision of the holding company CBI SA and in accordance with the Group's procedures and policies.

### **FOREIGN EXCHANGE RISKS**

For foreign exchange risks related to the financing of subsidiaries, they are concentrated at parent company level and, where appropriate, specific hedges are put in place according to the financing strategies envisaged. At March 31, 2020, the Group had not implemented a currency hedging policy on all of these amounts, as they relate to the long-term financing of the Group's US operations.

Each of the main currency zones (euro, US dollar) is overall balanced between cash inflows and disbursements. For this reason, the Group has not implemented a currency hedging policy on its commercial operations.

Nevertheless, since the Group's consolidated financial statements are presented in Euro, the assets, liabilities, income, and expenses that are initially recorded in currencies other than the Euro must be translated into Euro at the applicable exchange rate before they are included in the Group's consolidated financial statements. If the Euro appreciates against any other currency, the value in Euro of the Group's assets, liabilities, income and expenses initially denominated in another currency will decrease. The opposite is true if the Euro depreciates. As a result, changes in the Euro's exchange rate may have an effect on the value in Euro of the Group's assets, liabilities, income and expenses outside the currency zone, even if their value remains unchanged in their original currency. The most significant foreign exchange risk relates to the revenue and profit of subsidiaries that initially record their transactions in US\$ and to the Group's intangible assets denominated in US\$.

An unfavorable change in the euro/dollar exchange rate would not have a significant impact on the overall currency position.

### **INTEREST RATE RISKS**

The Group does not have a dynamic management policy for its interest rate risk.

### **CREDIT RISKS**

The Company considers that, given the quality of the counterparties, the counterparty risk on sales is limited. Moreover, the business risk management procedures have ensured there is no excessive concentration of credit risk.

## **NOTE 24 – PROVISIONS AND CONTINGENT LIABILITIES**

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognized when the Group has a present (legal or constructive) obligation to a third party that is likely to cause an outflow of resources in favor of such third party, without at least equivalent compensation

expected from it and when a reliable estimate of the amount can be made. The share of a provision for less than one year is recorded as current, with the balance classed as non-current.

Apart from the contingencies referred to in this document, and for which provisions have been recorded, to the Company's best knowledge no proceedings have been brought by a government, and there are no judicial or arbitral proceedings, including any ongoing proceedings or threat of action that could have a significant impact on the Group's financial position and profitability or that have had such an impact in the last 12 months.

## **REGULATED AGREEMENTS**

The Company has entered into a lease agreement with respect to premises located at 68 bis rue Charles-Laffitte à Neuilly-sur-Seine (France) as from November 1, 2021, for a monthly lease of 25 000 euros. Mr. Frédéric Chesnais did abstain from voting as he is interested to this transaction since he has indirect ownership in the leased property.

## **EXECUTIVE COMPENSATION AND BENEFITS**

CBI's corporate officers are its directors, and the Chief Executive Officer is the only director to have an executive position.

The General Shareholders' Meeting approves the principles and criteria for determining, distributing and allocating the fixed and variable components of the overall compensation package and benefits of any kind to be awarded to the Company's executive officers in accordance with Article L.225-37-2 of the French commercial code.

### **COMPENSATION FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR FY 2019-2020**

#### **Annual fixed compensation**

There was no compensation.

#### **Variable compensation / Options**

There was no compensation and there was no stock option granted.

#### **Compensation due for directorships**

There was no compensation.

### **COMPENSATION FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR FY 2020-2021**

#### **Annual fixed compensation**

There is no fixed compensation.

#### **Variable compensation / Options**

The Board of Directors decided to allocate up a fixed bonus of 250,000 euros in the event of a listing of the shares of the Company.

### **Compensation due for directorships**

There is no compensation.

## **COMPENSATION FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR FY 2021-2022**

### **Annual fixed compensation**

There is a fixed monthly compensation which is equivalent to a monthly salary of twenty-five thousand (25.000) euros. However, as Mr. Frédéric Chesnais is treated as a consultant, the Company pays him the full cost that would be borne by the Company if he were an employee, and Mr. Frédéric Chesnais pays himself any social protection, retirement plan and/or social contributions. The gross amount thus paid by the Company amounts to forty two thousand (42.000) euros, and such amount is paid either to Mr. Frédéric Chesnais and/or to an entity Mr. Frédéric Chesnais controls, depending on Mr. Frédéric Chesnais's location and/or the place of work.

### **Variable compensation / Options**

The Board of Directors decided, as recommended by the Nomination and Compensation Committee, to allocate to the management team a pool of carried interest for each investment, equal to 20% of the return on investment generated by the Company after an annual hurdle rate of 10%. Mr. Frédéric Chesnais is allocated 40% of such pool, the balance of the pool being allocated to the investment team and the board. The individual members of that management team are selected from time to time by the Compensation and Nomination Committee. The allocation among the members of such management team is decided by the Board of Directors, upon recommendation of Compensation and Nomination Committee.

The Board of Directors also decided, as recommended by the Nomination and Compensation Committee, to allocate an annual discretionary bonus which could represent (except in exceptional circumstances) between 0% and 100% of the annual fixed compensation paid, incorporating the following elements: level of revenue, EBITDA margin, cash generation, share price performance, growth in recurring net earnings per share, which makes it possible to take into account all the other elements on the income statement, as well as various objective criteria related to the activity, in addition to the return on investment allocated under the prior paragraph.

In addition, under the delegation of authority granted by the General Meeting, the Board of Directors reserves the right to award stock options as part of an option plan.

In addition, in the event of a listing of the shares of the Company and unless such bonus has already been paid during a prior year, Mr. Frédéric Chesnais will be allocated a fixed bonus of 250,000 euros, grossed up for any social protection, retirement plan and/or social contributions in the same proportions as the ones indicated above for his monthly compensation.

In the event of a creation of a crypto currency by the Company, fifteen per cent (15%) will be set aside for compensation of the Management team, of which eight per cent (8%) for the Chief Executive Officer.

This compensation policy was approved at the General Shareholders' Meeting on January 6, 2021 and further approved on July 22, 2021.

## COMPENSATION FOR DIRECTORS

### Annual fixed compensation

There is no fixed compensation.

### Compensation due for directorships

The directors receive compensation for their office (previously “directors’ fees”). The maximum budget for the compensation to be distributed between the directors is voted on by the General Shareholders’ Meeting, as proposed by the Board of Directors, based on recommendations from the Nomination and Compensation Committee, taking into account the Company’s interests.

Each Director will be allocated a fixed bonus of 50,000 euros in the event of a listing of the shares of the Company.

For FY 2021-2022 and the following years, the Board of Directors set, subject to approval by the General Meeting deliberating on the financial statements for the year ended March 31, 2022, the compensation for directorships to twenty five thousand euros per year. In addition, each Director will be allocated a fixed bonus of 50,000 euros in the event of a listing of the shares of the Company, unless such bonus has already been paid during a prior year.

In addition, 5% of the pool of carried interest is split equally among the directors other than the CEO.

In the event of a creation of a crypto currency by the Company, five per cent (5.0%) will be set aside for compensation of the directors, of which two per cent (2.0%) for the Chairman of the Board and one and a half per cent (1.5%) for each director.

### Compensation for non-executive corporate officers:

None.

This compensation policy was approved at the General Shareholders’ Meeting on January 6, 2021 and further approved on July 22, 2021.

## NOTE 26 – SUBSEQUENT EVENTS

### **Continued impact of the Covid-19 pandemic:**

Faced with the ongoing current health crisis, the Group has taken the necessary measures to ensure the safety of its employees and the continuity of operations, despite the continued work from home arrangements that are still in effect as of the date of this document. The duration of this situation and its proportions are not predictable. Greatly varying consequences can be observed depending on the Group’s different activities, with a negative impact expected for the licensing activities due to the delays with renewals of licensing agreements. A positive impact has been observed for video game revenue.

The impact of Covid-19 is being closely monitored by the Group in order to take the necessary actions according to the situation.

### **Investment in new projects:**

There is no new project.

## Description of the Capital Increase

Ker Ventures contributed assets to the Company, in exchange for new shares being issued as well as a deferred payment recorded as a shareholder's loan. This loan does not bear interest.

(000's of euros)	Capital Increase
Cash	537.2
Atari Shares	2,624.0
Crypto-currencies	11,405.0
Investments in companies	11,908.1
Investments in consolidated entities	3,363.5
<b>Total contribution</b>	<b>29,837.7</b>
Issuance of shares	18,000.0
Consolidation premium	5,000.0
Shareholders' Loan	6,837.7
<b>Total compensation</b>	<b>29,837.7</b>

## NOTE 27 – STATUTORY AUDITORS' FEES

Given the fact that the financial statements are prepared on a proforma basis, the fees for the financial years ended March 31, 2020 and March 31, 2019 in respect of the statutory audit of the annual financial statements and the audit of the consolidated financial statements are not listed below.

### 18.3. Auditors report on the proforma consolidated -annual financial statements as at March 31, 2021



CONSOLIDATED FINANCIAL STATEMENTS AT MARCH 31, 2021

#### AUDITORS REPORT ON THE PROFORMA CONSOLIDATED FINANCIAL STATEMENTS

Au président du Conseil d'administration,

En notre qualité de commissaire aux comptes titulaire de votre Société et en application du règlement (UE) n°2017/1129 complété par le règlement délégué (UE) n°2019/980, nous avons établi le présent rapport sur les informations pro forma consolidées de la société CRYPTO BLOCKCHAIN INDUSTRIES relatives aux exercices 2020 et 2021 inclus dans le présent document d'information établi à l'occasion de l'apport envisagé comme expliqué ci-dessous (les « Informations Financières Pro Forma »)

Ces Informations Financières Pro Forma consolidées ont été préparées aux seules fins d'illustrer l'effet que les opérations d'apports décrites dans les notes « Basis of presentation of the proforma financial statements » et « Description of the Capital Increase » auraient pu avoir sur le bilan et le compte de résultat consolidés de la société CRYPTO BLOCKCHAIN INDUSTRIES au 31 mars 2021 et au 31 mars 2020 si ces opérations avaient été réalisées comme indiqué ci-dessous :

- L'apport des sociétés opérationnelles OP Productions, LLC et Free Reign East, LLC a été effectué sur une base proforma le 1er avril 2019. Les comptes proforma reflètent l'activité entière de ces deux sociétés sur les périodes du 1er avril 2019 au 31 mars 2020 et du 1er avril 2020 au 31 mars 2021 ;
- L'apport des disponibilités, des actions ATARI, des tokens ATARI et de l'investissement dans National Carrier Exchange, LLC a été effectué sur une base proforma au 31 mars 2021, soit en fin de période.

De par la nature même des comptes proforma, ils décrivent une situation hypothétique et ne sont pas nécessairement représentatifs de la situation financière ou des performances qui auraient pu être constatées si l'opération était survenue à une date antérieure à celle de sa survenance réelle ou envisagée.

Ces Informations Financières Pro Forma consolidées ont été établies sous votre responsabilité en application des dispositions du règlement (UE) n° 2017/1129 et des recommandations ESMA relatives aux Informations Financières Pro Forma.

Il nous appartient, sur la base de nos travaux, d'exprimer une conclusion, dans les termes requis par l'annexe 20, section 3, du règlement délégué (UE) n°2019/980, sur le caractère adéquat de l'établissement des Informations Financières Pro Forma consolidées sur la base indiquée.

Nous avons mis en œuvre les diligences que nous avons estimées nécessaires au regard de la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette mission. Ces travaux qui ne comportent pas d'examen des informations financières sous-jacentes à l'établissement des Informations Financières Pro Forma consolidées ont consisté principalement à vérifier que les bases à partir desquelles ces Informations Financières Pro Forma consolidées ont été établies concordent avec les documents sources, tels que décrits dans les notes explicatives aux Informations Financières Pro Forma consolidées, à examiner les éléments probants justifiant les retraitements pro forma et à nous entretenir avec la direction de la Société CRYPTO BLOCKCHAIN INDUSTRIES pour collecter les informations et les explications que nous avons estimé nécessaires.



## CONSOLIDATED FINANCIAL STATEMENTS AT MARCH 31, 2021

A notre avis :

- les Informations Financières Pro Forma consolidées ont été établies correctement sur la base indiquée ;
- cette base est conforme aux méthodes comptables appliquées par l'émetteur.

Ce rapport est émis aux seules fins de l'enregistrement du document d'information auprès d'Euronext et, le cas échéant, de l'offre au public de titres financiers de la Société en France et dans les autres pays de l'Union européenne dans lesquels un prospectus serait notifié, et ne peut être utilisé dans un autre contexte.

Fait à Lyon, le 23 juillet 2021

Le Commissaire aux Comptes

**RSM Rhône-Alpes**

Société de Commissariat aux Comptes

Membre de la Compagnie Régionale de Lyon



François de BUSTAMANTE  
Associé



#### 18.4. Consolidated annual proforma Financial Statement at March 31, 2021

##### CONSOLIDATED INCOME STATEMENT

(000's of euros)		March 31, 2021	March 31, 2020
Revenue		493,6	747,1
Cost of goods sold		(1,3)	-
<b>GROSS MARGIN</b>		<b>492,3</b>	<b>747,1</b>
Research and development expenses		(102,6)	(82,1)
Marketing and selling expenses		(87,1)	(348,1)
General and administrative expenses		(3,2)	(8,5)
Other operating income (expense)		-	-
<b>CURRENT OPERATING INCOME (LOSS)</b>		<b>299,4</b>	<b>308,4</b>
Restructuring costs		-	-
Other income (expense)		-	-
<b>OPERATING INCOME (LOSS)</b>		<b>299,4</b>	<b>308,4</b>
Cost of debt		-	-
Other financial income (expense)		-	-
Income tax		-	-
<b>NET INCOME (LOSS) FROM CONTINUING OPERATIONS</b>		<b>299,4</b>	<b>308,4</b>
Net income (loss) from discontinued operations		-	-
<b>NET INCOME (LOSS) FOR THE YEAR</b>		<b>299,4</b>	<b>308,4</b>
Group share		149,1	151,9
Minority interests		150,4	156,5
Basic earnings per share (in euros)		0,008	0,008
Diluted earnings per share (in euros)		0,008	0,008

## CONSOLIDATED BALANCE SHEET

ASSETS (000's of euros)	March 31, 2021	March 31, 2020
IP Rights	852,9	912,7
LT Receivables / Goodwill	3 381,8	91,3
<b>Non-current assets</b>	<b>4 234,7</b>	<b>1 004,0</b>
Deferred Expenses	-	29,8
Investments	23 689,3	-
Cash and cash equivalents	603,3	0,4
<b>Current assets</b>	<b>24 292,6</b>	<b>30,2</b>

<b>Total assets</b>	<b>28 527,3</b>	<b>1 034,2</b>
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EQUITY & LIABILITIES (000's of euros)	March 31, 2021	March 31, 2020
Capital stock	18 210,4	0,8
Retained Earnings	5 306,4	215,9
Net income (loss) Group share	149,1	151,9
<b>Shareholders' equity</b>	<b>23 665,8</b>	<b>368,6</b>
Minority interests	277,7	310,7
<b>Total equity</b>	<b>23 943,5</b>	<b>679,3</b>
Shareholders' Loan	4 583,8	-
Non-current financial liabilities	-	226,9
<b>Non-current liabilities</b>	<b>4 583,8</b>	<b>226,9</b>
Deferred Revenue	-	30,9
Distribution Fees	-	97,0
<b>Current liabilities</b>	<b>-</b>	<b>128,0</b>

<b>Total equity and liabilities</b>	<b>28 527,3</b>	<b>1 034,2</b>
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The following notes are an integral part of the consolidated financial statements.

## CONSOLIDATED CASH FLOW

<b>(000's of euros)</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>Net cash (used)/generated in operating activities</b>	<b>53,8</b>	<b>155,4</b>
of which continuing operations	53,8	155,4
<b>Net cash (used)/generated in investing activities</b>	<b>(26 901,2)</b>	<b>-</b>
of which continuing operations	(26 901,2)	-
of which intangible assets and fixed assets	-	-
<b>Net cash provided (used in) by financing activities</b>	<b>27 450,2</b>	<b>(159,0)</b>
of which continuing operations	27 450,2	(159,0)
of which interest paid	-	-
<b>Other cash flows</b>	<b>-</b>	<b>-</b>
		-
<b>Net change in cash and cash equivalent</b>	<b>602,9</b>	<b>(3,5)</b>
<b>Cash Beginning of Period</b>	<b>0,4</b>	<b>3,9</b>
Net change in cash and cash equivalent	602,9	(3,5)
<b>Cash End of Period</b>	<b>603,3</b>	<b>0,4</b>

## STATEMENT OF CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY

<b>Equity as at March 31, 2020 (000's of euros)</b>	<b>368,6</b>
Net income, Group Share	149,1
Capital increase	23 000,0
Distribution of dividends	(82,9)
Financial assets valued at fair value through other comprehensive income	-
Currency fluctuations	231,1
Other variations	-
<b>Equity as at March 31, 2021 (000's of euros)</b>	<b>23 665,8</b>

## **BASIS OF PRESENTATION OF THE PROFORMA FINANCIAL STATEMENTS**

Crypto Blockchain Industries, SA (“CBI” or the “Company”) is a French-law company.

These proforma financial statements have been prepared so as to illustrate the impact that the following transactions would have had on the balance sheet and income statement of the Company as at March 31, 2021 and March 31, 2020 if they had been implemented as follows:

The contribution in kind of operating companies OP Productions, LLC and Free Reign East, LLC as at April 1, 2018. The present proforma financial statements do reflect the activities of these 2 companies from April 1, 2019 to March 31, 2021;

- The contribution in kind of cash, ATARI shares and ATARI tokens ATARI and the investment in National Carrier Exchange, LLC as at September 30, 2020, i.e. after the date of closing of the financial statements;
- All the new shares are deemed issued on September 30, 2020.

The contribution in kind is subject to the conditions precedent of (i) the effective transfer of the assets to the Company by Ker Ventures, EURL, the contributing company, and of (ii) its approval by the shareholders of the Company and the issuance of the new Company shares. The completion of such conditions precedent is pending as of the date of the present proforma financial report.

The proforma restatements are as follows: (i) inclusion as at April 1, 2018 of the results and operations of operating companies OP Productions, LLC and Free Reign East, LLC, even if the Company shares compensating such contribution are deemed to be issued on September 30, 2020; and (ii) proforma completion as at September 30, 2020 of the contribution in kind of the other assets, thereby assuming that the conditions precedent set forth above have been met at that date.

## **GROUP PRESENTATION**

CBI is one of the very few companies offering a global investment approach, covering all domains of the Crypto Blockchain Industries, investing after careful selection in the portions of the value chain offering the best opportunities:

- Operating Businesses: CBI controls, alone or with partners, its own blockchain business (transportation, games)
- Investments: CBI invests in start-up companies; CBI also invests and assists existing companies in a digital transition to the blockchain space
- Intellectual Properties: CBI can invest into property rights (IPs), building its own portfolio of IPs
- Portfolio Management: CBI holds and manages a portfolio of crypto-currencies and tokens, and also owns highly liquid assets such as cash and listed shares in the videogame/blockchain space

CBI's investment strategy is to keep investing in ongoing businesses and start-up companies, as well as crypto-currencies and tokens.

CBI's permanent focus is to build the portfolio, maximize Return On Investment and operate on very low overhead, targeting the best opportunities in the industry. CBI uses financing techniques to leverage its resources, with a constant focus on securing guarantees in order to protect the downside.

The complementary nature of these business lines enables the optimization of synergies.

The corporate purpose of the Company CBI, in accordance with article 2 of its by-laws, in France or abroad, directly or indirectly, is:

- the design, production, publishing and distribution of all blockchain, multimedia and other services providing an interactive experience, of any nature whatsoever, in any form including software, data processing and content – either interactive or otherwise – for all media and by means of all present and future means of communication;
- the purchase, sale, supply and more generally distribution of all products and services related to the foregoing;
- the creation, acquisition, use and management of intellectual and industrial property rights or other in rem and in personam rights, including by means of assignment, licensing, patents, trademarks and other copyrights;
- the acquisition, the search for partnerships and the acquisition of interests in other firms, including the formation of new entities and the issuance, subscription or transfer of securities in any business directly or indirectly related to the foregoing or to the products and ideas developed by the company;
- and, more generally, any transactions with a purpose similar or related to the foregoing, or otherwise likely to benefit the company.

## **NOTE 1 – HIGHLIGHTS OF THE PERIOD**

The highlights of the period are, on a proforma basis:

- Additional investments in National Carrier Exchange, LLC, a company whose goal is to develop a market place for trucks and freight;
- Pursuit of the operations of the games.

