

Halcyon Super Holdings B.V.
Willemstad

Halcyon Super Holdings B.V.

at Willemstad

Annual report 2023

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1. Accountants report

Halcyon Super Holdings B.V.
Willemstad

Halcyon Super Holdings B.V.
Abraham Mendez Chumaceiro Boulevard 03
Willemstad

August 12, 2024

Dear Sirs,

1.1 ACCOUNTANT'S COMPILATION REPORT

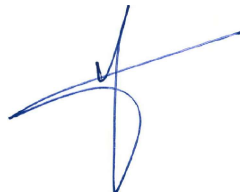
The financial statements of Halcyon Super Holdings B.V. have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2023 and the income statement for the year 2023 for the year then ended with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with International Standard on Related Services 4410, "Compilation engagements", which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with the accounting policies as described in the notes. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that the information you give us is correct and that you provide us with all relevant information. Therefore, we have conducted our work in accordance with the applicable regulations and on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole and are satisfied that they present a picture in line with our broad understanding of Halcyon Super Holdings B.V..

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

inFocus N.V.



W. van Steijn AA

1.2 GENERAL

Incorporation company

The Company was established on November 9th, 2018.

Activities

The activities of Halcyon Super Holdings B.V. primarily consist of:

1. The objects of the Company are 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 Company is entitled to do all that may be useful or necessary for the attainment of its objects or that is connected therewith in the widest sense.

1.3 FISCAL POSITION

	<u>2023</u> EUR
<i>Calculation taxable amount</i>	
Result before taxation	2,384,594
Exempt income items	
Foreign income	<u>(2,384,594)</u>
Taxable amount	<u><u>-</u></u>

	World income (expenses) EUR	Domestic income (expenses) EUR
Cost Allocation		
Revenue	52,558,622	-
Causal expenses non-domestic	(49,798,033)	-
Causal expenses domestic	-	-
Gross margin	<u>2,760,589</u>	-
Gross margin domestic	-	-
Non-causal expenses	<u>(375,995)</u>	-
Total	<u><u>2,384,594</u></u>	<u><u>-</u></u>

2.1 BALANCE SHEET AS AT 31 DECEMBER 2023

(After proposal appropriation of result)

		<u>31-12-2023</u>		<u>31-12-2022</u>	
		EUR	EUR	EUR	EUR
ASSETS					
Non-current assets					
<i>Financial assets</i>	1		1,000		1,000
Current assets					
<i>Receivables</i>	2		45,510,547		20,630,784
<i>Accrued income and prepaid expenses</i>	3		100,951		97,889
<i>Cash and cash equivalents</i>					
Other banks			8,715,948		827,647
Total assets			<u>54,328,446</u>		<u>21,557,320</u>
EQUITY AND LIABILITIES					
Equity					
	4				
Issued share capital	5	100		100	
General reserve		<u>7,527,144</u>		<u>5,142,550</u>	
			7,527,244		5,142,650
Current liabilities					
Trade payables	6	31,302,252		4,971,721	
Liabilities to group companies	7	709,141		687,640	
Other payables and short term liabilities	8	<u>14,789,809</u>		<u>10,755,309</u>	
			46,801,202		16,414,670
Total equity and liabilities			<u>54,328,446</u>		<u>21,557,320</u>

2.2 INCOME STATEMENT FOR THE YEAR 2023

		2023	2022
		EUR	EUR
Net turnover	9	52,558,622	20,779,233
Direct costs	10	49,913,188	6,865,001
Other operating expenses	11	<u>1,255,427</u>	<u>12,017,972</u>
Total operating expenses		<u>51,168,615</u>	<u>18,882,973</u>
Operating result		1,390,007	1,896,260
Financial income and (expense) (causal non-domestic)	12	<u>994,587</u>	<u>(300,484)</u>
Result before taxation		2,384,594	1,595,776
Taxation		<u>-</u>	<u>-</u>
Net result after taxation		<u><u>2,384,594</u></u>	<u><u>1,595,776</u></u>

2.3 NOTES TO THE FINANCIAL STATEMENTS

Entity information

Registered address and registration number trade register

The registered and actual address of Halcyon Super Holdings B.V. is Abraham Mendez Chumaceiro Boulevard 03, in Willemstad, Curaçao. Halcyon Super Holdings B.V. is registered at the Chamber of Commerce under number 148526.

General notes

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements have been prepared in accordance with the accounting policies selected and disclosed by the company and the provisions of Book 2 of the Curacao Civil Code, and as set out in the notes to the financial statements. 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 periods presented, unless otherwise stated.

Basis of preparation

Valuation of assets and liabilities and determination of the result take place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model.

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

Accounting principles

Financial assets

Participations are valued at cost.

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Cash at banks and in hand is valued at nominal value.

Equity

When Halcyon Super Holdings B.V. purchases treasury shares, the consideration paid is deducted from equity (other reserves or any other reserve if the articles of association allow so) until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received is included in equity (other reserves or any other reserve). The consideration received will be added to the reserve from which earlier the

purchase price has been deducted.

Incremental costs directly attributable to the purchase, sale and/or issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Other reserves

Other reserves are all reserves, except the legal and statutory reserves. Other reserves can freely be distributed to the shareholders.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services after deduction of discounts and such like and of taxes levied on the turnover.

