



EURO
Ressources^{SA}

A Gold Resource
Royalty Company

**Unaudited Condensed Interim
Financial Statements (per IFRS)
First Quarter ended March 31, 2022**

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Balance Sheets
(Unaudited)
(In thousands of euros)

	Notes	March 31, 2022	December 31, 2021
Non-current assets		€ 16,453	€ 15,838
Royalty assets	4	14,151	13,862
Marketable securities	5	2,302	1,976
Current assets		28,285	24,314
Trade receivables	6	4,841	3,526
Other current assets		24	18
Income tax receivable		-	403
Cash	7	23,420	20,367
Total assets		€ 44,738	€ 40,152
Equity		€ 44,179	€ 39,818
Share capital	8.1	625	625
Additional paid-in-capital	8.1	84	84
Other reserves		40,304	31,506
Net profit for the period		3,166	7,603
Non-current liabilities		451	189
Deferred tax liabilities		451	189
Current liabilities		108	145
Trade payables and current liabilities		85	145
Income tax payable		23	-
Total equity and liabilities		€ 44,738	€ 40,152
Contingencies	15		

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Income Statements
(Unaudited)
(In thousands of euros, except per share amount)

	Notes	First quarter ended	
		2022	March 31, 2021
Revenues	11	€ 4,769	€ 3,462
Operating expenses	12	(109)	(122)
Amortization expense	4	(62)	(47)
Operating profit		4,598	3,293
Investment income		11	32
Foreign exchange loss		(2)	(64)
Net financial gain (loss)		9	(32)
Profit before income tax		4,607	3,261
Income tax expense	9	(1,441)	(1,388)
Net profit		€ 3,166	€ 1,873
Basic and diluted earnings per share (€/share)	8.2	€ 0.051	€ 0.030

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Statements of Comprehensive Income
(Unaudited)
(In thousands of euros)

	Note	First quarter ended March 31,	
		2022	2021
Net profit		€ 3,166	€ 1,873
Other comprehensive income			
Items that will not be reclassified to the income statement			
Net unrealized change in fair value of marketable securities, net of tax	5	135	(800)
Currency translation adjustments		1,060	1,932
Other comprehensive income		1,195	1,132
Total comprehensive income		€ 4,361	€ 3,005

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Cash Flow Statements

(Unaudited)
(In thousands of euros)

	Notes	First quarter ended March 31,	
		2022	2021
Operating activities			
Net profit		€ 3,166	€ 1,873
Elimination of items which do not have an impact on cash flow:			
Amortization expense		62	47
Foreign exchange loss		2	64
Income tax expense		1,441	1,388
Movements in non-cash working capital items	13	(1,275)	(614)
Cash from operating activities before income tax paid		3,396	2,758
Income tax paid		(899)	(1,043)
Net cash flow from operating activities		2,497	1,715
Unrealized impact from changes in foreign currency exchange rates on cash			
		556	1,361
Increase in cash		3,053	3,076
Cash, beginning of the period		20,367	31,496
Cash, end of the period		€ 23,420	€ 34,572

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Statements of Changes in Equity (Unaudited) (In thousands of euros)

	Share capital	Additional paid-in capital	Fair value reserve	Currency translation adjustments	Retained earnings	Net profit for the period	Total equity
Balance as of December 31, 2021	€ 625	€ 84	€ (2,511)	€ 5,715	€ 28,302	€ 7,603	€ 39,818
Appropriation of 2021 profit	-	-	-	-	7,603	(7,603)	-
Position as of December 31, 2021 after appropriation of profit	625	84	(2,511)	5,715	35,905	-	39,818
Total comprehensive income	-	-	135	1,060	-	3,166	4,361
Balance as at March 31, 2022	€ 625	€ 84	€ (2,376)	€ 6,775	€ 35,905	€ 3,166	€ 44,179

	Share capital	Additional paid-in capital	Fair value reserve	Currency translation adjustments	Retained earnings	Net profit for the period	Total equity
Balance as of December 31, 2020	€ 625	€ 84	€ (1,739)	€ 2,950	€ 29,962	€ 13,963	€ 45,845
Appropriation of 2020 profit	-	-	-	-	13,963	(13,963)	-
Position as of December 31, 2020 after appropriation of profit	625	84	(1,739)	2,950	43,925	-	45,845
Total comprehensive income	-	-	(800)	1,932	-	1,873	3,005
Balance as at March 31, 2021	€ 625	€ 84	€ (2,539)	€ 4,882	€ 43,925	€ 1,873	€ 48,850

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

Notes to Unaudited Condensed Interim Financial Statements

(Amounts in notes are in euros, and tabular amounts are in thousands of euros, except where otherwise indicated.)