## **NOTE 2 – ACCOUNTING RULES AND METHODS**

### **GENERAL PRINCIPLES**

CBI's consolidated financial statements have been prepared in accordance with IFRS (standards and interpretations) as adopted in the European Union and mandatory from April 1, 2020, with the exception of the new rules and interpretations, whose application is not mandatory for the 2020-2021 financial year.

The Group's financial statements are presented in thousands of euros with one decimal, unless otherwise indicated. Figures rounded to the nearest thousand euros may in some situations lead to minor discrepancies in the totals and subtotals of the tables.

### **Preparation of the Financial Statements**

The Group's condensed consolidated financial statements at March 31, 2021 have been prepared:

- in accordance with IAS/IFRS and their interpretations as adopted by the European Union. These standards are available on the European Commission website: [http://ec.europa.eu/finance/company-reporting/index\\_fr.htm](http://ec.europa.eu/finance/company-reporting/index_fr.htm);
- in accordance with IFRS as published by the IASB;
- applying the same principles and accounting methods as those applied as of March 31, 2020, except for standards, amendments, and interpretations which applied for the first time to financial years beginning after April 1, 2020.

## **CHANGE IN ACCOUNTING METHODS**

### **IFRS 16**

On April 1, 2019, the Group applied for the first time IFRS 16 – Leases, which came into effect for financial years beginning after January 1, 2019. This has no impact for the Group.

## **METHODS AND BASIS FOR CONSOLIDATION**

### **Full consolidation**

All companies in which the Group exercises control, i.e. in which it has the power to govern their financial and operating policies in order to obtain benefits from their activities, are fully consolidated.

### **Basis for Consolidation**

All of the consolidated companies are listed in the table below:

Name	Type of Company	Country	% held
<i>Crypto-Blockchain Industries, SA</i>	SA	<i>France</i>	<i>Parent</i>
<i>OP Productions, LLC</i>	Limited Liability Company	<i>USA</i>	<i>50.00%</i>
<i>Free Reign East, LLC</i>	Limited Liability Company	<i>USA</i>	<i>50.00%</i>

## **INTERNAL TRANSACTIONS**

All transactions between the consolidated companies and the internal results of the consolidated entity are eliminated.

## **FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate prevailing on the transaction date. On the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rates prevailing at the balance sheet date. All differences are recorded in profit or loss for the period, except for

differences on foreign currency borrowings that constitute a hedge of the net investment in a foreign entity. These are directly charged to equity until the outflow of the net investment.

Foreign exchange differences resulting from the translation of net investments in foreign subsidiaries are recognized directly in equity.

## CONVERSION OF THE INDIVIDUAL FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES

The operating currency of foreign affiliates is the local currency in effect.

Assets and liabilities of foreign subsidiaries are translated at the exchange rate recorded at the balance sheet date. The items in their income statement are translated at the average rate for the period. The resulting translation difference is recognized directly in shareholders' equity under "Translation differences," for the Group's share and under "Minority Interests" for the portion attributable to third parties. This difference impacts the result only when the company is sold or removed from the basis for consolidation.

The exchange rates of the main currencies used by the Group are as follows:

	March 31, 2021		March 31, 2020	
	Closing rate	Average rate	Closing rate	Average rate
USD	1.1725	1.1675	1.0956	1.1113

## NON-CURRENT ASSETS HELD FOR SALE & DISCONTINUED OPERATIONS

None.

## USE OF ESTIMATES

Preparing the consolidated financial statements in accordance with the rules of IFRS requires the Group to make a certain number of estimates and to adopt certain assumptions that it considers reasonable and realistic. These estimates and assumptions affect the amount of assets and liabilities, shareholders' equity, profits, and the amount of contingent assets and liabilities, as presented as of the balance sheet date.

Estimates may be revised if the circumstances on which they were based change, or as a result of new information. Actual results may differ from these estimates and assumptions.

The estimates and assumptions prepared on the basis of the information available as of the balance sheet date relate in particular to: valuations of non-current assets, recoverable amounts of deferred tax assets, provisions for risks.

There is still inherent uncertainty in the realization of the objectives, the operating budget and the financing plan, and the failure of these assumptions to materialize may affect the value of the Group's assets and liabilities.

## **OTHER INTANGIBLE FIXED ASSETS**

Intangible fixed assets mainly include items such as acquired enterprise software and license rights, brands and development costs for applications.

### **Licenses**

Licenses for the right to use intellectual property are recognized as intangible fixed assets from the date of signature of the contract when no significant obligation is expected from the lessor; the capitalized amount corresponds to the discounted sum of the annual minimum fees stipulated in the contract. Amounts paid above guaranteed minimums are expensed.

These licenses are amortized from their execution date using the highest rate of either the contractual rate applied to the units sold or the linear rate based on the life of the license. The amortization expense is recorded in "Cost of Sales."

The Group regularly checks the recoverable amount of the amounts capitalized and conducts an impairment test, as described in paragraph 2.11, as soon as indicators of impairment appear. An impairment is, if necessary, recorded under "Cost of Sales" if the game to which this license is attached has been marketed, and under "Research and Development Expenses" if not.

### **Development Costs of Applications**

In accordance with IAS 38, an intangible fixed asset resulting from development (or the development phase of an internal project) must be recognized if, and only if, an entity can demonstrate all of the following:

- (a) That it is technically feasible to complete the intangible fixed asset for commissioning or sale.
- (b) That it intends to complete the intangible fixed asset and commission or sell it.
- (c) That it is able to commission the intangible fixed asset or sell it.
- (d) The way in which the intangible fixed asset will generate probable future economic benefits. The entity will demonstrate, among other things, that there is a market for the production resulting from the intangible fixed asset, or for the intangible fixed asset itself or, if it is to be used internally, that it is useful.
- (e) That there are adequate technical, financial, and other resources available to fully develop and commission or sell the intangible fixed asset.
- (f) That it is able to reliably estimate the expenditures attributable to the intangible fixed asset during its development.

The Group recognizes a charge for development costs (internal or external studio development expenses) if it considers that the project does not meet all of the above criteria.

At the financial year-end, the residual net book value is compared with future sales projections to which the contract's conditions are applied. If those sales projections fall short, a provision for additional impairment is recognized as a result.



### **Other Intangible Fixed Assets**

Other intangible assets include identifiable intangible assets arising from acquisitions (e.g. brands) and software acquired for internal use (e.g. accounting software). With the exception of brands, these fixed assets are amortized under “General and Administrative Expenses” or “Research and Development Expenses” on a straight-line basis over a period that cannot exceed their estimated useful lives (between one and four years).

### **TANGIBLE FIXED ASSETS**

Tangible fixed assets are accounted for under the cost method at their acquisition value less depreciation and impairment. Depreciation is calculated using the straight-line method over the estimated useful life of the assets concerned. Improvements on rented property are depreciated over their estimated useful life or over the term of the lease if the latter is shorter. The term of the lease takes into account the possible renewal periods. Land is not depreciated.

The estimated useful lives of fixed assets are as follows:

- Computer equipment: 1 to 3 years
- Furniture and fixtures and other equipment: 3 to 10 years

### **RIGHTS OF USE RELATING TO LEASES**

When the Group is the lessee, leases (with the exception of short-term leases and leases of low value assets) are accounted for by recognizing a right-of-use asset in tangible fixed assets at the date when the leased asset is available for use.

The corresponding liability towards the lessor is recognized on the balance sheet as a financial obligation. Payments under the lease are split between financial costs and the repayment of the lease obligation, so that a constant interest rate is obtained for the remaining amount due on the liability side of the balance sheet.

A right-of-use asset is amortized over the contractual period which was determined to calculate the corresponding lease liability.

### **IMPAIRMENT TEST**

The Group regularly performs impairment tests on its assets: goodwill, intangible fixed assets, and tangible fixed assets. For tangible fixed assets and intangible fixed assets with a fixed useful life, this impairment test is performed as soon as indicators of impairment are observable.

These tests consist of comparing the net book value of the assets with their recoverable value, which corresponds to the higher of either their fair value less sale costs or their value in use, estimated by the net present value of the future cash flows generated by their use.

When the fair value of an intangible fixed asset (excluding goodwill) or a tangible fixed asset is assessed during a financial year and the recoverable amount exceeds the book value of the asset, any impairment losses recorded in prior years are recognized in profit or loss.

For goodwill and other intangible fixed assets with an undetermined useful life and intangible fixed assets in progress, an impairment test is systematically performed each year on the basis of the highest of the following values and each time an indicator of impairment is observed:

- Updated projection of future operating cash flows over four years and of a residual value
- Net selling price if there is an active market

When the selling price net of disposal costs cannot be determined reliably, the book value of the fixed assets is compared to the net present value of future cash flows excluding financial expenses but after tax.

The residual value results from the discounting to infinity of a normative cash flow determined based on the cash flow from the last year of the business plan to which a long-term growth rate has been applied. The rate used to discount cash flows corresponds to the Group's average cost of capital.

If the annual impairment test reveals a recoverable value that is lower than the net book value, an impairment is recognized to reduce the book value of the fixed assets or goodwill to their fair value.

Impairment losses recorded on goodwill are never recognized in profit or loss.

## **NON-CURRENT FINANCIAL ASSETS**

Financial assets consist of securities of non-consolidated companies, investments in related companies, derivative instruments not designated as hedges, deposits and loans, marketable securities, cash and cash equivalents, and trade receivables.

Financial assets are classified as "non-current", except for those due less than 12 months after the reporting date, which are classified as "current assets" or "cash & cash equivalents", as appropriate.

In accordance with IFRS 9 – *Financial Instruments*, financial assets held by the Group are classified based on the business model and its objectives:

- assets measured at amortized cost (financial assets held in order to collect the contractual cash flows),
- assets measured at fair value (financial assets held for resale and to collect the contractual cash flows).

The classification depends on the nature and objective of each financial asset and is determined when it is initially recognized.

Treasury shares held by the parent company or one of its consolidated subsidiaries are presented as a deduction from consolidated shareholders' equity at their acquisition value or their entry value in the consolidated balance sheet. Gains or losses realized on the sale of these shares are eliminated from the consolidated income statement and recognized in consolidated shareholders' equity.

## **INVENTORIES**

When inventories are recognized, they are valued using the FIFO (first in, first out) method. Their gross value includes the purchase price plus incidental purchase costs. Financial expenses are excluded from the value of inventories. A provision for depreciation/amortization is recognized in order to reduce the value of inventories to their net realizable value when their probable market value is lower than their

cost price. This depreciation/amortization is recorded under “Cost of Sales” in the consolidated income statement.

### **TRADE ACCOUNTS RECEIVABLE**

Trade accounts receivable are recorded at their fair value, which generally corresponds to their nominal value. Loans considered doubtful are subject to provisions for impairment determined according to their risk of non-recovery.

IFRS 9 requires accounting for expected credit losses on trade receivables. The Group has thus completed a review of its trade receivables based on an analysis of the country risk and the default probability of the counterparties. This review did not result in any material impact on the Group’s financial position.

### **CASH AND CASH EQUIVALENTS**

In accordance with IAS 7 — Statement of Cash Flows, the cash and cash equivalents shown in the consolidated cash flow statement include cash (cash on hand and demand deposits) and cash equivalents (highly liquid, short-term investments which are easily convertible into a known amount of cash and which are subject to a negligible risk of change in value).

Investments with an original maturity of more than three months with no early exit option are excluded from cash and cash equivalents.

### **SHARE-BASED PAYMENTS**

The Group makes share-based payments, paid in equity instruments in the form of stock options or free share awards.

Share-based payments, paid in equity instruments, are measured at fair value at the award date (excluding non-market conditions). The recognized cumulative expense is based on the fair value at the award date and the estimated number of shares that will ultimately be vested (taking into account the effect of non-market vesting conditions). It is recorded, throughout the vesting period, in current operating profit with a direct contra entry in equity.

The fair value of stock options is determined using the Black-Scholes model. This model makes it possible to take into account the characteristics of the plan (exercise price, exercise period), market data at the time of allocation (risk-free rate, stock price, volatility, expected dividends) and a behavioral assumption for the beneficiaries.

### **MINORITY INTERESTS**

In the consolidated financial statements, under equity, non-controlling shareholdings must be presented separately from the interest of the parent company’s owners. Comprehensive net income must be attributed to the owners of the parent company and to non-controlling interests, even if this results in a negative balance for non-controlling interests.

## **PROVISIONS**

A provision is recorded when there is an obligation (legal or implicit) towards a third party, resulting from past events, the measurement of which can be reliably estimated and which will probably result in an outflow of resources in favor of this third party without at least equivalent compensation expected from it. If the amount or timing cannot be reliably estimated, then it is a contingent liability that is an off-balance sheet commitment.

### **PROVISIONS FOR RETIREMENT AND SIMILAR BENEFITS**

#### **Defined Contribution Plans**

In accordance with the laws and practices in force in each country, the Group's subsidiaries take on commitments related to pension plans, life and disability insurance plans, the coverage of active employees' medical expenses and other plans concerning social benefits. In the case of commitments taken on exclusively under a defined contribution plan, the Group recognizes the related expenses as and when the contributions are due.

The Group recognizes the contributions to be paid as an expense under operating costs, when they are incurred, depending on the beneficiaries of the plan.

#### **Defined Benefit Plans**

Estimates of the Group's defined retirement benefit obligations are calculated annually, in accordance with IAS 19R, using the projected unit credit method. This method takes into account, based on actuarial assumptions, the probable duration of the employee's future service, future compensation level, life expectancy, discount rate, and the personnel turnover rate.

The amount provisioned for retirement and similar obligations corresponds to the present value of the defined benefit obligation. The actuarial gains and losses resulting from the change in the value of the discounted defined benefit obligation include, on the one hand, the effects of the differences between the previous actuarial assumptions and the realized actuarial assumptions, and, on the other hand, the effects of changes in actuarial assumptions. Actuarial gains and losses are fully recognized in equity.

### **FINANCIAL LIABILITIES AND INSTRUMENTS**

Financial liabilities include bonds and other borrowings, finance lease debts, and trade accounts payable.

Financial liabilities are included in "non-current", except for those due less than 12 months after the closing date, which are classified as "current liabilities".

### **Bond Debts and Other Borrowings**

Bond and other interest-bearing borrowings are initially recognized at fair value of the consideration received, which is the cost, net of expenses directly attributable to the issuance of the debt. These financial liabilities are then measured at amortized cost using the effective interest method. This interest rate corresponds to the internal rate of return that makes it possible to discount the series of expected cash flows over the life of the loan.

### **Trade Accounts Payable**

Trade accounts payable are initially recognized at fair value, which in most cases corresponds to their nominal value, and subsequently measured at amortized cost.

## **REVENUE RECOGNITION – REVENUE FROM ORDINARY ACTIVITIES**

### **Revenue from Games**

CBI accounts for its revenue from the sale of online games, and games on smartphones and tablets. The Group records its revenue by reporting to the relevant month the revenue reported by distributors or agents for the same period.

For each contract entered into, CBI examines the characteristics in order to determine whether it is appropriate to recognize the gross or net revenue of the services rendered by platforms:

- Liability in the transaction
- Freedom to determine the price
- Determination of the product's specifications
- Credit risk

On the basis of these criteria, and in accordance with IFRS 15, all revenue is measured at the fair value of the consideration received or receivable, net of VAT and other taxes and net of distribution costs.

## **RESEARCH AND DEVELOPMENT EXPENSES**

Research and development expenses are capitalized in the balance sheet when the criteria provided for in IAS 38 are met:

- 1) That it is technically feasible to complete the intangible fixed asset for commissioning or sale.
- 2) That the company intends to complete the intangible fixed asset and commission or sell it.
- 3) That the company is able to commission the intangible fixed asset or sell it.
- 4) That this intangible fixed asset can generate future economic benefits.
- 5) That the company has adequate technical, financial, and other resources available to fully develop and commission or sell the intangible fixed asset.
- 6) That the company is able to reliably estimate the expenditures attributable to the intangible fixed asset during its development.

Research and development expenses that do not meet these criteria are recognized as expenses in the year in which they are incurred.

The Group does not directly receive research tax credits.

## **MARKETING AND SALES EXPENSES**

Advertising and user acquisition costs for mobile and online games are expensed as and when they are incurred and included in the “Marketing and Sales Expenses” item of the consolidated income statement.

## **CURRENT OPERATING INCOME AND OPERATING INCOME**

Current operating income is comprised of gross margin less current operating expenses. Current operating expenses include research and development costs, marketing and sales expenses, general and administrative expenses, and share-based payment costs.

Operating income corresponds to current operating income after taking into account:

- Gains and losses on disposals of non-financial assets other than intellectual property rights
- Restructuring costs
- Impairment on goodwill or negative goodwill
- Impact of litigation and other non-recurrent items

## **FINANCIAL INCOME AND EXPENSES**

### **Cost of Debt**

Net financial debt consists of all current and non-current financial borrowings and debts, less cash and cash equivalents. The cost of net financial debt is comprised of expenses and income generated by the components of net financial debt during the period, including related net income from the interest rate and currency hedging. The net cost of debt notably includes the following items:

- Interest expense and income on consolidated net debt, consisting of bonds, the debt portion of hybrid instruments, other financial liabilities (including debt on finance leases) and cash and cash equivalents
- Other fees paid to banks on financial transactions

### **Other Financial Income and Expenses**

“Other Financial Income and Expenses” include the following items:

- Dividends received from non-consolidated shareholdings
- The effect of discounting provisions
- Capital gains and losses from the sale of financial assets
- Foreign exchange net income

## **TAXES**

The Group records tax expenses per applicable regulations.

## **EARNINGS PER SHARE**

The Group presents basic earnings per share and diluted earnings per share.

Earnings per share correspond to the Group's net income compared to the weighted average number of shares outstanding during the financial year, less treasury shares, if any.

Given the fact that this is a proforma analysis, the number of shares taken into account is the proforma number of shares at the date of the present Document and as of September 30, 2021.

Diluted earnings per share are calculated by dividing the restated Group share of net income by the weighted average number of common shares in circulation plus all potential dilutive common shares. Potential dilutive common shares, if any, include stock options or warrants, free shares, bonds convertible into shares and bonds repayable by shares issued by the Group.

## NOTE 3 – INTANGIBLE FIXED ASSETS

At March 31, 2021, intangible fixed assets break down as follows:

Gross value (000's of euros)	Games	IP Rights	Total
March 31, 2019	4,431.0	890.1	5,321.1
Acquisitions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	112.9	22.7	135.5
March 31, 2020	4,543.9	912.7	5,456.6
Acquisitions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	-	(59.9)	(59.9)
March 31, 2021	4,543.9	852.8	5,396.7
Amortization & provisions (000's of euros)	Games	IP Rights	Total
March 31, 2019	(4,431.0)	-	(4,431.0)
Amortization / Provisions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	(112.9)	-	(112.9)
March 31, 2020	(4,543.9)	-	(4,543.9)
Amortization / Provisions	-	-	-
Disposals / Retirements	-	-	-
Translation adjustments	-	-	-
March 31, 2021	(4,543.9)	-	(4,543.9)
Net value (000's of euros)	Games	IP Rights	Total
March 31, 2019	-	890.1	890.1
March 31, 2020	-	912.7	912.7
March 31, 2021	-	852.8	852.8

All the games are fully amortized.

The Intellectual Property Rights correspond to the acquisition price paid for one of the games.

At each financial year-end, the Group assesses the future economic benefits it will receive from these assets by using the principles set out in IAS 36—*Impairment of Assets*. These assets are valued according to a minimum budget. If a deviation from this budget is identified, and depending on how significant this deviation is, the amortization plan is accelerated, or the asset is impaired in full.



## **Licenses**

Licenses are rights acquired from third-party publishers.

At the end of the financial year, the residual net book value is compared to the future sales prospects to which the terms of the contract are applied. If these sales prospects are not sufficient, a provision for additional impairment is recorded accordingly.

## **NOTE 4 – RIGHTS OF USE RELATING TO LEASES**

This is not significant for the Group.

## **NOTE 5 – FINANCIAL INSTRUMENTS**

### **NON-CURRENT FINANCIAL ASSETS**

There are no non-current financial assets at March 31, 2021.

Financial assets are initially measured at fair value plus any transaction costs directly related to the acquisition in the case of a financial asset not measured at fair value through profit or loss. Acquisition costs for financial assets measured at fair value through profit or loss are recognized in the profit and loss statement.

The Group classifies its financial assets into the following three categories:

- amortized cost;
- fair value through other comprehensive income (FVTOCI);
- fair value through profit and loss.

