

Jazz Business Solutions B.V.

Financial Statements

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

Table of Contents

Statement of financial position	3
Statement of profit or loss	4
Statement of changes in equity	5
Statement of cash flows	6
Notes to financial statements	7

Jazz Business Solutions B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Prepaid expenses		-	4,167
Total current assets		-	4,167
Non-current assets			
Investment in subsidiary	4	1,000	1,000
Intangible assets	5	8,984	17,968
Total non-current assets		9,984	18,968
Total assets		9,984	23,135
Equity and liabilities			
Current liabilities			
Accounts payable		-	1,930
Payable to shareholders	6	338,980	136,950
Total current liabilities		338,980	138,880
Equity			
Issued capital	7	100	100
Retained earnings / (Accumulated losses)		-329,096	-115,845
Total equity		-328,996	-115,745
Total liabilities and equity		9,984	23,135

See accompanying notes.

Jazz Business Solutions B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue (net)	8	191,714	-
Direct cost	9	-62,450	-28,436
Gross profit / (loss)		129,264	-28,436
Selling and marketing expenses		-301,077	-
Administrative expenses	10	-32,454	-25,662
Amortization	5	-8,984	-8,473
Profit / (loss) from operations		-213,251	-62,571
Finance cost		-	-
Profit / (loss) before tax		-213,251	-62,571
Profit tax expense	3	-	-
Profit / (loss) for the year		-213,251	-62,571
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		-213,251	-62,571
Attributable to the owners		-213,251	-62,571

See accompanying notes.

Jazz Business Solutions B.V.

Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2021	100	-53,274	-53,174
Profit / (loss) for the year	-	-62,571	-62,571
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-62,571	-62,571
Balance, December 31, 2022	100	-115,845	-115,745
Profit / (loss) for the year	-	-213,251	-213,251
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-213,251	-213,251
Balance, December 31, 2023	100	-329,096	-328,996

See accompanying notes.

Jazz Business Solutions B.V.

Statement of cash flows

(All amounts in EUR)

	Note	2023	2022
Cash flow from operating activities			
Profit / (loss) for the year		-213,251	-62,571
Add: Amortization		8,984	8,473
(Increase) / decrease in prepaid expenses		4,167	-4,167
Increase / (decrease) in accounts payable		-1,930	1,930
Increase / (decrease) in payable to shareholders		202,030	56,335
Net cash generated from operating activities		-	-
Cash flow from investing activities			
(Increase) / decrease in investment in subsidiary		-	-
Net cash generated from investing activities		-	-
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash		-	-
Cash at the beginning of the year		-	-
Cash at the end of the year		-	-

See accompanying notes.

Jazz Business Solutions B.V.

Notes to financial statements

1. General information

Jazz Business Solutions B.V. (the company) was established on December 05, 2019 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 152056.

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.

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 separate 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 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 regrouped 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.

Jazz Business Solutions B.V.

Investments

Investment in subsidiary is valued at cost, less impairment losses, if any.

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 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 and other payables

Subsequent measurement

The subsequent measurement of financial assets and liabilities depends on their classification.

Jazz Business Solutions B.V.

Revenue recognition

Revenue is 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.

Intangible assets

Intangible assets are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the statement of profit or loss.

<u>Asset</u>	<u>Amortization rate (%)</u>	<u>Residual value (%)</u>
Software license and domains	20%	-

The intangible assets with a finite life are amortized using the straight-line method and the intangible assets with an infinite life are tested for impairment on an annual basis. The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

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.

Jazz Business Solutions B.V.

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.

4. Investment in subsidiary

As at December 31, 2023 and December 31, 2022, the company holds 100% investment in Jazz Business Solutions (Cyprus) Limited, a company incorporated and domiciled in the Republic of Cyprus.

	<u>2023</u>	<u>2022</u>
Jazz Business Solutions (Cyprus) Limited (1,000 Equity shares of EUR 1.00 each)	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

The company has elected not to present consolidated financial statements. Its owners have been informed and do not object to presenting separate financial statements.

5. Intangible assets

	<u>2023</u>	<u>2022</u>
Cost	32,500	32,500
Accumulated amortization	-23,516	-14,532
	<u>8,984</u>	<u>17,968</u>

6. Payable to shareholders

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

7. Issued capital

The issued capital of the company as on December 31, 2023 and December 31, 2022 consists of 100 common shares with a nominal value of EUR 1 each and subscribed for EUR 100.

No dividend was declared in 2023 and 2022.

Jazz Business Solutions B.V.

8. Revenue (net)

	2023	2022
Net gaming revenue	191,714	-
	191,714	-

9. Direct cost

	2023	2022
License and server fees	62,450	28,436
	62,450	28,436

10. Administrative expenses

	2023	2022
Compliance fees	10,285	-
Professional fees	6,500	20,286
Annual compliance fees	5,670	5,400
Annual management fees	5,255	-
Other expenses	4,744	-24
	32,454	25,662

11. 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:

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

12. Contingencies, commitments and legal proceedings

The company has no contingent or future purchase liabilities and is not involved in any legal actions.

13. Subsequent events

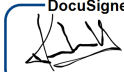
In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2023. Xecutive Corporate Management B.V. became the director of the company from March 15, 2024.

Jazz Business Solutions B.V.

14. Authorization for issue

These financial statements for the year ended December 31, 2023 were approved by the statutory director and authorized for issue on July 03, 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...