



RSM Rhône-Alpes
2 bis, rue Tête d'Or
69006 LYON
T : +33 (0) 4 72 69 19 19

www.rsmfrance.fr



CRYPTO BLOCKCHAIN INDUSTRIES

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Société anonyme (private limited company) with capital of 18 037 000 euros

Registered office: 164 boulevard Haussmann – Paris 75008 – France

RCS Paris 894283126

SEMI-ANNUAL CONSOLIDATED PROFORMA FINANCIAL STATEMENTS

FIRST HALF OF THE 2021/2022 FINANCIAL YEAR
(SIX MONTHS ENDED SEPTEMBER 30, 2021)

CONSOLIDATED INCOME STATEMENT

(000's of euros)	September 30, 2021	September 30, 2020
Revenue	446,8	293,0
Cost of goods sold	0,8	-
GROSS MARGIN	447,7	293,0
Research and development expenses	(164,3)	(48,0)
Marketing and selling expenses	-	(89,5)
General and administrative expenses	(148,4)	(1,6)
Other operating income (expense)	-	-
CURRENT OPERATING INCOME (LOSS)	134,9	153,9
Restructuring costs	-	-
Other income (expense)	-	-
OPERATING INCOME (LOSS)	134,9	153,9
Cost of debt	-	-
Other financial income (expense)	-	-
Income tax	-	-
NET INCOME (LOSS) FROM CONTINUING OPERATIONS	134,9	153,9
Net income (loss) from discontinued operations	-	-
NET INCOME (LOSS) FOR THE YEAR	134,9	153,9
Group share	96,3	77,6
Minority interests	38,6	76,3
Basic earnings per share (in euros)	0,005	0,004
Diluted earnings per share (in euros)	0,005	0,004

The notes are an integral part of the semi-annual financial statements.

CONSOLIDATED BALANCE SHEET

ASSETS (000's of euros)	September 30, 2021	March 31, 2021
Intangible assets	14 689,5	-
Financial assets	14 124,6	-
Non-current assets	28 814,1	-
Accounts receivable	358,2	-
Deferred expenses	-	-
Investments	-	-
Cash and cash equivalents	601,4	37,0
Current assets	959,6	37,0
Total assets	29 773,7	37,0
EQUITY & LIABILITIES (000's of euros)	September 30, 2021	March 31, 2021
Capital stock	18 037,0	37,0
Premium and Retained Earnings	5 356,2	(5,0)
Net income (loss) Group share	96,3	-
Shareholders' equity	23 489,5	32,0
Minority interests	290,8	-
Total equity	23 780,3	32,0
Shareholders' Loan	4 542,0	-
Non-current financial liabilities	-	-
Non-current liabilities	4 542,0	-
Deferred Revenue	-	-
Accounts payable	1 451,4	5,0
Current liabilities	1 451,4	5,0
Total equity and liabilities	29 773,7	37,0
	(0,0)	0,0

The notes are an integral part of the semi-annual financial statements.

TABLE OF CONSOLIDATED CASH FLOWS

(000's of euros)	September 30, 2021	March 31, 2021
Net cash (used)/ generated in operating activities	15,4	-
of which continuing operations	-	-
Net cash (used)/ generated in investing activities	(26 901,2)	-
of which continuing operations	(26 901,2)	-
of which intangible assets and fixed assets	-	-
Net cash provided (used in) by financing activities	27 450,2	37,0
of which continuing operations	27 450,2	37,0
of which interest paid	-	-
Other cash flows	-	-
	-	-
Net change in cash and cash equivalent	564,4	37,0
Cash Beginning of Period	37,0	-
Net change in cash and cash equivalent	564,4	37,0
Cash End of Period	601,4	37,0

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

The change in consolidated shareholders' equity is as follows:

Equity as at March 31, 2021 (000's of euros)	32,0
Net income, Group Share	96,3
Contribution in kind	23 000,0
Distribution of dividends	(39,7)
Change in perimeter	290,8
Currency fluctuations	110,2
Other variations	-
Equity as at September 30, 2021 (000's of euros)	23 489,5

The consolidated subsidiaries are not included in the table above.