The classification depends on the business model of the entity holding the asset defined by the Group and the cash flow characteristics of the financial instruments.

#### **Financial assets measured at amortized cost**

Financial assets are measured at amortized cost when they are not designated as FVTPL, when they are held in order to collect the contractual cash flows, and their cash flows are solely payments of principal and interest ("SPPI" criterion).

#### **Financial assets measured at fair value through other comprehensive income (OCI)**

This category comprises debt and equity instruments.

- Debt instruments are measured at FVTOCI if they are not designated as FVTPL and if they are held in order to both collect the contractual cash flows and sell the financial asset and if their cash flows are solely payments of principal and interest ("SPPI" criterion). Interest received, exchange rate profit or loss and impairments are recognized in profit or loss. Other net profit or loss is recognized in OCI. Upon derecognition, all cumulative gains or losses are then recognized in net earnings.

- Equity investments that are not held for trading can be measured at FVTOCI. The Group can make an irrevocable choice in that respect for each individual investment. Dividend income is then recognized in profit or loss unless it clearly corresponds to a partial repayment of the initial investment cost. Other profit or loss is recognized in OCI and never reclassified as profit or loss.

#### **Financial assets at fair value through profit and loss**

All assets not designated as measured at amortized cost or as fair value through OCI are measured at fair value through profit and loss. The net profit or loss, including interest or dividend income, is recognized as profit or loss.

#### **FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI**

None

#### **FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS**

None

#### **FINANCIAL ASSETS MEASURED AT AMORTIZED COST**

Non-current financial assets measured at amortized cost are primarily made up of:

- deposits and guarantees
- trade receivables, with a maturity over one year, recognized using the effective interest rate method.

#### **BALANCE SHEET INFORMATION**

Financial instruments consist of financial assets, financial liabilities, and derivatives.

Financial instruments are presented under different headings on the balance sheet (non-current financial assets, trade accounts receivable, trade accounts payable, financial debts, etc.).

The following table presents the breakdown for current financial assets and financial liabilities according to the different balance sheet headings and their breakdown by maturity.

As at March 31, 2021 (000's in euros)	Net Value	Schedule		
		Less than 1 year	Between 1 & 5 years	More than 5 years
Stock	-	-	-	-
Trade accounts receivables	-	-	-	-
Current tax liability	-	-	-	-
Other current assets	23 689,3	23 689,3	-	-
Cash and cash equivalent	603,3	603,3	-	-
<b>FINANCIAL ASSETS</b>	<b>24 292,6</b>	<b>24 292,6</b>	<b>-</b>	<b>-</b>
Lease liabilities	-	-	-	-
Shareholders' loan	4 583,8	-	4 583,8	-
Notes Payable	-	-	-	-
Current tax liabilities	-	-	-	-
Trade payables	-	-	-	-
Shareholders' loan	-	-	-	-
Other current liabilities	-	-	-	-
<b>FINANCIAL LIABILITIES</b>	<b>4 583,8</b>	<b>-</b>	<b>4 583,8</b>	<b>-</b>

## NOTE 6 – INVENTORIES

At March 31, 2021, the Group has no inventory.

## NOTE 7 – TRADE ACCOUNTS RECEIVABLE

At March 31, 2021, and March 31, 2020, the balance of trade accounts receivable corresponds to receivables from distributors, collected with a term of 30 to 60 days, in addition to receivables from online casino licenses.

The item “Trade accounts receivable”, after deducting sales returns and other future trade discounts, is -0- as at March 31, 2021.

(000's of euros)	March 31, 2021	March 31, 2020
Trade receivables	-	-
Provisions for impairment in value	-	-
<b>Trade receivables net value</b>	<b>-</b>	<b>-</b>

Receivables considered doubtful are subject to provisions for impairment determined according to their risk of non-recovery. The limited number of customers enables the Company to regularly review trade receivables. When a payment delay is noted, an analysis is carried out, notably concerning the age of the receivable, the customer's financial position, the possibility of negotiating a payment plan, guarantees received and possibly credit insurance to determine the recoverable amount. Any difference between the book value and the recoverable value is recognized under current operating income via an allowance for provisions. Impairment is considered final when the receivable itself is considered to be permanently irrecoverable and is then recognized as a loss.

## NOTE 8 – OTHER CURRENT ASSETS

Other current assets break down as follows:

( 000's of euros)	March 31, 2021	March 31, 2020
Receivables from employees	-	-
Prepaid and recoverable taxes	-	-
Current financial assets	-	-
Prepaid expenses	-	29.8
Investments	23,689.3	-
Other current assets	23,689.3	29.8

Prepaid expenses correspond to operating expenses related to the following year.

Investments do correspond to the holdings of Atari shares, tokens and investments in non-consolidated entities.

## NOTE 9 – CASH AND CASH EQUIVALENTS

The cash and cash equivalents shown in the consolidated cash flow statement include (i) cash (cash on hand and demand deposits) of €603.3 and (ii) cash equivalents (highly liquid, short-term investments which are easily convertible into a known amount of cash and which are subject to a negligible risk of change in value) measured at the market value on the balance sheet date.

( 000's of euros)	March 31, 2021	March 31, 2020
Cash (Cash on hand and demand deposits)	603.3	0.4
Cash equivalents (Highly liquid, short-term investments )	-	-
Cash and cash equivalents	603.3	0.4

## NOTE 10 – SHAREHOLDERS' EQUITY

### CAPITAL

#### Common shares

At the date of this Document and as at March 31, 2021, the Company's subscribed and fully paid-up capital totals is €18,037,000 divided into 18,037,000 shares with a par value of €1.0. The number of voting rights assigned to the Company's shares is 18,037,000. The 18,000,000 shares allocated to Ker Ventures, EURL represent the proforma issuance of shares, assuming full completion of the contribution of assets referred to above.

As at March 31, 2021 and as at the date of this Document, the breakdown of shareholders with more than 2% of the capital and voting rights was as follows:

Ownership	March 31, 2021 (Proforma)					
	Number of shares	%	Theoretical voting rights	%	Exercisable voting rights	%
Ker Ventures, EURL	18 000 000	99,79%	18 000 000	99,79%	18 000 000	99,79%
Ker Ventures, LLC	36 999	0,21%	36 999	0,21%	36 999	0,21%
Frédéric Chesnais	1	n/s	1	n/s	1	n/s
Public	0	0,00%	0	0,00%	0	0,00%
<b>Total</b>	<b>18 037 000</b>	<b>100,00%</b>	<b>18 037 000</b>	<b>100,00%</b>	<b>18 037 000</b>	<b>100,00%</b>

n/s: not significant

Registered shares may benefit from a double voting right if held for at least two years. At the date of this Document, no share is entitled to double voting rights.

There are no other shareholders who directly, indirectly or jointly own 2% or more of the Company's issued capital or voting rights.

The shares are not listed.

Each share entitles the holder to one vote on each of the resolutions submitted to the shareholders. A double voting right is attached to all the existing paid-up shares held by the same shareholder for a minimum of two years, as well as to any shares subsequently acquired by the same shareholder by exercising the rights attached to these registered shares.

## Dividends

The Board of Directors may propose the distribution of dividends to the Company's shareholders up to the full amount of the Company's profit and distributable reserves. These distributions are made as decided by the Company's shareholders during a General Meeting. The Group has not made dividend payments for the past three years.

## TREASURY SHARES

At March 31, 2021 and as at March 31, 2020, the Company has no treasury shares.

## CBI SA STOCK OPTION PLAN

At March 31, 2021 and as at March 31, 2020, the Company has no stock-option plan.

## NOTE 11 – PROVISIONS FOR CONTINGENCIES AND LOSSES – CURRENT / NON-CURRENT

In the normal course of business, Group companies may be involved in a number of legal, arbitral, administrative, and tax proceedings.

At March 31, 2021 and as at March 31, 2020, there is no such proceeding, and there is no provision for contingencies or losses.

## NOTE 12 – DEBT

### DEBT ANALYSIS BY TYPE

The Group has no financial debt.

### DEBT ANALYSIS BY INTEREST RATE (FIXED – FLOATING)

This section is not applicable.

## NOTE 13 – LEASE LIABILITIES - CURRENT AND NON-CURRENT

The Group has no lease liability.

## NOTE 14 – OTHER CURRENT AND NON-CURRENT LIABILITIES

Other liabilities break down as follows:

(000's of euros)	March 31, 2021	March 31, 2020
Shareholders' loan	4 583,8	-
Other non-current liabilities	-	226,9
<b>Other non-current liabilities</b>	<b>4 583,8</b>	<b>226,9</b>
Trade payables	-	-
Tax liabilities	-	-
Other current liabilities	-	128,0
<b>Other current liabilities</b>	<b>-</b>	<b>128,0</b>

The shareholders' loan is proforma, assuming full completion of the contribution of assets referred to above.

## NOTE 15 – SEGMENT INFORMATION

IFRS 8 defines an operating segment as a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity)
- whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and
- for which discrete financial information is available

CBI operates in one single operating segment (blockchain).

CBI's business is understood to be fully contained within a single operating segment representative of its cash-generating unit (CGU). Performance indicators regularly tracked by the chief operating

decision maker ('CODM') are the Group's revenue, EBIT and consolidated net income.

## NOTE 16 – CURRENT OPERATING EXPENSES

For the purposes of comparison with other companies in the sector, CBI presents its consolidated income statement by function.

### Research and development expenses

Research and development expenses amount to €102.6 for FY2021, compared with €82.1 for the previous financial year. This increase, net of the amounts capitalized as intangible assets in development, is consistent with the timeline of the releases of the games.

Research and development expenses are analyzed as follows:

(000's of euros)	March 31, 2021	March 31, 2020
R&D expenditures	102.6	82.1
R&D capitalized	-	-
Amortization	-	-
<b>Research and development expenses</b>	<b>102.6</b>	<b>82.1</b>

### Marketing and sales expenses

Marketing and sales expenses totaled €87.1 during FY2021. In FY2020, they totaled €348.1, the decrease of €261 reflects the deal and start-up costs which had been incurred in FY2020.

### General and administrative expenses

General and administrative expenses are less than 5% of the revenue in both financial years.

## NOTE 17– OTHER OPERATING INCOME AND EXPENSES

At March 31, 2021 and March 31, 2020, the amount of other operating income and expenses is not significant.

## NOTE 18 – OTHER INCOME AND EXPENSES

At March 31, 2021 and March 31, 2020, Other income and expenses are negligible.

## NOTE 19 – NET FINANCIAL INCOME (EXPENSE)

At March 31, 2021 and March 31, 2020, Net financial income is negligible.

At March 31, 2021 and March 31, 2020, the cost of debt is nil.

## **NOTE 20 – INCOME TAX**

### **ANALYSIS OF THE TAX CHARGE**

The Group did not have any significant tax expense for the year ended March 31, 2021 and March 31, 2020.

### **ANALYSIS OF DEFERRED TAXES**

The subsidiaries are Limited Liability Companies (“LLCs”) that are tax transparent. Profits are taxed in the hands of the shareholders. CBI may therefore pay income taxes at applicable corporate rates in the future.

The Group has no deferred tax.

## **NOTE 21 – DISCONTINUED OPERATIONS**

### **NET INCOME FROM DISCONTINUED OPERATIONS**

For FY 2020-2021, there are no discontinued activities.

For FY 2019-2020, there were no discontinued activities.

### **ASSETS AND LIABILITIES HELD FOR SALE**

At March 31, 2021, there are no assets or liabilities held for sale.

At March 31, 2020, there were no assets or liabilities held for sale.

## **NOTE 22 – OFF-BALANCE SHEET COMMITMENTS**

### **COMMITMENTS GIVEN**

At March 31, 2021, there are no commitments given.

At March 31, 2020, there were no commitments given.

### **COMMITMENTS RECEIVED**

At March 31, 2021, there are no commitments received.

At March 31, 2020, there were no commitments received.



## NOTE 23 – MARKET RISK MANAGEMENT

The holding company is responsible for risk management according to the context of the financial markets and the procedures established by management. Foreign exchange transactions are carried out according to local laws and access to the financial markets. Subsidiaries may enter into contracts directly with local banks under the supervision of the holding company CBI SA and in accordance with the Group's procedures and policies.

### FOREIGN EXCHANGE RISKS

For foreign exchange risks related to the financing of subsidiaries, they are concentrated at parent company level and, where appropriate, specific hedges are put in place according to the financing strategies envisaged. At March 31, 2021, the Group had not implemented a currency hedging policy on all of these amounts, as they relate to the long-term financing of the Group's US operations.

Each of the main currency zones (euro, US dollar) is overall balanced between cash inflows and disbursements. For this reason, the Group has not implemented a currency hedging policy on its commercial operations.

Nevertheless, since the Group's consolidated financial statements are presented in Euro, the assets, liabilities, income, and expenses that are initially recorded in currencies other than the Euro must be translated into Euro at the applicable exchange rate before they are included in the Group's consolidated financial statements. If the Euro appreciates against any other currency, the value in Euro of the Group's assets, liabilities, income and expenses initially denominated in another currency will decrease. The opposite is true if the Euro depreciates. As a result, changes in the Euro's exchange rate may have an effect on the value in Euro of the Group's assets, liabilities, income and expenses outside the currency zone, even if their value remains unchanged in their original currency. The most significant foreign exchange risk relates to the revenue and profit of subsidiaries that initially record their transactions in US\$ and to the Group's intangible assets denominated in US\$.

An unfavorable change in the euro/dollar exchange rate would not have a significant impact on the overall currency position.

### INTEREST RATE RISKS

The Group does not have a dynamic management policy for its interest rate risk.

### CREDIT RISKS

The Company considers that, given the quality of the counterparties, the counterparty risk on sales is limited. Moreover, the business risk management procedures have ensured there is no excessive concentration of credit risk.

## NOTE 24 – PROVISIONS AND CONTINGENT LIABILITIES

In accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, a provision is recognized when the Group has a present (legal or constructive) obligation to a third party that is likely to cause an outflow of resources in favor of such third party, without at least equivalent compensation expected from it and when a reliable estimate of the amount can be made. The share of a provision for less than one year is recorded as current, with the balance classed as non-current.

Apart from the contingencies referred to in this document, and for which provisions have been recorded, to the Company’s best knowledge no proceedings have been brought by a government, and there are no judicial or arbitral proceedings, including any ongoing proceedings or threat of action that could have a significant impact on the Group’s financial position and profitability or that have had such an impact in the last 12 months.

## NOTE 25 – RELATED-PARTY TRANSACTIONS

### REGULATED AGREEMENTS

The Company has entered into a lease agreement with respect to premises located at 68 bis rue Charles-Laffitte à Neuilly-sur-Seine (France) as from November 1, 2021, for a monthly lease of 25 000 euros. Mr. Frédéric Chesnais did abstain from voting as he is interested to this transaction since he has indirect ownership in the leased property.

### EXECUTIVE COMPENSATION AND BENEFITS

CBI’s corporate officers are its directors, and the Chief Executive Officer is the only director to have an executive position.

The General Shareholders’ Meeting approves the principles and criteria for determining, distributing and allocating the fixed and variable components of the overall compensation package and benefits of any kind to be awarded to the Company’s executive officers in accordance with Article L.225-37-2 of the French commercial code.

### COMPENSATION FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR FY 2020-2021

#### *Annual fixed compensation*

There was no compensation for the financial year ended March 31, 2021.

#### *Variable compensation / Options*

There was no compensation and there was no stock option granted for the financial year ended March 31, 2021.

#### *Compensation due for directorships*

There was no compensation for the financial year ended March 31, 2021.

## **COMPENSATION FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER FOR FY 2021-2022**

### *Annual fixed compensation for the financial year starting April 1, 2021*

There is a fixed monthly compensation which is equivalent to a monthly salary of twenty-five thousand (25.000) euros. However, as Mr. Frédéric Chesnais is treated as a consultant, the Company pays him the full cost that would be borne by the Company if he were an employee, and Mr. Frédéric Chesnais pays himself any social protection, retirement plan and/or social contributions. The gross amount thus paid by the Company amounts to forty two thousand (42.000) euros, and such amount is paid either to Mr. Frédéric Chesnais and/or to an entity Mr. Frédéric Chesnais controls, depending on Mr. Frédéric Chesnais's location and/or the place of work.

### *Variable compensation / Options for the financial year starting April 1, 2021*

The Board of Directors decided, as recommended by the Nomination and Compensation Committee, to allocate to the management team a pool of carried interest for each investment, equal to 20% of the return on investment generated by the Company after an annual hurdle rate of 10%. Mr. Frédéric Chesnais is allocated 40% of such pool, the balance of the pool being allocated to the investment team and the board. The individual members of that management team are selected from time to time by the Compensation and Nomination Committee. The allocation among the members of such management team is decided by the Board of Directors, upon recommendation of Compensation and Nomination Committee.

The Board of Directors also decided, as recommended by the Nomination and Compensation Committee, to allocate an annual discretionary bonus which could represent (except in exceptional circumstances) between 0% and 100% of the annual fixed compensation paid, incorporating the following elements: level of revenue, EBITDA margin, cash generation, share price performance, growth in recurring net earnings per share, which makes it possible to take into account all the other elements on the income statement, as well as various objective criteria related to the activity, in addition to the return on investment allocated under the prior paragraph.

In addition, under the delegation of authority granted by the General Meeting, the Board of Directors reserves the right to award stock options as part of an option plan.

In addition, in the event of a listing of the shares of the Company and unless such bonus has already been paid during a prior year, Mr. Frédéric Chesnais will be allocated a fixed bonus of 250,000 euros, grossed up for any social protection, retirement plan and/or social contributions in the same proportions as the ones indicated above for his monthly compensation.

In the event of a creation of a crypto currency by the Company, fifteen per cent (15%) will be set aside for compensation of the Management team, of which eight per cent (8%) for the Chief Executive Officer.

## **COMPENSATION FOR DIRECTORS**

### *Annual fixed compensation for the financial year starting April 1, 2021*

There is no fixed compensation.

### *Compensation due for directorships for the financial year starting April 1, 2021*

*The directors receive compensation for their office (previously "directors' fees"). The maximum budget*

*for the compensation to be distributed between the directors is voted on by the General Shareholders' Meeting, as proposed by the Board of Directors, based on recommendations from the Nomination and Compensation Committee, taking into account the Company's interests.*

For FY 2021-2022 and the following years, the Board of Directors set, subject to approval by the General Meeting deliberating on the financial statements for the year ended March 31, 2022, the compensation for directorships to 25,000 euros per year. In addition, each Director will be allocated a fixed bonus of 50,000 euros in the event of a listing of the shares of the Company, unless such bonus has already been paid during a prior year.

In addition, 5.0% of the pool of carried interest is split equally among the directors.

In the event of a creation of a crypto currency by the Company, five per cent (5.0%) will be set aside for compensation of the directors, of which two per cent (2.0%) for the Chairman of the Board and one and a half per cent (1.5%) for each director.

*Compensation for non-executive corporate officers for the financial year starting April 1, 2021*

None.

This compensation policy was approved at the General Shareholders' Meeting on January 6, 2021 and further approved on July 22, 2021.

## NOTE 26 – SUBSEQUENT EVENTS

### ▪ Continued impact of the Covid-19 pandemic:

Faced with the ongoing current health crisis, the Group has taken the necessary measures to ensure the safety of its employees and the continuity of operations, despite the continued work from home arrangements that are still in effect as of the date of this document. The duration of this situation and its proportions are not predictable. Greatly varying consequences can be observed depending on the Group's different activities, with a negative impact expected for the licensing activities due to the delays with renewals of licensing agreements. A positive impact has been observed for video game revenue.

The impact of Covid-19 is being closely monitored by the Group in order to take the necessary actions according to the situation.

### ▪ Investment in new projects:

There is no new project.

### ▪ Description of the Capital Increase

Ker Ventures contributed assets to the Company, in exchange for new shares being issued as well as a deferred payment recorded as a shareholder's loan. This asset contribution has been reviewed by Mr. Antoine Legoux, appointed on January 25, 2021 as Commissaire aux Apports by unanimous decision of the shareholders of the Company. The extraordinary meeting of shareholders of the Company will approve such contribution of assets and the issuance of the shares by Company on July 20, 2021.

Mr. Antoine Legoux delivered his report on May 12, 2021. In Section II.3 of such report, it was set forth that, in the event of a variation of more than 10% of the valuation of the listed assets, the shareholders would update the value of such listed assets by using a more recent reference.

