

Smein Hosting N.V. Limited Liability Company

Company Address: Abraham de Veerstraat 9, Curaçao

License Curaçao

Registration Number: 141727

Avv. Christine Bonaci LL.B. (Hons.), M. Adv
Advocate
856 79951109
3c, Il-Grig, Residence, Triq Ramon Perellos, St. Paul's Bay, Malta

21/08/2024

Annual Financial Statement for the year ended 31 December 2023

The Director/CEO and COO must maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the situation of the company at the end of the financial year and the results of its operations and cash flows for the period that ended, in conformity with the International Financial Reporting Standards.

The annual financial statements have been prepared on a going concern basis and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Director/CEO and COO acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable them to meet these responsibilities, they set standards for internal control aimed at reducing the risk of error or loss cost-effectively. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures, and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing, and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems, and ethical behavior are applied and managed within predetermined procedures and constraints.

The Director/CEO and COO believe, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Director/CEO and COO have reviewed the company's cash flow forecast for the year and, in the light of this review and the current financial position, are satisfied that the business has or has access to adequate resources to continue in operational existence for the foreseeable future.

The annual financial statements set out herein were approved by the authorized company representative on 28 June 2024.

Practitioner's Compilation Report

To: Smein Hosting N.V.

We have compiled the annual financial statements of Smein Hosting N.V., as set out herein, based on the information provided. These annual financial statements comprise the statement of the financial position as at 31 December 2023, the statement of comprehensive income, and the Balance Sheet. The Practitioner performed this compilation engagement following International Standard on Related Services 4410 (Revised), Compilation Engagements.

These annual financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Basis of preparation and summary of significant accounting policies

The annual financial statements have been prepared on a going concern basis following the International Financial Reporting Standards. The annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs and incorporate the principal accounting policies set out below. They are presented in Euro.

These accounting policies are consistent with the previous period.

1. Significant judgments and sources of estimation uncertainty
2. Critical judgments in applying accounting policies.
Management did not make critical judgments in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.
3. Financial instruments
Initial measurement
Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost.

These include loans, trade receivables, and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments

which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort are measured at cost less impairment.

Financial instruments at fair value

All other financial instruments, including equity instruments that are publicly traded or whose fair value can otherwise be measured reliably, without undue cost or effort, are measured at fair value through profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort, then the fair value at the last date that such a reliable measure was available is treated as the cost of the instrument. The instrument is then measured at cost less impairment until management can measure fair value without undue cost or effort.

4. Tax

Current tax assets and liabilities. Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

The tax liability reflects the effect of the possible outcomes of a review by the tax authorities.

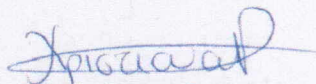
5. Revenue

Revenue is recognised to the extent that the company has maintained the significant risks and rewards of ownership. The rendered services under agreements, provided the amount of revenue can be measured reliably and economic benefits associated with the transaction will probably flow to the company. Revenue is measured at the fair value of the consideration received or receivable.

6. Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred.

We have applied our expertise in accounting and financial reporting to assist the Director/CEO and COO in the preparation and presentation of these annual financial statements. We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence, and due care.



Christiana Georgiou

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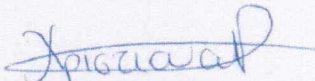
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Christiana Georgiou

Balance Sheet

Smein Hosting N.V.

As at 31 December 2022

EUR (Euro)

