

Osmila N.V.

Groot Kwartierweg 10, Livestrong Building
Willemstad, Curaçao

FINANCIAL STATEMENTS 2023

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Osmila N.V.
Willemstad

Director's report

We are pleased to present you with the Annual Report for the period January 1, 2023 through December 31, 2023.

During the period under review, the Company recorded a net loss of USD 1,086,557. Details of which are set out in the attached Profit and Loss account.

Curaçao,

A handwritten signature in black ink, appearing to read 'Deeuw', enclosed within a circular stamp or seal.

eMoore N.V.
Managing director

Groot Kwartierweg 10
Livestrong Building
Curaçao

Statement of financial position as at 31 December 2023

(Before appropriation of result)

Assets

		<u>31-12-2023</u>	<u>31-12-2022</u>
		\$	\$
Current assets			
Receivables from related parties	1	136,702	-
Other receivables	2	<u>212,667</u>	<u>718,517</u>
		<u>349,369</u>	<u>718,517</u>
Cash and cash equivalents	3	<u>937,440</u>	<u>216,833</u>
Total assets		<u><u>1,286,809</u></u>	<u><u>935,350</u></u>

Shareholder's equity and liabilities

Shareholder's equity	4		
Share capital		1	1
Share premium		4,779,136	4,779,136
Retained earnings/ Accumulated losses		(4,467,938)	(2,568,538)
Result for the year		<u>(1,086,557)</u>	<u>(1,899,400)</u>
		<u>(775,358)</u>	<u>311,199</u>
Current liabilities			
Accounts payable	5	264,440	5,739
Amounts due to related parties	6	1,234,656	-
Other payables	7	<u>563,071</u>	<u>618,412</u>
		<u>2,062,167</u>	<u>624,151</u>
Total shareholder's equity and liabilities		<u><u>1,286,809</u></u>	<u><u>935,350</u></u>

Statement of profit or loss and other comprehensive income for the year 2023

		<u>2023</u>	<u>2022</u>
		\$	\$
Net revenue	8	1,427,199	1,004,344
Operational expenses	9	<u>(2,405,662)</u>	<u>(2,778,907)</u>
Net operating result		(978,463)	(1,774,563)
General and administrative expenses	10	<u>51,368</u>	<u>52,448</u>
Result before interest and taxes		(1,029,831)	(1,827,011)
Correction previous years		-	(991)
Currency translation differences		<u>(56,726)</u>	<u>(71,398)</u>
Financial income and expense		<u>(56,726)</u>	<u>(72,389)</u>
Result before tax		(1,086,557)	(1,899,400)
Profit tax	11	<u>-</u>	<u>-</u>
Net result for the year		<u><u>(1,086,557)</u></u>	<u><u>(1,899,400)</u></u>

Osmila N.V.

Notes to the financial statements

General notes

The most important activities of the entity

Osmila N.V. is a limited liability company that was incorporated in Curaçao, Willemstad on June 28, 2007. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 102267.

The Company is solely engaged in e-gaming activities.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements have been prepared in accordance with the 'International Financial Reporting Standard for Small and Medium-sized Entities' (IFRS for SMEs) on the historical cost basis.

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

Disclosure of changes in accounting policies

The principles of valuation and determination of result remained unchanged compared to the previous year.

Conversion of amounts denominated in foreign currency

The financial statements are presented in United States dollars which is the functional and presentation currency of Osmila N.V..

Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date. The translation differences resulting from settlement and conversion are credited or charged to the statement of profit or loss and other comprehensive income.

Accounting principles

Receivables

Receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Osmila N.V.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

Other income and expenses, including taxation, are recognized and reported in accordance with the accrual concept.

Notes to the statement of financial position

1 Receivables from related parties

As at 31 December 2023 this item can be detailed as follows:

	31-12-2023	31-12-2022
	\$	\$
Receivable from Asian BGE Malta Limited	136,702	-

Receivable from Asian BGE Malta Limited

	2023	2022
	\$	\$
Balance as at 1 January	-	-
Movement for the year	136,702	-
Assigned from Emphasis Services Limited	-	(4,779,136)
Capital contribution	-	4,779,136
Balance as at 31 December	136,702	-

2 Other receivables

As at 31 December 2023 this item can be detailed as follows:

