

BG8 ENTERTAINMENT NV
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2024

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		Date of appointment	Date of resignation
Director	Patrick Roberts	22-Feb-22	-
Registered Office:	9 Abraham de Veerstraat PO Box 3421 Curacao		
Local Representatives:	Dutch Antilies Management N.V. 7 Abraham de Veerstraat PO Box 840 Curacao		
Registration Number	160023		

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their report and the audited financial statements of **BG8 ENTERTAINMENT NV** (the "Company") for the year ended 31 December 2024.

PRINCIPAL ACTIVITY

The principal activity of the Company is provision of internet betting services.

RESULTS AND DIVIDENDS

The results for the year ended 31 December 2024 are shown in the statement of comprehensive income and related notes (2023: nil).

The board of directors have recommended no dividend payment for the year under review.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The shareholders require the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs and of the profit or loss of the Company. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the International Financial Reporting Standards. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board



Director

Date:

BG8 ENTERTAINMENT NV**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Note	2024 USD	2023 USD
<u>ASSETS</u>			
Non-current asset			
Domains		250	250
		250	250
Current assets			
Cash and cash equivalents		0	0
Prepayments	5	0	6,867
		0	6,867
Total assets		250	7,117
<u>EQUITY AND LIABILITIES</u>			
Capital and reserves			
Stated capital	4	5,000	5,000
Retained earnings		(34,723)	(14,938)
		(29,723)	(9,938)
Non-current liabilities			
Borrowings		29,973	6,754
Creditors	6	0	10,300
		29,973	17,054
Total equity and liabilities		250	7,117

Approved by the Board of Directors and authorised for issue on.....*10th January 2025*


.....
Director

The notes on pages 7 to 11 are an integral part of these financial statements.

BG8 ENTERTAINMENT NV**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024	2023
	USD	USD
Income		
Income	<u>0</u>	<u>0</u>
	0	0
Expenses	(17,599)	(12,496)
Operating Loss	<u>(17,599)</u>	<u>(12,496)</u>
Finance Costs	(2,186)	(204)
Loss before tax	<u>(19,785)</u>	<u>(12,700)</u>
Taxation	<u>0</u>	<u>0</u>
Total comprehensive loss for the year	<u><u>(19,785)</u></u>	<u><u>(12,700)</u></u>

The notes on pages 7 to 11 are an integral part of these financial statements.

1. GENERAL INFORMATION

BG8 Entertainment NV (the “Company”) is a private Company, limited by shares incorporated in Gibraltar. The registered office of business of the Company is at 9 Abraham de Veerstraat, PO Box 3421, Curacao.

The principal activity of the Company is provision of internet betting services.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below.

(a) Basis of preparation

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

(b) Stated capital

Ordinary shares are classified as equity.

(c) Financial Assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Company's accounting policy for each category is as follows:

(i) Amortised Cost

These assets arise principally from the provision of services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

(i) Amortised Cost (continued)

From time to time, the Company may elect to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the statement of comprehensive income.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents includes cash at bank.

(d) Financial Liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

The Company's accounting policy in respect of its financial liabilities is as follows:

Other financial liabilities

Other financial liabilities include the following items:

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

(e) Investments

Investments in companies are carried at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

(f) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable on the rendering of services, net of value added tax, rebates and discounts.

Rendering of services

Revenue from rendering of services are recognised in the accounting year in which the services are rendered (by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided).

Other revenues earned by the Company are recognised as follows:

- Interest income - on a time-proportion basis using the effective interest method. When a receivable is impaired the Company reduces the carrying amount to its recoverable amount being the estimated future cash flow discounted at original effective interest rate; and
- Dividend income - when the shareholder's right to receive payment is established;

(g) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are declared.

(h) Expenses

Expenses are accounted for on an accrual basis.

(i) Foreign currency transactions

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in USD which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting inputs to the impairment calculation based on the Company's past history, existing market conditions as well as looking estimates at the end of each reporting period.

Fair value of securities not quoted in an active market

The fair value of securities not quoted in an active market may be determined by the Company using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flows, whichever is considered to be appropriate. The Company would exercise judgement and estimates on the quantity and quality of pricing sources used. Changes in assumption about these factors could affect the reported fair value of financial instruments.

BG8 ENTERTAINMENT NV**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024****4. STATED CAPITAL**

	2024	2023
	USD	USD
<u>Issued and fully paid</u>		
500 Ordinary shares @ USD 10.00 each	5,000	5,000

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

5. OTHER RECEIVABLES

	2024	2023
	USD	USD
Prepayments	0	6,867
	0	6,867

The amount receivable is unsecured, interest free and receivable on demand. The carrying amount of other receivables approximate their fair value. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security. Other receivables do not contain impaired assets.

6. TRADE AND OTHER PAYABLES

	2024	2023
	USD	USD
Trade payables	0	10,300
	0	10,300

The amount payable is unsecured, interest free and repayable on demand.

7. TAXATION

The Company is subject to income tax in Curacao. At 31 December 2024, no provision for income tax has been made in the financial statements.

8. EVENTS AFTER REPORTING DATE

There were no material events after the reporting period.

9. GOING CONCERN

The financial statements have been prepared on a going concern basis. This assumes that the Company will continue in operational existence for the foreseeable future and has neither the intention nor the need to enter liquidation or cease trading. In assessing whether the going concern basis is appropriate, the Directors have considered the Company's current financial position, cash flow forecasts, available financing facilities, and the principal risks and uncertainties facing the business.

The Directors have also reviewed forecasts for a period of at least twelve months from the date of approval of these financial statements and are satisfied that the Company has adequate resources to meet its obligations as they fall due. Based on this assessment, the Directors believe that the going concern basis of preparation remains appropriate.

10. OPERATING ENVIRONMENT OF THE COMPANY

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these separate financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

BG8 ENTERTAINMENT NV
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 USD	2023 USD
Income		
Income	<u>0</u>	<u>0</u>
Expenses		
Hosting	(1,200)	(1,500)
License	(5,667)	(7,083)
Professional Fees	(4,920)	0
Property	<u>(5,813)</u>	<u>(3,913)</u>
	<u>(17,599)</u>	<u>(12,496)</u>
Operating Loss	<u>(17,599)</u>	<u>(12,496)</u>
Finance Costs	(2,186)	(204)
Profit before tax	<u>(19,785)</u>	<u>(12,700)</u>
Taxation	<u>0</u>	<u>0</u>
Total comprehensive loss for the year	<u><u>(19,785)</u></u>	<u><u>(12,700)</u></u>