1) Corporate information

EURO Ressources S.A. (“EURO” or the “Company”) is a *Société Anonyme*, domiciled in metropolitan France with its registered office located in Paris. EURO is a listed company in France who does not prepare consolidated financial statements.

As at March 31, 2021, IAMGOLD France S.A.S. (“IAMGOLD France”), an indirect wholly owned subsidiary of IAMGOLD Corporation (“IAMGOLD”), owned approximately 89.71% of all issued and outstanding shares of EURO and 94.25% of the voting rights of EURO (note 8.1). EURO’s securities trade on the NYSE Euronext of Paris stock exchange under the symbol EUR.

Main assets of the Company are a royalty on the Rosebel gold mine production in Suriname (the “Rosebel royalty”), a royalty on the Paul Isnard concessions, a silver stream from a subsidiary of Orezone Gold Corporation (“Orezone”) and marketable securities. The Rosebel royalty is payable by IAMGOLD. The Rosebel gold mine is 95%-owned by IAMGOLD, and is operated by IAMGOLD. The royalty on the Paul Isnard concessions is a net smelter returns production royalty on future production of the Paul Isnard concessions and an area of interest surrounding the concessions in French Guiana, owned under a joint venture agreement between Orea Mining Corp. and Nord Gold SE (“Compagnie Minière Montagne d’Or” or the “JV”). The silver stream entitles EURO to receive 50% of the payable silver production over the life of mine on Orezone’s Bomboré Project, located in Burkina Faso, West Africa.

2) Basis of preparation

2.1) Statement of compliance

EURO’s unaudited condensed financial statements (“interim financial statements”) as and for the first quarter ended March 31, 2022 and 2021 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as approved by the International Accounting Standard Board (“IASB”) to comply with Canadian requirements. In France, only French generally accepted accounting principles can be applied for establishment of individual accounts of listed companies.

The interim financial statements of EURO as at and for the first quarter ended March 31, 2022 have been prepared in accordance with IAS 34, Interim Financial Reporting, and do not include all of the information required for annual financial statements. Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed. These financial statements have been prepared on a historical cost basis, except for marketable securities which are measured at fair value.

These interim financial statements have been approved for publication by the Board of Directors on May 4, 2022.

2.2) Accounting policies

These interim financial statements, including comparatives, have been prepared following the same accounting policies and methods of computation as the annual audited financial statements for the year ended December 31, 2021.

2.3) Functional and presentation currencies

Financial statements of the Company are presented in Euros (“€” or “euros”).

The functional currency of EURO is the United States dollars (“US\$”), determined on the basis of the economic environment in which the Company operates. The United States dollar is the currency in which major transactions of the Company, such as income from royalties and the related cash, are denominated. Certain additional information are presented in these financial statements in United States dollars and in Canadian dollars (“C\$”).

Transactions denominated in foreign currencies (€ and C\$) are converted into the Company's functional currency (US\$) on the basis of the spot exchange rates applied on the transaction dates. Foreign exchange gains and losses are related to the revaluation of bank accounts and other balance sheet accounts denominated in foreign currencies, and the revaluation and payment of dividends and income tax payable. Foreign exchange gains and losses are included in the income statements. Foreign exchange gains and losses related to deferred tax liabilities are included in the income tax expense.

Financial statements in United States dollars are then converted into euros as follows:

- Assets and liabilities are translated at the closing rate at the date of the balance sheet;
- Income and expenses for each significant transaction are translated at the exchange rate at the date of the transaction; otherwise an average rate for the period is used;
- When a gain or loss on financial assets at fair value through other comprehensive income (“OCI”), is recognized in OCI, the translation differences are also recognized in OCI;
- Equity transactions are translated using the exchange rate at the date of the transaction.

