

UNIVERSE B GAMES B.V.

**Directors' report and Financial Statements
for the period ended 30th September 2024**

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CORPORATE INFORMATION

Date of incorporation: 10th September 2020

Commercial Register of the Curaçao Chamber of Commerce & Industry No: 155126

Directors: Odin Trust B.V. (appointed on 10th September 2020 and resigned on 25th May 2023)

Corneliu Bunciuc (appointed on 25th May 2023)

Registered office: Dr. M.J. Hugenholtzweg 25 Unit 11, Curaçao (from 10th September 2020 until 22nd March 2024)
Dr. H. Fergusonweg 1, Curacao (from 22nd March 2024)

DIRECTORS' REPORT

The directors are pleased to present their report along with the financial statements for the period ended 30th September 2024.

Principal activities

The Company provides online gaming, betting and other interactive games for clients residing outside of Curaçao.

Results and appropriations

The results of the Company for the period ended 30th September 2024 are set out in the profit and loss statement on page 3.

The directors do not recommend the payment of any dividend in respect of the period.

Share capital

The details of share capital set out in Statement of changes in equity for 9 months of 2024 on page 5.



(Corneliu Bunciuc)

Managing Director

Date:

25.11.2024

(SMES)
Solutions for Management
and Employment Support N.V.

Profit and loss statement for the period ended 30th September 2024

	Note	2024 9 months USD	2023 12 months USD
Revenue	2	<u>7.773.968</u>	<u>10.544.192</u>
Selling, marketing and advertising expenses	3	(4.155.366)	(5.636.647)
Cost of services	4	(2.113.865)	(2.861.496)
Gross profit		<u>1.504.736</u>	<u>2.046.050</u>
Administrative and other expenses	5	(265.095)	(359.560)
Profit before tax		<u>1.239.642</u>	<u>1.686.490</u>
Curaçao income tax	6	(1.835)	(2.124)
Net profit for the period		<u>1.237.806</u>	<u>1.684.366</u>

Balance sheet as of 30th September 2024

	Note	01/01/2024 USD	30/09/2024 USD
ASSETS			
Short-term assets			
Cash and cash equivalents	7	7.731.861	9.023.612
Prepayments	8	71.718	56.987
Total short-term assets		7.803.579	9.080.599
Long-term assets			
Tangible fixed assets	9	117.602	141.044
Total long-term assets		117.602	141.044
TOTAL ASSETS		7.921.181	9.221.643
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables	10	254.760	263.247
Clients' deposits	11	717.900	772.858
Other payables	12	68.624	67.835
Total liabilities		1.041.284	1.103.940
Equity			
Share capital		12	12
Retained earnings		6.879.885	8.117.691
Total equity		6.879.897	8.117.703
TOTAL EQUITY AND LIABILITIES		7.921.181	9.221.643

Statement of changes in equity for the period ended 30th September 2024

	01/01/2024	Changes	30/09/2024
Share capital, USD	<u>12</u>	<u>-</u>	<u>12</u>
Profit for the period, USD	<u>6.879.885</u>	<u>1.237.806</u>	<u>8.117.691</u>
Total, USD	<u>6.879.897</u>	<u>1.237.806</u>	<u>8.117.703</u>

The share capital of the Company consists of 10 shares of €1 each.

Accounting policies and explanatory notes

1. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The financial statements have been prepared under the historical cost convention.

Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Reporting currency and foreign exchange

The reporting currency of the Company is US dollar (USD), which is the currency of the primary economic environment in which the Company operates.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into euro using exchange rates applicable at the end of the reporting period. Gains and losses on foreign exchange are recognized in the income statement.

Revenue

Revenue is recognized when it is probable that the economic benefits will flow to the Company and when the revenue can be measured reliably.

Work executed and services provided are recognized in the accounting period in which the work or service is carried out by reference to completion of the specific transaction assessed on the basis of the actual work executed provided as a proportion of the total work to be carried out.

Sales of goods are recognized at the point in time when the Company satisfies its performance obligation by transferring control over the promised goods to the customer, which is usually when the goods are delivered to the customer, risk of obsolescence and loss have been transferred to the customer and the customer has accepted the goods.

Cash and cash equivalents

For the purpose of the financial statements, cash and cash equivalents comprise cash at bank and stable coins USDT in the accounts at cryptocurrency payment providers. One USDT is equivalent to one USD.

Trade and other receivables

Trade and other receivables are stated at estimated realizable value after each debt has been considered individually. Where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

Trade and other payables

Trade and other payables include amounts owed to suppliers for goods or services received (trade payables) and other short-term liabilities, such as taxes payable, employee benefits, or dividends payable. Trade and other payables are stated at fair value after each debt has been considered individually.

Investments

Investments in the management funds are stated at the lower of cost and net realizable value. Investments in the crystallographic currency are measured at fair value.

Taxation

Income tax expense represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is not provided.

The accounting policies and explanatory notes form an integral part of these financial statements

Accounting policies and explanatory notes (continued)

Tangible fixed assets

Tangible fixed assets are physical assets as property, plant or equipment held by the entity for use in production, supply of goods or services, rental to others, or administrative purposes and are expected to be used during more than one reporting period.

Tangible fixed assets are recognized at cost, including all expenses directly attributable to bringing the asset to its intended use. Subsequent to initial recognition, assets are measured using the cost model (cost less accumulated depreciation and impairment losses).

