

BetMax Entertain N.V.
Zuikertuintjeweg z/n (Zuikertuin Tower)
Willemstad
Curaçao

Financial Statements 2023
(May 2, 2023 - December 31, 2023)

Table of contents

1 Report

1.1 Constitution of the company	3
1.2 Core Business & Services	3
1.3 Share Capital	3
1.4 Miscellaneous	3

2 Accounting policies and principles used in the financial statement

2.1 General	4
2.2 Balance Sheet	4
2.3 Statement of profit and loss	4
2.4 Exchange Rates	4
2.5 Cash flow statement	

3 Financial Statements

3.1 Balance sheet as at 31 December 2023	5
3.2 Profit and loss for the period ended 31 December 2023	6
3.3 Cash flow statement for the period ended 31 December 2023	7
3.4 Notes to the balance sheet	8
3.5 Notes to the statement of profit and loss	9 - 10

1 Report

To the attention of the shareholders of:

BetMax Entertain N.V.
Zuikertuintjeweg z/n (Zuikertuin Tower)
Willemstad, Curaçao

June 25, 2024

Dear Sirs,

We hereby submit a compilation of the financial statements for BetMax Entertain N.V. as of December 31, 2023.

1.1 Constitution of the company

On May 2, 2023, BetMax Entertain N.V., was incorporated by Deed of a Civil Law Notary in Curaçao as a private limited company (B.V.), embarked in the gaming industry, on its trading journey with exciting prospects. During the Extraordinary Meeting held on May 10, 2023 it was resolved to convert the company from a private limited company to a limited liability company (from B.V. to N.V.).

The registered address of the company is on Zuikertuintjeweg Z/N (Zuikertuin Tower), Curaçao.

The Company is registered at the Curaçao Chamber of Commerce & Industry under number 163731.

1.2 Core Business & Services

The main activities of the company are:

1. a. to supply, market, promote, manage, support and operate all types of remote gaming activities, comprising all types of games, betting and other interactive games;
b. to act as an online software gaming provider in the widest sense of the word, for clients established in or outside of Curaçao 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 exceed the corporate objective.

1.3 Share Capital

The Share Capital of the company is EUR 100 and is divided in 100 ordinary shares of EUR 1 each.

1.4 Miscellaneous

All amounts are in EURO (EUR).



Envision Managers N.V.
Managing Director

2 Accounting policies and principles used in the financial statement

2.1 General

The financial statements have been prepared in accordance with Curaçao Generally Accepted Accounting Practice. The financial statements for the period ended 31 December 2023 have not been audited.

These financial statements have been prepared based on going concerned basis. This going concerned basis of preparation assumes the company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company's financial statements are presented in EURO (EUR), which is the presentation and functional currency of the Company.

2.2 Balance Sheet

Cash and cash equivalents

Cash and cash equivalents are valued at nominal value and, insofar as not stated otherwise, is at the free disposal of the Company. Cash at bank and in hand relate to immediately due and payable withdrawal claims against credit institutions and cash resources.

Assets and Liabilities

Accounts receivable and accounts payable are principally short-term amounts relating to the settlement of transactions. They are stated for their nominal value. The allowance for doubtful accounts is determined by individual valuation of the accounts in the portfolio. Assets and liabilities in foreign currencies are converted to the exchange rate of the balance sheet date.

2.3 Statement of profit and loss

Result for the period

The result for the period is calculated as the difference between revenues and costs. Revenues are recognized at delivery of the services; costs associated to the revenues are accounted for in the same period as the revenues, other costs are recorded in the period which these are foreseeable.

Profit tax

Provision for taxation has been made in accordance with Curacao Profit Tax Ordinance.

2.4 Exchange Rates

(source: ECB exchange rates)

2.5 Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates.

