

Misterio Vacio B.V.

Financial Statements

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

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Misterio Vacio B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Receivable from subsidiary	4	120,193	166,459
Prepaid expenses	5	24,094	16,050
Total current assets		144,287	182,509
Non-current assets			
Investment in subsidiary	6	1,000	1,000
Other assets		400	-
Total non-current assets		1,400	1,000
Total assets		145,687	183,509
Equity and liabilities			
Current liabilities			
Accounts payable		32,088	18,800
Accrued expenses	7	949	-
Payable to shareholders	8	454,810	309,784
Total current liabilities		487,847	328,584
Equity			
Issued capital	9	100	100
Retained earnings / (Accumulated losses)		-342,260	-145,175
Total equity		-342,160	-145,075
Total liabilities and equity		145,687	183,509

See accompanying notes.

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Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue (Net)	10	417,834	574,384
Direct cost	11	-592,466	-593,854
Gross profit / (loss)		-174,632	-19,470
Advertising and marketing expenses		-	-130
Administrative expenses	12	-22,453	-13,862
Profit / (loss) from operations		-197,085	-33,462
Finance cost		-	-
Profit / (loss) before tax		-197,085	-33,462
Profit tax expense	3	-	-
Profit / (loss) for the year		-197,085	-33,462
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		-197,085	-33,462
Attributable to the owners		-197,085	-33,462

See accompanying notes.

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Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2021	100	-111,713	-111,613
Profit / (loss) for the year	-	-33,462	-33,462
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-33,462	-33,462
Balance, December 31, 2022	100	-145,175	-145,075
Profit / (loss) for the year	-	-197,085	-197,085
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-197,085	-197,085
Balance, December 31, 2023	100	-342,260	-342,160

See accompanying notes.

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Statement of cash flows

(All amounts in EUR)

	Note	2023	2022
Cash flow from operating activities			
Profit / (loss) for the year		-197,085	-33,462
(Increase) / decrease in receivable from subsidiary		46,266	33,412
(Increase) / decrease in prepaid expenses		-8,044	-16,050
Increase / (decrease) in accounts payable		13,288	18,800
Increase / (decrease) in accrued expenses		949	-2,700
Increase / (decrease) in payable to shareholders		145,026	-
Net cash generated from operating activities		400	-
Cash flow from investing activities			
(Increase) / decrease in other assets		-400	-
Net cash generated from investing activities		-400	-
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash		-	-
Cash at the beginning of the year		-	-
Cash at the end of the year		-	-

See accompanying notes.

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Notes to financial statements

1. General information

Misterio Vacio B.V. (the company) was established on September 13, 2019 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 151211.

The main objectives of the company are:

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising of all types of games, betting and other operation of betting exchange, interactive casinos, bingos, lotteries, poker and other interactive games, for clients established or residing outside of Curaçao.
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 director:

- Xecutive Corporate Management B.V. Statutory 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 separate 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. 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.

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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.

Investments

Investment in subsidiary is valued at cost, less impairment losses, if any.

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.

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 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, accrued expenses and other payables.

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Subsequent measurement

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

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 counter parties failed to perform as contracted. The company does not have significant exposure to any individual client or counter party. Management of credit risk involves a number of considerations, such as financial profile of the counter party, 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 counter party is minimum.

New standards, amendments and interpretations issued but not effective for the financial year beginning 01 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.

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. Receivable from subsidiary

	2023	2022
C/A PNGBET Ltd.	120,193	166,459
	120,193	166,459

The above receivable does not carry any interest and is repayable on demand.

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5. Prepaid expenses

	2023	2022
License and server fees	14,094	8,900
Compliance fees	5,400	2,700
Annual management fees	3,750	3,750
Rent expenses	500	500
Other expenses	350	200
	24,094	16,050

6. Investment in subsidiary

As at December 31, 2023 and December 31, 2022, the company owns 100% of shares of the following company incorporated and domiciled in the Republic of Cyprus:

	2023	2022
PNGBET Ltd. (1,000 Equity shares of EUR 1 each)	1,000	1,000
	1,000	1,000

The company has elected not to present consolidated financial statements. Its owners have been informed and do not object to presenting separate financial statements.

7. Accrued expenses

	2023	2022
Compliance & processing support	949	-
	949	-

8. Payable to shareholders

Payable to shareholders represents expenses incurred by the shareholders on behalf of the company net of the amount due from them. The payable does not carry any interest and is repayable on demand.

9. Issued capital

The issued capital of the company as at December 31, 2023 and December 31, 2022, consists of 100 common shares with a nominal value of EUR 1 each and subscribed for EUR 100.

No dividend was declared in 2023 and 2022.

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10. Revenue

	2023	2022
Net gaming revenue	417,834	574,384
	417,834	574,384

11. Direct cost

	2023	2022
Software expenses	578,817	560,550
License and server fees	13,649	33,304
	592,466	593,854

12. Administrative expenses

	2023	2022
Rent expenses	9,404	500
Compliance fees	5,400	4,050
Annual management fees	3,750	3,000
Annual compliance fees	2,750	2,750
Compliance & processing support	949	-
Travel expenses	-	3,157
Professional fees	-	205
Other expenses	200	200
	22,453	13,862

13. 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:

Prepaid expenses, accounts payable, accrued expenses, other assets and other payables approximate the carrying amount largely due to the short-term maturity.

14. Contingencies, commitments and legal proceedings

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

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15. Subsequent events

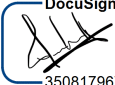
In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2023. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2023.

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16. Authorization for issue

These financial statements for the year ended December 31, 2023 was approved by the board of directors and authorized for issue on July 25, 2024.

Board of Directors:

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