NOTE 1 – BASIS OF PREPARATION OF THE SEMI-ANNUAL REPORT

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 September 30, 2021 and March 31, 2021 if they had been implemented as follows:

- All the shares in connection with the contribution in kind of cash, Atari shares, the Atari tokens, OP Productions, LLC and Free Reign East, LLC and the investment in National Carrier Exchange, LLC have actually been issued in September 2021 and such contribution in kind is reflected in the financial statements of the Company as at September 30, 2021;
- The proforma income statement as at September 30, 2021 is compared to the proforma income statement as at September 30, 2020; these proforma income statements do reflect the activities of operating companies OP Productions, LLC and Free Reign East, LLC from April 1, 2020 to September 30, 2020, and from April 1, 2021 to September 30, 2021 even if the shares of such subsidiaries have been contributed in September 30, 2021 only;
- The proforma balance sheet as at September 30, 2021 includes the contribution in kind completed in September 2021 (See Note 2 below);
- In terms of balance sheet comparison, the Company had already released in July 2021 a proforma balance sheet as at March 31, 2021 (See Report of RSM Rhône-Alpes of July 23, 2021); Such proforma balance sheet as at March 31, 2021 also included the anticipated proforma completion of the contribution in kind; To better illustrate the impact of the contribution in kind on the financial condition of the Company, the proforma balance sheet as at September 30, 2021 has been compared to the balance sheet as at March 31, 2021 excluding such contribution in kind, i.e. to the statutory balance sheet of the Company as of such date;
- Finally, it should be noted that the shares and the tokens which were contributed in kind in September 2021 through a capital increase (See Note 2 below describing such capital increase made through a contribution in kind - “*Apport en Nature*”) have all been classified as non-current assets, while some of them had been classified as current assets holdings in the proforma financial statements at March 31, 2021 (See Report of RSM Rhône-Alpes of July 23, 2021).

The proforma restatements are as follows: (i) inclusion as at April 1, 2020 of the results and operations of operating companies OP Productions, LLC and Free Reign East, LLC, even if the Company shares compensating such contribution have been issued in September 2021.

These proforma financial statements are presented without any accrual for income taxes.

1.1 PRINCIPLES APPLIED TO THE SEMI-ANNUAL FINANCIAL STATEMENTS

Preparation of the proforma Financial Statements

The Group’s condensed proforma consolidated financial statements at September 30, 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;
- in accordance with IFRS as published by the IASB;
- applying the same principles and accounting methods as those applied as of March 31, 2021, except for standards, amendments, and interpretations which applied for the first time to financial years beginning after April 1, 2021.

1.2 METHODS AND SCOPE OF 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>
<i>National Carrier Exchange, LLC</i>	<i>Corporation</i>	<i>USA</i>	<i>27.50%</i>

1.3 APPLICATION OF THE GOING CONCERN PRINCIPLE

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.

1.4 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 are always inherent uncertainty in achieving objectives, the operating budget and the financing plan, and the non-realization of assumptions may have an impact on the valuation of the Group's assets and liabilities.

1.5 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.

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 2 – HIGHLIGHTS OF THE PERIOD

Highlights of the first half of the 2021/2022 financial year are:

- The capital increase as described below;
- A continued investment in existing games and applications.

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	549.1
Atari Shares	1,953.0
Crypto-currencies	9,338.6
Investments in companies	12,171.6
Investments in companies	3,438.0
Total contribution	27,450.2
Issuance of shares	18,000.0
Consolidation premium	5,000.0
Shareholders' Loan	4,450.2
Total compensation	27,450.2

NOTE 3 – INTANGIBLE FIXED ASSETS

At each closing, the Group assesses the future economic benefits it will receive from this 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 noted, and depending of how significant this deviation is, the depreciation/amortization plan is accelerated or the asset is depreciated/amortized in full.

As the closing, intangible fixed assets break down as follows:

- The Intellectual Property Rights correspond to the acquisition price paid for one of the games;
- Games represent investments in game software;
- Crypto-currencies represent the portfolio of tokens held by the Group, either created or acquired;
- Goodwill represents accounting goodwill in accordance with generally accepted accounting principles.

The portfolio of tokens is recorded at cost, based on the acquisition price.

