

Velorum Corporation N.V.

Willemstad, Curacao

Annual Report & Financial statements

December 31, 2023

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Company's information

Company name	: Velorum Corporation N.V.
Incorporation date	: November 7, 2012
Nominal capital	: 2 shares with a nominal value of USD 1 each.
Nature of business	: i-Gaming business
Registration number	: 127675
Director	: EMS Management Services N.V.
Registered business address	: Groot Kwartierweg 10 Livestrong Building Willemstad Curacao - Dutch Caribbean

Balance sheet as at December 31, 2023.

(before the appropriation of result)

Assets

		December 31, 2023.
	<i>Note</i>	<i>(EUR)</i>
Fixed Assets		
Financial fixed assets		
Subsidiaries	4.	1,000
		<u>1,000</u>
Non-current Financial assets		
Loans receivable	5.	24,161
		<u>24,161</u>
Current Assets		
Receivables		
Receivables from Operations	6.	4,893,744
Receivables from group companies		1,717,511
Receivable from shareholder		154,359
Receivable from subsidiaries		327,087
Advances & Deposits	7.	735,696
Other receivables		11,419
		<u>7,839,816</u>
Cash and cash equivalents		4,662,900
Total Assets		<u><u>12,527,877</u></u>

Balance sheet as at December 31, 2023.

(before the appropriation of result)

Shareholders' equity and liability

		December 31, 2023.
	<i>Note</i>	(EUR)
Shareholders' equity		
Nominal share capital		2
Retained earnings / Accumulated deficit		2,707,690
Result for the financial year		4,997,216
		<u>7,704,908</u>
Non-current liabilities		
Loans due	8.	104,870
		<u>104,870</u>
Current liabilities		
Dues from Operations	9.	4,648,790
Taxes & Accruals		41,934
Other liabilities & Accruals		27,375
		<u>4,718,099</u>
Total Shareholders' equity and liability		<u>12,527,877</u>

**Statement of Operations for the financial year ended
December 31, 2023.**

		2023
	Note	(EUR)
Income		
Revenue		456,911,913
Direct cost/ expenses	10.	<u>(450,943,598)</u>
Total operating income		5,968,315
Expenses		
Operational expenses		257,576
Technical Consulting expenses		640,612
Travel & Lodging expenses		3,238
Other Management expenses		10,657
Other operating expenses		<u>57,697</u>
Total operating expenses		969,780
Operating result before taxation		4,998,535
Realized financial gains/ (losses)		<u>(1,319)</u>
Result from ordinary activities before taxation		4,997,216
Corporate Profit taxes		<u>-</u>
Profit/ (loss) after taxation		4,997,216
Net Result		<u><u>4,997,216</u></u>

Notes to the balance sheet

1. General notes

1.1. General & Establishment

Velorum Corporation N.V. has been incorporated under Curacao law on November 7, 2012 registered at the Curacao Registrar under the number 127675 and has its statutory seat in Willemstad, Curacao.

1.2. Objective

The operations of Velorum Corporation N.V. are mainly comprised of:

- * i-Gaming business

1.3. Personnel

There are no natural person directly employed by the company in the financial year under review.

2. Significant accounting policies for the balance sheet

2.1. General

These financial statements have been prepared in accordance with Book 2, title 5 of the Curacao Civil Code and the accounting policies as described below.

Valuation of assets and liabilities and determination of the result take place under the historical cost convention. Unless stated otherwise, assets and liabilities are presented at nominal value.

2.2. Foreign currencies

2.2.1. Functional currency

Transactions denominated in other currencies are measured using the currency of the primary economic environment in which the company operates (the functional currency). The financial statements are presented in euro, which is the functional and presentation currency of the company.

Notes to the balance sheet

2.2.2. *Transactions, assets and liabilities*

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency as the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from settlement of such transactions are recognised in the statement of operations under Realized financial gains and losses. Translation at year-end exchange rates are recognised in the statement of operations under Unrealized financial gains and losses

Translation differences of non-monetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions.

The following conversion rates have been used as per balance sheet date.

1 EUR = 1.105 USD

2.3. *Taxation*

The company is subjected to the New Fiscal Framework Legislation and is therefore subject to the applicable tax rate of 22%, however its activities are focus on the International Market only and it generates its revenue from foreign sources. The Company is entitled to claim the application of Foreign Source Tax Facility (Territorial System), which is based on the cost allocation method.

2.5. *Comparatives figures*

The accounting policies are consistently applied to all the years.

3. *Significant accounting policies for the statement of operations*

3.1. *Result*

Profit or loss is determined as the difference between the realisable value of performance and the costs and other charges of the financial year. Revenues on transactions are recognised in the year in which they are realised. Expenses are accounted for on accrual basis.

Notes to the balance sheet

Losses and risks originating before the end of the financial year are taken into account if they have become known before the preparation of the financial statements.

Profit or loss is determined taking into account the recognition of unrealised changes in fair value of:

- * balance sheet entries held in foreign currencies, if any.

3.2. *Revenue recognition*

Revenue represents revenue generated from gaming activities. Revenue is recognized in the Statement of Operations on accrual basis.

3.3. *Costs*

Costs are recognised based on the historical cost convention and are allocated to the reporting year to which they relate.

3.4. *Exchange rate differences*

Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at year-end exchange rates of monetary items denominated in foreign currencies are recognised in the statement of operation, except when deferred in equity as qualifying hedges.

4. *Subsidiaries*

Subsidiaries are recognised at cost.

<i>Name</i>	2023
	(EUR)
VSL Vyking Software Ltd., Cyprus, 100%	1,000
	1,000

Notes to the balance sheet**5. Loans receivable**

The Company has a loan receivable from Spacewind Enterprises ltd. during the financial year under review.

	2023
	(EUR)
Loan receivable	24,161
	24,161

6. Receivables from Operations

	2023
	(EUR)
Playtech	4,893,744
	4,893,744

7. Advances & Deposits

	2023
	(EUR)
Deposit Playtech	725,796
Pre-paid expenses	9,900
	735,696

8. Loans due

The Company has a loan payable to the beneficial owner during the financial year under review.

Name	2023
	(EUR)
Loan due	104,870
	104,870

Notes to the balance sheet**9. Dues from Operations**

	2023
	(EUR)
Player liabilities	4,648,790
	4,648,790

10. Direct cost/ expenses

	2023
	(EUR)
<u>Domestic</u>	
Curacao Gaming License Fee	5,893
Hosting expenses	11,455
<u>Non-Domestic</u>	
Software license expenses	800,000
Research & Development expenses	590,000
Payment processing fees	88,845
Hosting expenses	6,957
Providers fees	1,421,786
Direct Operational expenses	448,018,661
	450,943,598

Other information

Financial year

The first financial year of the company runs from January 1 through December 31, 2023.

Audit

These financial statements are not audited as the company is exempt from this obligation. Consequently no auditor's report from an independent auditor is included.

Statutory rules governing the appropriation of result

According to article 18 of the articles of association the net profit is at free disposal of the Annual general meeting of shareholders under the condition that the equity of the company remains at least equal to the nominal capital.

Appropriation of result

No interim-dividend has been issued during the 2023 financial year. The board of director has not made any proposal with regards to the appropriation of the profit for 2023,

Events occurring after balance sheet date

There are no current and/ or post balance sheet date events, which has a bearing on the understanding of these financial statements nor an impact on the result and/ or financial situation of the company.