Translation adjustments arising from conversion of the financial statements into the presentation currency are recognized in other comprehensive income (“currency translation adjustments”). The currency exchange rate used to present the balance sheets in euros was €1 for US\$1.1096 at March 31, 2022 (€1 for US\$1.1377 as at December 31, 2021). The average currency exchange rate for the quarter ended March 31, 2022, used to present the Company's income statement, statement of comprehensive income and cash flow statement, was €1 for US\$1.1270 (quarter ended March 31, 2021: €1 for US\$1.2153). Significant transactions are translated at the exchange rate of the date of the transaction. The fluctuation in foreign exchange rates explains the currency translation adjustments in the statement of comprehensive income.

3) Management of financial risk

EURO is exposed to different types of financial risks:

- Market risk (principally the market price for gold and silver, marketable securities, and foreign currency risk),
- Credit risk, and
- Liquidity risk.

EURO monitors the volatility of financial markets and seeks to minimize the potentially unfavorable effects of that volatility for EURO's financial performance.

3.1) Market risk

3.1.1) Gold price risk

EURO is exposed to the risk of changes in the market price of gold. In 2022, the Rosebel royalty production is anticipated to be between 113,000 ounces and 139,000 ounces, and the Rosebel royalty is expected to provide revenues to the Company of between approximately €12.3 million and €15.2 million (US\$14.8 million and US\$18.2 million). These pre-tax numbers assume a gold price of US\$1,700 per ounce and an exchange rate of €1 for US\$1.20. The impact of changes in the average gold price on EURO's annual revenues, based on an estimated production of 126,000 ounces, would be approximately US\$1.2 million for each US\$100 per ounce change in the gold price. The impact of a 5% change in the average foreign exchange rate on EURO's annual revenues would be approximately €0.7 million.

3.1.2) Foreign currency translation risk

The functional currency of EURO is the United States dollars ("US\$") and its financial statements are presented in euros. EURO is exposed to foreign currency translation risk arising from various currency exposures, primarily with respect to the euro. Most revenues are initially denominated in the US\$ functional currency. On the other side, the income tax expense is denominated in euros which is not the Company's functional currency. Accordingly, the largest foreign currency translation risk is related to income tax expense.

Three months ended March 31, 2022					Exposure to currency translation risk %
(In thousands of euros)	Total	US\$	€	C\$	
Revenues	€ 4,769	€ 4,769	€ -	€ -	0%
Operating expenses	€ 109	€ 50	€ 34	€ 25	54%
Investment income	€ 11	€ 11	€ -	€ -	0%
Income tax expense	€ 1,441	€ -	€ 1,441	€ -	100%

3.2) Credit risk

EURO is subject to a concentrated credit risk with almost 100% of its revenues receivable from one source, namely the Rosebel royalty. This royalty is payable by one company, IAMGOLD, which operates the Rosebel mine. Management considers that in view of the financial standing and nature of IAMGOLD's continuing operating activities, the risk of loss is minimal.

3.3) Liquidity risk

Prudent management of liquidity risk requires the retention of adequate liquidity to meet expected expenditures and possible contingencies. EURO believes that its recurring operational income is adequate to cover spending requirements.

4) Royalty assets

	December 31, 2021		Movement	Translation adjustment	March 31, 2022			
<u>Costs</u>								
Rosebel ¹	€	13,494	€	-	€	343	€	13,837
Paul Isnard ²		4,922	€	-		125		5,047
Bombore ³		6,285	€	-		159		6,444
		24,701		-		627		25,328
<u>Accumulated amortization</u>								
Rosebel		(10,839)		(62)		(276)		(11,177)
	€	13,862	€	(62)	€	351	€	14,151

	December 31, 2020		Movement	Translation adjustment	December 31, 2021			
<u>Costs</u>								
Rosebel ¹	€	12,555	€	-	€	939	€	13,494
Paul Isnard ²		4,580		-		342		4,922
Bombore ³		-		6,285		-		6,285
		17,135		6,285		1,281		24,701
<u>Accumulated amortization</u>								
Rosebel		(9,916)		(174)		(749)		(10,839)
	€	7,219	€	6,111	€	532	€	13,862

