

# **Seventip N.V.**

## **Financial Statements**

for the year ended December 31, 2023 and  
for the period November 02, 2021 - December 31, 2022

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Seventip N.V.

Statement of financial position

(All amounts in EUR)

|                                          |      | 31-Dec            |                   |
|------------------------------------------|------|-------------------|-------------------|
|                                          | Note | 2023              | 2022              |
| <b>Assets</b>                            |      |                   |                   |
| <b>Current assets</b>                    |      |                   |                   |
| Security deposit                         |      | 450               | 450               |
| Prepaid expenses                         |      | 6,294             | -                 |
| Receivables from related parties         | 4    | 17,027,976        | 571,526           |
| Other assets                             |      | -                 | 193,162           |
| <b>Total current assets</b>              |      | <b>17,034,720</b> | <b>765,138</b>    |
| <b>Non-current assets</b>                |      |                   |                   |
| Other assets                             |      | -                 | -                 |
| <b>Total non-current assets</b>          |      | <b>-</b>          | <b>-</b>          |
| <b>Total assets</b>                      |      | <b>17,034,720</b> | <b>765,138</b>    |
| <b>Equity and liabilities</b>            |      |                   |                   |
| <b>Current liabilities</b>               |      |                   |                   |
| Accounts payable                         |      | 2,017,552         | 450               |
| Accrued expenses                         | 5    | -                 | 2,700             |
| Payable to players                       | 6    | 16,467,399        | 1,960,798         |
| Other payables                           |      | 251,570           | 221,937           |
| <b>Total current liabilities</b>         |      | <b>18,736,521</b> | <b>2,185,885</b>  |
| <b>Equity</b>                            |      |                   |                   |
| Issued capital                           | 7    | 86                | 86                |
| Retained earnings / (Accumulated losses) |      | -1,701,887        | -1,420,833        |
| <b>Total equity</b>                      |      | <b>-1,701,801</b> | <b>-1,420,747</b> |
| <b>Total liabilities and equity</b>      |      | <b>17,034,720</b> | <b>765,138</b>    |

See accompanying notes.

Seventip N.V.

Statement of profit or loss

(All amounts in EUR)

|                                                  | Note | 2023              | Nov 02, 2021-<br>Dec 31, 2022 |
|--------------------------------------------------|------|-------------------|-------------------------------|
| Revenue                                          | 8    | 33,470,628        | -1,298,696                    |
| Direct cost                                      | 9    | -2,831,482        | -35,100                       |
| Gross profit / (loss)                            |      | <b>30,639,146</b> | <b>-1,333,796</b>             |
| Administrative expenses                          | 10   | -29,969,733       | -19,062                       |
| Profit / (loss) from operations                  |      | <b>669,413</b>    | <b>-1,352,858</b>             |
| Finance cost                                     | 11   | -950,467          | -67,975                       |
| Profit / (loss) before tax                       |      | <b>-281,054</b>   | <b>-1,420,833</b>             |
| Profit tax expense                               | 3    | -                 | -                             |
| Profit / (loss) for the year                     |      | <b>-281,054</b>   | <b>-1,420,833</b>             |
| Other comprehensive income                       |      | -                 | -                             |
| Total comprehensive income / (loss) for the year |      | <b>-281,054</b>   | <b>-1,420,833</b>             |
| Attributable to the owners                       |      | <b>-281,054</b>   | <b>-1,420,833</b>             |

See accompanying notes.

Seventip N.V.

Statement of changes in equity

(All amounts in EUR)

|                                                           | <b>Issued capital</b> | <b>Retained earnings /<br/>(Accumulated losses)</b> | <b>Total</b>      |
|-----------------------------------------------------------|-----------------------|-----------------------------------------------------|-------------------|
| Capital issued on November 02, 2021                       | 86                    | -                                                   | <b>86</b>         |
| Profit / (loss) for the period                            | -                     | -1,420,833                                          | <b>-1,420,833</b> |
| Other comprehensive income                                | -                     | -                                                   | -                 |
| <b>Total comprehensive income / (loss) for the period</b> | <b>-</b>              | <b>-1,420,833</b>                                   | <b>-1,420,833</b> |
| <b>Balance, December 31, 2022</b>                         | <b>86</b>             | <b>-1,420,833</b>                                   | <b>-1,420,747</b> |
| Profit / (loss) for the year                              | -                     | -281,054                                            | <b>-281,054</b>   |
| Other comprehensive income                                | -                     | -                                                   | -                 |
| <b>Total comprehensive income / (loss) for the year</b>   | <b>-</b>              | <b>-281,054</b>                                     | <b>-281,054</b>   |
| <b>Balance, December 31, 2023</b>                         | <b>86</b>             | <b>-1,701,887</b>                                   | <b>-1,701,801</b> |

See accompanying notes.

Seventip N.V.

Statement of cash flows

(All amounts in EUR)

|                                                           | Note | 2023        | Nov 02, 2021-<br>Dec 31, 2022 |
|-----------------------------------------------------------|------|-------------|-------------------------------|
| <b>Cash flow from operating activities</b>                |      |             |                               |
| Profit / (loss) for the year                              |      | -281,054    | -1,420,833                    |
| (Increase) / decrease in security deposit                 |      | -           | -450                          |
| (Increase) / decrease in prepaid expenses                 |      | -6,294      | -                             |
| (Increase) / decrease in receivables from related parties |      | -16,456,450 | -571,526                      |
| (Increase) / decrease in other assets                     |      | 193,162     | -193,162                      |
| Increase / (decrease) in accounts payable                 |      | 2,017,102   | 450                           |
| Increase / (decrease) in accrued expenses                 |      | -2,700      | 2,700                         |
| Increase / (decrease) in payable to players               |      | 14,506,601  | 1,960,798                     |
| Increase / (decrease) in other payables                   |      | 29,633      | 221,937                       |
| <b>Net cash used in operating activities</b>              |      | -           | -86                           |
| <b>Cash flow from investing activities</b>                |      |             |                               |
| (Increase) / decrease in other assets                     |      | -           | -                             |
| <b>Net cash used in investing activities</b>              |      | -           | -                             |
| <b>Cash flow from financing activities</b>                |      |             |                               |
| Increase / (decrease) in issued capital                   |      | -           | 86                            |
| <b>Net cash used in financing activities</b>              |      | -           | 86                            |
| <b>Net increase / (decrease) in cash</b>                  |      | -           | -                             |
| <b>Cash at the beginning of the year</b>                  |      | -           | -                             |
| <b>Cash at the end of the year</b>                        |      | -           | -                             |

