

Betsala B.V.

Financial Statements
for the year ended December 31, 2023

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Betsala B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Accounts receivable		-	55,203
Receivable from related company		-	65,000
Receivable from payment providers		105,929	-
Cash and cash equivalents	4	49,990	344,148
Prepaid expenses		4,995	9,211
Unbilled revenue		-	7,341
Total current assets		160,914	480,903
Non-current assets			
Tangible assets (net book value)	5	2,933	4,000
Other assets	6	3,720	18,296
Total non-current assets		6,653	22,296
Total assets		167,567	503,199
Equity and liabilities			
Current liabilities			
Players' accounts		65,330	-
Accounts payable		306,866	396,021
Accrued expenses	7	40,199	3,060
Payable to related companies		66,836	58,238
Provision for sportsbook open bets		1,881	-
Total current liabilities		481,112	457,319
Equity			
Issued capital	8	15,385	100
Additional capital		720,497	735,782
Retained earnings / (Accumulated losses)		-1,049,427	-690,002
Total equity		-313,545	-45,880
Total liabilities and equity		167,567	503,199

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Betsala B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue	9	1,991,755	542,541
Direct cost	10	-719,623	-3,139
Gross profit / (loss)		1,272,132	539,402
Selling and marketing expenses		-744,107	-780,224
Administrative expenses	11	-709,866	-193,771
Profit / (loss) from operations		-181,841	-434,593
Finance cost	12	-177,584	-12,605
Profit / (loss) before tax		-359,425	-447,198
Profit tax expense	3	-	-
Profit / (loss) for the year		-359,425	-447,198
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		-359,425	-447,198
Attributable to the owners		-359,425	-447,198

See accompanying notes.

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Betsala B.V.

Statement of changes in equity

(All amounts in EUR)

	Issued capital	Additional capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2020	100	67,915	-105,125	-37,110
Profit / (loss) for the year	-	-	-137,679	-137,679
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the year	-	-	-137,679	-137,679
Additional capital	-	75,000	-	75,000
Balance, December 31, 2021	100	142,915	-242,804	-99,789
Profit / (loss) for the year	-	-	-447,198	-447,198
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the year	-	-	-447,198	-447,198
Additional capital	-	592,867	-	592,867
Balance, December 31, 2022	100	735,782	-690,002	45,880
Total comprehensive income / (loss) for the year	-	-	-359,425	-359,425
Additional capital	15,285	-15,285	-	-
Balance, December 31, 2023	15,385	720,497	-1,049,427	-313,545

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Betsala B.V.

Statement of cash flows

(All amounts in EUR)

	Note	2023	2022
Cash flow from operating activities			
Profit / (loss) for the year		-359,425	-447,198
Add back: Depreciation		1,067	267
(Increase) / decrease in accounts receivable		55,203	-55,203
(Increase) / decrease in receivable from related company		65,000	-65,000
(Increase) / decrease in receivable from payment providers		-105,929	-6,497
(Increase) / decrease in prepaid expenses		4,216	-6,497
(Increase) / decrease in unbilled revenue		7,341	-4,728
Increase / (decrease) in players accounts		65,330	-
Increase / (decrease) in accounts payable		-89,155	324,817
Increase / (decrease) in accrued expenses		37,139	-3,557
Increase / (decrease) in payable to related companies		8,598	58,238
Increase / (decrease) in payable to shareholders		-	-70,867
Increase / (decrease) in provision for open bets		1,881	-
Net cash generated from operating activities		-308,734	-269,728
Cash flow from investing activities			
(Increase) / decrease in tangible assets		-	-4,267
(Increase) / decrease in other assets		14,576	-3,720
Net cash generated from investing activities		14,576	-7,987
Cash flow from financing activities			
Increase / (decrease) in additional capital		-	592,867
Net cash generated from financing activities		-	592,867
Net increase / (decrease) in cash		-294,158	315,152
Cash at the beginning of the year		344,148	28,996
Cash at the end of the year	4	49,990	344,148

See accompanying notes.

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Notes to financial statements

1. General information

Betsala B.V. (the company) was established on April 04, 2019 in Curaçao as a private limited liability company. The address of its registered office is Zuikertuintjeweg Z/N (Zuikertuin Tower), Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 149818.

The main objectives of the company are -

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising of 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 the following directors:

- Albert Bellavista Vilanova

Statutory Director

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 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.

Previous year's figures have been regrouped to conform to current year's presentation.

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Cash and cash equivalents

Cash and cash equivalents include deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

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 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.

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

	2023	2022
Balances at bank	49,990	344,148
	49,990	344,148

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5. Tangible assets

	Furniture & Fixtures	Total Tangible Assets
Cost		
At 1 January 2022	-	-
Additions	4,267	4,267
At 31 December 2022	4,267	4,267
Depreciation		
At 1 January 2022	-	-
Charge for the year	-267	-267
At 31 December 2022	-267	-267
Net book value		
At 31 December 2022	4,000	4,000
Cost		
At 1 January 2023	4,267	4,267
Additions	-	-
At 31 December 2023	4,267	4,267
Depreciation		
At 1 January 2023	-267	-267
Charge for the year	-1,067	-1,067
At 31 December 2023	-1,334	-1,334
Net book value		
At 31 December 2023	2,933	2,933

6. Other assets

	2023	2022
Deposit to Betconstruct	-	14,576
Deposit for office rental	3,720	3,720
	3,720	18,296

7. Accrued expenses

	2023	2022
Selling and marketing expenses	37,741	3,060
Salaries	2,120	-
Office expenses	338	-
	40,199	3,060

8. Issued capital

The issued capital of the company as at December 31, 2023 consists of 15,385 common shares with a nominal value of EUR 1 each and subscribed for EUR 15,385.

No dividends were declared in 2023 and 2022.

9. Revenue

	2023	2022
Gaming revenue	1,991,755	542,541
	1,991,755	542,541

10. Direct cost

	2023	2022
Payment provider fees	362,712	-
Game provider fees	346,513	-
Gaming license fee	10,398	3,139
	719,623	3,139

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11. Administrative expenses

	2023	2022
Salaries	362,573	141,961
Other expenses	165,478	646
Professional fees	98,466	9,010
Legal and compliance	34,680	20,628
Software and Tech costs	21,238	-
Rent expenses	14,979	12,035
Office expenses	7,759	3,624
Travelling expenses	3,626	5,600
Depreciation	1,067	267
	709,866	193,771

12. Finance cost

	2023	2022
Bank charges	18,458	14,517
Realized forex	159,126	-
	177,584	14,517

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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, other assets, accrued expenses, accounts payable 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.

16. Authorization for issue

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

Board of Directors:

Name

Function

Signature

Albert Bellavista Vilanova

Statutory Director

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