In accordance with the provisions of such report, the valuation of the listed assets contributed (Atari shares, Atari tokens) has been updated given their intrinsic volatility. These listed assets have been valued on the basis of a six-month volume-weighted average, i.e. respectively euro 0,5582 per share for the 3,500,000 Atari shares and euro 0,311 per token for the 30,000,000 Atari Tokens, averages measured as at July 8, 2021.

There is no restriction on the use of cash available and of the assets of the Company, and the sale of the Atari tokens is partially restricted until March 31, 2022 so as not to add to the market volatility.

18,000,000 new shares were issued by the Company, for a nominal value of 18 million euros, together with a premium of 5 million euros, and a shareholder loan was entered into for the balance of 4.5 million euros. This shareholder loan does not bear interest.

In the proforma financial statements as at March 31, 2021, it is assumed that such contribution was completed on March 31, 2021, at the closing of the financial year.

(000's of euros)	Capital Increase
Cash	549.1
Atari Shares	1,953.0
Crypto-currencies	9,338.6
Investments in companies	15,609.6
Goodwill	-
<b>Total contribution</b>	<b>27,450.2</b>
Issuance of shares (Nominal)	18,000.0
Premium	5,000.0
Shareholders' Loan	4,450.2
<b>Total compensation</b>	<b>27,450.2</b>

## NOTE 27 – STATUTORY AUDITORS' FEES

Given the fact that the financial statements are prepared on a proforma basis, the fees for the financial years ended March 31, 2021 and March 31, 2020 in respect of the statutory audit of the annual financial statements and the audit of the consolidated financial statements are not listed below.

## 19. COMPLEMENTARY INFORMATION

### 19.1. Share capital

#### 19.1.1 Capital issued

At the date of the *Document d'Information*, the share capital issued is equal to EUR 19 337 000 fully subscribed and paid, consisting of 19 337 000 shares.

#### 19.1.2 Shares not representative of the capital

At the date of the *Document d'Information*, the Issuer has not issued shares that are not representative of the capital, nor participatory financial instruments not having a voting right, or having limited voting rights.

#### 19.1.3 Treasury shares

At the date of the *Document d'Information*, the Company do not hold any treasury shares.

#### 19.1.4 Convertible, exchangeable and warrantable bonds

At the date of the *Document d'Information*, no bonds instruments that could lead to share capital were granted from the Issuer.

#### 19.1.5 Indication of any rights and / or purchase on the issuer's capital

At the date of the *Document d'Information*, no option rights were granted on shares or other financial instruments of the Issuer.

#### 19.1.6 Evolution of the share capital

DATE OPERATION	NUMBER OF SHARES CREATED	CAPITAL INCREASE	AFFECTED TO SHARE CAPITAL	AFFECTED TO PREMIUM
EXTRAORDINARY GENERAL MEETING OF JANUARY 6, 2021 - CREATION	37 000	37 000 €	37 000 €	0 €
EXTRAORDINARY GENERAL MEETING OF JULY 22, 2021 - CONTRIBUTION OF KER VENTURES	18 000 000	23 000 000 €	18 000 000 €	5 000 000 €
EXTRAORDINARY GENERAL MEETING OF OCTOBER 7, 2021 - PRIVATE PLACEMENT	1 300 000	2 600 000 €	1 300 000 €	1 300 000 €

**19.1.7 Summary of the delegations currently valid granted by the general shareholders' meeting with regard to an increase in capital and their utilization**

Nature of the Delegation of Authority	GM Date Resolution Reference	Duration Term	Maximum Nominal Amount of Capital Increase (€)	Use during the Past Period
Authorization granted to the Board of Directors to allow the Company to trade in its own shares	July 22, 2021	26 months	€50,000,000	Used
	Resolution 6	September 21 2023		
Reduction of the share capital by cancelling shares acquired as part of a buyback program	July 22, 2021	18 months	10% of the Company's capital	Not used
	Resolution 7	January 21, 2022		
Issuance of shares or securities giving access to the Company's capital, with shareholders' preferential subscription right maintained.	July 22, 2021	26 months	€250,000,000	Used
	Resolution 8	September 21 2023		
Issuance of shares or securities giving access to the Company's capital or giving right to awards of debt securities, without preferential subscription rights for shareholders through a public offering.	July 22, 2021	26 months	€250,000,000	Not used
	Resolution 9	September 21 2023		
Issuance of Company securities, without preferential subscription rights for shareholders, for members of a company savings plan.	July 22, 2021	26 months	€5,000,000	Not used
	Resolution 10	September 21 2023		
Increase in the number of securities to be issued in the event of excess demand when launching an issue of securities referred to in resolutions 10, 11, and 12, within the limit of 15% of the original issue.	July 22, 2021	26 months	Over-allotment option limited to 15% of initial issue.	Not used
	Resolution 11	September 21 2023		
Issuance of shares or securities giving access to the capital in consideration for contributions in kind granted to the Company, outside of a public exchange offer.	July 22, 2021	26 months	10% of the Company's capital	Not used
	Resolution 12	September 21 2023		
Issuance of shares or securities giving access to the capital in consideration for contributions in kind granted to the Company, in the context of a public exchange offer.	July 22, 2021	26 months	€50,000,000	Not used
	Resolution 13	September 21 2023		
Award of Company stock subscription and/or purchase options	July 22, 2021	38 months	10% of the Company's capital	Not used
	Resolution 1	September 21 2024		

Authorization granted to the Board of Directors to set the issue price of shares and any securities granting immediate or future access to the capital with shareholders' preferential subscription rights waived, within the annual limit of 10% of the capital.	July 22, 2021	38 months	10% of the Company's capital	Not used
	Resolution 15	September 21 2024		
Issuance of ordinary shares or any securities granting access to the capital, without preferential subscription rights for shareholders, through an offering as set out in paragraph II of article L.411-2 of the French Monetary and Financial Code	July 22, 2021	26 months	20% of the Company's capital	Not used
	Resolution 16	September 21 2023		
Capital increase through the capitalization of reserves, profits or other capitalization that would be allowed	July 22, 2021	26 months	-	Not used
	Resolution 18	September 21 2023		

## 19.2. Articles of association

This section is reported in French and in English.

### **FRENCH SECTION**

#### 19.2.1 Corporate purpose

##### **Article 2 – OBJET SOCIAL**

La Société CRYPTO BLOCKCHAIN INDUSTRIES a pour objet en France comme à l'étranger, directement ou indirectement

- la conception, la production, l'édition et la diffusion de tous produits et œuvres multimédia et audiovisuels, notamment de loisirs, qu'elle qu'en soit la forme et notamment sous forme de logiciels, de traitement de données ou de contenu -interactif ou non, sur tout support et à travers tout mode de communication actuel ou futur;
- l'achat, la vente, la fourniture et plus généralement la diffusion de tous produits et services en liaison avec l'objet ci-dessus ;
- la création, l'acquisition, l'exploitation et la gestion de droits de propriété intellectuelle et industrielle ou autres droits réels ou personnels, notamment par voie de cession, de concession de licences, de brevets, de marques ou autres droits d'usage;
- l'acquisition, la recherche de partenariats et la prise de participations, qu'elle qu'en soit la forme et notamment par voie de création, émission, souscription, apport, dans toute activité se rapportant directement ou indirectement à l'objet ci-dessus ou aux produits et thèmes développés par la société ;
- et plus généralement toutes opérations quelles qu'elles soient se rapportant directement ou indirectement à l'objet ci-dessus ou à tous objets similaires ou connexes susceptibles de faciliter le développement de la Société.



### 19.2.2 Board of directors - general management

#### Article 13 - CONSEIL D'ADMINISTRATION

1 - La société est administrée par un Conseil d'administration composé de trois membres au moins et de 18 membres au plus, sous réserve de la dérogation prévue par le Code de Commerce en cas de fusion.

2 - Une personne morale peut être nommée administrateur. Lors de sa nomination, elle est tenue de désigner un représentant permanent qui est soumis aux mêmes conditions et obligations et qui encourt les mêmes responsabilités que s'il était administrateur en son nom propre, sans préjudice de la responsabilité de la personne morale qu'il représente.

En cas de révocation par la personne morale de son représentant permanent comme en cas de décès ou de démission de celui-ci, elle est tenue de notifier cet événement sans délai à la société et de préciser l'identité du nouveau représentant permanent.

3 - Un salarié de la société peut être nommé administrateur dans les conditions légales et réglementaires en vigueur.

4 - Les administrateurs sont nommés ou renouvelés dans leurs fonctions par l'assemblée générale ordinaire des actionnaires, pour une durée de trois ans.

Toutefois, en cas de vacance par décès ou par démission d'un ou plusieurs sièges d'administrateurs, le conseil d'administration peut, entre deux assemblées générales, procéder à des nominations à titre provisoire. Ces nominations sont soumises à ratification de la plus prochaine assemblée générale.

Si la nomination d'un administrateur par le conseil n'est pas ratifiée par l'assemblée, les actes accomplis par cet administrateur et les délibérations prises par le conseil n'en sont pas moins valables.

Si le nombre des administrateurs devient inférieur à trois, une assemblée générale ordinaire des actionnaires doit être immédiatement convoquée en vue de compléter le conseil.

L'administrateur nommé en remplacement d'un autre ne demeure en fonction que le temps restant à courir sur le mandat de son prédécesseur.

La nomination d'un nouveau membre du conseil en adjonction aux membres en exercice ne peut être décidée que par l'assemblée générale.

5 - Nul ne peut être nommé administrateur si, ayant dépassé l'âge de quatre-vingts ans, sa nomination a pour effet de porter à plus du tiers des membres du conseil d'administration, le nombre d'administrateurs ayant dépassé cet âge. Si, du fait qu'un administrateur en fonction vient à dépasser l'âge de quatre-vingts ans, la proportion ci-dessus visée est dépassée, l'administrateur le plus âgé est réputé démissionnaire d'office à l'issue de la plus prochaine assemblée générale ordinaire.

#### Article 14 - PRESIDENCE ET DELIBERATIONS DU CONSEIL D'ADMINISTRATION

1 - Le conseil d'administration nomme un président choisi parmi ses membres personnes physiques. Le président représente le conseil d'administration et en assure la présidence. Il organise et dirige les travaux du conseil d'administration, dont il rend compte à l'assemblée générale. Le président veille au bon fonctionnement des organes de la Société et s'assure en particulier que les administrateurs sont en mesure de remplir leur mission.

Le président est nommé pour toute la durée de son mandat d'administrateur. Il peut être révoqué à tout moment par le conseil d'administration.

Le conseil d'administration, s'il le juge utile, élit parmi ses membres personnes physiques un ou plusieurs vice-présidents.

Le conseil désigne, en outre, un secrétaire qui peut être choisi en dehors des administrateurs et des actionnaires.

En cas d'absence du président et, le cas échéant, de l'administrateur temporairement délégué dans ses fonctions et du ou des vice-présidents, le conseil désigne, pour chaque séance, celui de ses membres présents qui préside celle-ci. En cas d'absence du secrétaire, le conseil d'administration désigne un de ses membres ou un tiers pour le suppléer.

Le président, le ou les vice-présidents et le secrétaire sont rééligibles.

Nul ne peut être nommé président du conseil d'administration s'il est âgé de plus de 65 ans. D'autre part, si le président en exercice vient à dépasser cet âge, il est réputé démissionnaire d'office à l'issue de la plus prochaine réunion du conseil d'administration.

2 - Le conseil d'administration se réunit aussi souvent que l'intérêt de la Société l'exige, sur convocation de son président. Des administrateurs, constituant au moins le tiers des membres du conseil, peuvent demander au président de convoquer le conseil, en indiquant l'ordre du jour de la séance, si celui-ci ne s'est pas réuni depuis plus de deux mois. Le cas échéant, le directeur général peut demander au président de convoquer le conseil d'administration sur un ordre du jour déterminé.

3 - Tout administrateur pourra assister, participer et voter aux réunions du Conseil d'administration par tous moyens de visioconférence ou de télécommunication dans les conditions prévues par la réglementation applicable au moment de son utilisation. Afin de garantir, conformément à l'article L.225-37 du code de commerce, l'identification et la participation effective à la réunion du conseil des administrateurs y participant par des moyens de visioconférence ou de télécommunication, ces moyens transmettent au moins la voix des participants et satisfont à des caractéristiques techniques permettant la retransmission continue et simultanée des délibérations.

4 - Les délibérations sont constatées par des procès-verbaux inscrits sur un registre spécial et signés par le président de la séance et au moins un administrateur.

Les copies ou extraits de ces procès-verbaux sont certifiés par le président du conseil d'administration, le directeur général ou un directeur général délégué, l'administrateur délégué temporairement dans les fonctions de président, le secrétaire ou un fondé de pouvoir habilité à cet effet.

5 – Le conseil d'administration peut nommer, sur proposition du président, un ou plusieurs censeurs chargés de veiller à l'application des statuts et de présenter des recommandations au conseil d'administration. Le ou les censeurs assistent aux délibérations du conseil d'administration à titre consultatif sans percevoir de rémunération.

## **Article 15 - POUVOIRS DU CONSEIL D'ADMINISTRATION - DIRECTION GENERALE**

Le conseil d'administration détermine les orientations de l'activité de la Société et veille à leur mise en œuvre. Sous réserve des pouvoirs expressément attribués aux assemblées d'actionnaires et dans la limite de l'objet social, il se saisit de toute question intéressant la bonne marche de la société et règle par ses délibérations les affaires qui la concernent. Le conseil d'administration procède aux contrôles et vérifications qu'il juge opportuns.

Sur décision du conseil d'administration statuant à la majorité des membres présents ou représentés, la direction générale de la société est assurée par le président ou par une autre personne physique nommée par le conseil d'administration qui porte le titre de directeur général. Le conseil d'administration choisit entre les deux modalités d'exercice de la direction générale et l'option retenue par le conseil d'administration est prise pour une durée qui ne peut être inférieure à 1 an.

Le président ou le directeur général, selon le cas, représente la société dans ses rapports avec les tiers.

Sous réserve des pouvoirs que la loi attribue expressément aux assemblées d'actionnaires ainsi que des pouvoirs qu'elle réserve spécialement au conseil d'administration et dans la limite de l'objet social, le président ou le directeur général, selon le cas, est investi des pouvoirs les plus étendus pour agir en toute circonstance au nom de la Société.

La Société est engagée même par les actes du président ou du directeur général, selon le cas, qui ne relèvent pas de l'objet social, à moins qu'elle ne prouve que le tiers savait que l'acte dépassait cet objet ou qu'il ne pouvait l'ignorer compte tenu des circonstances, étant exclu que la seule publication des statuts suffissent à constituer cette preuve.

Les dispositions des statuts ou les décisions du conseil d'administration limitant les pouvoirs du président ou du directeur général, selon le cas, sont inopposables aux tiers.

Si le directeur général n'est pas également administrateur, il peut assister aux séances du conseil avec voix consultative.

Lorsque le directeur général est administrateur, la durée de ses fonctions ne peut excéder celle de son mandat.

En cas d'empêchement temporaire du président ou du directeur général, selon le cas, le conseil d'administration peut déléguer un administrateur dans les fonctions de directeur général.

Sur la proposition du président ou du directeur général, selon le cas, le conseil d'administration peut, pour l'assister, lui adjoindre un ou plusieurs directeurs généraux délégués choisis parmi ses membres ou en dehors, sans que le nombre de directeurs généraux délégués ne puisse dépasser cinq.

Nul ne peut être nommé directeur général délégué s'il est âgé de plus de 65 ans. Si un directeur général délégué vient à dépasser cet âge, il est réputé démissionnaire d'office à l'issue de la plus prochaine réunion du conseil d'administration.

En accord avec son président ou le directeur général, selon le cas, le conseil d'administration détermine l'étendue et la durée des pouvoirs délégués aux directeurs généraux délégués. Ceux-ci doivent rendre compte de leur gestion au président ou au directeur général, selon le cas.

A l'égard des tiers et pour ce qui concerne la direction générale de la Société, les directeurs généraux délégués disposent des mêmes pouvoirs que le président ou le directeur général selon le cas.

S'ils sont pris en dehors des administrateurs, ils peuvent assister aux séances du conseil d'administration et ils y ont voix simplement consultative.

La durée des fonctions des directeurs généraux délégués ne peut excéder la durée des fonctions du président ou du directeur général, selon le cas, mais ces fonctions peuvent être renouvelées. Toutefois, en cas de décès, démission ou révocation du président, ou du directeur général, selon le cas, les directeurs généraux délégués conservent, sauf décision contraire du conseil, leurs fonctions et leurs attributions jusqu'à la nomination du nouveau président ou du nouveau directeur général selon le cas.

Lorsqu'un directeur général délégué est administrateur, la durée de ses fonctions ne peut excéder celle de son mandat.

Le conseil d'administration détermine le montant de la rémunération, fixe ou proportionnelle, du président, du directeur général et du ou des directeurs généraux délégués.

Le président ou, selon le cas, le directeur général ou chacun des directeurs généraux délégués, sont autorisés à consentir sous leur responsabilité des délégations ou substitutions de pouvoirs pour une ou plusieurs opérations ou catégories d'opérations déterminées.

Le règlement intérieur du Conseil d'administration a pour objet de fixer, en complément des statuts de la société et dans le cadre des dispositions légales et réglementaires en vigueur, les modalités d'organisation et le mode de fonctionnement du Conseil d'administration. Il détermine les critères

d'admissibilité et d'indépendance des administrateurs, et précise les droits et obligations des administrateurs dans le cadre de leurs fonctions.

#### **Article 16 - REMUNERATION DES MEMBRES DU CONSEIL**

Les administrateurs ont droit à des jetons de présence dont le montant global annuel est fixé par l'assemblée générale et demeure maintenu jusqu'à décision nouvelle de cette assemblée.

Le conseil répartit cette rémunération entre ses membres de la façon qu'il juge convenable.

#### **Article 17 - CONVENTIONS ET ENGAGEMENTS REGLEMENTES**

Toute convention et engagement intervenant directement ou par personne interposée entre la société et son directeur général, l'un de ses administrateurs, l'un des directeurs généraux délégués, l'un des actionnaires disposant d'une fraction de droits de vote supérieure à 10% ou, s'il s'agit d'une personne morale actionnaire, la société la contrôlant au sens de l'article L. 233-3 du Code de commerce, doit être soumise à l'autorisation préalable du conseil d'administration. Avis en sera donné aux commissaires aux comptes.

Il en est de même pour les conventions et engagements auxquels une des personnes visées à l'alinéa précédent est indirectement intéressée.

Sont également soumises à autorisation préalable, les conventions et engagements intervenant entre la Société et une autre entreprise, si l'un des administrateurs, le directeur général, l'un des directeurs généraux délégués de la Société est propriétaire, associé en nom, gérant, administrateur, membre du conseil de surveillance ou, de façon générale, dirigeant de cette entreprise. L'intéressé se trouvant dans l'un des cas ainsi prévus, est tenu d'en faire la déclaration au conseil d'administration. Avis en est également donné aux commissaires aux comptes.

Les dispositions qui précèdent ne sont pas applicables aux conventions portant sur les opérations courantes de la Société et conclues à des conditions normales. La liste et l'objet de ces conventions sont communiqués par le président aux membres du conseil d'administration et aux commissaires aux comptes. Tout actionnaire a également le droit, conformément aux dispositions légales, d'obtenir communication de la liste et l'objet desdites conventions.

#### *19.2.3 Shareholders meetings - Statutory auditors*

#### **Article 18 - REGLES GENERALES**

##### **1 - Convocation**

Tous les actionnaires ont vocation à participer aux assemblées et sont convoqués dans les conditions prévues par la loi.

Les actionnaires sont réunis, chaque année, en assemblée générale ordinaire, au jour, heure et lieu indiqués dans l'avis de convocation, dans les six premiers mois qui suivent la clôture de l'exercice, sous réserve de la prorogation de ce délai par ordonnance du président du tribunal de commerce statuant sur requête.

Des assemblées générales ordinaires réunies extraordinairement et des assemblées générales extraordinaires peuvent être convoquées à toute époque de l'année.

Sauf exceptions prévues par la loi, l'assemblée générale est convoquée par le conseil d'administration.

Les assemblées d'actionnaires sont réunies soit au siège social, soit dans le département du Rhône, soit à Paris.

Les convocations sont faites quinze jours au moins à l'avance sur première convocation et six jours au moins à l'avance sur deuxième convocation, par avis inséré dans un journal habilité à recevoir d'annonces légales dans le département du siège social ou par lettre simple adressée au dernier domicile connu de chaque actionnaire.

Toute assemblée irrégulièrement convoquée peut être annulée. Toutefois, l'action en nullité n'est pas recevable lorsque tous les actionnaires étaient présents ou représentés.

