

Nuxgen B.V.

Financial Statements

for the years ended December 31, 2022 and December 31, 2021

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Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2022	2021
Assets			
Current assets			
Cash and cash equivalents	4	140,173	32,473
Accounts receivable		60,978	307,495
Receivable from subsidiary	5	51,011	31,328
Prepaid expenses		13,350	727
Total current assets		265,512	372,023
Non-current assets			
Investment in subsidiary	6	1,000	1,000
Total non-current assets		1,000	1,000
Total assets		266,512	373,023
Equity and liabilities			
Current liabilities			
Accounts payable		20,989	115,963
Accrued expenses	7	-	2,700
Payable to shareholders	8	25,150	25,150
Total current liabilities		46,139	143,813
Equity			
Issued capital	9	100	100
Retained earnings / (Accumulated losses)		220,273	229,110
Total equity		220,373	229,210
Total liabilities and equity		266,512	373,023

See accompanying notes.

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Statement of profit or loss

(All amounts in EUR)

	Note	2022	2021
Revenue		707,471	465,488
Direct cost	10	-404,837	-151,241
Gross profit / (loss)		302,634	314,247
Selling and marketing expenses		-36,760	-5,886
Administrative expenses	11	-259,223	-63,278
Profit / (loss) from operations		6,651	245,083
Finance cost	12	-15,488	-5,833
Profit / (loss) before tax		-8,837	239,250
Profit tax expense		-	-
Profit / (loss) for the year		-8,837	239,250
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		-8,837	239,250
Attributable to the owners		-8,837	239,250

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, 2020	100	-10,140	-10,040
Profit / (loss) for the year	-	239,250	239,250
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	239,250	239,250
Balance, December 31, 2021	100	229,110	229,210
Profit / (loss) for the year	-	-8,837	-8,837
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-8,837	-8,837
Balance, December 31, 2022	100	220,273	220,373

See accompanying notes.

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Statement of cash flows

(All amounts in EUR)

	Note	2022	2021
Cash flow from operating activities			
Profit / (loss) for the year		-8,837	239,250
(Increase) / decrease in accounts receivable		246,517	-307,495
(Increase) / decrease in receivable from subsidiary		-19,683	-31,328
(Increase) / decrease in prepaid expenses		-12,623	-727
Increase / (decrease) in accounts payable		-94,974	115,963
Increase / (decrease) in accrued expenses		-2,700	-
Increase / (decrease) in payable to shareholders		-	17,800
Net cash generated from operating activities		107,700	33,463
Cash flow from investing activities			
(Increase) / decrease in investment in subsidiary		-	-1,000
Net cash generated from investing activities		-	-1,000
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash		107,700	32,463
Cash at the beginning of the year		32,473	10
Cash at the end of the year	4	140,173	32,473

See accompanying notes.

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

Nuxgen B.V. (the company) was established on March 19, 2020 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 153051.

The main objectives of the company are –

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising 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, 2022, the management of the company is borne by a single statutory director:

- Executive Corporate Management B.V.

Statutory Director

2. Summary of significant 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 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. 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 transaction

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, other comprehensive income, 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 statement of 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, 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

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 counterparties failed to perform as contracted. The company does not have significant exposure to any individual client or counterparty. Management of credit risk involves 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 the 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 January 01, 2022 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 22% of profit taxes and the foreign source income is subject to 0% of profit taxes.

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4. Cash and cash equivalents

	2022	2021
Balances at bank and PSP		
Walter bank	106,660	16,073
Much Better	9,731	-
NUX coins paid	7,915	291
Valyuz bank	7,768	8,650
Koalapays	7,459	7,459
Walter bank-0255	640	-
	140,173	32,473

5. Receivable from subsidiary

Receivable from subsidiary is on account of payment processing services.

6. Investment in subsidiary

As at December 31, 2022 and December 31, 2021, the company owns 100% of shares of the following company incorporated and domiciled in Cyprus:

	2022	2021
Evna Management 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

	2022	2021
Annual compliance fees	-	2,700
	-	2,700

8. Payable to shareholders

Payable to shareholders represents expenses incurred by the shareholders on behalf of the company net of 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, 2022 and December 31, 2021 consists of 100 shares with a nominal value of EUR 1 each and subscribed for EUR 100.

No dividend was declared in 2022 and 2021.

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10. Direct cost

	2022	2021
Software expenses	370,188	145,076
License and server fees	34,609	4,750
Payment processing fees	40	1,415
	404,837	151,241

11. Administrative expenses

	2022	2021
Agency fees	232,279	46,543
Compliance fees	7,650	-
Professional fees	7,050	2,100
Rent expenses	3,044	500
Annual management fees	3,000	3,000
Annual compliance fees	2,750	2,700
Travelling expenses	2,143	-
Other expenses	1,307	8,435
	259,223	63,278

12. Finance cost

	2022	2021
Bank charges	15,488	5,833
	15,488	5,833

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:

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

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14. Contingencies, commitments and legal proceedings

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

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, 2022. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2022.

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16. Authorization for issue

These financial statements for the year ended December 31, 2022 were approved by the board of directors and authorized for issue on June 27, 2023.

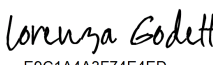
Board of Directors:NameFunctionSignature

Xecutive Corporate Management B.V.

Statutory Director

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