

NetGame Entertainment N.V.

Curaçao

Annual Report 2023

Date: October 23rd, 2024

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Managing Director:

Capital Trust Corporation N.V.

Registered Address of the Company:

Chuchubiweg 17
Willemstad, Curaçao

To the Managing Director of
Netgame Entertainment N.V.
Capital Trust Corporation N.V.
Chuchubiweg 17
Willemstad, Curacao

Date:
October 23, 2024

Prepared by:
Darrick Rhodes

Our reference:
20240224

Compilation Report

Introduction

Based on information provided by the company's management, we have compiled the financial statements of Netgame Entertainment N.V., Curaçao, for the year 2023. The accuracy and completeness of the information provided, and the financial statements based thereon are the responsibility of the company's management. Our responsibility is to issue a compilation report on these financial statements.

Scope

We have compiled the financial statements in accordance with the International Standard on Related Services applicable to compilation engagements. Our procedures were limited primarily to gathering, processing, classifying, and summarising financial information. These procedures do not provide the same level of assurance about whether the financial statements are free of material misstatement as that provided by an audit or a review.

Confirmation

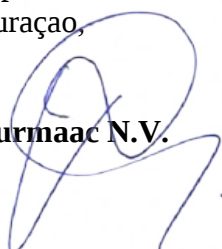
Based on the information provided to us, we have compiled the financial statements in accordance with the accounting principles as disclosed in these financial statements.

Signing of the Report of the Administrators

We trust to have been of service. We are available to provide further explanation should you have questions or comments.

Curaçao,

Curmaac N.V.

A handwritten signature in blue ink, consisting of a large, stylized 'R' followed by a horizontal line and a small upward stroke.

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Financial Statements

1. Balance sheet as per December 31, 2023 (After appropriation of result)

	<u>Notes</u>	<u>December 31, 2023</u>		<u>December 31, 2022</u>	
		USD	USD	USD	USD
ASSETS					
Current assets					
Current Account	4.1	1,824,287		-	
Current Account Shareholder	4.2	189,334		189,334	
Cash in hands		<u>1</u>		<u>1</u>	
			2,013,622		189,335
Total assets			<u>2,013,622</u>		<u>189,335</u>
EQUITY AN LIABILITIES					
Shareholder's equity					
Capital		1		1	
Retained Earnings	4.3	1,990,785		56,858	
		<u></u>	1,990,786	<u></u>	56,859
Current liabilities					
Accounts payable	4.4	22,836		11,068	
Current Account	4.5	-		121,408	
		<u></u>	22,836	<u></u>	132,476
			<u>2,013,622</u>		<u>189,335</u>

2. Statement of income for the year 2023

		<u>2023</u>	<u>2022</u>
		<u>USD</u>	<u>USD</u>
Income			
Revenues		3,431,453	-
Cost of sales		<u>(1,251,935)</u>	<u>-</u>
		2,179,518	-
Operating expenses			
Sales expenses		233,823	-
General expenses	5.1	<u>11,768</u>	<u>9,318</u>
		245,591	9,318
Operating result		1,933,927	(9,318)
Profit tax		-	-
Net result		<u><u>1,933,927</u></u>	<u><u>(9,318)</u></u>

3. Notes to the Financial Statements

3.1 General

NetGame Entertainment N.V. (“the Company”) is a limited liability company incorporated under Curaçao law on August 23, 2012. The principal objective of the Company is to be solely engaged in e-gambling activities.

3.2 Summary of Significant Accounting Policies

The principal accounting policies applied to these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

3.2.1 Basis of Preparation

These financial statements have been prepared in accordance with Book 2 of the Netherlands Antilles Civil Code. In accordance with the provisions of Book 2 of the Netherlands Antilles Civil Code, management has elected to prepare these financial statements in accordance with accounting policies generally accepted in the Netherlands.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise, the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are considered if they have become known before preparation of the financial statements.