¹ The Rosebel royalty quarterly payments from IAMGOLD apply to the first seven million ounces of gold produced from the Rosebel mine and are calculated on the basis of gold production at the Rosebel mine and the market price of gold based on the Afternoon London Price. As of March 31, 2022, the Rosebel mine had produced approximately 5.54 million ounces of gold and 1.46 million ounces of gold remained under the Rosebel royalty agreement. Per IAMGOLD, Rosebel's proven and probable gold reserves as at December 31, 2021 were estimated to be 2.6 million ounces of gold (December 31, 2020: 3.4 million ounces of gold). These reserves do not include reserves of the Saramacca deposit of the Rosebel mine as they are not included in the definition of the property per the participation right agreement. The Rosebel royalty is calculated based on 10% of the excess gold market price above US\$300 per ounce for soft and transitional ore, and above US\$350 per ounce for hard rock ore, and, in each case, after deducting a fixed royalty of 2% of production paid in-kind to the Government of Suriname.

² The net smelter returns production royalty covers future production of the Paul Isnard concessions and an area of interest surrounding the concessions in French Guiana. Royalty income will be calculated by applying the percentage of royalty to the net smelter returns royalty established based on revenues from the sale of gold calculated per the average monthly gold price (in United States dollars) less applicable deductions per the agreement. The royalty percentage is 1.8% on the first two million ounces of gold and 0.9% on the next three million ounces of gold.

³ The silver stream entitles to receive 50% of the payable silver production over the life of mine on Orezone's Bomboré Project, located in Burkina Faso, West Africa. The silver stream also stipulates a minimum guaranteed delivery obligation of 37,500 ounces of silver per annum subject to a catch-up payment on a shortfall on specified timelines, until delivery of 375,000 ounces of payable silver after which the minimum annual payment guarantee will no longer apply. Orezone has the right to buy back 50% of the silver stream in certain circumstances for \$7.15 million.

Impairment of intangible assets

The carrying amounts of the Company's royalty are reviewed at each reporting date to determine whether there is any indication of impairment (significant decrease in proven and probable gold reserves, decrease in the gold price on the London Bullion Market, deterioration of the dollar exchange rate).

An impairment test is performed at each year-end, the projection period ending when all of gold ounces under the royalty agreement have been mined (forecasts until 2026 for the Rosebel mine, 2032 for the Paul Isnard project and 2036 for the Bombore project). The test takes into account the following assumptions:

- The comparison between the proven and probable reserves defined by a qualified person within the meaning of Canadian mining law and the remaining quantities to be extracted under the royalty agreement (as at December 31, 2021, 2.7 million of ounces of gold for Paul Isnard and 2.6 million of ounces of gold for Rosebel and 0.5 million ounces of silver for Bombore, representing EURO's share, i.e. 50%, of silver production).
- The estimated average price of gold and silver based on the analysis of multiple financial institutions (\$1,275 per ounce of gold for Paul Isnard, and an estimated average price ranging from \$1,600 to \$1,750 per ounce of gold for Rosebel, and an estimated average price ranging from \$21 to \$24 per ounce of silver for Bombore).
- The average rate of the US dollar, estimated at US\$1.20 USD for €1 over the projection period for Paul Isnard, Rosebel and Bombore.
- The discount rate ranging from 6.5% to 7%.

In addition, a sensitivity test was performed on the financial and operational assumptions. It appears that no reasonably possible change of one or more of the key assumptions would require the tested assets to be written down.

Rosebel mine

No indication of impairment was identified for the Rosebel royalty as at March 31, 2022.

Paul Isnard project

In 2019, the statements by the French Government regarding the Compagnie Minière Montagne d'Or, to which the Paul Isnard royalty is attached, have created some uncertainty around the delivery of the various authorizations and permits not yet obtained and required for developing the project, and can potentially affect the operational and financial capacities of the project. Failure to obtain operating permits would result in the need to depreciate in full the net book value of the assets relating to the Paul Isnard royalty.

On December 24, 2020, the Cayenne Administrative Court ordered the French State to extend the Montagne d'Or mining concessions within 6 months of the decision.

On February 3, 2021, the French Government announced that it was appealing the Administrative Court's decision to extend the Montagne d'Or mining concessions.

On July 22, 2021, Orea announced that the Administrative Court of Appeal in Bordeaux has rejected the French Government's appeal and request for a stay of execution of the court rulings of December 24, 2020. In its ruling, the Court of Appeal concluded that the arguments put forth by the French Government were without merit and that the joint venture submitted complete applications and met all requirements for the renewal of the mining concessions. Furthermore, the JV filed additional pleadings before the Court of Appeal in Bordeaux to issue an injunction ordering the French Government to pay a fine of €20,000 per day to the JV, retroactive to the date of the initial court ruling of December 24, 2020.

