

Betsala B.V.

Financial Statements
for the year ended December 31, 2024
(Draft)

Table of Contents

Statement of financial position	3
Statement of profit or loss	4
Statement of changes in equity	5
Statement of cash flows	7
Notes to financial statements	8

Betsala B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2024	2023
Assets			
Current assets			
Receivable from payment providers		165,885	105,929
Cash and cash equivalents	4	283,713	49,990
Prepaid expenses		35,017	4,995
Total current assets		484,615	160,914
Non-current assets			
Tangible assets (net book value)	5	1,866	2,933
Intangible assets (net book value)	6	13,000	-
Other assets	7	3,720	3,720
Total non-current assets		18,586	6,653
Total assets		503,201	167,567
Equity and liabilities			
Current liabilities			
Players' accounts		70,048	65,330
Accounts payable		116,092	306,866
Accrued expenses	8	72,739	40,199
Payable to related companies		66,836	66,836
Provision for sportsbook open bets		1,804	1,881
Pending Withdrawals		136	-
Total current liabilities		327,655	481,112
Equity			
Issued capital	9	15,385	15,385
Additional capital		720,497	720,497
Retained earnings / (Accumulated losses)		-560,336	-1,049,427
Total equity		175,546	-313,545
Total liabilities and equity		503,201	167,567

See accompanying notes.

Betsala B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2024	2023
Revenue	10	3,296,355	1,991,755
Direct cost	11	-1,063,061	-719,623
Gross profit / (loss)		2,233,294	1,272,132
Selling and marketing expenses		-781,860	-744,107
Administrative expenses	12	-876,591	-709,866
Profit / (loss) from operations		574,843	-181,841
Finance cost	13	-85,752	-177,584
Profit / (loss) before tax		489,091	-359,425
Profit tax expense	3	-	-
Profit / (loss) for the year		489,091	-359,425
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		489,091	-359,425
Attributable to the owners		489,091	-359,425

See accompanying notes.

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

Betsala B.V.

Total comprehensive income / (loss) for the year	-	-	489,091	489,091
Additional capital	-	-	-	-
Balance, December 31, 2024	15,385	720,497	-560,336	175,546

Betsala B.V.
Statement of cash flows

(All amounts in EUR)

	Note	2024	2023
Cash flow from operating activities			
Profit / (loss) for the year		489,091	-359,425
Add back: Depreciation		1,067	1,067
(Increase) / decrease in accounts receivable		-	55,203
(Increase) / decrease in receivable from related company		-	65,000
(Increase) / decrease in receivable from payment providers		-59,954	-105,929
(Increase) / decrease in prepaid expenses		-30,023	4,216
(Increase) / decrease in unbilled revenue		-	7,341
Increase / (decrease) in players accounts		4,718	65,330
Increase / (decrease) in accounts payable		-190,774	-89,155
Increase / (decrease) in accrued expenses		32,540	37,139
Increase / (decrease) in payable to related companies		-	8,598
Increase / (decrease) in provision for open bets		-78	-
Increase / (decrease) in provision for pending withdrawals		136	1,881
Net cash generated from operating activities		246,723	-308,734
Cash flow from investing activities			
(Increase) / decrease in tangible assets		-13,000	-
(Increase) / decrease in other assets		-	14,576
Net cash generated from investing activities		-13,000	14,576
Cash flow from financing activities			
Increase / (decrease) in additional capital		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash		233,723	294,158
Cash at the beginning of the year		49,990	344,148
Cash at the end of the year	4	283,713	49,990

See accompanying notes.

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.

These financial statements are in draft form and have been prepared for discussion and review purposes. Balances and accompanying notes are subject to change and may be revised based on management review and final approval. Accordingly, these draft financial statements should not be relied upon as final or complete.

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.

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

	2024	2023
Balances at bank	283,713	49,990
	283,713	49,990

5. Tangible assets

	Furniture & Fixtures	Total Tangible Assets
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
At 31 December 2023	2,933	2,933
Net book value		
Cost		
At 1 January 2024	4,267	4,267
Additions	-	-
At 31 December 2024	4,267	4,267

Depreciation

At 1 January 2024	-1,334	-1,334
Charge for the year	-1,067	-,1067
At 31 December 2024	-2,401	-2,401

Net book value

At 31 December 2024	1,866	1,866
---------------------	--------------	--------------

6. Intangible assets

	Furniture & Fixtures	Total Intangible Assets
Cost		
At 1 January 2024	-	-
Additions	13,000	13,000
At 31 December 2024	13,000	13,000

Depreciation

At 1 January 2024	-	-
Charge for the year	-	-
At 31 December 2024	-	-

Net book value

At 31 December 2024	13,000	13,000
---------------------	---------------	---------------

7. Other assets

	2024	2023
Deposit for office rental	3,720	3,720
	3,720	3,720

8. Accrued expenses

	2024	2023
Salaries	43,800	2,120
Game Provider Fees	20,245	-
Affiliate Commission	5,562	-
		12

Legal and Compliance	1,867	-
Software Licenses	919	-
Office Expenses	346	338
Selling and marketing expenses	-	37,741
	72,739	40,199

9. Issued capital

The issued capital of the company as at December 31, 2024 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 2024 and 2023.

10. Revenue

	2024	2023
Gaming revenue	3,296,355	1,991,755
	3,296,355	1,991,755

11. Direct cost

	2024	2023
Payment provider fees	502,380	362,712
Game provider fees	535,213	346,513
Gaming license fee	25,468	10,398
	1,063,061	719,623

12. Administrative expenses

	2024	2023
Salaries	596,316	362,573
Professional fees	90,835	98,466
Legal and compliance	68,588	34,680
Software and Tech costs	45,804	21,238
Other expenses	36,757	165,478
Rent expenses	18,617	14,979
Travelling expenses	9,930	3,626
Office expenses	8,678	7,759
Depreciation	1,067	1,067
	876,592	709,866

13. Finance cost	2024	2023
Bank charges	24,164	18,458
Realized forex	51,227	159,126
Unrealized forex	53	-
Other finance costs	10,308	-
	85,752	177,584

14. 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.

15. Contingencies, commitments and legal proceedings

The company has no contingent or future purchase liabilities and is not involved in any legal actions.

16. Subsequent events

In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2024. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2024.