

Perfect Storm B.V.

Financial Statements

for the years ended December 31, 2024 and December 31, 2023

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Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2024	2023
Assets			
Current assets			
Cash and cash equivalents	4	3,631	-
Receivable from subsidiary	5	3,279,342	2,516,927
Intangible assets	6	7,890,064	4,796,773
Receivable from shareholders	7	588,185	143,086
Prepaid expenses		40,233	42,436
Total current assets		11,801,455	7,499,222
Non-current assets			
Investment in subsidiary	8	1,000	1,000
Security deposit		60,400	60,400
Financial assets	9	1	-
Total non-current assets		61,401	61,400
Total assets		11,862,856	7,560,622
Equity and liabilities			
Current liabilities			
Accounts payable		233,094	344,005
Accrued expenses	10	555,762	351,955
Dividend payable	11	-	2,300,000
Payable to players		10,434,980	-
Profit tax payable	3	15,304	3,151
Total current liabilities		11,239,140	2,999,111
Equity			
Issued capital	11	1,000	1,000
Retained earnings / (Accumulated losses)		-	4,282,928
Unrealized gain / (loss) on revaluation of cryptocurrency balances	6	622,716	277,583
Total equity		623,716	4,561,511
Total liabilities and equity		11,862,856	7,560,622

See accompanying notes.

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Statement of profit or loss

(All amounts in EUR)

	Note	2024	2023
Revenue (Net)	12	37,755,081	21,049,821
Direct cost	13	-6,505,012	-3,814,592
Gross profit / (loss)		31,250,069	17,235,229
Administrative expenses	14	-12,077,191	-6,856,748
Other income		-	1,126
Profit / (loss) from operations		19,172,878	10,379,607
Finance cost	15	-3,931,413	-25,923
Profit / (loss) before tax		15,241,465	10,353,684
Profit tax expense	3	-14,438	-5,243
Profit / (loss) for the year		15,227,027	10,348,441
Unrealized gain / (loss) on revaluation of cryptocurrency balances	6	345,133	238,905
Total comprehensive income / (loss) for the year		15,572,160	10,587,346
Attributable to the owners		15,572,160	10,587,346

See accompanying notes.

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Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Unrealized gain / (loss) on revaluation of cryptocurrency balances	Total
Balance, December 31, 2022	1,000	2,034,487	38,678	2,074,165
Profit / (loss) for the year	-	10,348,441	-	10,348,441
Other comprehensive income	-	-	238,905	238,905
Dividends paid	-	-8,100,000	-	-8,100,000
Total comprehensive income / (loss) for the year	-	2,248,441	238,905	2,487,346
Balance, December 31, 2023	1,000	4,282,928	277,583	4,561,511
Profit / (loss) for the year	-	15,227,027	-	15,227,027
Other comprehensive income	-	-	345,133	345,133
Dividends paid	-	-19,509,955	-	-19,509,955
Total comprehensive income / (loss) for the year	-	-4,282,928	345,133	-3,937,795
Balance, December 31, 2024	1,000	-	622,716	623,716

See accompanying notes.

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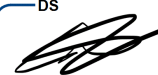
Statement of cash flows

(All amounts in EUR)

	2024	2023
Cash flow from operating activities		
Profit / (loss) for the year	15,572,160	10,587,346
Unrealized gain / (loss) on revaluation of cryptocurrency balances	345,133	238,905
(Increase) / decrease in receivable from subsidiary	-762,415	-1,827,826
(Increase) / decrease in receivable from shareholders	-445,099	-85,316
(Increase) / decrease in prepaid expenses	2,203	32,237
(Increase) / decrease in security deposit	-	-5,000
Increase / (decrease) in accounts payable	-110,911	195,516
Increase / (decrease) in accrued expenses	203,807	195,666
Increase / (decrease) in dividend payable	-2,300,000	2,300,000
Increase / (decrease) in payable to players	10,434,980	-
Increase / (decrease) in profit tax payable	12,153	-950
Net cash generated from operating activities	22,952,011	11,630,578
Cash flow from investing activities		
(Increase) / decrease in intangible assets	-3,438,424	-3,530,578
(Increase) / decrease in financial assets	-1	-
Net cash generated from investing activities	-3,438,425	-3,530,578
Cash flow from financing activities		
Dividends declared and paid	-19,509,955	-8,100,000
Net cash generated from financing activities	-19,509,955	-8,100,000
Net increase / (decrease) in cash	3,631	-
Cash at the beginning of the year	-	-
Cash at the end of the year	3,631	-

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See accompanying notes.

