

Versus Odds 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	48,807	-
Accounts receivable		548,859	-
Other assets	5	1,679,731	-
Total current assets		2,277,397	-
Non-current assets			
Lease deposit		400	-
Total non-current assets		400	-
Total assets		2,277,797	-
Equity and liabilities			
Current liabilities			
Accounts payable		1,152,662	12,056
Accrued expenses	6	2,700	2,700
Payable to shareholders	7	9,565	9,565
Other payables		81,709	-
Total current liabilities		1,246,636	24,321
Equity			
Issued capital	8	85	85
Retained earnings / (Accumulated losses)		1,031,076	-24,406
Total equity		1,031,161	-24,321
Total liabilities and equity		2,277,797	-

See accompanying notes.

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Statement of profit or loss

(All amounts in EUR)

	Note	2022	2021
Revenue (Net)	9	4,608,895	-
Direct cost	10	-1,227,821	-7,400
Gross profit / (loss)		3,381,074	-7,400
Selling and marketing expenses		-913,132	-4,656
Administrative expenses	11	-1,385,240	-3,200
Profit / (loss) from operations		1,082,702	-15,256
Finance cost	12	-27,220	-
Profit / (loss) before tax		1,055,482	-15,256
Profit tax expense	3	-	-
Profit / (loss) for the year		1,055,482	-15,256
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		1,055,482	-15,256
Attributable to the owners		1,055,482	-15,256

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	85	-9,150	-9,065
Profit / (loss) for the year	-	-15,256	-15,256
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-15,256	-15,256
Balance, December 31, 2021	85	-24,406	-24,321
Profit / (loss) for the year	-	1,055,482	1,055,482
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	1,055,482	1,055,482
Balance, December 31, 2022	85	1,031,076	1,031,161

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		1,055,482	-15,256
(Increase) / decrease in accounts receivable		-548,859	-
(Increase) / decrease in lease deposit		-400	-
(Increase) / decrease in other assets		-1,679,731	-
Increase / (decrease) in accounts payable		1,140,606	12,056
Increase / (decrease) in accrued expenses		-	1,000
Increase / (decrease) in payable to shareholders		-	2,200
Increase / (decrease) in other payables		81,709	-
Net cash generated from operating activities		48,807	-
Cash flow from investing activities			
(Increase) / decrease in other assets		-	-
Net cash generated from investing activities		-	-
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash		48,807	-
Cash at the beginning of the year		-	-
Cash at the end of the year	4	48,807	-

See accompanying notes.

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Notes to financial statements

1. General information

Versus Odds B.V. (the company) was established on May 23, 2018 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 147011.

The main objectives of the company are –

1. To provide off-shore games of chance and wagering, through the internet in compliance with the regulations of the Government of Curaçao. This service shall be referred to for all purposes as "Internet Casino/Internet Wagering/Internet Sportsbook" provided it concerns aforementioned services which will be rendered from an area that has been designated as an E-zone in conformity with the local E-zone law.
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:

- | | |
|--------------------------|-------------------|
| - Blazhe Kopitovikj | Managing Director |
| - Flagship Services B.V. | Proxy holder |

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 all 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 Euro (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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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, accounts receivable 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 1 January 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.

4. Cash and cash equivalents

	2022	2021
Balance with Payment Execution	41,097	-
Balance with Aims	7,710	-
	48,807	-

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5. Other assets

	2022	2021
Receivable from Deloraze Ltd	1,679,731	-
	1,679,731	-

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

6. Accrued expenses

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

7. 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.

8. Issued capital

The issued capital of the company as on December 31, 2022 and December 31, 2021 consists of 100 common shares with a nominal value of USD 1 each and subscribed for EUR 85.

No dividends were declared in 2022 and 2021.

9. Revenue (Net)

	2022	2021
Gaming revenue	4,608,895	-
	4,608,895	-

10. Direct cost

	2022	2021
Provider costs	1,210,648	-
Licenses and server fees	17,173	7,400
	1,227,821	7,400

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11. Administrative expenses

	2022	2021
Professional fees	1,365,689	500
Compliance fees	7,550	-
Rent expenses	4,816	-
Annual management fees	4,085	-
Annual compliance fees	2,700	2,700
Other expenses	400	-
	1,385,240	3,200

12. Finance cost

	2022	2021
Finance charges	17,376	-
Bank charges	9,844	-
	27,220	-

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 and 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, 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 directors and authorized for issue on July 26, 2023.

Board of Directors:NameFunctionSignature

Blazhe Kopitovikj

Managing Director



Flagship Services B.V.

Proxy holder