## 2 - Ordre du jour

L'ordre du jour est arrêté par l'auteur de la convocation. Il contient, le cas échéant, les propositions émanant d'un ou plusieurs actionnaires dans les conditions fixées par la loi.

Lorsqu'une assemblée n'a pas pu délibérer régulièrement faute de quorum requis, une deuxième assemblée est convoquée dans les mêmes formes que la première et l'avis de convocation rappelle la date de cette première assemblée.

## 3 - Composition de l'assemblée générale

L'assemblée générale se compose de tous les actionnaires, quel que soit le nombre de leurs actions.

L'assemblée générale, régulièrement convoquée et constituée, représente l'universalité des actionnaires ; ses décisions sont obligatoires pour tous, même pour les dissidents, les incapables et les absents.

Tout actionnaire remplissant les conditions requises pour participer à l'assemblée peut se faire représenter dans les conditions prévues par la loi.

Le droit de participer aux assemblées est subordonné au respect de l'accomplissement des formalités prévues par la réglementation en vigueur.

## 4 - Tenue de l'assemblée générale

L'assemblée générale est présidée par le président du conseil d'administration ou par un administrateur délégué à cet effet par le conseil ou, à défaut, par une personne désignée par l'assemblée. En cas de convocation par le commissaire aux comptes, par un mandataire de justice ou par un liquidateur, l'assemblée est présidée par celui qui l'a convoquée.

Les fonctions de scrutateurs sont remplies par les deux membres de l'assemblée disposant du plus grand nombre de voix et acceptant ces fonctions. Le bureau désigne un secrétaire qui peut être choisi en dehors des actionnaires.

Il est tenu une feuille de présence, dûment émarginée par les actionnaires présents et les mandataires des actionnaires représentés ou certifiée exacte par le bureau de l'assemblée.

Tout actionnaire a autant de voix qu'il possède d'actions ou en représente, sans autre limitation que celles prévues par la loi.

Pour toute procuration d'un actionnaire sans indication de mandataire, le président de l'assemblée générale émet un vote favorable à l'adoption des projets de résolutions présentés ou agréés par le conseil d'administration et un vote défavorable à l'adoption de tous les autres projets de résolutions.

Pour émettre tout autre vote, l'actionnaire doit faire choix d'un mandataire qui accepte de voter dans le sens indiqué par lui.

Les votes sont exprimés par mains levées, à moins que le scrutin secret ne soit demandé par un ou plusieurs actionnaires représentant ensemble le dixième du capital représenté à l'assemblée.

Pour toutes les assemblées, les actionnaires ont la faculté de voter par correspondance.

Les formules de vote à distance ou par procuration, de même que l'attestation de participation, peuvent, si le Conseil d'Administration l'a prévu, être établies sur support électronique dûment signé dans les conditions prévues par les dispositions légales et réglementaires applicables.

A cette fin, la saisie et la signature électronique du formulaire peuvent être directement effectuées sur le site internet mis en place par le centralisateur de l'Assemblée. La signature électronique du formulaire peut être effectuée (i) par la saisie, dans des conditions conformes aux dispositions de la première phrase du second alinéa de l'article 1316-4 du Code civil, d'un code d'identifiant et d'un mot de passe ou (ii) par tout autre procédé répondant aux conditions définies à la première phrase du second alinéa de l'article 1316-4 du code civil. Le pouvoir ou le vote ainsi exprimé avant l'Assemblée par ce moyen électronique, ainsi que, le cas échéant, l'accusé de réception qui est donné, seront considérés comme des écrits non révocables et opposables à tous, hors cas des cessions de titre qui font l'objet de la notification au IV de l'article R.225-85 du code de commerce.

Le conseil d'Administration peut organiser, dans les conditions légales et réglementaires, la participation et le vote des actionnaires à l'Assemblée par visioconférence ou par des moyens de télécommunications permettant leur identification répondant aux conditions légales et réglementaires. Il s'assure notamment de l'efficacité des moyens permettant leur identification.

Pour le calcul du quorum et de la majorité de toute Assemblée Générale, sont réputés présents les actionnaires participant à l'Assemblée Générale par visioconférence ou par des moyens de télécommunication permettant leur identification répondant aux conditions légales et réglementaires.

Les délibérations sont constatées par des procès-verbaux signés par les membres du bureau et établis dans les conditions prévues par la loi.

Les copies ou extraits de ces procès-verbaux sont valablement certifiés par le président du conseil d'administration, le secrétaire de l'assemblée, un directeur général administrateur ou un liquidateur.

#### **Article 19 - ASSEMBLEE GENERALE ORDINAIRE**

L'assemblée générale ordinaire statue sur les questions qui ne sont pas de la compétence de l'assemblée générale extraordinaire.

Elle est régulièrement constituée et délibère valablement lorsqu'elle réunit le cinquième au moins des actions ayant droit de vote. Si ce quorum n'est pas atteint, une nouvelle assemblée est réunie à six jours au moins d'intervalle de la première. Les délibérations prises dans cette seconde réunion sont valables quelle que soit la fraction du capital représentée, mais elles ne peuvent porter que sur tout ou partie de l'ordre du jour de la première réunion

Les décisions de l'assemblée ordinaire sont prises à la majorité des voix dont disposent les actionnaires présents, votant par correspondance ou représentés.

#### **Article 20 - ASSEMBLEES GENERALES EXTRAORDINAIRES**

L'assemblée générale extraordinaire est compétente pour apporter aux statuts toutes les modifications autorisées par la loi. Elle ne peut toutefois augmenter les engagements des actionnaires ni changer la nationalité de la société, si ce n'est par décision unanime des actionnaires.

L'assemblée extraordinaire est régulièrement constituée et délibère valablement si les actionnaires présents ou représentés possèdent au moins, sur première convocation, le quart et, sur deuxième convocation, le cinquième des actions ayant le droit de vote ; à défaut de ce dernier quorum, la deuxième assemblée peut être prorogée à une date postérieure de deux mois au plus à celle de sa réunion sous réserve des exceptions prévues par la loi

Les décisions de l'assemblée extraordinaire sont prises à la majorité des deux tiers des voix dont disposent les actionnaires présents, votant par correspondance ou représentés.

#### **Article 21 - COMMISSAIRES AUX COMPTES**

L'assemblée générale ordinaire désigne, dans les conditions et avec la mission fixée par la loi, un ou plusieurs commissaires aux comptes titulaires dont les fonctions expirent à l'issue de l'assemblée générale qui statue sur les comptes du sixième exercice.

#### *19.2.4 Form and rights of share capital*

#### **Article 9 - PROPRIETE ET FORME DES ACTIONS**

Les actions sont nominatives ou, si la société est cotée, au porteur.

Leur propriété résulte de leur inscription en compte au nom du ou des titulaires.

En vue de l'identification des détenteurs de titres au porteur, la Société est en droit, dans les conditions légales et réglementaires en vigueur, de demander à tout moment, contre rémunération à sa charge, à l'organisme chargé de la compensation des titres, selon le cas, le nom ou la dénomination, la nationalité, l'année de naissance ou l'année de constitution, et l'adresse des détenteurs de titres conférant immédiatement ou à terme le droit de vote dans ses assemblées ainsi que la quantité de titres détenue par chacun d'eux et le cas échéant les restrictions dont les titres peuvent être frappés.

Au vu de la liste transmise à la Société par l'organisme chargé de la compensation des titres, la Société a la faculté de demander soit à l'organisme chargé de la compensation des titres, soit directement aux personnes figurant sur cette liste et dont la Société estime qu'elles pourraient être inscrites en qualité d'intermédiaire et pour compte de tiers propriétaires de titres, les informations prévues à l'alinéa précédent concernant les propriétaires des titres.

La Société est également en droit pour ce qui concerne les titres inscrits sous la forme nominative de demander à tout moment à l'intermédiaire inscrit pour le compte de tiers propriétaires des titres, de révéler l'identité des propriétaires de ces titres.

Aussi longtemps que la Société estime que certains détenteurs de titres, au porteur ou sous la forme nominative, dont l'identité lui a été communiquée le sont pour le compte de tiers propriétaires des titres, elle est en droit de demander à ces détenteurs de révéler l'identité des propriétaires de ces titres dans les conditions prévues ci-dessus.

A l'issue des demandes d'informations visées ci-dessus, la Société est en droit de demander à toute personne morale propriétaire d'actions de la Société représentant plus du quarantième du capital ou des droits de vote de la Société de lui faire connaître l'identité des personnes détenant directement ou indirectement plus du tiers du capital social de cette personne morale ou des droits de vote qui sont exercés aux assemblées générales de celle-ci.

Lorsque la personne faisant l'objet d'une demande conformément aux dispositions du présent article 10 n'a pas transmis les informations ainsi demandées dans les délais légaux et réglementaires ou a transmis des renseignements incomplets ou erronés relatifs soit à sa qualité, soit aux propriétaires des titres, les actions ou les titres donnant immédiatement ou à terme accès au capital et pour lesquels



cette personne a été inscrite en compte sont privés de droit de vote pour toute assemblée d'actionnaires qui se tiendrait jusqu'à la date de régularisation de l'identification, et le paiement du dividende est différé jusqu'à cette date.

En outre, au cas où la personne inscrite méconnaîtrait sciemment les dispositions ci-dessus, le tribunal dans le ressort duquel la Société a son siège social, peut sur demande de la Société ou d'un ou plusieurs actionnaires détenant au moins 5 % du capital, prononcer la privation totale ou partielle pour une durée totale ne pouvant excéder cinq ans, des droits de vote attachés aux actions ayant fait objet de l'interrogation et, éventuellement pour la même période, du dividende correspondant.

Outre l'obligation légale d'information, toute personne physique ou morale, agissant seule ou de concert, venant à détenir ou cessant de détenir, directement ou indirectement, 2% au moins du capital ou des droits de vote de la société, ou un quelconque multiple de ce pourcentage, est tenue d'informer celle-ci par lettre recommandée avec demandé d'accusé de réception adressée au siège social dans un délai de cinq jours de bourse à compter du franchissement de chacun de ces seuils et d'indiquer également le nombre de titres qu'elle détient ainsi donnant accès à terme au capital social, et le nombre de droits de vote qui y sont attachés. Les sociétés de gestion de fonds communs de placement sont tenues de procéder à cette information pour l'ensemble des actions de la société détenues par les fonds qu'elle gère.

Le non-respect de cette obligation sera sanctionné, à la demande, consignée dans un procès-verbal de l'assemblée générale, d'un ou plusieurs actionnaires détenant au moins 5% du capital ou des droits de vote de la société, par l'impossibilité d'exercice des droits de vote attachés aux actions excédant la fraction qui aurait dû être déclarée à compter de ladite assemblée et pour toute assemblée qui se réunirait jusqu'à l'expiration d'un délai de deux ans suivant la date de régularisation de la notification.

## **Article 10 - DROITS ATTACHES AUX ACTIONS**

Outre le droit de vote qui lui est attribué par la loi, chaque action donne droit, dans les bénéfices et dans l'actif social à une part proportionnelle à la quotité qu'elle représente.

En application de l'article L. 225-123 du Code de Commerce, un droit de vote double de celui conféré aux autres actions, eu égard à la quotité de capital social qu'elles représentent, est attribué d'une part, à toutes les actions entièrement libérées pour lesquelles il sera justifié d'une inscription nominative, depuis deux ans au moins, au nom du même actionnaire, et d'autre part, à toutes les actions issues de ces mêmes titres.

En cas d'augmentation du capital par incorporation de réserves, bénéfices ou primes d'émission, le droit de vote double est conféré, dès leur émission, aux actions nominatives attribuées gratuitement à un actionnaire à raison d'actions anciennes pour lesquelles il bénéficie de ce droit.

Toute action convertie au porteur ou transférée en propriété perd le droit de vote double. Néanmoins, le transfert par suite de succession, de liquidation de communauté de biens entre époux, ou de donation entre vifs au profit d'un conjoint ou d'un parent au degré successible, ne fait pas perdre le droit acquis et n'interrompt pas les délais prévus à l'article L. 225-123 du Code de Commerce.

La fusion de la société est sans effet sur le droit de vote double qui peut être exercé au sein de la société absorbante, si les statuts de celle-ci l'ont institué.

L'égalité de traitement sera appliquée à toutes les actions qui composent ou composeront le capital social, en ce qui concerne les charges fiscales.

Chaque fois qu'il sera nécessaire de posséder plusieurs actions anciennes pour exercer un droit quelconque, en cas d'échange ou d'attribution donnant droit à titres nouveaux contre remise de plusieurs actions anciennes, les titres isolés ou en nombre inférieur à celui requis ne donneront aucun



droit à leur porteur contre la société, les actionnaires ayant à faire leur affaire personnelle du groupement du nombre d'actions nécessaires.

## **Article 11 - CESSION OU TRANSMISSION D'ACTIONS**

### **A - Forme des cessions**

Les cessions ou transmissions d'actions sont réalisées à l'égard de la société et des tiers par un virement de compte à compte. Le virement est effectué sur la production d'un ordre de mouvement signé du cédant et, s'il y a lieu, d'une acceptation de cet ordre signée par le cessionnaire, notamment si les actions ne sont pas intégralement libérées.

Sauf disposition légale contraire, l'attestation d'un agent de change ou d'un notaire et l'authenticité des procurations peuvent être exigées.

La transmission d'actions à titre gratuit ou ensuite de décès s'opère également par un virement de compte à compte, justification de la mutation dans les conditions légales.

### **B - Cessions et transmissions**

Les actions sont librement négociables, sauf dispositions législatives ou réglementaires contraires.

Les actions non libérées des versements exigibles ne sont pas admises au transfert.

### **C - Transmission par décès ou par suite de dissolution de communauté**

#### **Transmission par décès**

La cession ou transmission des actions s'effectue librement lorsqu'elle résulte d'une succession.

#### **Transmission par suite de liquidation de communauté**

En cas de liquidation d'une communauté de biens ayant existé entre époux, par suite de divorce, séparation judiciaire de biens ou changement de régime matrimonial, l'attribution d'actions communes à l'époux ou ex-époux qui ne possédait pas la qualité d'actionnaire s'effectue librement.

## **Article 12 - INDIVISION - USUFRUIT - NUE-PROPRIETE**

Toute action est indivisible à l'égard de la société.

Les copropriétaires d'actions indivises sont tenus de se faire représenter par un seul d'entre eux ou par un mandataire unique. En cas de désaccord, le mandataire est désigné à la demande du copropriétaire le plus diligent, par ordonnance du président du tribunal de commerce statuant en référé. Le droit de vote attaché à l'action appartient à l'usufruitier dans les assemblées générales ordinaires et au nu-propriétaire dans les assemblées générales extraordinaires.

## **ENGLISH SECTION**

### **ARTICLE 2 - PURPOSE**

The corporate purpose of CRYPTO BLOCKCHAIN INDUSTRIES in France or abroad, directly or indirectly, is:

- the design, production, publishing and distribution of all multimedia and audiovisual products and works, including those in the nature of entertainment, in any form including software, data processing and content – either interactive or otherwise – for all media and by means of all present and future means of communication;
- the purchase, sale, supply and more generally distribution of all products and services related to the foregoing;
- the creation, acquisition, use and management of intellectual and industrial property rights or other in rem and in personam rights, including by means of assignment, licensing, patents, trademarks and other copyrights;
- the acquisition, the search of partnerships and the acquisition of interests in other firms, including the formation of new entities and the issuance, subscription or transfer of securities in any business directly or indirectly related to the foregoing or to the products and ideas developed by the company;
- and, more generally, any transactions with a purpose similar or related to the foregoing, or otherwise likely to benefit the company.

#### *19.2.5 Board of directors - general management*

### **ARTICLE 13 - BOARD OF DIRECTORS**

1 - The company is governed by a board of directors composed of at least three and no more than eighteen members, subject to the exceptions provided for by the French Commercial Code in the event of a merger.

2 - A legal entity may be appointed as a director. Upon appointment, it is required to designate a permanent representative who is subject to the same terms, conditions and obligations, and the same liabilities, as if he were a director in his own name, without prejudice to the liability of the legal entity whom he represents.

In the event that a legal entity removes its permanent representative, as in the case of the death or resignation of a representative, the legal entity is required to promptly notify the company and specify the identity of the new permanent representative.

3 - An employee of the company may be appointed a director in accordance with applicable laws and regulations.

4 - Directors are appointed or reappointed by the annual shareholders' meeting to three-year terms.

However, in the event of a vacancy as a result of the death or resignation of one or more directors, the board of directors may make temporary appointments between two annual shareholders' meetings. Those appointments are subject to ratification at the next annual shareholders' meeting.

Even if the shareholders' meeting fails to ratify the appointment of a director, the actions taken by that director and the resolutions passed by the board shall still be valid.

If the number of directors falls to less than three, an annual shareholders' meeting must immediately be called to fill the vacancies on the board.

A director appointed to replace another director shall only remain in office for the balance of his predecessor's term of office.

Only a shareholders' meeting may appoint a new member to the board as an addition to the members in office.

5 - No person who is older than seventy years of age may be appointed as a director if the effect of his appointment is to increase the number of members of the board of directors who are more than seventy years of age to more than one-third of the members of the board. If this fraction is exceeded as a result of a director in office reaching seventy years of age, the oldest director shall automatically be deemed to have resigned at the close of the next annual shareholders' meeting.

#### **ARTICLE 14 - CHAIRMAN AND DELIBERATIONS OF THE BOARD OF DIRECTORS**

1 - The board of directors appoints a chairman chosen from among its members who are natural persons. The chairman represents the board of directors and presides over its meetings. He organizes and directs the board's activities and reports thereon to shareholders' meetings. The chairman is responsible for the successful performance of the company's governing bodies and, in particular, is responsible for ensuring that the directors are able to perform their duties.

The chairman is appointed for his entire term as a director. He may be removed at any time by the board of directors.

If it deems useful, the board of directors may elect one or more vice-chairmen from among its members who are natural persons.

In addition, the board appoints a secretary who need not be a director or a shareholder.

In the event that the chairman is absent and, where applicable, the director temporarily appointed as acting chairman and the vice-chairman or vice-chairmen are also absent, the board shall appoint one of its members who is present to preside over the meeting. If the secretary is absent, the board of directors appoints one of its members or a third party to replace him.

The chairman, the vice-chairman or vice-chairmen and the secretary are always eligible for re-appointment.

No person who is more than 65 years of age may be appointed as chairman of the board of directors. Furthermore, if the current chairman reaches the age of 65, he shall automatically be deemed to have resigned at the close of the next meeting of the board of directors.

2 - The board of directors convenes, upon notice from the chairman, as often as the interests of the company require. At least one-third of the members of the board may request the chairman to call a meeting of the board if it has not met within more than two months, and shall draft the agenda for the meeting. If necessary, the chief executive officer may request the chairman to call a meeting of the board of directors to address a specific agenda.

3 – Any director may attend, participate in and vote at meetings of the board of directors by videoconference or other means of telecommunications, as provided for by the regulations applicable at that time. In order to guarantee, as required by article L. 225-37 of the French Commercial Code, the effective identification and participation in board meetings of those directors who participate by videoconference or other means of telecommunications, the systems used shall transmit at least the participants’ voices and shall have the technical ability to provide for the uninterrupted and simultaneously transmission of the proceedings.

4 – Board proceedings shall be recorded in minutes entered in a special register and signed by the chairman of the meeting and at least one director.

Copies or extracts of said minutes are certified by the chairman of the board of directors, the chief executive officer, a deputy chief executive officer, the director temporarily appointed as acting chairman, the secretary, or an attorney-in-fact authorized for that purpose.

5 – Based on a nomination by its chairman, the board of directors may appoint one or more non-voting members (“censeurs”) to ensure compliance with the articles of incorporation and by-laws and to submit recommendations to the board of directors. The non-voting member(s) shall attend meetings of the board of directors in a consultative capacity and shall not be entitled to compensation.

#### **ARTICLE 15 - POWERS OF THE BOARD OF DIRECTORS - MANAGEMENT**

The board of directors shall determine the focus of the company’s strategy and ensure the implementation thereof. Subject to the powers expressly reserved by law to shareholders’ meetings and within the scope of the company’s purpose, the board is responsible for all matters related to the successful operation of the company and governs the company’s affairs. The board of directors shall conduct the inspections and verifications that it deems appropriate.

Based on a decision of a majority of the members of the board of directors present or represented, the company shall be managed by the chairman or by another natural person, who shall hold the position of chief executive officer, appointed by the board of directors. The board of directors shall determine how the company shall be managed; the type of management selected by the board shall be used for a period of not less than one year.

The chairman or the chief executive officer, as appropriate, shall represent the company in its dealings with third parties.

