

Niollo B.V.

Financial Statements

for the years ended December 31, 2024 and December 31, 2023

Table of Contents

Audit report	3
Statement of financial position	4
Statement of profit or loss	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to financial statements	8

Niollo B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2024	2023
Assets			
Current assets			
Cash and cash equivalents	4	796,148	514,048
Accounts receivable	5	281,083	1,812,500
Other assets	6	6,108,755	6,130,563
Total current assets		7,185,986	8,457,111
Non-current assets			
Intangible assets	7	85,158	116,399
Security deposit		-	100,000
Total non-current assets		85,158	216,399
Total assets		7,271,144	8,673,510
Equity and liabilities			
Current liabilities			
Accounts payable	8	6,151,804	7,643,999
Player balances	9	698,749	701,359
Total current liabilities		6,850,553	8,345,358
Equity			
Issued capital	10	100	100
Retained earnings		420,491	328,052
Total equity		420,591	328,152
Total equity and liabilities		7,271,144	8,673,510

See accompanying notes.

Niollo B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2024	2023
Revenue (Net)	11	22,797,079	35,493,581
Direct cost (Net)	12	(16,505,332)	(21,668,853)
Gross profit		6,291,747	13,824,728
Selling and marketing expenses	13	(5,803,243)	(12,823,755)
Administrative expenses (Net)	14	(197,955)	(209,742)
Amortization	7	(57,565)	(28,365)
Profit from operations		232,984	762,866
Finance cost	15	(140,545)	(531,350)
Profit before tax		92,439	231,516
Profit tax expense	3	-	-
Profit for the year		92,439	231,516

See accompanying notes.

Niollo B.V.

Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings	Total
Balance, December 31, 2022	100	96,536	96,636
Profit for the year	-	231,516	231,516
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	231,516	231,516
Balance, December 31, 2023	100	328,052	328,152
Profit for the year	-	92,439	92,439
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	92,439	92,439
Balance, December 31, 2024	100	420,491	420,591

See accompanying notes.

Niollo B.V.

Statement of cash flows

(All amounts in EUR)

	Note	2024	2023
Cash flow from operating activities			
Profit for the year		92,439	231,516
Add: Amortization		57,565	28,365
Increase in accounts receivable		1,531,417	(1,812,500)
(Increase) / decrease in other assets		121,808	231,756
Increase / (decrease) in accounts payable		(1,492,195)	2,680,297
Increase / (decrease) in player balances		(2,610)	(1,137,201)
Net cash generated from operating activities		308,424	222,233
Cash flow from investing activities			
Purchase of intangible assets		(26,324)	(114,887)
Net cash generated from investing activities		(26,324)	(114,887)
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	-
Net cash generated from financing activities		-	-
Net increase in cash		282,100	107,346
Cash at the beginning of the year		514,048	406,702
Cash at the end of the year	4	796,148	514,048

See accompanying notes.

Niollo B.V.

Notes to financial statements

1. General information

Niollo B.V. (the company) was established on January 21, 2021 in Curaçao as a private 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 156491.

The main objectives of the company are:

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising 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 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 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 statement of comprehensive income.

The company's financial assets include cash and cash equivalents, accounts receivable, 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 accrued expenses.

Subsequent measurement

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

Revenue recognition

Casino revenue is represented by the difference between the amounts of turnover less amounts of customer winnings, 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	33.33	-
Live studio	33.33	-

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.

Niollo B.V.

New standards, amendments and interpretations issued but not effective for the financial year beginning January 01, 2024 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 profits earned in Curaçao is subject to 15% taxes on profit up to 500,000 XCG and 22% above it and the foreign source of profit is subject to 0% of profit taxes.

4. Cash and cash equivalents

	2024	2023
Finductive Ltd – EUR – Player's Account	600,000	-
Finductive Ltd – EUR	163,194	512,031
Finductive Ltd – USD	25,538	168
Oneify	5,612	-
Vega Wallet - USD	1,144	1,220
Finductive Ltd – GBP	660	629
	796,148	514,048

5. Accounts receivable

	2024	2023
Simplicity Malta Limited*	281,083	1,812,500
	281,083	1,812,500

*This represents amounts recharged for a marketing campaign. Basis a payment direction letter the total amounts receivable to the extent of 2 million have been set off against a payable to Wagerlogic Alderney Limited.