On October 7, 2021, Orea reported that it had received confirmation that the French Government had filed a final appeal to the French Supreme Court on the renewal of the Montagne d'Or mining titles. The Supreme Court will conduct an analysis on whether to admit or reject to hear the appeal.

On January 10, 2022, Orea reported that the JV is still awaiting a decision by the Supreme Court on whether it will admit and hear a final appeal by the French Government.

On March 4, 2022, it was reported by Orea that the controlling shareholder of Norgold, the co-owner of the Montagne d'Or project, has been added to the list of persons sanctioned by the European Union in connection with Russia's invasion of Ukraine. At this time, it is not known what impact, if any, these events will have on Nordgold or its ability to continue its responsibilities under the shareholders' agreement in place between Orea and Nordgold, relating to the Montagne d'Or project.

In the impairment test performed at December 31, 2021, the Company considered that the various authorizations and permits would be granted under conditions that will allow the JV to go on with this project. The Company believes that it is premature to conclude that an impairment should be recorded on the Paul Isnard royalty asset at this stage. Therefore, The Company continues to assume that the various authorizations and permits would be granted under conditions that will allow the joint venture to go forward with this project, although the timing is somewhat uncertain. No impairment charges were recorded in the statement of earnings for the period ended March 31, 2022.

Bombore project

No indication of impairment was identified for the Bombore project as at March 31, 2022.

5) Marketable securities

EURO holds marketable securities related to mining companies which are part of a volatile market. Share market price exposure risk is related to the fluctuation in the market price of marketable securities. Investments in marketable securities are recorded at fair value with changes in fair value recorded in other comprehensive income.

As at March 31, 2022, marketable securities comprised 19,095,345 shares of Orea Mining Corp. ("Orea") (9.0% of outstanding shares; December 31, 2021: 9.3%) and 3,819,069 shares of Allegiant Gold Ltd. ("Allegiant") (4.9% of outstanding shares; December 31, 2021: 4.9%).

	First quarter ended March 31,	
	2022	2021
Balance, beginning of the period	€ 1,976	€ 2,988
Change in fair value of marketable securities	272	(1,031)
Translation adjustment	54	87
Balance, end of the period	€ 2,302	€ 2,044

Unrealized gains or losses related to the change in market price of marketable securities are recorded in accumulated other comprehensive income within equity.

	First quarter ended March 31,	
	2022	2021
Net unrealized change in fair value of marketable securities, net of tax		
Change in fair value of marketable securities	€ 272	€ (1,031)
Income tax impact	(137)	231
	€ 135	€ (800)

6) Trade receivables

	Note	March 31, 2022	December 31, 2021
Trade receivables from IAMGOLD	14	€ 4,841	€ 3,526

7) Cash

	March 31, 2022	December 31, 2021
Cash ¹	€ 23,420	€ 20,367

¹ Approximately 1% of EURO's available cash was held in euros as at March 31, 2022 (December 31, 2021: 1%).

8) Share capital**8.1) Common shares**

	Number of shares	Nominal value per share (In euros per share)	Share Capital (In thousands of euros)	Additional paid-in capital (In thousands of euros)
As at March 31, 2022 and December 31, 2021	62,491,281	€ 0.01	€ 625	€ 84

Voting rights

Pursuant to Article 223-11, paragraph 2 of the AMF General Regulations, the total number of voting rights is calculated on the basis of all shares to which are attached voting rights, including shares deprived of voting rights. The number of voting rights is different from the number of outstanding shares due to the automatic granting of double voting rights to the shareholders holding registered shares since at least two years (application of article L. 225-123 of the French commercial code).

As at March 31, 2022, IAMGOLD France, an indirect wholly owned subsidiary of IAMGOLD, owned approximately 89.71% of all issued and outstanding shares of EURO. As at March 31, 2022, IAMGOLD France held 56,058,191 shares representing 112,116,382 voting rights or 94.25% of the voting rights of EURO. This threshold crossing results from a double voting rights allocation.