See accompanying notes.

## Notes to financial statements

### 1. General information

Seventip N.V. (the company) was established on November 02, 2021 in Curaçao as a Limited liability company. The address of its registered office is Zuikertuintjeweg Z/N (Zuikertuin Tower), Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 159055.

The main objectives of the company are:

- 1a. to supply, market, promote, manage, support and operate all types of remote gaming activities, comprising all types of games, betting and other interactive games;
- b. to act as an online software gaming provider in the widest sense of the word, for clients established in or outside of Curaçao 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 exceed the corporate objective.

The management of the company is borne by a board of directors. As of December 31, 2023, the management of the company is borne by a single statutory director:

- |                                    |                    |
|------------------------------------|--------------------|
| - Downtown E-Commerce Company B.V. | Statutory Director |
|------------------------------------|--------------------|

The director is pleased to present to the shareholder, the unaudited financial statements of Seventip N.V. (the company) for the financial period ended December 31, 2023. The underlying administration of these financial statements was provided by an external accounting office. In the director's opinion, the company's financial statements are prepared based on the documents and information provided to the accounting office. The financial statements, based on these documents and information, give a true and fair view of the financial position of the company as at December 31, 2023 and the financial performance, changes in equity and cash flows of the company for the financial period ending on that date.

### 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 period presented, unless otherwise stated.

#### Basis of presentation

The 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.

## Seventip N.V.

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.

The comparative financial statements are prepared for a period greater than one year, from November 02, 2021, being the date of incorporation to December 31, 2022, as per the Articles of Incorporation.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

### **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 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, accrued expenses and other payables.

### **Subsequent measurement**

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

### **Revenue recognition**

Gaming 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.

### **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 01 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.

### **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. Receivables from related parties**

|                        | <b>2023</b>       | <b>2022</b>    |
|------------------------|-------------------|----------------|
| Kashxa Limited         | 16,902,589        | 552,124        |
| Nualink Operations Ltd | 125,387           | 19,402         |
|                        | <b>17,027,976</b> | <b>571,526</b> |

**5. Accrued expenses**

|                        | <b>2023</b> | <b>2022</b>  |
|------------------------|-------------|--------------|
| Annual compliance fees | -           | 2,700        |
|                        | <b>-</b>    | <b>2,700</b> |

**6. Payable to players**

|                     | <b>2023</b>       | <b>2022</b>      |
|---------------------|-------------------|------------------|
| User fund           | 15,830,213        | 1,901,991        |
| Ticket Balance      | 473,297           | 58,807           |
| Pending Withdrawals | 161,988           | -                |
| Live Event Buyin    | 1,901             | -                |
|                     | <b>16,467,399</b> | <b>1,960,798</b> |

**7. Issued capital**

The issued share capital of the company as on December 31, 2023 and December 31, 2022 consists of 100 common shares with a nominal value of USD 1 and subscribed for EUR 86.

No dividends were declared in 2023 and 2022.

**8. Revenue**

|                    | <b>2023</b>       | <b>2022</b>       |
|--------------------|-------------------|-------------------|
| Net gaming revenue | 33,470,628        | -1,298,696        |
|                    | <b>33,470,628</b> | <b>-1,298,696</b> |

**9. Direct cost**

|                         | <b>2023</b>      | <b>2022</b>   |
|-------------------------|------------------|---------------|
| Cost of revenue         | 2,822,040        | 25,300        |
| License and server fees | 9,442            | 9,800         |
|                         | <b>2,831,482</b> | <b>35,100</b> |

## 10. Administrative expenses

|                        | 2023              | 2022          |
|------------------------|-------------------|---------------|
| Consulting fees        | 29,936,739        | -             |
| Compliance fees        | 27,270            | 13,500        |
| Rent expenses          | 5,400             | 2,700         |
| Annual compliance fees | -                 | 2,700         |
| Other expenses         | 324               | 162           |
|                        | <b>29,969,733</b> | <b>19,062</b> |

## 11. Finance cost

|                           | 2023           | 2022          |
|---------------------------|----------------|---------------|
| Exchange fluctuation loss | 950,467        | 67,975        |
|                           | <b>950,467</b> | <b>67,975</b> |

## 12. 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, accrued expenses, other assets and other payables approximate the carrying amount largely due to the short-term maturity.

## 13. Contingencies, commitments and legal proceedings

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

## 14. 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. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2023.

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**15. Authorization for issue**

These financial statements for the year ended on December 31, 2023 were approved by board of directors and authorized for issue on September 30, 2024.

**Board of Directors:**

| <u>Name</u> | <u>Function</u> | <u>Signature</u> |
|-------------|-----------------|------------------|
|-------------|-----------------|------------------|

|                                  |                    |  |
|----------------------------------|--------------------|--|
| Downtown E-Commerce Company B.V. | Statutory Director |  |
|----------------------------------|--------------------|--|

Represented by: Glenn C. Rellum