	31-12-2023	31-12-2022
	\$	\$
Deposits	11,212	11,212
Payment service provider receivables	193,128	129,422
Prepaid expenses	-	569,556
Profit tax receivable	8,327	8,327
	212,667	718,517

3 Cash and cash equivalents

As at 31 December 2023 this item can be detailed as follows:

	31-12-2023	31-12-2022
	\$	\$
Cash in transit	5,506	-
Finance Incorporated Limited, current account EUR	1,014	1,014
FreemarketFX Limited, current account EUR	923,046	215,819
FreemarketFX Limited, current account USD	7,874	-
	<u>937,440</u>	<u>216,833</u>

4 Shareholder's equity

Osmila N.V. issued 1 share with a nominal value of 1 USD per share.

Movements in the shareholder's equity were as follows:

	Share capital	Share pre- mium	Retained earnings/ Accumulated losses	Profit for the year	Total
	\$	\$	\$	\$	\$
Balance as at 1 January 2023	1	4,779,136	(2,568,538)	(1,899,400)	311,199
Appropriation of result	-	-	(1,899,400)	1,899,400	-
Result for the year	-	-	-	(1,086,557)	(1,086,557)
Balance as at 31 December 2023	<u>1</u>	<u>4,779,136</u>	<u>(4,467,938)</u>	<u>(1,086,557)</u>	<u>(775,358)</u>

A debt assignment and share premium contribution were initially recorded in the Company's 2022 financial statements with an effective date of 31 December 2022. However, it was later identified that the shareholder's approved financial statements reflected the agreement with an effective date of 1 January 2023. Since the Company's financial statements had already been finalized, this resulted in a mismatch in the classification of liabilities and equity between the Company and its shareholder.

While the transaction amount is substantial, it does not materially impact decision-making as it only affects the shareholder and represents a balance sheet reclassification. If recorded correctly, the company should have had a payable balance with Emphasis of USD 4,779,136 as of 31 December 2022, with a negative shareholders' equity of USD 4,467,937. However, due to its inclusion in 2022, the Company's financials show improved performance, with increased equity and reduced debt.

5 Accounts payable

As at 31 December 2023 this item can be detailed as follows:

	31-12-2023	31-12-2022
	\$	\$
Trade creditors	262,462	2,860
Accrued audit fees	1,978	2,879
	<u>264,440</u>	<u>5,739</u>

6 Amounts due to related parties

As at 31 December 2023 this item can be detailed as follows:

	31-12-2023	31-12-2022
	\$	\$
Liability to Emphasis Services Limited	<u>1,234,656</u>	<u>-</u>

Liability to Emphasis Services Limited

	2023	2022
	\$	\$
Balance as at 1 January	-	2,319,712
Assigned to Asian BGE Malta Limited	-	(4,779,136)
Movement for the year	<u>1,234,656</u>	<u>2,459,424</u>
Balance as at 31 December	<u>1,234,656</u>	<u>-</u>

7 Other payables

As at 31 December 2023 this item can be detailed as follows:

	31-12-2023	31-12-2022
	\$	\$
Players balance	<u>563,071</u>	<u>618,412</u>

Notes to the statement of profit or loss and other comprehensive income

	<u>2023</u>	<u>2022</u>
	\$	\$

8 Net revenue

Sportsbook income	1,283,533	939,330
Online casino gaming	<u>143,666</u>	<u>65,014</u>
	<u><u>1,427,199</u></u>	<u><u>1,004,344</u></u>

9 Operational expenses

	<u>2023</u>	<u>2022</u>
	\$	\$
Player bonus costs	597,665	641,315
Payment processing expenses	472,411	463,418
Support services expenses	1,300,786	1,638,904
Sublicense fees - Antillephone N.V.	17,215	14,960
Bandwidth & Support expenses - E-commercepark N.V.	<u>17,585</u>	<u>20,310</u>
	<u><u>2,405,662</u></u>	<u><u>2,778,907</u></u>

10 General and administrative expenses

	<u>2023</u>	<u>2022</u>
	\$	\$
Management expenses - Emoore N.V.	49,001	48,635
Audit fees	987	991
Bank expenses	<u>1,380</u>	<u>2,822</u>
	<u><u>51,368</u></u>	<u><u>52,448</u></u>

11 Profit tax

The Company incurred a negative result before provision for profit tax for the year of USD 1,086,557. Consequently the profit tax was calculated at nil.