Account	31 Dec 2022	31 Dec 2021
Assets		
Bank		
AdAlpha Cards	37 703,22	0,00
AIMS One.io EUR	1 380 396,59	306 884,98
AIMS one.io USD	18 975,71	0,00
Binance	13 671,53	0,00
Cold wallet - BTC	0,00	116 115,91
Cold wallet - ETH	201,20	361,24
Cold wallet - USDT	564 819,69	0,00
Hot Wallet BTC	701 220,52	0,00
Directa 24	252 813,38	0,00
Gamdom Bitfinex- Consolidated	11 314,39	133 153,91
Gamemoney	111 506,77	190 461,63
Hot wallet - BCH	1 094,41	1 032,35
Hot wallet - ETH	536 735,95	51 234,46
Hot wallet - LTC	520 362,76	73 150,46
Hot Wallet - USDT	501 549,29	151 919,90
Kinguin	820 901,00	0,00
Kinguin USD	0,00	1 049 451,07
Metamask wallet - ETH	419 490,45	395 702,55
Payop	642 420,80	882 365,95
Total Bank	6 535 177,67	3 351 834,40
Current Assets		
Ad Alpha Cards	310,37	0,00
Loan to Others - PieGP	0,00	450 417,92
Loan to Others - Vilnius IT	(3 968 383,49)	(3 897 986,24)
Loans to Big Grin N.V.	(124 419,55)	(50 864,34)
Loans to others	355 453,93	0,00
Loans to Others - Nick	(127 294,48)	(120 076,04)
Loans to shareholders	2 982 813,16	2 141 411,28
Statpoint	(691 571,33)	0,00
Total Current Assets	(1 573 091,40)	(1 477 097,40)
Non-current Assets		
Investment in Big Grin B.V.	27 120,02	25 582,13
Total Non-current Assets	27 120,02	25 582,13
Total Assets	4 989 206,30	1 900 319,13
Liabilities		
Current Liabilities		
AIMS one.io USD	0,00	931,71
Hot wallet - BTC	11 293 707,41	74 221,43
Kinguin USD	4 050 830,89	0,00
Loan-others	(744 291,05)	0,00
Mauritz - Loan	1 387,10	(175 836,80)
Robin Rude - Loan	(49 880,20)	(47 051,66)
User balances - Liability	(3 010 985,03)	4 960 416,37
Total Current Liabilities	11 540 769,11	4 812 681,05
Total Liabilities	11 540 769,11	4 812 681,05
Net Assets	(6 551 562,81)	(2 912 361,92)
Equity		
Current Year Earnings	(3 621 489,09)	0,00
Owner A Share Capital	1 496,47	1 411,61
Retained Earnings	(2 931 570,20)	(2 765 330,66)
Total Equity	(6 551 562,82)	(2 763 919,05)

Avv. Christine Bonaci LL.B. (Hons.), M. Adv

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IFX1 All figures are converted from USD into EUR (Euro) using the following rates.

31 Dec 2022: 0.932201 EUR (Euro)

31 Dec 2021: 0.879339 EUR (Euro)

Income Statement

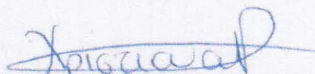
Smein Hosting N.V.

For the year ended 31 December 2023

EUR (Euro)

Account	2023
Trading Income	
Revenues Hold GGR	134 907 133,41
Sales CS GO Skins	226 516,25
Waxpeer	402 192,46
Total Trading Income	135 535 842,12
Cost of Sales	
Bonus Costs	108 125 159,32
Gaming Provider Fee	11 437 084,81
Promotions-Waxpeer COS	392 246,92
Total Cost of Sales	119 954 491,05
Gross Profit	15 581 351,06
Operating Expenses	
Affiliate Marketing cost	8 437 163,05
Bank charges	17 294,73
Bank Fees	2 058,69
Bank Revaluations	(93 933,92)
Consulting & Accounting	262 587,77
Curacao Legal Services	4 486,12
IT costs	224 559,83
Legal and Professional Fees	158 177,91
Marketing Cost	2 889 376,00
Marketing Cost - Media Buying	(23 449,42)
Marketing Cost - Merchandise	4 217,76
Memberships & Subscriptions	2 874,58
Other costs	130 780,70
Payment fees	1 124,43
Recruitment fees	94 334,62
Service professionals - BI Services	100 369,59
Service professionals - CRM Services	115 958,83
Service professionals - Design Services	71 606,15
Service professionals - Finance	66 835,21
Service professionals - Marketing Services	552 169,62
Service professionals - Support Services	276 764,72
Service professionals - Tech Ops Services	784 037,64
Service professionals - VIP Management Services	111 619,30
Software & Technical Licenses	289 909,31
Travelling costs	35 020,48
Total Operating Expenses	14 515 943,69
Net Profit	1 065 407,38

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31 Dec 2023: 0.906065 EUR (Euro)


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Balance Sheet
Smein Hosting N.V.
As at 31 December 2023
EUR (Euro)