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Notes to financial statements**1. General information**

Perfect Storm B.V. (the company) was established on June 28, 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 150536.

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, 2024, the management of the company is borne by a single statutory director:

- Executive 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.

Intangible assets

Intangible assets are measured initially at cost. Subsequent measurement is done using the revaluation model at fair value. Any gain/loss on revaluation is recognized in the statement of profit or loss. Impairment testing is done at the end of each year.

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Investment

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

Investment in financial assets 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 cash and cash equivalents, 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.

Subsequent measurement

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

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Revenue recognition

Gaming 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 2024 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 XCG and 22% above it and the foreign source of income is subject to 0% of profit taxes.

4. Cash and cash equivalents

	2024	2023
Balances at bank		
XDA	3,631	-
	3,631	-

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5. Receivable from subsidiary

	2024	2023
Nine Yards Limited	3,279,342	2,516,927
	3,279,342	2,516,927

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

6. Intangible assets - Crypto currency balances

This represents Crypto currency balances outstanding as on December 31, 2024. As per IFRS, Crypto currency balances are treated as Intangible assets as the company would earn benefits in the future and is not held for sale in the ordinary course of business. These assets have been measured using the revaluation model using IAS 38- Intangible assets, wherein the asset is initially recognized at cost and subsequently revalued at the market value as on December 31, 2024.

7. Receivable from shareholders

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

8. Investment in subsidiary

As at December 31, 2024 and December 31, 2023, the company holds 100% investment in Nine Yards Limited, a company incorporated and domiciled in the Republic of Cyprus.

	2024	2023
Nine Yards Limited (1,000 Equity shares of EUR 1.00 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.

9. Financial assets

As at December 31, 2024 the company holds 0.1% investment in Square One Limited, a company incorporated and domiciled in Malta.

	2024	2023
Square One Limited (1 Equity share of EUR 1.00 each)	1	-
	1	-

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10. Accrued expenses

	2024	2023
Software expenses	254,049	-
Commission expenses	163,699	291,955
Professional fees	45,000	-
Marketing expenses	36,433	-
License and server fees	27,668	-
Compliance and processing support	20,000	60,000
Consulting fees	6,000	-
Computer expenses	2,913	-
	555,762	351,955

11. Issued capital

The issued capital of the company as on December 31, 2024 and December 31, 2023 consists of 1,000 shares with a nominal value of EUR 1 each and subscribed for EUR 1,000.

EUR 19,509,955 and EUR 8,100,000 were declared as dividend in 2024 and 2023 respectively.

12. Revenue (Net)

Revenues include sale of surplus virtual in-game skins to third party marketplaces and other gaming revenues.

13. Direct cost

	2024	2023
Software expenses	5,202,434	2,923,056
License and server fees	1,298,578	784,432
Match betting odds	4,000	107,104
	6,505,012	3,814,592

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14. Administrative expenses

	2024	2023
Commission expenses	5,114,784	2,166,412
Consulting fees	4,080,496	2,742,687
Advertising and promotion	1,438,005	518,300
Professional fees	1,020,319	1,088,772
Travel expenses	207,406	61,942
Computer expenses	129,323	87,736
Compliance & processing support	20,000	20,000
Training expenses	10,962	17,306
Annual compliance fees	8,300	2,750
Rent expenses	5,588	127,265
Annual management fees	3,750	3,750
Gift expenses	-	16,000
Telephone expenses	-	886
Other expenses	38,258	2,942
	12,077,191	6,856,748

15. Finance cost

	2024	2023
Foreign exchange (gains) / losses	3,887,096	-9,840
Bank charges	44,317	35,763
	3,931,413	25,923

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

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17. Contingencies, commitments and legal proceedings

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

18. Subsequent events

In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2024. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2024.

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19. Authorization for issue

These financial statements for the year ended December 31, 2024 was approved by the board of directors and authorized for issue on May 02, 2025.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Statutory Director	DocuSigned by:  3508179679034CB...
		Signed by:  E9C1A4A3F74E4ED...
		Signed by:  8737E2B30CF043F...