

CW MARKETING B.V.

Annual Report and Financial Statements  
31 December 2023

Unaudited

Company Registration Number: 143854

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## **General information**

### **For the year ended 31st December 2023**

#### **Registration**

CW Marketing B.V. (hereinafter: "the Company") was incorporated on June 6th, 2017 and is established in Curaçao.

#### **Reporting period**

These annual accounts have been prepared for the financial year ended on 31 December 2023

#### **Activities**

The activities of the Company, having its legal seat at Curaçao, primarily consist of:

Managing and supporting gaming platforms for remote gaming, including software and hardware components of such platforms, whether for casino, poker or other games, whether to be operated through internet, mobile or interactive media.

#### **Registered office**

Schout Bij Nacht  
Doormanweg 40, Damacor  
P.O Box 4745  
Curaçao

## Income Statement

For the year ended 31st December 2023

|                            | Note | 2023<br>€        | 2022<br>€        |
|----------------------------|------|------------------|------------------|
| Gross Gaming Revenue       | 2    | 6.549.828        | 16.978.417       |
| Cost of Sales              | 3    | (5.992.397)      | (13.454.574)     |
| <b>Gross Profit</b>        |      | <b>557.431</b>   | <b>3.523.843</b> |
| Administrative Expenses    | 4    | (1.180.223)      | (1.958.795)      |
| <b>Profit before tax</b>   |      | <b>(622.792)</b> | <b>1.565.048</b> |
| Tax expense                |      | -                | -                |
| <b>Profit for the year</b> |      | <b>(622.792)</b> | <b>1.565.048</b> |

The notes on pages 4 to 8 are an integral part of these financial statements.

  
  
**17 DEC 2024**

## Statement of Financial Position

As at 31st December 2023

|                                     | Note | 2023<br>€        | 2022<br>€         |
|-------------------------------------|------|------------------|-------------------|
| <b>ASSETS</b>                       |      |                  |                   |
| <b>Current assets</b>               |      |                  |                   |
| Trade and other receivables         | 5    | 474.301          | 8.012.647         |
| Cash and cash equivalents           |      | 1.678.875        | 3.946.996         |
| <b>Total assets</b>                 |      | <u>2.153.176</u> | <u>11.959.642</u> |
| <b>EQUITY AND LIABILITIES</b>       |      |                  |                   |
| <b>Equity</b>                       |      |                  |                   |
| Share capital                       | 6    | 1.000            | 1.000             |
| Retained earnings                   |      | (123.562)        | 11.329.469        |
| <b>Total equity</b>                 |      | <u>(122.562)</u> | <u>11.330.469</u> |
| <b>LIABILITIES</b>                  |      |                  |                   |
| <b>Current liabilities</b>          |      |                  |                   |
| Trade and other payables            |      | 2.115.679        | 402.332           |
| Player funds                        |      | 160.060          | 226.842           |
| <b>Total liabilities</b>            |      | <u>2.275.739</u> | <u>629.174</u>    |
| <b>Total equity and liabilities</b> |      | <u>2.153.176</u> | <u>11.959.643</u> |

The notes on pages 4 to 8 are an integral part of these financial statements.

  
  
**17 DEC 2024**

## Notes to the financial statements

### 1. Summary of significant accounting policies

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

#### 1.1. General

The financial statements are prepared according to the stipulations in chapter 9 Book 2 of the Netherlands Civil Code. These financial statements are presented in EUR, the Company's functional currency.

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

#### 1.2. Continuity

These financial statements have been prepared based on going concern basis. The going concern basis of presentation assumes that 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.

Management is of the opinion, that the company's shareholders or other group companies will give the necessary support in case the assumption above mentioned is not realized. Consequently, the Company has applied accounting principles based on going concerns.

#### 1.3. Translation of foreign currency

Receivables, 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. The exchange differences resulting from the translation as at balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

#### 1.4. Valuation of assets and liabilities

##### 1.4.1. General

Valuation of assets and liabilities and determination of the result takes 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.

**1. Summary of significant accounting policies – continued**

**1.4. Valuation of assets and liabilities - continued**

**1.3.2. Financial Fixed Assets**

Where significant influence is exercised, associated companies are valued under the net asset value method, but not lower than a nil value. This net asset value is based on the same accounting principles as applied by the Company.

Associated companies with negative net equity value are valued at nil. If the Company fully or partly guarantees the liabilities of the associated company concerned or has the effective obligation respectively to enable the associated company to pay its (share of the) liabilities, a provision formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from associated company are taken into account.

Where no significant influence is exercised associated companies are valued at cost and if applicable less impairments in value.

**1.3.3. Accounts receivable**

Upon initial recognition the receivables are valued at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

**1.3.4. Equity**

Financial instruments are classified as equity, if they have the substance of equity instruments; the legal form is of no consequence.