6. Other assets

	2024	2023
Receivable from holding company		
Trenta Tech Ltd	6,059,123	5,811,557
Prepaid expenses	49,632	319,006
	6,108,755	6,130,563

The above receivable does not carry any interest and is repayable on demand.

Niollo B.V.

7. Intangible assets	Software	Live studio	Total
Cost or valuation			
At 01 January 2023	41,637	-	41,637
Additions	66,887	48,000	114,887
Disposals	-	-	-
At 31 December 2023	108,524	48,000	156,524
Additions	26,324	-	26,324
Disposals	-	-	-
At 31 December 2024	134,848	48,000	182,848
Amortization			
At 01 January 2023	11,760	-	11,760
Amortization charge for the year	16,377	11,988	28,365
Disposals	-	-	-
At 31 December 2023	28,137	11,988	40,125
Amortization charge for the year	41,581	15,984	57,565
Disposals	-	-	-
At 31 December 2024	69,718	27,972	97,690
Net book value			
At 31 December 2024	65,130	20,028	85,158
At 31 December 2023	80,387	36,012	116,399
At 01 January 2023	29,877	-	29,877

8. Accounts payable

	2024	2023
Accrued expenses	5,787,552	4,093,684
Trade payables (Refer note on Accounts receivable)	364,252	3,550,315
	6,151,804	7,643,999

9. Player balances

Player balances represents the net of deposits and withdrawals after adjusting winnings/losses of players.

10. Issued capital

The issued capital of the company as at December 31, 2024 and December 31, 2023 consists of 100 common shares with a nominal value of EUR 1 each and subscribed for EUR 100.

As of December 31, 2024, and December 31, 2023, Trenta Tech Ltd, a company incorporated and domiciled in Republic of Cyprus, held 100% of shares of the company.

No dividends were declared in 2024 and 2023.

11. Revenue (Net)

	2024	2023
Turnover (Wagers)	1,271,235,707	1,708,343,557
Customer winnings	(1,232,827,622)	(1,657,834,154)
Gross gaming revenue	38,408,085	50,509,403
Less: Bonus	(16,173,506)	(16,828,322)
Marketing services	562,500	1,812,500
	22,797,079	35,493,581

12. Direct cost (Net)

	2024	2023
Software & support services	12,987,278	16,532,613
License fees	3,268,023	4,915,222
Gaming platform fees	267,623	251,226
Processing fees	-	1,425
Chargebacks	(17,592)	(31,633)
	16,505,332	21,668,853

13. Selling and marketing expenses #

	2024	2023
Affiliate commission	3,808,125	8,346,873
Advertising expenses	1,995,118	4,462,992
Marketing tools and subscription expenses	-	13,890
	5,803,243	12,823,755

Fall in the marketing expenses is due to discontinuance of a large affiliate partner in the largest market for the company and no alternative was available on December 31, 2024.

14. Administrative expenses (Net)

	2024	2023
Professional fees	148,192	150,075
Technology cost	43,153	34,413
Rent expenses	6,360	5,724
Consultancy fees	-	19,950
Other expenses	250	(420)
	197,955	209,742

15. Finance cost

	2024	2023
Exchange loss	125,381	508,770
Bank charges	15,164	22,580
	140,545	531,350

16. 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:

Cash and cash equivalents, accounts receivable and accounts payable, accrued expenses and other assets approximate the carrying amount largely due to the short-term maturity.

Niollo B.V.

17. Contingencies, commitments and legal proceedings

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

18. Subsequent events

In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2024. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2024.

19. Authorization for issue

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

Date: June 23, 2025

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Glenn C. Rellum o.b.o. the director Downtown E-Commerce Company B.V.	Statutory Director	