Gross operating result

The gross margin includes the net turnover and other external costs. Net turnover comprises the income from the supply of goods and services after deduction of discounts and such like and of taxes levied on the turnover.

Revenues from the goods supplied are recognised when all significant risks and rewards in respect of the goods have been transferred to the buyer.

Revenues from the services rendered are recognised in proportion to the services delivered, based on the services rendered up to the balance sheet date in proportion to the total of services to be rendered.

Selling expenses

Selling expenses comprise costs chargeable to the year that are not directly attributable to the cost of the goods and services sold.

General and administrative expenses

General and administrative expenses comprise costs chargeable to the year that are not directly attributable to the cost of the goods and services sold.

Other operating expenses

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Financial income and expenses

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur.

Income tax expense

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs.

2.4 NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2023

ASSETS

Non-current assets

	<u>31-12-2023</u>	<u>31-12-2022</u>
	EUR	EUR
1 Financial assets		
Participations in group companies	<u>1,000</u>	<u>1,000</u>
Participations in group companies		
Solas Technologies Ltd., Cyprus, 100%	<u>1,000</u>	<u>1,000</u>

The net equity of Solas Technologies Ltd. as at December 31, 2023 amounts to EUR 580,580 (2022: EUR 565,746).

Current assets

2 Receivables

Trade receivables	<u>45,510,547</u>	<u>20,630,784</u>
Trade receivables		
Trade debtors	100	100
Receivable third party - BGL Technology Services Limited	4,709,230	4,709,230
Receivable third party - Tiger Tree Holdings d.o.o.	13,565	13,565
Receivable third party - Bitgame Labs Inc.	<u>40,787,652</u>	<u>15,907,889</u>
	<u>45,510,547</u>	<u>20,630,784</u>

3 Accrued income and prepaid expenses

Miscellaneous prepaid expenses	7,223	15,925
Other assets	<u>93,728</u>	<u>81,964</u>
	<u>100,951</u>	<u>97,889</u>

EQUITY AND LIABILITIES

4 Equity

	Issued share capital	General reserve	Total
	EUR	EUR	EUR
Balance as at 1 January 2023	100	5,142,550	5,142,650
Appropriation of result	-	2,384,594	2,384,594
Balance as at 31 December 2023	100	7,527,144	7,527,244

5 Issued share capital

The share capital is EUR 100 consisting of 100 shares each with a nominal value EUR 1.

Current liabilities

	31-12-2023 EUR	31-12-2022 EUR
6 Trade payables		
Trade creditors	535,037	1,033,339
Payable third party - BGL HK Limited	30,767,215	3,281,815
Payable third party - GTR Malta Ltd	-	656,567
	<u>31,302,252</u>	<u>4,971,721</u>
7 Liabilities to group companies		
Solas Technologies Ltd	<u>709,141</u>	<u>687,640</u>
8 Other payables and short term liabilities		
Other accounts payable	14,787,059	10,753,429
Accrued expenses	2,750	1,880
	<u>14,789,809</u>	<u>10,755,309</u>

2.5 NOTES TO THE INCOME STATEMENT FOR THE YEAR 2023

	<u>2023</u>	<u>2022</u>
	EUR	EUR
9 Net turnover		
Casino revenue	23,354,636	19,760,237
Sports revenue	<u>29,203,986</u>	<u>1,018,996</u>
	<u>52,558,622</u>	<u>20,779,233</u>
10 Direct costs		
Gaming license and server fees (domestic)	-	12,500
Non-domestic direct costs	<u>49,913,188</u>	<u>6,852,501</u>
	<u>49,913,188</u>	<u>6,865,001</u>
Gaming license and server fees (domestic)		
Cost of work contracted out	<u>-</u>	<u>12,500</u>
Non-domestic direct costs		
Casino & sports expenses	4,521,343	6,708,895
Royalty expenses	45,391,845	-
Revenue share expenses	-	80,254
License and server fees	<u>-</u>	<u>63,352</u>
	<u>49,913,188</u>	<u>6,852,501</u>
11 Other operating expenses		
Selling expenses (causal non-domestic)	879,432	10,446,566
General expenses (non causal)	<u>375,995</u>	<u>1,571,406</u>
	<u>1,255,427</u>	<u>12,017,972</u>
Selling expenses (causal non-domestic)		
Marketing and advertising expenses	877,803	2,031,538
Representation expenses	1,629	-
Customer service expenses	<u>-</u>	<u>8,415,028</u>
	<u>879,432</u>	<u>10,446,566</u>

	<u>2023</u>	<u>2022</u>
	EUR	EUR
General expenses (non causal)		
Management fee	3,701	2,843
Accounting and tax services	3,196	2,946
Administration expenses	-	805,076
Professional and legal expenses	92,767	74,355
Payment processing expenses	-	600,000
Bank interest and other charges	146,146	86,186
Fines and penalties	130,185	-
	<u>375,995</u>	<u>1,571,406</u>
12 Financial income and (expense) (causal non-domestic)		
Currency translation differences	<u>994,587</u>	<u>(300,484)</u>