

Nuxgen B.V.

Financial Statements

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

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Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Cash and cash equivalents	4	1,184,582	140,173
Accounts receivable		121,273	60,978
Receivable from subsidiary	5	74,700	51,011
Prepaid expenses		24,094	13,350
Other assets		19,278	-
Total current assets		1,423,927	265,512
Non-current assets			
Investment in subsidiary	6	1,000	1,000
Total non-current assets		1,000	1,000
Total assets		1,424,927	266,512
Equity and liabilities			
Current liabilities			
Accounts payable		229,404	20,989
Accrued expenses	7	309,801	-
Payable to shareholders	8	25,150	25,150
Total current liabilities		564,355	46,139
Equity			
Issued capital	9	100	100
Retained earnings / (Accumulated losses)		860,472	220,273
Total equity		860,572	220,373
Total liabilities and equity		1,424,927	266,512

See accompanying notes.

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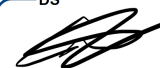
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Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue		4,568,278	707,471
Direct cost	10	-2,887,749	-404,837
Gross profit / (loss)		1,680,529	302,634
Selling and marketing expenses		-213,558	-36,760
Administrative expenses	11	-750,556	-259,223
Profit / (loss) from operations		716,415	6,651
Finance cost	12	-48,216	-15,488
Profit / (loss) before tax		668,199	-8,837
Profit tax expense		-	-
Profit / (loss) for the year		668,199	-8,837
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		668,199	-8,837
Attributable to the owners		668,199	-8,837

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	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
Profit / (loss) for the year	-	668,199	668,199
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	668,199	668,199
Dividend declared	-	-28,000	-28,000
Balance, December 31, 2023	100	860,472	860,572

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		668,199	-8,837
(Increase) / decrease in accounts receivable		-60,295	246,517
(Increase) / decrease in receivable from subsidiary		-23,689	-19,683
(Increase) / decrease in prepaid expenses		-10,744	-12,623
Increase / (decrease) in other assets		-19,278	-
Increase / (decrease) in accounts payable		208,415	-94,974
Increase / (decrease) in accrued expenses		309,801	-2,700
Net cash generated from operating activities		1,072,409	107,700
Cash flow from investing activities			
(Increase) / decrease in investment in subsidiary		-	-
Net cash generated from investing activities		-	-
Cash flow from financing activities			
Dividend declared		-28,000	-
Net cash generated from financing activities		-28,000	-
Net increase / (decrease) in cash		1,044,409	107,700
Cash at the beginning of the year		140,173	32,473
Cash at the end of the year	4	1,184,582	140,173

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, 2023, the management of the company is borne by a single statutory director:

- Xecutive Corporate Management B.V.	Statutory Director
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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 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, 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 Curacao 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.

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4. Cash and cash equivalents

	2023	2022
Balances at bank and PSP		
Side wallet ETC20	705,680	-
Side wallet TRC20	132,283	-
Walter bank	125,926	106,660
NUX coins paid	111,726	7,915
Valyuz USD bank	61,004	-
Walter bank-0255	19,007	640
Valyuz EUR bank	11,738	7,768
Much Better	9,731	9,731
Koalapays	7,459	7,459
Valyuz GBP bank	28	-
	1,184,582	140,173

5. Receivable from subsidiary

Receivable from subsidiary is on account of payment processing services.

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 Cyprus:

	2023	2022
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

	2023	2022
Software expenses	265,234	-
Sales commission	29,737	-
License and server fees	8,334	-
Advertisement expenses	3,496	-
Professional fees	3,000	-
	309,801	-

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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, 2023 and December 31, 2022 consists of 100 shares with a nominal value of EUR 1 each and subscribed for EUR 100.

EUR 28,000 and Nil was declared as dividend in 2023 and 2022 respectively.

10. Direct cost

	2023	2022
Software expenses	2,667,711	370,188
License and server fees	220,038	34,609
Payment processing fees	-	40
	2,887,749	404,837

11. Administrative expenses

	2023	2022
Agency fees	655,097	232,279
Professional fees	79,271	7,050
Rent expenses	6,788	3,044
Annual management fees	3,750	3,000
Annual compliance fees	2,750	2,750
Compliance fees	2,700	7,650
Travelling expenses	-	2,143
Other expenses	200	1,307
	750,556	259,223

12. Finance cost

	2023	2022
Bank charges	27,025	15,488
Realized exchange loss	21,191	-
	48,216	15,488

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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.

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, 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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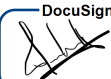
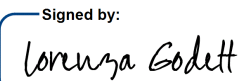

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16. Authorization for issue

These financial statements for the year ended December 31, 2023 were approved by the board of directors and authorized for issue on December 27, 2024.

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...