The portfolio is evaluated on an aggregate basis, each crypto-currency being evaluated on the basis of different volume-weighted average prices in order to reflect the value of each crypto-currency and of the overall portfolio. As the crypto-currencies are part of the same eco-system, unrealized losses and gains are aggregated. If the aggregate value of the portfolio exceeds its aggregate cost value, no unearned income is recognized. If the aggregate value of the portfolio is lower than its aggregate cost value, a depreciation is recorded as part of the income statement.

There is no explicit or implicit obligations relating to the subscribers and holders of the tokens. Therefore, the amounts collected in connection with the sales are recognized as revenue.

The following table sets forth the comparison with the proforma consolidated financial as at March 31, 2021 (the assets were classified as current assets in the proforma consolidated financials as at March 31, 2021 and have been reclassified as long-term investments):

Net value (000's of euros)	IP Rights	Games	Crypto-Currencies	Goodwill / Others	Total
September 30, 2021	863,6	1 100,0	9 338,6	3 387,3	14 689,5
March 31, 2021	-	-	-	-	-
Variance	863,6	1 100,0	9 338,6	3 387,3	14 689,5

NOTE 4 – FINANCIAL INSTRUMENTS

4.1. NON-CURRENT FINANCIAL ASSETS

The following table sets forth the comparison with the proforma consolidated financial as at March 31, 2021:

ASSETS (000's of euros)	September 30, 2021	March 31, 2021
Financial assets measured at fair value	14 124,6	-
Financial assets measured at fair value through profit & loss	-	-
Financial assets measured at amortized cost	-	-
Non-current financial assets	14 124,6	-

The contribution in kind of the financial assets took place in September 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:

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

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

These represent the Atari shares and the NCX shares held by the Group.

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.

PUBLICLY LISTED FINANCIAL INSTRUMENTS

When listed, the portfolio of shares and financial instruments is evaluated using a volume weighted average price calculated over 6 months (V-WAP). This methodology was also used for the contribution in kind made in September 2021.

As of September 30, 2021, shares of Atari have been valued using this methodology, and no accrual was recorded as the 6-month V-WAP as of that date was higher than the net book value recognized through the contribution in kind.

4.2. 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 September 30, 2021 (000's in US\$)	Net Value	Schedule		
		Less than 1 year	Between 1 & 5 years	More than 5 years
Investments in shares	14 124,6	-	14 124,6	-
Stock	-	-	-	-
Accounts receivables	358,2	358,2	-	-
Current tax assets	-	-	-	-
Other current assets	-	-	-	-
Cash and cash equivalent	601,4	601,4	-	-
FINANCIAL ASSETS	15 084,3	959,6	14 124,6	-
Lease liabilities	-	-	-	-
Shareholders' loan	4 542,0	-	4 542,0	-
Notes Payable	-	-	-	-
Accounts payables	1 451,4	1 451,4	-	-
Current tax liabilities	-	-	-	-
Other current liabilities	-	-	-	-
FINANCIAL LIABILITIES	5 993,5	1 451,4	4 542,0	-

NOTE 5 – INVENTORIES

As of September 30, 2021 and as at March 31, 2021, the Group has no inventory.

NOTE 6 – TRADE RECEIVABLES

The following table sets forth the comparison with the proforma consolidated financial as at March 31, 2021:

(000's of euros)	September 30, 2021	March 31, 2021
Trade receivables	-	-
Provisions for impairment in value	-	-
Trade receivables net value	-	-

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 7 – OTHER CURRENT ASSETS

Other current assets break down as follows:

(000's of euros)	September 30, 2021	March 31, 2021
Receivables from employees	-	-
Prepaid and recoverable taxes	-	-
Current financial assets	-	-
Prepaid expenses	-	-
Other	-	-
Other current assets	-	-

NOTE 8 – 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 €601.4K 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.

The following table sets forth the comparison with the proforma consolidated financials as at March 31, 2021:

(000's of euros)	September 30, 2021	March 31, 2021
Cash (Cash on hand and demand deposits)	601,4	37,0
Cash equivalents (Highly liquid, short-term investments)	-	-
Cash and cash equivalents	601,4	37,0

NOTE 9 – SHAREHOLDERS' EQUITY

9.1 OVERVIEW

As at September 30, 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.

