

Versus Odds 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	142,266	48,807
Prepaid expenses		41,361	-
Accounts receivable		3,721,750	548,859
Other assets	5	3,154,260	1,679,731
Total current assets		7,059,637	2,277,397
Non-current assets			
Lease deposit		400	400
Total non-current assets		400	400
Total assets		7,060,037	2,277,797
Equity and liabilities			
Current liabilities			
Accounts payable		4,413,580	1,152,662
Accrued expenses	6	7,200	2,700
Payable to shareholders	7	9,565	9,565
Other payables		88,248	81,709
Total current liabilities		4,518,593	1,246,636
Equity			
Issued capital	8	85	85
Retained earnings / (Accumulated losses)		2,541,359	1,031,076
Total equity		2,541,444	1,031,161
Total liabilities and equity		7,060,037	2,277,797

See accompanying notes.




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Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue (Net)	9	22,975,281	4,608,895
Direct cost	10	-11,660,964	-1,227,821
Gross profit / (loss)		11,314,317	3,381,074
Selling and marketing expenses		-8,042,188	-913,132
Administrative expenses	11	-962,146	-1,385,240
Profit / (loss) from operations		2,309,983	1,082,702
Finance cost	12	-144,862	-27,220
Profit / (loss) before tax		2,165,121	1,055,482
Profit tax expense	3	-	-
Profit / (loss) for the year		2,165,121	1,055,482
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		2,165,121	1,055,482
Attributable to the owners		2,165,121	1,055,482

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	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
Profit / (loss) for the year	-	2,165,121	2,165,121
Other comprehensive income	-	-	-
Dividend paid	-	-654,838	-654,838
Total comprehensive income / (loss) for the year	-	1,510,283	1,510,283
Balance, December 31, 2023	85	2,541,359	2,541,444

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		2,165,121	1,055,482
(Increase) / decrease in accounts receivable		-3,172,891	-548,859
(Increase) / decrease in prepaid expenses		-41,361	-
(Increase) / decrease in lease deposit		-	-400
(Increase) / decrease in other assets		-1,474,529	-1,679,731
Increase / (decrease) in accounts payable		3,260,918	1,140,606
Increase / (decrease) in accrued expenses		4,500	-
Increase / (decrease) in other payables		6,539	81,709
Net cash generated from operating activities		748,297	48,807
Cash flow from investing activities			
(Increase) / decrease in other assets		-	-
Net cash generated from investing activities		-	-
Cash flow from financing activities			
Dividends paid		-654,838	-
Net cash generated from financing activities		-654,838	-
Net increase / (decrease) in cash		93,459	48,807
Cash at the beginning of the year		48,807	-
Cash at the end of the year	4	142,266	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, 2023, the management of the company is borne by:

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

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 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, prepaid expenses, 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.

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.

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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 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 Curaçao 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.

4. Cash and cash equivalents

	2023	2022
Balance with Payment Execution	13,513	41,097
Balance with Aims	128,753	7,710
	142,266	48,807

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5. Other assets

	2023	2022
Receivable from Deloraze Ltd*	2,907,400	1,679,731
Advances to Ctek LLC	181,004	-
Loan receivable *	50,000	-
C/A Mirage Corporation N.V.	11,856	-
Advances to Crystal poker	4,000	-
	3,154,260	1,679,731

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

6. Accrued expenses

	2023	2022
Professional fees	7,200	-
Annual compliance fees	-	2,700
	7,200	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, 2023 and December 31, 2022 consists of 100 common shares with a nominal value of USD 1 each and subscribed for EUR 85.

EUR 654,838 and Nil were declared and paid as dividends in 2023 and 2022 respectively.

9. Revenue (Net)

	2023	2022
Gaming revenue	22,975,281	4,608,895
	22,975,281	4,608,895

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10. Direct cost

	2023	2022
Provider costs	7,987,621	1,210,648
Software expenses	2,957,523	-
Licenses and server fees	611,757	17,173
Payment wallet charges	104,063	-
	11,660,964	1,227,821

11. Administrative expenses

	2023	2022
Professional fees	418,580	1,365,689
Write-off of assets	205,116	-
Bad debts	107,479	-
Compliance fees	40,322	7,550
Annual management fees	3,750	4,085
Rent expenses	3,044	4,816
Annual compliance fees	2,800	2,700
Other expenses	181,055	400
	962,146	1,385,240

12. Finance cost

	2023	2022
Bank charges	101,552	9,844
Finance fees	40,650	17,376
Exchange losses	2,660	-
	144,862	27,220

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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, prepaid expenses, 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, 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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16. Authorization for issue

These financial statements for the year ended December 31, 2023 were approved by the directors and authorized for issue on May 03, 2024.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Blazhe Kopitovikj	Managing Director	DocuSigned by:  C62A9E480535447...
Flagship Services B.V.	Proxy holder	DocuSigned by:  3508179679034CB...