**1.3.5. Current liabilities**

Upon initial recognition the receivables are valued at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted

**1.3.6. Accruals and deferred income**

Upon initial recognition, accruals and deferred income are stated at fair value and then valued at amortized costs.

**1.5. Accounting policies in respect of determination**

**1.5.1. Turnover**

Turnover represents amounts invoiced for goods and services supplied during the financial year reported on, net of discounts and value added taxes. Revenues from services are recognized in proportion to the services rendered. The cost price of these services is allocated to the same period.

**1. Summary of significant accounting policies - continued**

**1.5. Accounting policies in respect of determination - continued**

**1.5.2. Other Operating Expenses**

Costs are taken into account under the historical cost convention and allocated to the period concerned.

**1.5.3. Net financial result**

Interest income and expenses consist of interest received from or paid to third parties.

**1.5.4. Taxation**

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realization is likely.

**2. Gross Gaming Revenue**

Gross gaming revenue consists of bets placed by clients minus wins of clients arise from their bets. In addition, it consists of balance corrections and other trivial adjustments and other income

**3. Cost of Sales**

|                            | <b>2023</b>      | <b>2022</b>       |
|----------------------------|------------------|-------------------|
|                            | <b>€</b>         | <b>€</b>          |
| Clients bonus cost         | 411.224          | 384.568           |
| Payment services fees      | 124.473          | 119.497           |
| Platform Fee               | 907.483          | 1.306.851         |
| Casino provider fees       | 1.653.666        | 5.039.820         |
| Sportsbook provider fees   | 237.419          | 386.335           |
| Affiliates Costs           | 2.344.223        | 5.658.762         |
| White label costs          | 112.000          | 347.889           |
| Hosting and Cloud services | 201.910          | 210.853           |
|                            | <u>5.992.397</u> | <u>13.454.574</u> |

#### 4. Administrative Expenses

|                                   | 2023<br>€        | 2022<br>€        |
|-----------------------------------|------------------|------------------|
| KYC verification fees             | 3.189            | 5.280            |
| Messaging services                | 14.931           | 19.915           |
| Design services                   | 63.750           | 73.200           |
| Accounting and admin Fees         | 11.200           | 11.200           |
| Corporate Services                | 249.469          | 454.972          |
| Bank charges                      | 11.734           | 17.746           |
| Compliance fees                   | 14.600           | 14.600           |
| License fee                       | 46.408           | 17.444           |
| Marketing fees                    | 195.950          | 739.252          |
| Software Fees                     | 173.897          | 139.017          |
| Legal Fees                        | 12.389           | 3.924            |
| Other professional fees           | 115.947          | 69.674           |
| Player support and operation Fees | 266.759          | 392.570          |
|                                   | <u>1.180.223</u> | <u>1.958.795</u> |

#### 5. Trade and other receivables

|                              | 2023<br>€      | 2022<br>€        |
|------------------------------|----------------|------------------|
| Amounts due by related party | 474.301        | 8.012.647        |
|                              | <u>474.301</u> | <u>8.012.647</u> |

The amounts due by shareholder is interest-free, unsecured and payable on demand.

#### 6. Equity

|                        | Issued Share<br>Capital<br>€ | Retained<br>Earnings<br>€ | Total<br>€       |
|------------------------|------------------------------|---------------------------|------------------|
| As at 31 December 2022 | 1.000                        | 11.329.469                | 11.330.469       |
| Profit for the period  | -                            | (622.792)                 | (622.792)        |
| Dividends distribution | -                            | (10.830.239)              | (10.830.239)     |
| As at 31 December 2023 | <u>1.000</u>                 | <u>(123.562)</u>          | <u>(122.562)</u> |

## 7. Trade and other payables

|                                | 2023<br>€        | 2022<br>€      |
|--------------------------------|------------------|----------------|
| Amounts due to related parties | 1.072.253        | 316.073        |
| Amounts due to third parties   | 280.147          | 86.259         |
| Dividends                      | 763.279          | -              |
|                                | <u>2.115.679</u> | <u>402.332</u> |

## 8. Statutory provision regarding appropriation of result

In the articles of incorporation, it states that the profit shall be at free disposal of the general meeting. Any distribution of the profit shall be made after approval of the annual account. Consequently, the following has been presented concerning the appropriation of the result.

## 9. Appropriation of result

The management of the company proposes to appropriate the result as follows:

On 11 December 2023 there was a change in ownership of the company. At the date of change of ownership there was a net result of EUR 10.830.239 which was distributed to the previous shareholder of the company. The remaining period was created as a negative result of EUR 123.562 which will be deducted in full from the Retained Earnings. Management does not recommend any other dividends apart from the EUR 10.830.239 which was already distributed to the previous shareholder, for the year ended 31 December 2023.