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

Ownership	September 30, 2020 (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%
Total	18,037,000	100.00%	18,037,000	100.00%	18,037,000	100.00%

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 of CBI 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.

The table below shows the changes in equity over the period ended September 30, 2021:

Equity as at March 31, 2021 (000's of euros)	32,0
Net income, Group Share	96,3
Contribution in kind	23 000,0
Distribution of dividends	(39,7)
Change in perimeter	290,8
Currency fluctuations	110,2
Other variations	-
Equity as at September 30, 2021 (000's of euros)	23 489,5

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	549.1
Atari Shares	1,953.0
Crypto-currencies	9,338.6
Investments in companies	12,171.6
Investments in companies	3,438.0
Total contribution	27,450.2
Issuance of shares	18,000.0
Consolidation premium	5,000.0
Shareholders' Loan	4,450.2
Total compensation	27,450.2

9.2 TREASURY SHARES

At September 30, 2021, the Company has no treasury shares.

9.3. CBI SA STOCK OPTION PLAN

At September 30, 2021, the Company has no stock-option plan.

NOTE 10 – DEBT

The Group has no financial debt.

NOTE 11 – OTHER CURRENT AND NON-CURRENT LIABILITIES

The following table sets forth the comparison with the proforma consolidated financials as at March 31, 2021:

(000's of euros)	September 30, 2021	March 31, 2021
Shareholders' loan	4 542,0	-
Other non-current liabilities	-	-
Other non-current liabilities	4 542,0	-
Trade payables	1 451,4	-
Tax liabilities	-	-
Other current liabilities	-	-
Other current liabilities	1 451,4	-

Other non-current liabilities represent a shareholders' loan of €4,542, of which €4,450.2 in connection with the contribution in kind of September 2021. This loan does not bear interest.

Trade payables represent amounts due to third-party developers.

Other current liabilities represent some trade payable.

NOTE 12 – REVENUE FROM ORDINARY ACTIVITIES & 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 13 – OTHER OPERATING INCOME AND EXPENSES

Not applicable.

NOTE 14 – OPERATING EXPENSES BY NATURE

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 €164.3 for the 6-month period ended on September 30, 2021, compared with €46.7 for the prior period. This increase, net of the amounts capitalized as intangible assets in development, highlights the slight increase of production and the mobilization of resources for the development of the business lines for the years to come.

Regarding the metaverse, the value of the intellectual property rights is recorded as a balance sheet asset and is not amortized as at September 30, 2021.

Research and development expenses are analyzed as follows:

(000's of euros)	September 30, 2021	September 30, 2020
R&D expenditures	164,3	46,7
R&D capitalized	-	-
Amortization	-	-
Research and development expenses	164,3	46,7

Marketing and sales expenses

Marketing and sales expenses totaled €0 for the 6-month period ended on September 30, 2021, compared with €89.5 for the prior period, as priority was given to the development of new products.

General and administrative expenses

General and administrative expenses totaled €148.4 for the 6-month period ended on September 30, 2021, compared with €1.6 for the prior period. The variance results from the launch of operations.

NOTE 15 – NET FINANCIAL INCOME (EXPENSE)

Net financial income is negligible.

At September 30, 2021, the cost of debt is nil.

NOTE 16 – INCOME TAX**16.1. ANALYSIS OF THE TAX CHARGE**

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.

16.2. ANALYSIS OF DEFERRED TAX ASSETS

The Group has no deferred tax.

NOTE 17 – PROVISIONS FOR RISKS & CHARGES 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 18 – OFF-BALANCE SHEET COMMITMENTS**18.1. COMMITMENTS GIVEN**

At September 30, 2021, there are no commitments given.

At March 31, 2021 there are no commitments given.

18.2. COMMITMENTS RECEIVED

At September 30, 2021, there are no commitments received.

At March 31, 2021, there are no commitments received.

NOTE 19 – RELATED-PARTY TRANSACTIONS**19.1. REGULATED AGREEMENTS**

There is no regulated agreement.

19.2. 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

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.

Compensation due for directorships

See following paragraph.

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.