Subject to the powers expressly reserved by law to shareholders’ meetings and specially reserved for meetings of the board of directors, and within the scope of the company’s purpose, the chairman or chief executive officer, as appropriate, shall enjoy the broadest powers to act in all circumstances in the company’s name.

The company shall also be bound by the actions of the chairman or chief executive officer, as appropriate, which do not fall within the scope of the company’s purpose unless he can demonstrate that the third party involved knew that the action fell outside said scope or that it must have known in light of the circumstances. The simple publication of the articles of incorporation and by-laws shall not

constitute sufficient proof thereof.

The provisions of the articles of incorporation and by-laws and the decisions of the board of directors which limit the powers of the chairman or chief executive officer, as appropriate, shall not be binding on third parties.

If the chief executive officer is not also a director, he may attend board meetings in a consultative capacity.

If the chief executive officer is a director, his term as chief executive officer may not exceed his term as director.

If the chairman or chief executive officer, as appropriate, is temporarily unable to perform his duties, the board of directors may appoint a director to act as chief executive officer.

Based upon a proposal by the chairman or chief executive officer, as appropriate, the board of directors may appoint one or more deputy chief executive officers to assist him. Said individuals may be board members. The board may not appoint more than five deputy chief executive officers.

No person older than 65 years of age may be appointed as deputy chief executive officer. If a deputy chief executive officer reaches this age limit, he shall automatically be deemed to have resigned at the close of the next meeting of the board of directors.

The board of directors shall determine the scope and duration of the authority of the deputy chief executive officers, with the consent of its chairman or the chief executive officer, as appropriate. Deputy chief executive officers must report on their activities to the chairman or to the chief executive officer, as appropriate.

The deputy chief executive officers have the same power as the chairman or chief executive officer, as appropriate, with respect to third parties and the general management of the company.

If a deputy chief executive officer is not also a director, he may attend board meetings in a consultative capacity.

The term of office of the deputy chief executive officers may not exceed the term of the chairman or chief executive officer, as appropriate. However, the terms of the deputy chief executive officers may be renewed. In the event of the death, resignation or dismissal of the chairman or chief executive officer, as appropriate, the deputy chief executive officers shall continue in office until the appointment of a new chairman or chief executive officer, as appropriate, unless the board decides otherwise.

If a deputy chief executive officer is also a director, his term as deputy chief executive officer may not exceed his term as director.

The board of directors sets the amount of the fixed or proportional compensation of the chairman, the chief executive officer, and the deputy chief executive officer(s).

The chairman or chief executive officer, as appropriate, and any of the deputy chief executive officers are permitted, under their own authority, to delegate their powers or appoint others to replace them with respect to one or more specific transactions or categories of transactions.

The purpose of the board of directors' internal rules is to establish, in addition to the company's articles

of incorporation and bylaws and in accordance with applicable laws and regulations, how the board of directors is to be organized and operate. The rules set forth the eligibility and independence criteria applicable to the directors and specify the rights and duties of the directors in the performance of their duties.

#### **ARTICLE 16 - COMPENSATION OF MEMBERS OF THE BOARD**

The directors are entitled to directors' fees, the annual, comprehensive amount of which is fixed by the shareholders' meeting and remains in effect until changed by the shareholders.

The board allocates said compensation among its members in such manner as it deems convenient.

#### **ARTICLE 17 - REGULATED AGREEMENTS AND UNDERTAKINGS**

All agreements and undertakings, whether concluded directly or through an intermediary, between the company and the chief executive officer, a director, a deputy chief executive officer, a shareholder owning more than 10% of the voting rights, or in the case of a legal entity shareholder, the company which controls such a shareholder within the meaning of Article L 233-3 of the French Commercial Code, are subject to prior approval by the board of directors. The company's auditors shall be informed of any such decisions.

The same rules shall apply to agreements and undertakings in which any of the persons listed in the preceding paragraph have an indirect interest.

Agreements and undertakings between the company and another company are also subject to prior approval if a director, the chief executive officer, or a deputy chief executive officer of the company is an owner, partner, manager, director, member of the supervisory board ("conseil de surveillance") or, in general, a manager of said company. An interested party in any of the aforementioned categories must so inform the board of directors. The company's auditors shall also be informed.

The preceding provisions shall not apply to agreements related to the company's day-to-day activities that are concluded at arm's-length conditions. A list of such agreements and the purposes thereof shall be provided by the chairman to the members of the board of directors and to the auditors. A shareholder shall also have the right to receive a copy of said list and the purpose of such agreements in accordance with applicable law.

#### *19.2.6 Shareholders meetings - Statutory auditors*

#### **ARTICLE 18 - GENERAL RULES**

##### **1 - Notices**

All shareholders are entitled to participate in shareholders' meetings and shall be notified of such meetings in accordance with the law.

The shareholders convene each year in an annual shareholders' meeting at the time, place and on the day specified in the notice of the meeting, within the first six months following the end of the fiscal year, subject to extension of said time period by an order made by the chief judge of the commercial court upon application.

Annual shareholders' meetings called on a special basis and special shareholders' meetings may be called at any time of the year.

Except as provided for by law, shareholders' meetings are called by the board of directors.

Shareholders' meeting shall be held either at the company's principal office, or in the Rhone department or Paris.

The first notice is sent out at least fifteen, and the second at least six days in advance of the meeting by means of a notice in a gazette authorized to publish legal announcements in the department in which the principal office of the company is located, or by letter sent by regular mail to the last known address of each shareholder.

Any shareholders' meeting which is irregularly called may be invalidated. However, an action seeking invalidation shall not be admissible if all of the shareholders were present or represented.

## 2 - Agenda

The agenda is drawn up by the person who prepared the notice of the meeting. Where applicable, it contains proposals by one or more shareholders on the terms set by law.

When a meeting could not validly transact business for lack of a quorum, a second meeting is called using the same procedures as the first and the notice of the meeting shall include a reference to the date of the first shareholders' meeting.

## 3 - Composition of shareholders' meetings

Shareholders' meetings are composed of all of the shareholders, regardless of the number of shares they own.

A shareholders' meeting which has been duly called and convened represents all of the shareholders. Its decisions are binding on all of them, including dissenting shareholders, those under a legal disability and absentees.

Any shareholder satisfying the conditions required to participate in a meeting may be represented by a third party as provided for by law.

The right to participate in shareholders' meetings shall be contingent on the completion of all of the formalities required by applicable regulations.

## 4 - Conduct of shareholders' meetings

Shareholders' meetings are presided over by the chairman of the board of directors or by a director designated for that purpose by the board, failing which, by a person designated by the shareholders' meeting. In the event that a shareholders' meeting is called by the auditor, a court-appointed representative or a liquidator, the meeting is presided over by the person who called it.

The two members of the meeting with the largest number of votes shall act as tellers, provided that

they agree. The officers of the meeting appoint a secretary, who need not be a shareholder.

An attendance sheet is kept, duly initialed by the shareholders present and the proxies of the shareholders represented by proxy, or certified by the officers of the meeting.

Each shareholder has as many votes as the shares he owns or is authorized to vote as a proxy, with no restriction other than those provided for by law.

For any proxy given by a shareholder which does not specify the name of the proxy, the chairman of the meeting shall cast a vote in favor of the proposed resolutions submitted or approved by the board of directors and a vote against all other proposed resolutions. A shareholder who wishes to cast his vote differently must choose a proxy who agrees to cast his vote in accordance with his wishes.

Shareholders have the right to cast their vote by mail at any and all shareholders' meetings.

Mail ballot and proxy forms, as well as attendance certificates may, if the board of directors so decides, be in electronic form, duly signed in accordance with applicable law and regulation.

For this purpose, the form may be completed and electronically signed on the Internet site provided by the registrar for the shareholders' meeting. The form may be signed electronically (i) by entering an identification code and a password, in a manner consistent with the provisions of the first sentence of the second paragraph of article 1316-4 of the Civil Code, or (ii) by any other means consistent with the provisions of the first sentence of the second paragraph of article 1316-4 of the Civil Code. Proxies submitted or votes cast by such electronic means at the shareholders' meeting, and, where applicable, receipts therefor, shall be considered irrevocable written documents that are enforceable against all persons, with the exception of transfers of shares, notice of which shall be given in accordance with article R.225-85 (IV) of the Commercial Code.

The board of directors may arrange, in accordance with applicable law and regulation, for shareholders to participate in and vote at meetings by videoconference or other telecommunications technology making it possible to identify them as prescribed by law and regulations. The board of directors shall ensure that the identification methods used are effective.

For the purpose of calculating the quorum and majority at a shareholders' meeting, shareholders participating in the meeting by means of videoconference or other telecommunications technology making it possible to identify them as prescribed by law and regulation shall be deemed present.

Deliberations are set down in minutes signed by the officers of the meeting and drawn up in accordance with the provisions of the law.

Copies of or extracts from said minutes are valid if certified by the chairman of the board of directors, the secretary of the shareholders' meeting, a chief executive officer who is also a director, or a liquidator.

## **ARTICLE 19 - ANNUAL SHAREHOLDERS' MEETINGS**

Annual shareholders' meetings vote on matters which do not fall under the authority of special shareholders' meetings.

Annual shareholders' meetings are duly convened and may validly transact business when at least one-fifth of the voting shares are represented. If a quorum is not reached, a new shareholders' meeting is called no fewer than six days after the first meeting. Resolutions adopted at the second meeting are valid regardless of the percentage of the capital stock present or represented, but the meeting may



only consider some or all of the agenda for the first meeting.

To carry, resolutions require a majority of the votes of the shareholders present, voting by mail or by proxy at annual shareholders' meetings.

#### **ARTICLE 20 - SPECIAL SHAREHOLDERS' MEETINGS**

Special shareholders' meetings are empowered to make all amendments permitted by law to the articles of incorporation and bylaws. They may not, however, increase the shareholders' liability or change the nationality of the company other than by a unanimous decision of the shareholders.

Special shareholders' meetings are duly convened and may validly transact business if the shareholders present or represented by proxy at the meeting following the first notice own at least one-fourth and, at the meeting following the second notice, one-fifth of the voting shares; if this last quorum is not reached, the second meeting may be postponed to a date no more than two months after the date on which it was convened, subject to the exceptions provided for by law.

To carry, resolutions require a two-thirds majority of the votes of the shareholders present, voting by mail or represented by proxy at special shareholders' meetings.

#### **ARTICLE 21 - AUDITORS**

Annual shareholders' meetings appoint one or more auditors in accordance with the terms and conditions and with the assignment provided for by law, whose term of office expires at the close of the shareholders' meeting voting on the financial statements for the sixth fiscal year.

### **19.3. Form and rights of share capital**

#### **ARTICLE 9 - OWNERSHIP AND FORM OF SHARES**

Shares are either in registered or bearer form.

Ownership of shares is evidenced by their registration in an account in the name of the holder or holders.

In order to identify the holders of bearer shares, the company may at any time at its expense request the institution responsible for clearing transactions in shares to provide it with the individual or entity name, nationality, year of birth or formation, address and the number of shares granting a present or future right to vote at shareholders' meetings held by each shareholder, and any restrictions to which such shares may be subject, in accordance with the laws and regulations in force.

Based on the list submitted by the institution responsible for clearing transactions in shares, the company may request the information regarding shareholders set forth in the preceding paragraph from either the institution responsible for clearing transactions in shares or directly from the individual or entity included on said list whom the company feels may be acting as an intermediary on behalf of third-party shareholders.

With respect to registered shares, the company may also request any intermediary registered on behalf of third-party shareholders to disclose the identity of said shareholders.

For so long as the company feels that certain shareholders, whether bearer or registered, the identity of which has been disclosed to it, are acting on behalf of third-party shareholders, it shall have the right to request the listed shareholders to disclose the identity of the actual shareholders as provided for above.

Upon receipt of the information set forth above, the company shall have the right to request from any legal entity which owns shares in the company which represents more than one fortieth of the company's capital or voting rights to disclose to the company all persons who directly or indirectly own more than one third of the stated capital or voting rights (which may be exercised at shareholders' meetings thereof) of said legal entity.

If a person who is the subject of a request in accordance with the provisions of this Article 10 fails to provide the information requested of him within the legally-specified period or provides incomplete or incorrect information regarding its capacity or the ownership of securities, shares or securities granting a present or future interest in the company's stated capital for which said person has been registered in an account shall have their voting rights suspended for any shareholders' meeting held prior to complete and correct information being provided. Payment of dividends shall also be suspended until such time.

Further, in the event that the listed person deliberately misconstrues the above provisions, the court with territorial jurisdiction over the location of the company's principal office may, at the request of the company or of one or more shareholders holding at least 5% of the company's share capital, order the voting rights and dividend payments of the shares for which said information has been requested to be suspended in whole or in part for a period which may not exceed five years.

In addition to the disclosures required by law, any natural person or legal entity, acting alone or with another, which should come to directly or indirectly hold or cease to hold at least 2% of the capital stock or voting rights of the company, or any multiple of that percentage, is required to notify the company thereof by certified letter, return receipt requested mailed to the principal office of the company within five trading days of the date on which any of these thresholds is exceeded, and to specify, in addition, the number of shares held by it which grant it a future claim on the capital of the company, and the number of voting rights attached thereto. Mutual fund management companies are required to provide this information for all of the shares of the company held by the funds which they manage.

At the request, set down in the minutes of the shareholders' meeting, of one or more shareholders who own at least 5% of the capital stock or voting rights of the company, failure to comply with this requirement shall be punishable by a prohibition on the exercise of the voting rights attached to the shares in excess of the percentage which should have been reported, effective the date of said meeting, and at any other shareholders' meeting convened within two years of the date on which breach of said reporting requirement is remedied.

#### **ARTICLE 10 - RIGHTS ATTACHED TO SHARES**

In addition to the voting right granted by law, each share has a right to a ratable portion of the profits and assets of the company.

Pursuant to Article L 225-123 of the French Commercial Code, a voting right which is double that

attached to the other shares on the basis of the fraction of capital which they represent, is granted to all paid-up shares which can be shown to have been registered in the same shareholder's name for at least two years and all shares deriving from those shares.

In the case of a capital increase by means of the capitalization of reserves, profits or share premiums, a double voting right will be granted, at the time of issuance, to registered shares gratuitously allotted to a shareholder for those outstanding shares for which he possessed that right.

Any share converted into a bearer share or transferred to another owner loses its double voting right. However, transfer by way of inheritance, liquidation of community property or inter vivos gift to spouses or relatives who would take under the intestacy statutes shall not result in loss of said vested right and shall not toll the time period provided for in Article L 225-123 of the French Commercial Code.

Merger of the company with another company shall have no effect on the double voting right, which may be exercised within the acquiring company if its articles of incorporation and bylaws so provide.

All shares which compose or shall compose the share capital of the company shall receive equal tax treatment.

Whenever more than one outstanding share must be held in order to exercise some right in the case of an exchange or allotment granting the right to new shares in exchange for delivery of more than one outstanding share, isolated shares or shares fewer in number than is required shall not grant the holder thereof any rights against the company, and the shareholders shall be personally responsible for consolidating the necessary number of shares.

Each member of the shareholders' meeting shall be entitled to a number of votes corresponding to the number of shares they own or represent. For a period of two years from the date of the reverse stock split decided by the board of directors on February 11, 2008, acting pursuant to authority granted to it by the special shareholders' meeting of November 15, 2006, all old shares before the reverse stock split shall entitle their holder to one vote and all new shares after the reverse stock split shall entitle their holder to 100 votes, so that the number of votes attached to the shares shall be consistent with the portion of capital which they represent.

## **ARTICLE 11 - TRANSFER OR TRANSMISSION OF SHARES**

### **A - Form of transfer**

Transfers or transmissions of shares are carried out with respect to the company and third parties by account-to-account transfer. The transfer is effected by production of a transfer order signed by the transferor and, where applicable, by an acceptance of said order signed by the transferee, particularly if the shares are not fully paid up.

Unless otherwise provided by law, certification by a broker or a notary and proof that the proxies are authentic may be required.

Gratuitous transmissions of shares or transmissions causa mortis are also effected by account-to-account transfer: change of ownership shall be documented as provided for by law.

### **B - Divestitures and transmissions**

Shares are freely negotiable unless otherwise provided by the applicable laws or regulations.

Shares for which due and payable calls have not been settled may not be transferred.

#### C - Transmission causa mortis or as a result of liquidation of community property

##### Transmission causa mortis

The transfer or transmission of inherited shares is not subject to any restrictions.

##### Transmission as a result of liquidation of community property

In the event of a liquidation of community property as a result of divorce, legal separation or a change in the spouses' matrimonial regime, the award of community shares to a spouse or former spouse who was not a shareholder shall not be subject to any restrictions.

### **ARTICLE 12 - INDIVISIBILITY - BENEFICIAL OWNERSHIP - LEGAL OWNERSHIP**

Each share is indivisible with respect to the company.

Co-owners of indivisible shares are required to choose one of their number or a single legal representative to represent them. In the event of disagreement, the legal representative is appointed upon application by the first co-owner to apply, by order of the chief judge of the commercial court sitting in emergent proceedings. The voting right attached to the share belongs to the beneficial owner at annual shareholders' meetings and to the legal owner at special shareholders' meetings.

### **20. IMPORTANT CONTRACTS**

Apart from the partnership contracts, presented in paragraph 11.4 of this *Document d'Information*, the Company considers that it has concluded only day-to-day business contracts.

### **21. DOCUMENT ACCESSIBLE TO THE PUBLIC**

Company's corporate documents (by-laws, minutes of general meetings and other documents), and, when appropriate, reports, letters, valuations and statements prepared by an expert at the request of the Company, historical financial information of the Company may be consulted at the registered office of the Company and a copy may be obtained.

Financial communication documents are also available on its website at [www.cbicorp.io](http://www.cbicorp.io) and on the website of Euronext Paris.

The Company intends to communicate its financial results in accordance with the requirements of the laws and regulations in force.

## SECOND PART: ISSUE NOTE

### 22. BASIC INFORMATION

#### 22.1. Net working capital

The Company certifies that, from its point of view, its net working capital, before the capital increase covered by this *Document d'Information*, is sufficient in view of its current obligations over the next twelve months from the date of this *Document d'Information*.

#### 22.2. Interest of persons participating in the issue

The listing sponsor and / or some of its affiliates have rendered and / or may provide in the future, various banking, financial, investment, commercial and other services to the Company, its affiliates or shareholders or its corporate officers, in within which they have received or may receive remuneration.

#### 22.3. Reasons for the issuance and intended use of the net proceeds of the issue

The issuance of New Shares following the listing of all the Company's shares for trading on the Euronext Growth market is intended to provide the Company with additional resources to finance its future investment.

The net proceeds from funds raised in the context of the issue of New Shares (€ 2.45 m) will enable the Company to pursue the following objectives (classified objectives in descending order of importance):

- 90% of the net proceeds will be intended to launch operational new project in the crypto-blockchain spaces, consolidate existing businesses, including the possible repurchase of the 50% of OP productions and Free Reign East not owned by the Company;
- 5% of the net proceeds will be intended to invest in third party businesses (not yet identified);
- 5% of the net proceeds will be intended as a reserve and/or dedicated to operational structure purposes.

## **23. INFORMATION ON SHARES ADMITTED TO TRADING**

### **23.1. Nature, category and entitlement date of the shares admitted to trading**

#### *23.1.1 Nature and number of shares*

All the ordinary shares composing the share capital, 19 337 000 shares with a nominal value of 1.00 euro each, fully subscribed and fully paid up and of the same category.

#### *23.1.2 Label of the shares*

CRYPTO BLOCKCHAIN INDUSTRIES

#### *23.1.3 ISIN code, mnemonic, LEI and industry code*

ISIN: FR00140062P9

Mnémono: ALCBI

LEI: 984500D2AF7044A3S764

Industry code: 40203040, Electronic Entertainment

#### *23.1.4 First listing and trading of shares*

The first listing of the shares on the Euronext Growth market should take place on October 26, 2021, and trading should start on the same day.

### **23.2. Applicable law and competent courts**

The Company's shares are governed by French law.

The competent courts in the event of a dispute are those of the registered office when the Company is the defendant and are appointed according to the nature of the disputes, unless otherwise stated in the Code of Civil Procedure.

### **23.3. Form and registration method for Company's shares**

The Company's shares may take the registered or bearer form, at the choice of the shareholders.

In accordance with Article L. 211-3 of the Monetary and Financial Code, they must be entered in a securities account kept, as the case may be, by the Company or an authorized intermediary.