3.2.2 Translation of Foreign Currency

The annual accounts are presented in USD being the currency in which the Company does most of its transactions.

Amounts receivable, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date. Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates prevailing at transaction date.

3.2.3 Accounts receivable

Receivables are included at face value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables.

3.2.4 Revenue recognition

Revenues ensuing from the sale of from goods are accounted for when all major entitlements to economic benefits as well as all major risks have transferred to the buyer. The cost price of these goods is allocated to the same period.

Revenues from services are recognized in proportion to the services rendered. The cost price of these services is allocated to the same period.

The profit to be allocated to the work in progress is determined based on costs incurred for the work as at balance sheet date, in proportion to the aggregate costs expected to be spent on the work. The net realizable value is based on an expected sales price net of costs to be incurred for completion and sales.

3.2.5 Taxation

Corporate income tax (“CIT”) is levied on profit that qualifies as “domestic Profit”. As of January 1, 2020, Curacao levies CIT pursuant to a new “territorial tax system” on “domestic profit”. “Causal Costs” determines whether domestic profit is involved. The current generally applicable CIT rate is 22%.

4. Notes to the specific line items of the Balance Sheet

4.1 Current Account

The movements in Current Account can be summarized as follows:

	<u>31 december 2023</u>	<u>31 december 2022</u>
	USD	USD
Opening balance	-	-
Movement	1,824,287	-
Closing balance	<u>1,824,287</u>	<u>-</u>

4.2 Current Account Shareholders

The movements in Current Account Shareholder can be summarized as follows:

	<u>31 december 2023</u>	<u>31 december 2022</u>
	USD	USD
Opening balance	189,334	143,978
Movement	-	45,356
Closing balance	<u>189,334</u>	<u>189,334</u>

4.3 Shareholders' equity

The nominal capital of the Company amounts to USD 1, divided into 1 shares with a nominal value of USD 1 each. As at balance sheet date 1 share was issued and has been fully paid up.

The movements in the Retained earnings can be summarized as follows:

	<u>31 december 2023</u>	<u>31 december 2022</u>
	USD	USD
Opening balance	56,858	66,176
Result for the current year	1,933,927	(9,318)
Closing balance	<u>1,990,785</u>	<u>56,858</u>

4.4 Accounts payable

The movements in Accounts payables can be summarized as follows:

	<u>31 december 2023</u>	<u>31 december 2022</u>
	USD	USD
Management fees	15,436	7,568
Accrued accounting and bookkeeping fees	3,750	1,500
Accrued legal fees	1,500	1,000
Accrued fiscal fees	2,150	1,000
Closing balance	22,836	11,068

4.5 Current Account

The movements in Current Account can be summarized as follows:

	<u>31 december 2023</u>	<u>31 december 2022</u>
	USD	USD
Opening balance	121,408	100,590
Movement	(121,408)	20,818
Closing balance	-	121,408

5. Notes to the specific line items of the statement of income

5.1. General expenses

The general expenses can be summarized as follows:

	<u>2023</u>	<u>2022</u>
	<u>USD</u>	<u>USD</u>
Management fees	7,868	7,568
Legal fees	500	500
Accounting and bookkeeping fees	2,250	750
Fiscal fees	1,150	500
	<u>11,768</u>	<u>9,318</u>

5.2. Signing of the report

Curaçao, , 2024

Managing Director of the Company,


Capital Trust Corporation N.V.

Other Information

Auditor's Report

The Company is not legally required to have its financial statements audited. We do refer to the compilation report on page 4.

Statutory Provisions Profit Appropriation

The appropriation of the net result is at the disposal of the Annual General Meeting of shareholders. If any losses have occurred, that cannot be compensated by previous profits, no dividend may be distributed until the losses have been compensated.

Proposed Profit Appropriation 2023

Management proposes to the Annual General Meeting of shareholders to add the result of the year to the retained earnings and not to distribute any dividends. This proposal has already been recorded in these financial statements as if it were approved.