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21/08/2024

Account	31 Dec 2023	31 Dec 2022
Assets		
Bank		
AdAlpha Cards	150 224,67	37 703,22
AIMS One.io EUR	0,00	1 380 396,59
AIMS one.io USD	249 687,90	18 975,71
Binance	0,00	13 671,53
Bitfinex - BTC & ETH	2 298 331,73	0,00
Bitinvestor USD	2 054 131,69	0,00
Cold wallet - ETH	530 595,55	201,20
Cold wallet - USDT	498 903,93	564 819,69
Hot wallet - BTC	14 474 268,10	701 220,52
Crownecards USD	113 516,71	0,00
Directa 24	309 813,03	252 813,38
Gamdom Bitfinex- Consolidated	2 796 473,24	11 314,39
Gamemoney	516 749,24	111 506,77
Hot wallet - BCH	1 063,73	1 094,41
Hot wallet - ETH	1 271 824,81	536 735,95
Hot wallet - LTC	0,00	520 362,76
Hot Wallet - USDT	0,00	501 549,29
Kinguin	547 834,03	820 901,00
Metamask wallet - ETH	407 729,25	419 490,45
Payop	1 830 019,45	642 420,80
Total Bank	28 051 167,05	6 535 177,67
Current Assets		
Accounts Receivable	0,01	0,00
Ad Alpha Cards	(39 215,80)	310,37
Loan to Others - Vilnius IT	(3 562 759,32)	(3 968 383,49)
Loans to SPM - (Risk Mgt) - BR	453 032,50	0,00
Loans to Big Grin N.V.	(120 931,22)	(124 419,55)
Loans to others	341 803,82	355 453,93
Loans to Others - Nick	(123 725,54)	(127 294,48)
Loans to shareholders	5 122 035,98	2 982 813,16
Statpoint	(672 181,83)	(691 571,33)
Total Current Assets	1 398 058,58	(1 573 091,40)
Fixed Assets		
Office Equipment	1 501,60	0,00
Total Fixed Assets	1 501,60	0,00
Non-current Assets		
Investment in Big Grin B.V.	26 359,66	27 120,02
Investment in Pulse Giftcards Limited	2 138,14	0,00
Total Non-current Assets	28 497,80	27 120,02
Total Assets	29 479 225,04	4 989 206,29
Liabilities		
Current Liabilities		
Accruals	296 499,80	0,00
AIMS One.io EUR	567 482,38	0,00
Binance	870 879,51	0,00
Hot wallet - BTC	11 689 076,94	11 293 707,41
Hot wallet - LTC	1 579 699,99	0,00
Hot Wallet - USDT	4 286 071,13	0,00
Kinguin USD	3 937 258,26	4 050 830,89
Loan-others	(723 423,46)	(744 291,05)
Mauritz - Loan	1 348,21	1 387,10
Robin Rude - Loan	(48 481,72)	(49 880,20)
User balances - Liability	12 325 284,11	(3 010 985,03)
Total Current Liabilities	34 781 695,15	11 540 769,11
Total Liabilities	34 781 695,15	11 540 769,11
Net Assets	(5 302 470,11)	(6 551 562,82)
Equity		

Current Year Earnings	1 065 407,38	(3 621 489,09)
Owner A Share Capital	1 454,52	1 496,47
Retained Earnings	(6 369 332,00)	(2 931 570,20)
Total Equity	(5 302 470,11)	(6 551 562,82)

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Income Statement

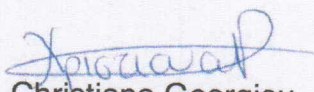
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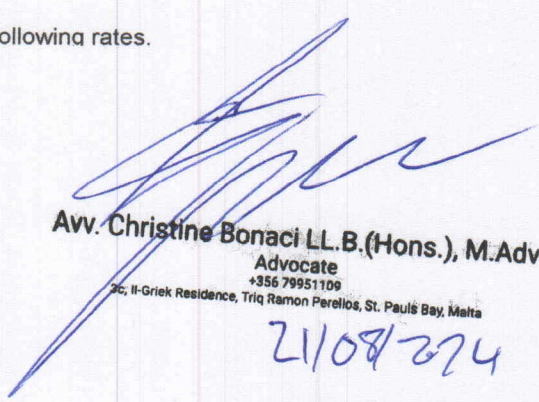
For the year ended 31 December 2022

EUR (Euro)

Account	2022
Trading Income	
Revenues Hold GGR	90 120 049,86
Total Trading Income	90 120 049,86
Cost of Sales	
Bonus Costs	71 793 528,80
Gaming Provider Fee	9 350 517,75
Promotions-Waxpeer COS	1 267 737,79
Total Cost of Sales	82 411 784,34
Gross Profit	7 708 265,51
Operating Expenses	
Affiliate Marketing cost	4 432 100,85
Bank charges	11 226,91
Bank Revaluations	(4 071,74)
Charitable Contributions	17 626,10
Curacao Legal Services	8 871,51
IT costs	46 617,35
Legal and Professional Fees	169 842,48
Marketing Cost	5 197 655,04
Marketing Cost - Media Buying	(607,43)
Marketing Cost - Merchandise	5 828,01
Other costs	9 364,70
Payment fees	797,88
Realised Currency Gains	212 237,80
Realised Gain on Cryptocurrency	(150 515,41)
Recruitment fees	69 958,51
Service professionals - Affiliate Services	20 159,95
Service professionals - BI Services	48 452,38
Service professionals - CRM Services	44 028,90
Service professionals - Design Services	49 354,89
Service professionals - Finance	41 052,02
Service professionals - Marketing Services	173 068,04
Service professionals - Support Services	118 177,81
Service professionals - Tech Ops Services	566 496,66
Service professionals - VIP Management Services	179 253,13
Software & Technical Licenses	59 980,78
Travelling costs	2 797,51
Total Operating Expenses	11 329 754,60
Net Profit	(3 621 489,09)

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