Consequently, the rights of the holders will be represented by an entry in a securities account opened in their name in the books of:

- Financière d'Uzès, appointed by the Company, for shares kept in pure registered form;
- an authorized intermediary of their choice and Financière d'Uzès, appointed by the Company, for shares held in administered registered form;
- an authorized intermediary of their choice for shares held in bearer form.

In accordance with Articles L. 211-15 and L. 211-17 of the Monetary and Financial Code, shares are transferred by account-to-account transfer and the transfer of ownership of the shares will result from their registration in the buyer's securities account.

The Company's shares will be entitled for a registration in Euroclear France, which will ensure the clearing of shares between custodians.

According to the indicative timetable, it is expected that the Company's shares will be registered in a securities account on October 26 2021.

#### **23.4. Currency**

The shares are created, issued and traded in Euros (€).

#### **23.5. Rights and restrictions attached to the company's shares**

The shares will be subject to all the stipulations of the articles of association as adopted by the extraordinary general meeting of on January 6, 2021. In accordance with the French law and the articles of association of the Company which will govern the Company at the end of the listing, the main rights attached to the shares are described below:

- Dividend rights:

The shareholders of the Company are entitled to profits under the conditions defined by Articles L. 232-10 and next of the French Commercial Code.

The general meeting, ruling on the financial statements for the year, may grant a dividend to all shareholders (article L. 232-12 of the French Commercial Code).

Interim dividends may also be distributed before the approval of the financial statements for the year (article L. 232-12 of the French Commercial Code).

The general meeting may propose to all shareholders, for all or part of the dividend or interim dividends distributed, an option between payment of the dividend or interim dividends, either in cash or in shares issued by the Company. (Articles L. 232-18 and next of the French Commercial Code).

The payment of dividends must take place within a maximum period of nine months after the end of the financial year. The extension of this period may be granted by court decision (article L. 232-13 of the French Commercial Code).

All actions against the Company for the payment of dividends due in respect of the shares will be barred at the end of a period of five years from their due date. In addition, the dividends will also be prescribed for the benefit of the State after a period of five years from their due date.

Dividends paid to non-residents are usually subject to withholding tax.

- Voting rights:

The articles of association of the Company adopted by the Extraordinary General Meeting of shareholders on January 6, 2021 established a double voting right for all shares for which a nominative registered registration has been proven for at least two years.

- Preferential subscription right:

The shares carry a preferential subscription right to capital increases. The shareholders have, in proportion to the amount of their shares, a preferential right to subscribe to future or immediate shares issue. During the subscription period, this right is negotiable when it is detached from the shares

themselves negotiable. Otherwise, it is transferable under the same conditions as the action itself. Shareholders can individually waive their preferential subscription rights (Articles L. 225-132 and L. 228-91 to L. 228-93 of the French Commercial Code).

- Right to participate in any surplus in the event of liquidation:

Shareholders' equity remaining after reimbursement of the nominal value of the Company shares is carried out between the partners in the same proportions as their participation in the share capital (article L. 237-29 of the French Commercial Code).

- Redemption or conversion clauses:

The Extraordinary General Meeting alone is competent to decide on the issue, redemption and the conversion of preference shares in view of a special report from the Statutory Auditors.

- Identification of shares holders:

The Company is authorized to use the legal provisions provided in terms of identification of holders of securities, immediately or ultimately conferring the right to vote in its own meetings.

- Crossing thresholds:

Any natural or legal person acting alone or in concert who comes to own a number of shares or voting rights representing more than one of the thresholds set by law must comply with the information obligations provided for by the law in the deadline. The same information is also given when the participation in capital or voting rights falls below the legal thresholds.

If they have not been declared under the above conditions, shares exceeding the fraction that should have been declared are deprived of voting rights under the conditions provided for by the provisions of the Commercial Code.



### **23.6. Authorizations under which the capital increase is realized**

#### *23.6.1 Shareholders meeting having approved the share capital increase for the listing on Euronext Growth*

#### **EXTRAIT DU PROCES VERBAL DE L'ASSEMBLEE DES ACTIONNAIRES**

**EN DATE DU 11 MAI 2021, 17:00**

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**Résolution 1 : Délégation de compétence au Conseil d'administration à l'effet d'émettre des actions ou des valeurs mobilières donnant accès immédiatement ou à terme, au capital ou à des titres de créance de la Société ou donnant droit à l'attribution de titres de créances, avec suppression du droit préférentiel de souscription des actionnaires.**

L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Extraordinaires, après avoir pris connaissance du rapport du Conseil d'administration et du rapport spécial des Commissaires aux comptes, et constaté que le capital social est entièrement libéré, conformément aux dispositions des articles L.225-129 à L.225-129-6, L. 228-91 et L.225-135 à L.225-136 du Code de commerce :

1. Délègue au Conseil d'administration, avec faculté de subdélégation au directeur général, sa compétence pour procéder à l'émission, en une ou plusieurs fois, dans les proportions et aux époques qu'il appréciera, tant en France qu'à l'étranger, en faisant offre privée ou au public, par émission avec suppression du droit préférentiel de souscription (i) d'actions et/ou (ii) de valeurs mobilières donnant, immédiatement ou à terme, à tout moment ou à date fixe, accès au capital de la Société ou à l'attribution de titres de créances, régies par les articles L.228-91 et suivants du Code de commerce, que ce soit par souscription, conversion, échange, remboursement, présentation d'un bon ou de toute autre manière, étant précisé que la souscription des actions et des autres valeurs mobilières devra être opérée en numéraire et que ces titres ne pourront pas être émis à l'effet de rémunérer des titres qui seraient apportés à la Société, dans le cadre d'une offre publique d'échange sur des titres répondant aux conditions fixées à l'article L.225-148 du Code de commerce ; lesdites actions nouvelles conféreront les mêmes droits que les actions anciennes (sous réserve, le cas échéant, de leur date de jouissance) ;
2. Décide de fixer, ainsi qu'il suit, les limites des montants des émissions qui pourront être décidées par le Conseil d'administration en vertu de la présente délégation de compétence :
  - (a) le montant nominal maximal de la ou des augmentation(s) de capital susceptible(s) d'être réalisée(s) immédiatement ou à terme en vertu de la présente délégation de compétence ne pourra excéder deux cent (200) millions d'euros et sous réserve du respect des plafonds applicables ; le plafond ainsi arrêté n'inclut pas la valeur nominale globale des actions supplémentaires à émettre éventuellement, pour préserver, conformément à la loi et, le cas échéant, aux stipulations contractuelles prévoyant d'autres cas d'ajustement, les droits des titulaires des valeurs mobilières donnant accès au capital.
  - (b) le montant nominal maximal des valeurs mobilières représentatives de titres de créances sur la Société pouvant ainsi être émises ne pourra dépasser le plafond de deux cent (200) millions d'euros ou la contre-valeur de ce montant en monnaie étrangère ou unités de compte fixées par référence à plusieurs monnaies et sous réserve du respect des plafonds applicables.

3. Décide de supprimer, conformément à l'article L.225-135 du Code de commerce, le droit préférentiel de souscription des actionnaires aux titres faisant l'objet de la présente résolution, en laissant toutefois au Conseil d'administration en application de l'article L.225-135, 5ème alinéa du Code de commerce, la faculté de conférer aux actionnaires, pendant un délai et selon les modalités qu'il fixera en conformité avec les dispositions légales et réglementaires applicables et pour tout ou partie d'une émission effectuée, un délai de priorité de souscription ne donnant pas lieu à la création de droits négociables et qui devra s'exercer proportionnellement au nombre des actions possédées par chaque actionnaire ;
4. Prend acte du fait que si les souscriptions, y compris, le cas échéant, celles des actionnaires, n'ont pas absorbé la totalité de l'émission, le Conseil d'administration pourra limiter le montant de l'opération au montant des souscriptions reçues sous la condition que celui-ci atteigne, au moins, les trois-quarts de l'émission décidée ou répartir librement tout ou partie des titres non souscrits, cette condition étant applicables aux seules émissions d'actions ordinaires ;
5. Prend acte que la présente délégation de compétence emporte de plein droit, au profit des porteurs de valeurs mobilières émises au titre de la présente délégation de compétence et donnant accès au capital de la Société, renonciation par les actionnaires à leur droit préférentiel de souscription aux actions auxquelles ces valeurs mobilières donneront droit immédiatement ou à terme ;
6. Décide que le montant de la contrepartie revenant ou pouvant ultérieurement revenir à la Société pour chacune des actions et/ou valeurs mobilières émises dans le cadre de la présente délégation de compétence sera au moins égal au prix minimum tel que déterminé par les dispositions législatives et réglementaires qui seront en vigueur au moment de l'émission des actions et/ou valeurs mobilières, étant précisé, qu'à la date de la présente Assemblée, la réglementation prévoit que le montant de ladite contrepartie doit être au moins égal à la moyenne pondérée des cours des trois dernières séances de bourse sur Euronext précédant la fixation du prix d'émission, cette somme pouvant éventuellement être diminuée d'une décote maximale de 5% ;
7. Décide que le Conseil d'administration aura tous pouvoirs, avec faculté de subdélégation au directeur général dans les conditions fixées par la loi, pour mettre en œuvre la présente délégation de compétence, à l'effet notamment de :
  - (a) décider l'augmentation de capital et déterminer les valeurs mobilières à émettre ;
  - (b) décider le montant de l'augmentation de capital, le prix d'émission des actions et/ou des valeurs mobilières ainsi que le montant de la prime qui pourra, le cas échéant, être demandée à l'émission ;
  - (c) déterminer les dates et modalités de l'augmentation de capital, la nature, les caractéristiques des valeurs mobilières à créer ; décider, en outre, dans le cas d'obligations ou d'autres titres de créances, de leur caractère subordonné ou non (et, le cas échéant de leur rang de subordination, conformément aux dispositions de l'article L.228-97 du Code de commerce), fixer leur taux d'intérêt (notamment intérêt à taux fixe ou variable ou à coupon zéro ou indexé), leur durée (déterminée ou indéterminée) et les autres modalités d'émission (y compris le fait de leur conférer des garanties ou des sûretés) et d'amortissement (y compris de remboursement par remise d'actifs de la Société) ; le cas échéant, ces titres pourront être assortis de bons donnant droit à l'attribution (y compris à titre gratuit), à l'acquisition ou à la souscription d'obligations ou d'autres valeurs mobilières représentatives de titres de créances

- ou prendre la forme d'obligations complexes au sens entendu par les autorités boursières; modifier, pendant la durée de vie des titres concernés, les modalités visées ci-dessus, dans le respect des formalités applicables ;
- (d) déterminer le mode de libération des actions ou des valeurs mobilières donnant accès au capital à émettre ;
  - (e) fixer, s'il y a lieu, les modalités d'exercice des droits attachés aux actions ou aux valeurs mobilières à émettre et, notamment, arrêter la date même rétroactive, à compter de laquelle les actions porteront jouissance,
  - (f) déterminer les modalités d'exercice des droits, le cas échéant, à conversion, échange, remboursement, y compris par remise d'actifs de la Société tels que des actions ou valeurs mobilières déjà émises par la Société, ainsi que toutes autres conditions et modalités de réalisation de l'augmentation de capital ;
  - (g) fixer les modalités selon lesquelles la Société aura, le cas échéant, la faculté d'acheter ou d'échanger en bourse, à tout moment ou pendant des périodes déterminées, les actions ou valeurs mobilières donnant accès au capital émises ou à émettre en vue de les annuler ou non, compte tenu des dispositions légales ;
  - (h) prévoir la faculté de suspendre éventuellement l'exercice des droits attachés à ces titres en conformité avec les dispositions légales et réglementaires ;
  - (i) à sa seule initiative, imputer les frais d'augmentation de capital sur le montant des primes qui y sont afférentes et prélever sur ce montant les sommes nécessaires pour porter la réserve légale au dixième du nouveau capital après chaque augmentation de capital ;
  - (j) fixer et procéder à tous ajustements afin de prendre en compte l'incidence d'opérations sur le capital de la Société, notamment en cas de modification de la valeur nominale de l'action, d'augmentation de capital par incorporation de réserves, d'attribution gratuite d'actions, de division ou de regroupement de titres, de distribution de réserves ou de tous autres actifs, d'amortissement du capital, ou de toute autre opération portant sur les capitaux propres, et fixer les modalités selon lesquelles sera assurée, le cas échéant, la préservation des droits des titulaires de valeurs mobilières donnant accès au capital ;
  - (k) décider et prendre toutes mesures destinées à protéger les droits des porteurs de valeurs mobilières donnant accès au capital existant au jour de chaque augmentation de capital ;
  - (l) constater la réalisation de chaque augmentation de capital et procéder aux modifications corrélatives des statuts ;
  - (m) d'une manière générale, passer toute convention, notamment pour parvenir à la bonne fin des émissions envisagées, prendre toutes mesures et effectuer toutes formalités utiles à l'émission, à la cotation et au service financier des titres émis en vertu de la présente délégation ainsi qu'à l'exercice des droits qui y sont attachés ;
8. Prend acte de ce que le Conseil d'administration rendra compte aux actionnaires lors de la prochaine Assemblée Générale Ordinaire dans les conditions prévues au deuxième alinéa de l'article L. 225-129-5 du Code de commerce ;
9. Prend acte de ce que la présente délégation prive d'effet toute délégation antérieure ayant le même objet ;
10. Fixe à vingt-six (26) mois, à compter de la présente Assemblée, la durée de validité de la présente délégation de compétence.

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### 23.6.2 Board of Directors having launched the issue of New Shares

#### EXTRAIT DU PROCES VERBAL DE LA REUNION DU CONSEIL D'ADMINISTRATION EN DATE DU 7 OCTOBRE 2021

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L'an deux mille vingt et un,

Le 7 Octobre,

A 19:30,

Les membres du conseil d'administration de la Société (le « **Conseil d'administration** ») se sont réunis par voie de conférence téléphonique, sur convocation de Monsieur Frédéric CHESNAIS.

Sont présents ou représentés :

- Monsieur Frédéric CHESNAIS ;
- Monsieur Christophe CHAIX ;
- Monsieur William MOALEM ;

N'assiste pas à la réunion :

- RSM Rhône-Alpes, Commissaire aux Comptes, représenté par François de Bustamante.

Monsieur Frédéric CHESNAIS préside la séance en qualité d'administrateur. Monsieur Christophe CHAIX remplit les fonctions de secrétaire.

Plus de la moitié des membres du Conseil d'administration étant présents, le Président constate que le Conseil d'administration est régulièrement constitué et peut valablement délibérer.

Le Président rappelle que le Conseil d'administration est appelé à délibérer sur l'ordre du jour suivant :

#### ORDRE DU JOUR

1. Projet de cotation sur Euronext
2. Augmentation de capital;
3. Modification des statuts ;
4. Contrat de prêt d'actions;
5. Rémunération;
6. Questions diverses.

Le Président invite les membres du Conseil d'administration à se prononcer sur les points figurant à l'ordre du jour.

## 1. Projet de cotation sur Euronext / Confirmation

Le Président rappelle aux membres du conseil qu'il est envisagé de procéder à la cotation des actions de la Société sur le compartiment Growth à Paris régulé par Euronext.

Après délibération, le Conseil d'Administration réitère à l'unanimité son accord pour cette opération de cotation et donne tous pouvoirs à Monsieur Frédéric Chesnais pour procéder au dépôt et à l'inscription par cotation directe de l'intégralité des titres de la Société sur le compartiment Growth d'Euronext à Paris.

## 2. Augmentation de capital

Préalablement à cette opération de cotation, la Société envisage de renforcer ses fonds propres pour augmenter sa capacité d'investissement et pour satisfaire aux obligations réglementaires fixées par Euronext dans le cadre de la cotation des titres de la société.

Après délibération, le Conseil d'Administration approuve à l'unanimité une augmentation de capital de 2 600 000 € par l'émission de 1 300 000 actions nouvelles de la Société au prix d'émission de 2 euros, prime d'émission incluse, souscrite par :

- Infinity Reality Entertainment, Inc pour 750 000 actions soit un montant de souscription de 1 500 000 €;
- Excess Investment pour 275 000 actions soit un montant de souscription de 550 000 € ;
- ISH Investment pour 275 000 actions soit un montant de souscription de 550 000 € ;

A l'issue de cette augmentation de capital, l'actionnariat de la Société serait le suivant :

	Actions	%
Ker Ventures, LLC	36,999	0.19%
Frédéric Chesnais	1	0.00%
Ker Ventures, EURL	18,000,000	93.09%
Infinity Reality Entertainment, Inc.	750,000	3.88%
Excess Investment	275,000	1.42%
ISH Investment	275,000	1.42%
Total	19,337,000	100.00%

Après délibération, le Conseil d'administration approuve cette augmentation de capital en utilisation de la résolution #1 de l'AGE du 11 mai 2021, et donne tous pouvoirs à Frédéric Chesnais, avec faculté de délégation, pour la réaliser.

## 3. Modification des statuts

Le Conseil d'administration constate et approuve la modification corrélative des statuts avec ajout d'un Article 3, comme suit :

### 3 – Augmentation par souscription en numéraire

Le 12 octobre 2021, la société a émis 1 300 000 actions nouvelles de la société, souscrites par les actionnaires ci-dessous.

Après cette augmentation de capital, la répartition du capital est ainsi la suivante :

	Nb d'actions	Nominal en Euros
KER VENTURES, LLC	36 999	36 999 €
KER VENTURES, EURL	18 000 000	18 000 000 €
Frédéric CHESNAIS	1	1 €
INFINITY REALITY ENTERTAINMENT, INC	750 000	750 000 €
EXCESS INVESTMENT, LTD	275 000	275 000 €
ISH INVESTMENT KFT. "KT. A."	275 000	275 000 €
<b>Total</b>	<b>19 337 000</b>	<b>19 337 000 €</b>

A l'issue de cette opération, le nombre d'actions composant le capital social est de 19 337 000 actions d'une valeur nominale unitaire d'un euro (1,00 €).

#### **4. Contrat de prêt d'actions**

Le Président indique qu'il serait opportun de procéder à un emprunt de titres pour faciliter la liquidité.

Le Conseil d'administration approuve cet emprunt de titres auprès des actionnaires existants, dans la limite de 9,9% du capital avec un intérêt de 2,0% l'an.

Après délibération, le Conseil d'administration approuve à l'unanimité ces dispositions, Monsieur Frédéric Chesnais ne prenant pas part au vote en tant que prêteur potentiel d'actions.

#### *23.6.3 Share emission*

### **EMISSION D' ACTIONS PAR LE DIRECTEUR GENERAL PAR VOIE D'UTILISATION DE LA DELEGATION CONSENTIE PAR L'ASSEMBLEE GENERALE MIXTE EN DATE DU 22 JUILLET 2021 DANS SA RESOLUTION 18**

Les actionnaires de la société CRYPTO BLOCKCHAIN INDUSTRIES, Société Anonyme au capital de 18.037.000 euros divisé en 18.037.000 actions de 1 euro de valeur nominale dont le siège social se situe au 164, boulevard Haussmann - 75008 Paris, se sont réunis le 22 Juillet 2021 à 17 heures au siège de la société pour une Assemblée Générale Extraordinaire.

