

Gammix STS B.V.

Financial Statements

for the years ended December 31, 2023 and December 31, 2022

DS
CVR

DS
X

Table of Contents

Statement of financial position	3
Statement of profit or loss	4
Statement of changes in equity	5
Statement of cash flows	6
Notes to financial statements	7

Gammix STS B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Cash and cash equivalents	4	340,606	268,179
Accounts receivable		8,479,798	11,939,247
Prepaid expenses		24,094	-
Receivable from group companies		1,300,000	1,579,738
Other assets		2,263	-
Total current assets		10,146,761	13,787,164
Non-current assets			
Other assets		-	-
Total non-current assets		-	-
Total assets		10,146,761	13,787,164
Equity and liabilities			
Current liabilities			
Accounts payable		4,304,447	8,474,320
Other payables		1,000,786	477,459
Total current liabilities		5,305,233	8,951,779
Equity			
Issued capital	5	762	762
Retained earnings / (Accumulated losses)		4,840,766	4,834,623
Total equity		4,841,528	4,835,385
Total liabilities and equity		10,146,761	13,787,164

See accompanying notes.

Gammix STS B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue (Net)	6	34,107,535	34,529,695
Direct cost	7	-31,120,000	-30,144,249
Gross profit / (loss)		2,987,535	4,385,446
Administrative expenses	8	-2,411,064	-3,308,183
Profit/ (loss) from operations		576,471	1,077,263
Finance cost	9	-273,998	268,399
Profit/ (loss) before tax		302,473	1,345,662
Profit tax expense	3	-	36
Profit / (loss) for the year		302,473	1,345,698
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		302,473	1,345,698
Attributable to the owners		302,473	1,345,698

See accompanying notes.

Gammix STS B.V.

Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2021	762	3,717,764	3,718,526
Profit / (loss) for the year	-	1,345,698	1,345,698
Other comprehensive income	-	-	-
Dividends paid	-	-228,839	-228,839
Total comprehensive income / (loss) for the year	-	1,116,859	1,116,859
Balance, December 31, 2022	762	4,834,623	4,835,385
Profit / (loss) for the year	-	302,473	302,473
Other comprehensive income	-	-	-
Dividends paid	-	-296,330	-296,330
Total comprehensive income / (loss) for the year	-	6,143	6,143
Balance, December 31, 2023	762	4,840,766	4,841,528

See accompanying notes.

Gammix STS B.V.

Statement of cash flows

(All amounts in EUR)

	Note	2023	2022
Cash flow from operating activities			
Profit / (loss) for the year		302,473	1,345,698
(Increase) / decrease in accounts receivable		3,459,449	-6,205,277
(Increase) / decrease in prepaid expenses		-24,094	7,753
(Increase) / decrease in receivable from group companies		279,738	402,148
(Increase) / decrease in other assets		-2,263	-
Increase / (decrease) in accounts payable		-4,169,873	3,242,286
Increase / (decrease) in accrued expenses		-	-2,700
Increase / (decrease) in profit tax payable		-	-36
Increase / (decrease) in other payables		523,327	396,900
Net cash generated from operating activities		368,757	-813,228
Cash flow from investing activities			
(Increase) / decrease in investment in subsidiary		-	152,236
Net cash generated from investing activities		-	152,236
Cash flow from financing activities			
Dividends paid		-296,330	-228,839
Net cash generated from financing activities		-296,330	-228,839
Net increase / (decrease) in cash		72,427	-889,831
Cash at the beginning of the year		268,179	1,158,010
Cash at the end of the year	4	340,606	268,179

See accompanying notes.

DS
CVRDS
X

Gammix STS B.V.

Notes to financial statements

1. General Information

Gammix STS B.V. (the company) was established on February 14, 2012 in Curaçao as a private limited liability company. The address of its registered office is Korporaalweg 10, Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 125471.

The main objectives of the company are:

1. To provide off-shore games of chance and wagering, through the internet in compliance with the regulations of the Government of Curaçao. This service shall be referred to for all purposes as "Internet Casino/Internet Wagering/Internet Sportsbook" provided it concerns aforementioned services which will be rendered from an area that has been designated as an E-zone in conformity with the local E-zone law.
2. The corporation is authorized to perform everything requisite or profitable to the accomplishment of its purpose or incidental thereto or connected therewith in the widest sense of the word.
3. The corporation has no authority to invoke the annulment of legal acts performed by the corporation, which exceeded the corporate objective.