	March 31, 2022	December 31, 2021
Total number of common shares	62,491,281	62,491,281
Double voting rights	56,469,476	56,469,116
Total number of voting rights	118,960,757	118,960,397

8.2) Earnings per share**Basic earnings per share computation**

	First quarter ended March 31,	
	2022	2021
Net profit attributable to holders of common shares	€ 3,166	€ 1,873
Basic and diluted weighted average number of common shares	62,491,281	62,491,281
Basic and diluted earnings per share attributable to holders of common shares	€ 0.051	€ 0.030

Diluted earnings per share computation

The double voting rights do not have a dilutive effect on the earnings per share computation.

9) Income tax

The income tax expense differs from the amount that would have been computed by applying the income tax rate for corporations in France. In 2022, the income tax rate applicable to profit before income tax was of 25% as well as an additional social contribution tax of 3.3% applied to the tax rate. In 2021, the income tax rate applicable to profit before income tax was of 26.5% as well as an additional social contribution tax of 3.3% applied to the tax rate.

The Company's effective tax rate for the first quarter of 2022 was 31.3% compared to 42.6% during the first quarter of 2021. The effective tax rate varied from the tax rate for corporations in France mainly due to translation adjustments.

10) Fair value measurements

The fair value hierarchy categorizes into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as derived from prices.
- Level 3 inputs are unobservable inputs for the asset or liability.

There have been no changes in the classification of financial instruments in the fair value hierarchy since December 31, 2021.

10.1) Assets and liabilities measured at fair value on a recurring basis

As at March 31, 2022, the Company's following assets were recorded at fair value as follows.

	Level 1	Level 2	Level 3	Total
Marketable securities	€ 2,302	-	-	€ 2,302
Cash	€ 23,420	-	-	€ 23,420

10.2) Valuation techniques

Marketable securities

The fair value of marketable securities included in Level 1 is determined based on a market approach. The closing price is a quoted market price from the exchange market that is the principal active market for that particular security.

11) Revenues

	First quarter ended March 31,	
	2022	2021
Royalties related to the operation of the Rosebel gold mine	€ 4,769	€ 3,462

12) Operating expenses

	First quarter ended March 31,	
	2022	2021
Administrative costs	€ 23	€ 25
Directors' fees (including withholding taxes)	25	27
Audit fees	20	23
Legal fees	10	18
Exchange and listing fees	31	29
	€ 109	€ 122

13) Movements in non-cash working capital items

	First quarter ended March 31,	
	2022	2021
Change in trade receivables and other current assets	€ (1,212)	€ (561)
Change in trade payables and other current liabilities	(63)	(53)
	€ (1,275)	€ (614)

14) Related party transactions

Revenues from royalties related to the Rosebel mine during the first quarter of 2022 were €4,769,000 compared to €3,462,000 during the first quarter of 2021. The related amount receivable at March 31, 2022 was €4,841,000 (December 31, 2021: €3,526,000) and was included in trade receivables.

During the first quarter of 2022, the Company accounted for IAMGOLD's support fees totalling €20,000 (first quarter of 2021: \$18,000). These charges are included in administrative costs in operating expenses. The related amount payable at March 31, 2022 was €7,000 and was included in trade payables and other current liabilities (December 31, 2021: €6,000).

15) Provisions for litigation claims and regulatory assessments

By their nature, contingencies will only be determined when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

The Company may be subject to assessments by regulatory authorities which can be complex and subject to interpretation. Assessments may relate to matters such as income and other taxes. The Company is diligent and exercises informed judgment to interpret the provisions of applicable laws and regulations as well as their application and administration by regulatory authorities to reasonably determine and pay the amounts due. From time to time, the Company may undergo a review by the regulatory authorities and in connection with such reviews, disputes may arise with respect to the Company's interpretations about the amounts due and paid.

Legal advisors and other subject matter experts assess the potential outcome of litigation and regulatory assessments. Accordingly, the Company establishes provisions for future disbursements considered probable.

A provision is booked when (i) the Company has a present legal or constructive obligation towards a third party as a result of a past event, (ii) it is probable that an outflow of resources will be required to settle the obligation, and (iii) the amount of the obligation can be estimated reliably.

As at March 31, 2022, the Company did not have any provisions for litigation claims or regulatory assessments as there are no claim or assessment pending.