*En application de la résolution 1, adoptée à l'unanimité et reproduite ci-dessous :*

**Résolution 1 : Délégation de compétence au Conseil d'administration à l'effet d'émettre des actions ou des valeurs mobilières donnant accès immédiatement ou à terme, au capital ou à des titres de**

**créance de la Société ou donnant droit à l'attribution de titres de créances, avec suppression du droit préférentiel de souscription des actionnaires.**

*L'Assemblée Générale, statuant aux conditions de quorum et de majorité requises pour les Assemblées Générales Extraordinaires, après avoir pris connaissance du rapport du Conseil d'administration et du rapport spécial des Commissaires aux comptes, et constaté que le capital social est entièrement libéré, conformément aux dispositions des articles L.225-129 à L.225-129-6, L. 228-91 et L.225-135 à L.225-136 du Code de commerce :*

1. *Délègue au Conseil d'administration, avec faculté de subdélégation au directeur général, sa compétence pour procéder à l'émission, en une ou plusieurs fois, dans les proportions et aux époques qu'il appréciera, tant en France qu'à l'étranger, en faisant offre privée ou au public, par émission avec suppression du droit préférentiel de souscription (i) d'actions et/ou (ii) de valeurs mobilières donnant, immédiatement ou à terme, à tout moment ou à date fixe, accès au capital de la Société ou à l'attribution de titres de créances, régies par les articles L.228-91 et suivants du Code de commerce, que ce soit par souscription, conversion, échange, remboursement, présentation d'un bon ou de toute autre manière, étant précisé que la souscription des actions et des autres valeurs mobilières devra être opérée en numéraire et que ces titres ne pourront pas être émis à l'effet de rémunérer des titres qui seraient apportés à la Société, dans le cadre d'une offre publique d'échange sur des titres répondant aux conditions fixées à l'article L.225-148 du Code de commerce ; lesdites actions nouvelles conféreront les mêmes droits que les actions anciennes (sous réserve, le cas échéant, de leur date de jouissance) ;*
2. *Décide de fixer, ainsi qu'il suit, les limites des montants des émissions qui pourront être décidées par le Conseil d'administration en vertu de la présente délégation de compétence :*
  - a) *le montant nominal maximal de la ou des augmentation(s) de capital susceptible(s) d'être réalisée(s) immédiatement ou à terme en vertu de la présente délégation de compétence ne pourra excéder deux cent (200) millions d'euros et sous réserve du respect des plafonds applicables ; le plafond ainsi arrêté n'inclut pas la valeur nominale globale des actions supplémentaires à émettre éventuellement, pour préserver, conformément à la loi et, le cas échéant, aux stipulations contractuelles prévoyant d'autres cas d'ajustement, les droits des titulaires des valeurs mobilières donnant accès au capital.*
  - b) *le montant nominal maximal des valeurs mobilières représentatives de titres de créances sur la Société pouvant ainsi être émises ne pourra dépasser le plafond de deux cent (200) millions d'euros ou la contre-valeur de ce montant en monnaie étrangère ou unités de compte fixées par référence à plusieurs monnaies et sous réserve du respect des plafonds applicables.*
3. *Décide de supprimer, conformément à l'article L.225-135 du Code de commerce, le droit préférentiel de souscription des actionnaires aux titres faisant l'objet de la présente résolution, en laissant toutefois au Conseil d'administration en application de l'article L.225-135, 5<sup>ème</sup> alinéa du Code de commerce, la faculté de conférer aux actionnaires, pendant un délai et selon les modalités qu'il fixera en conformité avec les dispositions légales et réglementaires applicables et pour tout ou partie d'une émission effectuée, un délai de priorité de souscription ne donnant pas lieu à la création de droits négociables et qui devra s'exercer proportionnellement au nombre des actions possédées par chaque actionnaire ;*
4. *Prend acte du fait que si les souscriptions, y compris, le cas échéant, celles des actionnaires, n'ont pas absorbé la totalité de l'émission, le Conseil d'administration pourra limiter le montant de l'opération au montant des souscriptions reçues sous la condition que celui-ci atteigne, au moins, les trois-quarts de l'émission décidée ou répartir librement tout ou partie des titres non souscrits, cette condition étant applicables aux seules émissions d'actions ordinaires ;*
5. *Prend acte que la présente délégation de compétence emporte de plein droit, au profit des porteurs de valeurs mobilières émises au titre de la présente délégation de compétence et*



*donnant accès au capital de la Société, renonciation par les actionnaires à leur droit préférentiel de souscription aux actions auxquelles ces valeurs mobilières donneront droit immédiatement ou à terme ;*

6. *Décide que le montant de la contrepartie revenant ou pouvant ultérieurement revenir à la Société pour chacune des actions et/ou valeurs mobilières émises dans le cadre de la présente délégation de compétence sera au moins égal au prix minimum tel que déterminé par les dispositions législatives et réglementaires qui seront en vigueur au moment de l'émission des actions et/ou valeurs mobilières, étant précisé, qu'à la date de la présente Assemblée, la réglementation prévoit que le montant de ladite contrepartie doit être au moins égal à la moyenne pondérée des cours des trois dernières séances de bourse sur Euronext précédant la fixation du prix d'émission, cette somme pouvant éventuellement être diminuée d'une décote maximale de 5% ;*
7. *Décide que le Conseil d'administration aura tous pouvoirs, avec faculté de subdélégation au directeur général dans les conditions fixées par la loi, pour mettre en œuvre la présente délégation de compétence, à l'effet notamment de :*
  - a) *décider l'augmentation de capital et déterminer les valeurs mobilières à émettre ;*
  - b) *décider le montant de l'augmentation de capital, le prix d'émission des actions et/ou des valeurs mobilières ainsi que le montant de la prime qui pourra, le cas échéant, être demandée à l'émission ;*
  - c) *déterminer les dates et modalités de l'augmentation de capital, la nature, les caractéristiques des valeurs mobilières à créer ; décider, en outre, dans le cas d'obligations ou d'autres titres de créances, de leur caractère subordonné ou non (et, le cas échéant de leur rang de subordination, conformément aux dispositions de l'article L.228-97 du Code de commerce), fixer leur taux d'intérêt (notamment intérêt à taux fixe ou variable ou à coupon zéro ou indexé), leur durée (déterminée ou indéterminée) et les autres modalités d'émission (y compris le fait de leur conférer des garanties ou des sûretés) et d'amortissement (y compris de remboursement par remise d'actifs de la Société) ; le cas échéant, ces titres pourront être assortis de bons donnant droit à l'attribution (y compris à titre gratuit), à l'acquisition ou à la souscription d'obligations ou d'autres valeurs mobilières représentatives de titres de créances ou prendre la forme d'obligations complexes au sens entendu par les autorités boursières; modifier, pendant la durée de vie des titres concernés, les modalités visées ci-dessus, dans le respect des formalités applicables ;*
  - d) *déterminer le mode de libération des actions ou des valeurs mobilières donnant accès au capital à émettre ;*
  - e) *fixer, s'il y a lieu, les modalités d'exercice des droits attachés aux actions ou aux valeurs mobilières à émettre et, notamment, arrêter la date même rétroactive, à compter de laquelle les actions porteront jouissance,*
  - f) *déterminer les modalités d'exercice des droits, le cas échéant, à conversion, échange, remboursement, y compris par remise d'actifs de la Société tels que des actions ou valeurs mobilières déjà émises par la Société, ainsi que toutes autres conditions et modalités de réalisation de l'augmentation de capital ;*
  - g) *fixer les modalités selon lesquelles la Société aura, le cas échéant, la faculté d'acheter ou d'échanger en bourse, à tout moment ou pendant des périodes déterminées, les actions ou valeurs mobilières donnant accès au capital émises ou à émettre en vue de les annuler ou non, compte tenu des dispositions légales ;*
  - h) *prévoir la faculté de suspendre éventuellement l'exercice des droits attachés à ces titres en conformité avec les dispositions légales et réglementaires ;*
  - i) *à sa seule initiative, imputer les frais d'augmentation de capital sur le montant des primes qui y sont afférentes et prélever sur ce montant les sommes nécessaires pour porter la réserve légale au dixième du nouveau capital après chaque augmentation de capital ;*



- j) *fixer et procéder à tous ajustements afin de prendre en compte l'incidence d'opérations sur le capital de la Société, notamment en cas de modification de la valeur nominale de l'action, d'augmentation de capital par incorporation de réserves, d'attribution gratuite d'actions, de division ou de regroupement de titres, de distribution de réserves ou de tous autres actifs, d'amortissement du capital, ou de toute autre opération portant sur les capitaux propres, et fixer les modalités selon lesquelles sera assurée, le cas échéant, la préservation des droits des titulaires de valeurs mobilières donnant accès au capital ;*
  - k) *décider et prendre toutes mesures destinées à protéger les droits des porteurs de valeurs mobilières donnant accès au capital existant au jour de chaque augmentation de capital ;*
  - l) *constater la réalisation de chaque augmentation de capital et procéder aux modifications corrélatives des statuts ;*
  - m) *d'une manière générale, passer toute convention, notamment pour parvenir à la bonne fin des émissions envisagées, prendre toutes mesures et effectuer toutes formalités utiles à l'émission, à la cotation et au service financier des titres émis en vertu de la présente délégation ainsi qu'à l'exercice des droits qui y sont attachés ;*
8. *Prend acte de ce que le Conseil d'administration rendra compte aux actionnaires lors de la prochaine Assemblée Générale Ordinaire dans les conditions prévues au deuxième alinéa de l'article L. 225-129-5 du Code de commerce ;*
  9. *Prend acte de ce que la présente délégation prive d'effet toute délégation antérieure ayant le même objet ;*
  10. *Fixe à vingt-six (26) mois, à compter de la présente Assemblée, la durée de validité de la présente délégation de compétence.*

En vertu de la délégation qui lui est consentie et de sa faculté de subdélégation au Directeur Général, le Conseil d'administration de la Société s'est réuni le 7 octobre 2021 et a décidé, dans le cadre de la délégation ci-dessus, d'approuver une augmentation de capital de 2 600 000 € par l'émission de 1 300 000 actions nouvelles de la Société au prix d'émission de 2,0 euros, prime d'émission de 1,0 euro incluse, souscrite par :

- Infinity Reality Entertainment, Inc pour 750 000 actions soit un montant de souscription de 1 500 000 € ;
- Excess Investment pour 275 000 actions soit un montant de souscription de 550 000 € ;
- ISH Investment pour 275 000 actions soit un montant de souscription de 550 000 € ;

**Le Directeur Général, faisant usage de cette délégation,**

- *Constate que l'augmentation de capital de un million trois cents mille (1 300 000) actions nouvelles de la Société de 1,00 euro de valeur nominale chacune, émises au prix d'émission de 2 euros chacune, a été souscrite et libérée en totalité, et que l'augmentation de capital susvisée est définitivement réalisée dans son intégralité ;*
- *Procède par les présentes à l'émission de un million trois cents mille (1 300 000) actions ordinaires nouvelles de la Société de 1,00 euro de valeur nominale chacune, immédiatement créés par la Société à titre d'augmentation de son capital ;*
- *Précise que, en application des dispositions de la résolution #1 susvisée, ces actions sont émises au prix de 2,00 euros chacune et qu'elles portent jouissance courante ;*
- *Constate la création concomitante à l'émission d'une prime d'émission d'un million trois cents mille euros (1 300 000 €) et sur laquelle portent les droits des actionnaires anciens et nouveaux de la Société (la « Prime d'Emission ») ;*

- *Approuve les statuts modifiés de la Société.*

## **23.7. French regulations on public offers**

### *23.7.1 Mandatory public offer*

Under French regulations, a proposed public offer must be filed with the Autorité des Marchés Financiers when any individual or legal person acting alone or in concert within the meaning of Article L. 233-10 of the French Commercial Code comes to hold, directly or indirectly, more than five tenths of the capital or voting rights of a company whose head office is established in France and whose shares are admitted to trading on a market for financial instruments that do not constitute a regulated market of a Member State of the European Union or of another State party to the Agreement on the European Economic Area, in accordance with article 231-1 2 ° of the General Regulations of the Autorité des Marchés Financiers.

### *23.7.2 Public buyout and squeeze out offer*

Article L. 433-4 of the Monetary and Financial Code and Articles 236-1 and next. (Public buyout offer), 237-1 and next. (Squeeze-out) of the AMF General Regulations provide for the deposit conditions " a public offer to withdraw and implement a squeeze-out procedure for minority shareholders of a company whose shares are admitted to trading on an organized multilateral trading system.

## **23.8. Public tender offer launched by third parties on the company's capital during the last and the current financial year**

Not applicable.

## **23.9. Taxation of dividends paid**

This section is a summary of the tax regime applicable to dividends paid by the Company to its shareholders, individuals or legal entities, whether or not having their tax residence or their registered office in France, in the current state of French tax legislation and subject to the possible application of international tax treaties aimed at avoiding double taxation. It applies to shareholders who hold shares in the Company other than through a fixed base in France or a permanent establishment in France.

The rules mentioned below are likely to be affected by any legislative or regulatory changes (with retroactive effect, if applicable) or by a change in their interpretation by the French tax administration.

In general, this information is not intended to constitute a complete analysis of all the tax effects likely to apply to the shareholders of the Company. They should check with their usual tax advisor about the taxation that applies to their particular case due to the acquisition, holding or disposal of the Company's shares. Non-French tax residents must also comply with the tax legislation in force in their state of residence, taking into account, where applicable, the provisions of the international tax convention signed between France and this state.

It is specified, as necessary, that the entry into force on January 1, 2019 of the withholding tax on income does not modify the taxation rules set out below. Indeed, income from movable capital is outside the scope of the said reform (BOI-IR-PAS-10-20180515, n ° 30).

However, individuals who are French tax residents and who engage in stock market transactions under conditions similar to those which characterize an activity carried out in a professional capacity should

contact their usual tax advisor to determine the consequences and application procedures for the withholding tax on income derived from these operations.

#### 23.9.1 *Registration fees*

In accordance with the provisions of article 726, I of the CGI, transfers of the Company's shares, insofar as they are not subject to the tax on financial transactions referred to in article 235 ter ZD of the CGI, are liable to be subject to a registration fee, in the event that said transfers are recorded by deed (made in France or abroad) at the single proportional rate of 0.1% based on the sale price of the shares.

### 24. TERMS AND CONDITIONS OF THE PRIVATE PLACEMENT

#### 24.1. **Conditions, statistics of the offer and subscription terms**

1 300 000 New Shares have been created for the Private Placement (the "Offer") Based on an issue of 1 300 000 shares at a price of € 2.00 per share:

- the gross proceeds from the issuance of New Shares was € 2 600 000 ;
- the net proceeds from the issuance of New Shares was approximately € 2 450 000.

The Private Placement was made among:

- INFINITY REALITY ENTERTAINMENT, Inc. for a total amount of € 1 500 000 in cash.
- ISH Investment Kft. "kt. A." for a total amount of € 550 000 in cash.
- EXCESS INVESTMENT for a total amount of € 550 000 in cash.

The sum of the subscription from those third parties investors amounted to € 2 600 000 representing 100.0% of the issuance.

#### 24.2. **Technical information**

##### 24.2.1 *Securities services provider*

The securities services providers associated with the Company shares and acting as the Issuer Central Securities Depositary:

#### **FINANCIERE D'UZES**

13, rue d'Uzès  
75002 PARIS

If the issuer had to change its securities services, it would be announced in the financial press and this information would be included in a notice published by Euronext.

##### 24.2.2 *Liquidity provider*

The liquidity provider appointed by the Company, which role is to dynamize the free float and the liquidity if necessary, is:

#### **TRADITION SECURITIES AND FUTURES (TSAF SA)**

9, Place Vendôme  
75001 Paris

**LOAN OF 1,000,000 SHARES OF CBI FROM KER VENTURES, EURL to CBI**

In order to facilitate the provision of liquidity on the market, Ker Ventures, EURL has granted to CBI a loan of 1,000,000 shares of CBI. This loan is valued at the sum of two million euros (€2,000,000) and bears interest at the rate of 2.0 % per annum. This interest will be capitalized and paid in kind.

CBI shall repay the entire loan no later than June 30, 2022 by delivery of the 1,000,000 shares loaned.

#### *24.2.3 Listing sponsor*

##### **ATOUT CAPITAL**

164 boulevard Haussmann

75008 PARIS

Tel: +33 (0)1 56 69 61 80

## **25. REGISTRATION AND TERMS FOR NEGOTIATION**

### **25.1. Registration for negotiations**

Listing of all of the Company's shares is requested on the Euronext Growth market.

The trading conditions for all the shares are set in a Euronext Paris notice issued on October 22, 2021.

The first listing of the Company's shares will take place on October 26, 2021. Trading is expected to start at the same date.

### **25.2. Listing places**

As of the date of this Information Document, the Company's shares are not admitted to any regulated or unregulated market.

### **25.3. Stabilization**

Not applicable.

## **26. SECURITIES HOLDER WISHING TO SELL**

### **26.1. Identification of persons or entities intending to sell**

Not applicable.

### **26.2. Number and category of securities offered by security holders wishing to sell them**

Not applicable.

## 26.3. Commitments to withhold and conservation of securities

### 26.3.1 Conservation commitments

- Mr. Frédéric CHESNAIS

Frédéric CHESNAIS who holds directly or indirectly (notably through KER VENTURES, EURL and KER VENTURES, LLC) 93.28 % of the capital and the voting rights of the Company at the date of the present Document d'Information, signed on October 8, 2021, a conservation commitment:

- for a period of 180 calendar days following the day of the admission of the Company's securities on the Euronext Growth Paris market and covering 90% of the shares held by Mr. CHESNAIS, directly and indirectly, at the date of signature of the said commitment.
- for a following period of 180 calendar days and covering 75% of the shares held by Mr. CHESNAIS, directly and indirectly, at the date of signature of the said commitment.

However, such conservation commitments are subject to the exceptions described below:

- a) contribute shares within the framework of a public offer relating to the shares of the Company;
- b) transfer any share that may be subscribed for under the Offer, whether in cash or by debt offsetting;
- c) transfer any shares to another company managed and controlled directly or indirectly by Mr. CHESNAIS, on the condition that said company signs, prior to said transfer, a letter taking over the conservation commitment for the remaining duration of said commitment;
- d) provide daily liquidity to the market, such shares to be offered not to exceed 25% of the shares held by Mr. CHESNAIS at the date of signature of the said commitment. The Company may borrow shares from Mr. CHESNAIS so as to provide the daily liquidity on the market.

"Tradition Securities and Futures" has been retained to provide the daily liquidity to the market.

- INFINITY REALITY ENTERTAINMENT, INC. and related entities

INFINITY REALITY ENTERTAINMENT, INC and related entities who holds directly 3.88 % of the capital and the voting rights of the Company at the date of the present Document d'Information, signed on October 8, 2021, a conservation commitment:

- for a period of 180 calendar days following the day of the admission of the Company's securities on the Euronext Growth Paris market and covering 100% of the shares held by INFINITY REALITY ENTERTAINMENT, INC and related entities, at the date of signature of the said commitment.

However, such conservation commitments are subject to the exceptions described below:

- a) contribute shares within the framework of a public offer relating to the shares of the Company;
- b) transfer any share that may be subscribed for under the Offer, whether in cash or by debt offsetting;

- c) transfer any shares to another company managed and controlled directly or indirectly by Mr. TITOV or AKTOS ENTERTAINMENT GROUP, LLC, on the condition that said company signs, prior to said transfer, a letter taking over the conservation commitment for the remaining duration of said commitment;
- d) 140,000 shares, i.e. 18,66% of the shares held by our company.

## 27. EXPENSES RELATED TO THE OFFER

Case	Private Placement
Gross income in €	2 600 000
Expenses related to the Offer in €	150 000
Net income in €m	2 450 000

## 28. DILUTION

### 28.1. Impact of the issue on equity

Based on (i) shareholders' equity on March 31, 2021 and (ii) the total number of shares comprising the capital of the Company on the date of the *Document d'Information* (based on the Offer Price, i.e. 2.00 € per share), shareholders' equity per share, before and after completion of the Offer, is established as follows:

Equity per share (in euros)	
	Non-diluted basis <sup>(1)</sup>
Before issuance of new shares resulting from this increase in capital	1.32 €
After issuance of 1 300 000 new shares resulting from the Private Placement	1 300 000

(1): based on an amount of proforma shareholders' equity at 03/31/2021 and excluding minority interests

## 28.2. Impact of the issue on the shareholder's situation

Based on the total number of shares making up the Company's capital on the date of the Document Information, the dilutive effect of the Offer for the shareholders of the Company would be as follows:

Shareholder participation (in %)	
	Non-diluted basis <sup>(1)</sup>
Before issuance of new shares resulting from this increase in capital	1.00%
After issuance of 1 300 000 new shares resulting from the Private Placement increase in capital	0.93%

## 28.3. Breakdown of share capital and voting rights.

The impact of the Offer on the distribution of capital and voting rights is presented in the tables below.

### 28.3.1 Impact of the Offer on the distribution of capital and voting rights.

Before the Offer:

Captable	Shares	%
Frédéric Chesnais	1	0.0%
Ker Ventures, LLC	36 999	0.2%
Ker Ventures, EURL	18 000 000	99.8%
<b>TOTAL</b>	<b>18 037 000</b>	<b>100%</b>

After the Offer:

Captable Post Private Placement	Shares	%
Frédéric Chesnais	1	0.00%
Ker Ventures, LLC	36 999	0.19%
Ker Ventures, EURL	18 000 000	93.09%
ARKTOS ENTERTAINMENT GROUP, LLC	750 000	3.88%
ISH Investment Kft. "kt. A."	275 000	1.42%
EXCESS INVESTMENT	275 000	1.42%
<b>TOTAL</b>	<b>19 337 000</b>	<b>100,00%</b>

## 29. ADDITIONAL INFORMATION

### 29.1. Advisors related to the operation.

Not applicable.

### 29.2. Other information verified by the statutory auditor.

Not applicable.

**29.3. Expert report**

Not applicable.

**29.4. Information contained in the provided information document from a third party.**

Not applicable.