3.1 Balance sheet as at 31 December 2023*Before result appropriation*

	Notes	2023
(Expressed in EUR)		
Assets		
Non current assets		
Investment in Subsidiary	1	5.000
Current assets		
Cash at Bank		98.561
Prepayments and accrued income		95.612
		<u>194.173</u>
Total assets		<u><u>199.173</u></u>
Equity and liabilities		
Shareholders' equity		
Share Capital	2	100
Retained earnings		-
Result for the period		(1.429.878)
<i>Total equity</i>		(1.429.778)
Current liabilities		
Accounts payable		29.614
Payable to group companies	3	1.255.021
Players' balance		2.116
Other accrued expenses and deferred income		2.200
<i>Total current liabilities</i>		<u>1.288.951</u>
Long term liabilities		
Loan due to group entities	4	340.000
<i>Total long term liabilities</i>		<u>340.000</u>
Total equity and liabilities		<u><u>199.173</u></u>

3.2 Profit and loss for the period ended 31 December 2023

	Notes	2023
(Expressed in EUR)		
Revenue	5	1.098
<i>Expenses</i>		
Direct cost of sales	6	(33.145)
Service fees		(1.255.355)
Platform cost & data centers	7	(65.240)
Marketing costs	8	(43.094)
Employee & long term consultants costs	9	(9.909)
Office costs	10	(33)
Consultancy	11	(15.598)
Other external costs	12	(7.207)
Realised and unrealised gains and losses	13	(1.395)
Total operating expenses		<u>(1.430.976)</u>
Operating result before taxes		(1.429.878)
Taxes		-
Net result for the period		<u><u>(1.429.878)</u></u>

3.3 Cash flow statement for the period ended 31 December 2023

2023	
(Expresssed in EUR)	
Operating activities	
Net loss before interest and taxation	(1.429.878)
<i>Changes in operating activities</i>	
Receivables	(95.612)
Payables	1.288.951
	1.193.339
Cash flow used in operating activities	(236.539)
Cash flow from investing activities	
Investments in financial fixed assets	(5.000)
Issue of share capital	100
Borrowings of long-term debt	340.000
Cash flow from investing activities	335.100
Movements during financials period	98.561
Changes in cash and cash equivalents	
Balance as at beginning of financial period	-
Movements during financials period	98.561
Balance at financial period end	98.561

3.4 Notes to the balance sheet

	31-12-2023
	EUR
1. Investment in Subsidiary	
At May 2	-
Acquire shares	5.000
At 31 December	5.000

The investment in subsidiary represents investment in BetMax Connect Ltd, a company incorporated to act as the payment agent of BetMax Entertain N.V.

The investment in subsidiary is stated at cost.

2. Shareholders' equity

Movements in shareholders' equity were as follows:

	Share capital	Result for the period	Total
	EUR	EUR	EUR
Balance as at May 2, 2023	-	-	-
Incorporation	100	-	100
Appropriation of result	-	-	-
Result for the period	-	(1.429.878)	(1.429.878)
Balance as at December 31, 2023	100	(1.429.878)	(1.429.778)

3. Payable to group companies

BetMax Connect Ltd	19.939
Hit Vision Ltd	1.203.511
Hit Vault Ltd	31.571
	1.255.021

4. Loan due to group entities

Hit Gaming Ltd	340.000
	340.000

The Company acquired a loan with a credit limit of EUR 1.500.000 on July 19, 2023 from Hit Gaming Ltd for its business use. The loan bears no interest. The Parties agree that the terms of this Agreement can be revised at the discretion of the Lender. The loan is repayable within thirty (30) days from written demand by the Lender.

3.5 Notes to the statement of profit and loss

	31-12-2023
	EUR
5. Revenue	
Bets	10.923
Wins	(9.160)
<i>Gross gaming revenue</i>	<i>1.763</i>
Bonus costs	(665)
Net gaming revenue	1.098
Expenses	
6. Direct cost of sales	
Sportsbook provider fees	25.000
PSP costs, other	5.163
Test money	2.982
	33.145
7. Platform cost & data centers	
Platform fees / PAM	50.000
Platform fees - software add-ons	15.148
Other costs	92
	65.240
8. Marketing costs	
Marketing - Display / PGM	1.080
Marketing - Social Media Content	3.406
Marketing - Organic Search	25.875
Marketing - Branding & Production	12.733
	43.094
9. Employee & long term consultants costs	
Hired staff / long term consultants	9.909
	9.909
10. Office costs	
Office software	33
	33
11. Consultancy	
Consultancy fees - other	15.298
Translations	300
	15.598
12. Other external costs	
Bank charges	7.207
	7.207

3.5 Notes to the statement of profit and loss

(Continued)

13. Realised and unrealised gains and losses

Realised FX gains / losses

Unrealised FX gains / losses

31-12-2023

EUR

(1.397)

2

(1.395)