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 other than the Chief Executive Officer 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

None.

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

NOTE 20 – SUBSEQUENT EVENTS

The subsequent events are as follows:

- Sales of NFTs and tokens since November 2021 exceed 2.8 million US\$ on a financial year-to-date basis
- Acquisition of 2% of Xave, a blockchain-based music game, in exchange for CBI's consulting services
- Successful sale of NFTs in excess of \$250,000 for United at Home, the charity program co-founded and supported by David Guetta
- Revenue sharing agreements with games such as Xave
- Acquisition of a controlling position in OP Productions and Free Reign East (from 50% to 78%)
- Listing of the Company's shares on Euronext Growth on October 26, 2021
- Project to split the share nominal value by 10, with each shareholder holding 1 share before the split ending up with 10 shares post-split – the split is expected to be effective in January 2022

21 STATUTORY AUDITORS' REPORT ON THE PROFORMA SEMI-ANNUAL FINANCIAL STATEMENTS**Période du 1er avril 2021 au 30 septembre 2021**

Mesdames, Messieurs les Actionnaires de la société Crypto Blockchain Industries,

En exécution de la mission qui nous a été confiée par votre assemblée générale et en application de l'article L.451-1-2 III du Code monétaire et financier, nous avons procédé à :

- L'examen limité des comptes consolidés proforma intermédiaires résumés de la société Crypto Blockchain Industries S.A., relatifs à la période du 1er avril 2021 au 30 septembre 2021, tels qu'ils sont joints au présent rapport;
- La vérification des informations données dans le rapport semestriel d'activité.

La crise mondiale liée à la pandémie de Covid-19 crée des conditions particulières pour la préparation et l'examen limité des comptes consolidés intermédiaires résumés. En effet, cette crise et les mesures exceptionnelles prises dans le cadre de l'état d'urgence sanitaire induisent de multiples conséquences pour les entreprises, particulièrement sur leur activité et leur financement, ainsi que des incertitudes accrues sur leurs perspectives d'avenir. Certaines de ces mesures, telles que les restrictions de déplacement et le travail à distance, ont également eu une incidence sur l'organisation interne des entreprises et sur les modalités de mise en œuvre de nos travaux.

Ces comptes consolidés **proforma** intermédiaires résumés ont été établis sous la responsabilité du Conseil d'Administration. Il nous appartient, sur la base de notre examen limité, d'exprimer notre conclusion sur ces comptes.

I - Conclusion sur les comptes

Nous avons effectué notre examen limité selon les normes d'exercice professionnel applicables en France.

Un examen limité consiste essentiellement à s'entretenir avec les membres de la direction en charge des aspects comptables et financiers et à mettre en œuvre des procédures analytiques. Ces travaux sont moins étendus que ceux requis pour un audit effectué selon les normes d'exercice professionnel applicables en France. En conséquence, l'assurance que les comptes, pris dans leur ensemble, ne comportent pas d'anomalies significatives obtenue dans le cadre d'un examen limité est une assurance modérée, moins élevée que celle obtenue dans le cadre d'un audit.

Sur la base de notre examen limité, nous n'avons pas relevé d'anomalies significatives de nature à remettre en cause la conformité des comptes consolidés proforma intermédiaires résumés avec la norme IAS 34 - norme du référentiel IFRS tel qu'adopté dans l'Union européenne relative à l'information financière intermédiaire.

Observation

Sans remettre en cause l'opinion exprimée ci-dessus, nous attirons votre attention sur l'information figurant dans la NOTE 1 pour une meilleure compréhension des comptes au 30 septembre 2021 et du comparatif au 31 mars 2021 et 30 septembre 2020.

II – Vérification spécifique

Nous avons également procédé à la vérification des informations données dans le rapport semestriel d'activité commentant les comptes consolidés **proforma** intermédiaires résumés sur lesquels a porté notre examen limité.

Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes consolidés **proforma** intermédiaires résumés.

Fait à Lyon, le 22 janvier 2022

Le Commissaire aux Comptes

A handwritten signature in blue ink, appearing to read 'J. B. Bouchard'.

RSM Rhône-Alpes

Société de Commissariat aux Comptes
Membre de la CRCC de Lyon-Riom