Depreciation is calculated on a systematic basis over the estimated useful life of each asset using the straight-line method. Useful lives and residual values are reviewed annually.

Impairment reviews are conducted at each reporting date, and losses are recognized if the carrying amount exceeds the recoverable amount.

Assets are de-recognized upon disposal or when no future economic benefits are expected, with any resulting gain or loss recognized in profit or loss.

Intangible fixed assets

Intangible fixed assets are identifiable, non-monetary assets without physical substance as licenses, software or patents, held for use in production, supply of goods or services, rental, or administrative purposes, and expected to provide future economic benefits during more than one reporting period.

Intangible fixed assets are recognized at cost if it is probable that future economic benefits will flow to the entity and the cost can be reliably measured. After initial recognition, they are measured at cost less accumulated amortization and impairment losses.

Amortization is charged on a systematic basis over the asset's estimated useful life. The useful life and residual value are reviewed annually.

Impairment reviews are conducted at each reporting date, with losses recognized if the carrying amount exceeds the recoverable amount. Intangible assets are de-recognized upon disposal or when no future economic benefits are expected, with any resulting gain or loss recognized in profit or loss.

2. Revenue

An analysis of the Company's revenue is as follows:

Online gaming	5.325.134 USD
Online sports betting	2.448.834 USD
Total revenue	7.773.968 USD

3. Selling, marketing and advertising expenses

An analysis of the Company's selling, marketing and advertising expenses is as follows:

Comissions	2.271.265 USD
Marketing and advertising expenses	1.884.101 USD
Total selling, marketing and advertising expenses	4.155.366 USD

The accounting policies and explanatory notes form an integral part of these financial statements

Accounting policies and explanatory notes (continued)**4. Cost of services**

An analysis of the Company's cost of services is as follows:

Gaming license	29.700 USD
Salaries IT	427.500 USD
Technical support by external providers	1.594.108 USD
Depreciation of equipment	62.558 USD
Total cost of services	2.113.866 USD

5. Administrative and other expenses

An analysis of the Company's administrative and other expenses are as follows:

Salaries management and administrative staff	158.000 USD
Company renewal	5.625 USD
Local director y proxy services	8.650 USD
Accounting and legal services	6.550 USD
Bank and payment systems fees	86.270 USD
Total administrative and other expenses	265.095 USD

6. Income tax

Curaçao income tax is calculated on the basis of the following:

Revenue	7.773.968 USD
Domestic causal cost	43.975 USD
<i>License expenses</i>	<i>29.700 USD</i>
<i>Local director, proxy and other local services</i>	<i>14.275 USD</i>
Non-domestic causal cost	6.490.351 USD
Total causal cost	6.534.326 USD
Gross profit	1.239.642 USD
<i>Domestic gross profit</i>	<i>8.343 USD</i>
<i>Non-domestic gross profit</i>	<i>1.231.299 USD</i>
Tax rate	22%
Curaçao income tax	1.835 USD

The accounting policies and explanatory notes form an integral part of these financial statements

Accounting policies and explanatory notes (continued)**7. Cash and cash equivalents**

An analysis of the Company's cash and cash equivalents is as follows:

	01/01/2024	30/09/2024
Wallet TBe*****qAc9 USDT	717.900 USD	772.858 USD
Wallet TDy*****f4q6 USDT	7.013.961 USD	8.250.754 USD
Total cash and cash equivalents	7.731.861 USD	9.023.612 USD

8. Prepayments

An analysis of the Company's prepayments is as follows:

	01/01/2024	30/09/2024
Gaming license	3.000 USD	-
Prepaid renewal, proxy and other corporative services	19.000 USD	4.700 USD
Prepaid advertising and marketing campaigns	49.718 USD	52.287 USD
Total prepayments	71.718 USD	56.987 USD

9. Tangible fixed assets

An analysis of the Company's tangible fixed assets is as follows:

All the Company's tangible fixed assets consist of computer equipment.

	01/01/2024	30/09/2024
Initial cost of tangible fixed assets	314.530 USD	400.530 USD
Accumulated depreciation of tangible fixed assets	196.929 USD	259.486 USD
Book value of tangible fixed assets	117.602 USD	141.044 USD

10. Trade payables

An analysis of the Company's trade payables is as follows:

	01/01/2024	30/09/2024
Agent comissions	161.859 USD	157.179 USD
Server management services	57.460 USD	65.600 USD
Technical support services	35.441 USD	40.468 USD
Total trade payables	254.760 USD	263.247 USD

The accounting policies and explanatory notes form an integral part of these financial statements

Accounting policies and explanatory notes (continued)**11. Clients' deposits**

An analysis of clients' deposits in the Company is as follows:

	01/01/2024	30/09/2024
Total clients' deposits	717.900 USD	772.858 USD
Number of clients	2.462 persons	2.584 persons
Average deposit size	292 USD	299 USD

12. Other payables

An analysis of the Company's other payables is as follows:

	01/01/2024	30/09/2024
Curaçao income tax	4.488 USD	6.323 USD
Staff and management salaries	64.136 USD	61.512 USD
Total other payables	68.624 USD	67.835 USD

The accounting policies and explanatory notes form an integral part of these financial statements