The management of the company is borne by a board of directors. As of December 31, 2023, the management of the company is borne by a single managing director:

- Xecutive Corporate Management B.V. Managing Director

2. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of presentation

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, as modified by revaluation at fair value through profit and loss. The financial statements are presented in EUR and all values are presented in actual, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

DS
CUR DS

Gammix STS B.V.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Accounts receivable

Accounts receivable is recognized initially at fair value less provision for impairment. The amount of the provision is calculated based on ageing. The addition to the provision is recognized in the statement of income within 'administrative expenses'.

Investment

Investment in subsidiary is valued as per the equity method.

Financial instruments**Financial assets****Initial recognition and measurement**

Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, loans and receivables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The company's financial assets include cash and cash equivalents, accounts receivable, prepaid expenses and other assets.

Financial liabilities**Initial recognition and measurement**

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The company's financial liabilities include accounts payable and other payables.

Gammix STS B.V.

Subsequent measurement

The subsequent measurement of financial assets and liabilities depends on their classification.

Foreign currency transactions

The financial statements are presented in EUR, which is the company's functional and presentation currency. Transactions denominated in foreign currencies are translated at the exchange rate prevailing when the transaction is realized. The exchange results are recorded in the statement of profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates prevailing at the end of the year.

Revenue recognition

Casino revenue is represented by the difference between the amounts of bets placed by customers less amounts won, net of bonuses and loyalty points, if any. The revenue is recognized at the fair value of the consideration.

Impairment of long-lived assets

Long-lived assets, other than goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Recoverability of assets is measured by comparison of the carrying amount of the asset to the net undiscounted future cash flows expected to be generated from the asset. If the future undiscounted cash flows are not sufficient to recover the carrying value of the assets, the assets' carrying value is adjusted to fair value. The company regularly evaluates its long-lived asset for indicators of possible impairment. To date no impairment has been recorded.

Concentration of credit risk and certain other risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties failed to perform as contracted. The company does not have significant exposure to any individual client or counterparty. Management of credit risk involves a number of considerations, such as financial profile of the counterparty, specific terms and duration of the contractual agreement. There exists a risk of non-performance, however management believes that the company's exposure to credit risk associated with non-performance of its counterparty is minimum.

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2023 and not early adopted

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the company.

Gammix STS B.V.

3. Profit taxes

The company is subject to a territorial tax system, wherein the income earned in Curaçao is subject to 15% taxes on income up to 500,000 ANG and 22% above it and the foreign source of income is subject to 0% of profit taxes.

4. Cash and cash equivalents

	2023	2022
Balances with		
Transit	102,933	-
Aims	77,753	21,714
Interbanx	49,436	49,436
Sai Bank	43,430	43,430
Ecommbx	38,080	-
Binance	26,448	30,268
Payment Execution	2,526	122,818
Wirecard	-	513
	<u>340,606</u>	<u>268,179</u>

5. Issued capital

The issued capital of the company as at December 31, 2023 and December 31, 2022, consists of 1,000 common shares with a nominal value of USD 1 per share and subscribed for EUR 762 (equivalent to USD 1,000).

EUR 296,330 and EUR 228,839 were declared and paid as dividends in 2023 and 2022 respectively.

6. Revenue (Net)

	2023	2022
Casino revenue (Net)	33,811,108	33,731,825
Other fees	296,427	797,870
	<u>34,107,535</u>	<u>34,529,695</u>

Gammix STS B.V.

7. Direct cost

	2023	2022
License and server fees	30,821,900	29,790,046
Referral commissions	225,005	330,208
Setup costs	19,500	22,000
Platform fees	2,295	1,995
Other direct costs	51,300	-
	<u>31,120,000</u>	<u>30,144,249</u>

8. Administrative expenses

	2023	2022
Subcontract services	1,051,600	1,974,800
Discount allowed	843,942	573,517
Write off of assets	373,788	596,445
Professional fees	91,632	91,019
Bad debts	44,881	69,949
Rent expenses	5,088	2,453
Other expenses	133	-
	<u>2,411,064</u>	<u>3,308,183</u>

9. Finance cost

	2023	2022
Bank charges	233,375	-268,399
Crypto gain/loss	40,623	-
	<u>273,998</u>	<u>-268,399</u>

10. Fair value

Fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to arrive at the fair value:

Cash and cash equivalents, accounts receivable, accounts payable, prepaid expenses, other assets and other payables approximate the carrying amount largely due to the short-term maturity.

Gammix STS B.V.

11. Contingencies and commitments

The company has no contingent or future purchase liabilities and is not involved in any legal actions.

12. Subsequent events

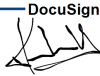
In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2023. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2023.

Gammix STS B.V.

13. Authorization for issue

These financial statements for the year ended December 31, 2023 were approved by the board of directors and authorized for issue on April 05, 2024.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Managing Director	DocuSigned by:  3508179679034CB... DocuSigned by:  E9C1A4A3F74E4ED...