

Bravalla B.V.

Financial Statements

for the years ended December 31, 2023 and December 31, 2022

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Bravalla B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Cash and cash equivalents	4	13,998,580	2,080,381
Receivable from shareholders	5	-	9,245,504
Prepaid expenses		27,981	16,050
Other receivables		487,737	-
Total current assets		14,514,298	11,341,935
Non-current assets			
Loan receivable	6	23,499,197	-
Deposits		400	400
Total non-current assets		23,499,597	400
Total assets		38,013,895	11,342,335
Equity and liabilities			
Current liabilities			
Accounts payable		619,589	89,251
Accrued expenses		1,004,639	408,620
Payable to shareholders	5	672,347	-
Profit tax payable		-	-
Other payables	7	2,047,203	1,623,159
Total current liabilities		4,343,778	2,121,030
Equity			
Issued capital	8	100	100
Retained earnings / (Accumulated losses)		33,670,017	9,221,205
Total equity		33,670,117	9,221,305
Total liabilities and equity		38,013,895	11,342,335

See accompanying notes.

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Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue (Net)	9	68,436,800	21,977,218
Direct cost	10	-16,066,673	-8,324,724
Gross profit / (loss)		52,370,127	13,652,494
Selling and distribution expenses		-28,285,442	-4,120,589
Administrative expenses	11	-188,541	-32,902
Profit / (loss) from operations		23,896,144	9,499,003
Finance cost	12	-129,842	-151,443
Finance income	13	682,510	-
Profit / (loss) before tax		24,448,812	9,347,560
Profit tax expense	3	-	-
Profit / (loss) for the year		24,448,812	9,347,560
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		24,448,812	9,347,560
Attributable to the owners		24,448,812	9,347,560

See accompanying notes.

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Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2021	100	-126,355	-126,255
Profit / (loss) for the year	-	9,347,560	9,347,560
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	9,347,560	9,347,560
Balance, December 31, 2022	100	9,221,205	9,221,305
Profit / (loss) for the year	-	24,448,812	24,448,812
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	24,448,812	24,448,812
Balance, December 31, 2023	100	33,670,017	33,670,117

See accompanying notes.

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Statement of cash flows

(All amounts in EUR)

	Note	2023	2022
Cash flow from operating activities			
Profit / (loss) for the year		24,448,812	9,347,560
Add: Profit tax adjustment		0	-353
(Increase) / decrease in receivable from shareholders		9,245,504	-8,660,600
(Increase) / decrease in prepaid expenses		-11,931	-14,420
(Increase) / decrease in other receivables		-487,737	-
(Increase) / decrease in deposits		-	-400
Increase / (decrease) in accounts payable		530,338	-10,191
Increase / (decrease) in accrued expenses		596,019	356,241
Increase / (decrease) in payable to shareholders		672,347	-
Increase / (decrease) in other payables		424,044	804,687
Net cash generated from operating activities		35,417,396	1,822,524
Cash flow from investing activities			
(Increase) / decrease in other assets		-	-
Net cash generated from investing activities		-	-
Cash flow from financing activities			
(Increase) / decrease in loan receivable		-23,499,197	-
Net cash generated from financing activities		-23,499,197	-
Net increase / (decrease) in cash		11,918,199	1,822,524
Cash at the beginning of the year		2,080,381	257,857
Cash at the end of the year	4	13,998,580	2,080,381

See accompanying notes.

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Notes to financial statements

1. General information

Bravalla B.V. (the company) was established on August 27, 2018 in Curaçao as a private limited liability company. The address of its registered office is Korporaalweg 10, Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 147847.

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 a single statutory director:

- Executive Corporate Management B.V.

Statutory Director

2. Summary of material 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 Euro (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 reclassified 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.

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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 statement of profit or loss.

The company's financial assets include cash and cash equivalents, loan receivable, 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

Casino and sportsbook revenues are 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.

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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 2023 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 15% taxes on income up to 500,000 ANG and 22% above it and the foreign source of income is subject to 0% of profit taxes.

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4. Cash and cash equivalents

	2023	2022
Balances with bank		
Valyuz Bank - EUR	3,020,643	-
Capital International Bank - 20025688	2,823,986	-
ONE.io Bank	2,130,277	-
Valyuz Bank - USD	85,321	-
Capital International Bank - 20023936	32,166	-
Cash in transit	-103,580	-
Balances with PSPs		
PagSeguro	3,518,517	-
Pay4Fun	1,225,124	1,517,333
Inovapay	1,094,064	311,760
Pay Retailers	48,435	-
Cleo Transfer	32,637	-
Coindirect	30,442	-
Coindirect	25,329	20,877
Gigadat	17,046	1,614
AstroPay	10,994	3,333
Directa24	7,179	-
PayLivre	-	225,464
	13,998,580	2,080,381

5. Receivable / payable to shareholders

Receivable / payable to shareholders represents amount due from them net of expenses incurred by the shareholders on behalf of the company. The receivable / payable does not carry any interest and is repayable on demand.

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6. Loan receivable

	2023	2022
Loan receivable - Winlink UK	22,850,000	-
Loan interest receivable - Winlink UK	649,197	-
	23,499,197	-

As per agreement dated May 01, 2023, between the lender Bravalla B.V. and the borrower Winlink Limited it is agreed as follows for above loan:-

- a. The lender has agreed to make available to the borrower a revolving credit loan facility with a maximum aggregate amount of forty million (40,000,000) Euro (The “Principal”).
- b. Loan tenure is of ten years.
- c. The loan will carry a simple interest rate of 7%.

7. Other payables

	2023	2022
Payable to players	1,935,721	1,492,898
Open bets	111,482	130,261
	2,047,203	1,623,159

8. Issued capital

The issued capital of the company as at the balance sheet date consists of 100 shares with a nominal value of EUR 1 each and subscribed for EUR 100.

No dividends were declared in 2023 and 2022.

9. Revenue (Net)

	2023	2022
Bets placed	1,697,989,601	527,281,731
Less: Bets won	-1,620,931,595	-502,826,621
Less: Bonus	-8,957,885	-2,649,567
Others	336,679	171,675
	68,436,800	21,977,218

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10. Direct cost

	2023	2022
PSP expenses	8,363,631	5,374,923
License and server fees	7,703,042	2,949,801
	16,066,673	8,324,724

11. Administrative expenses

	2023	2022
IT Support services	92,771	-
Professional fees	39,097	5,859
Dues and subscriptions	10,610	
Rent expenses	5,588	4,166
Annual management fees	3,750	2,500
Annual compliance fees	2,750	6,800
Compliance fees	2,700	-
Write off of receivables	-	13,155
Other expenses	31,275	422
	188,541	32,902

12. Finance cost

	2023	2022
Bank service charges	107,733	25
Foreign exchange loss	22,109	151,418
	129,842	151,443

13. Finance income

	2023	2022
Interest on loan	649,197	-
Bank interest	33,313	-
	682,510	-

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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, accounts payable, accrued expenses, other assets and other payables approximates the carrying amount largely due to the short-term maturity.

Loan receivable has been disclosed at a value which fairly approximates the value which is expected to be repaid.

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

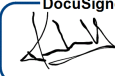
In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2023. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2023.

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17. 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 February 23, 2024.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Statutory Director	DocuSigned by:  3508179679034CB...
		DocuSigned by:  E9C1A4A3F74E4ED...