

TECHSOLUTIONS GROUP N.V.

REPORT AND FINANCIAL STATEMENTS

31 December 2025

TECHSOLUTIONS GROUP N.V.

REPORT AND FINANCIAL STATEMENTS
31 December 2025

CONTENTS	PAGE
Board of Directors and other officers	1
Management Report	2
Independent auditor's report	3 - 5
Statement of profit or loss and other comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Cash flow statement	9
Notes to the financial statements	10 - 22

TECHSOLUTIONS GROUP N.V.

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Aleksandr Bocharnikov
Independent Auditors:	D. Papademetriou Ltd Certified Public Accountants and Registered Auditors Efesou 9 P.O Box 33121 Paralimni, Cyprus
Registered office:	Seru Loraweg 17 C Curacao
Bankers:	UAB Guru Pay iSXMoney Migom Bank Ecommerce Technologies Ltd Juno Pay Ltd
Registration number:	144920

TECHSOLUTIONS GROUP N.V.

MANAGEMENT REPORT

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2025.

Principal activities and nature of operations of the Company

The principal activities of the Company unchanged from last year. The company's core operations are focused on organizing, marketing, promoting, managing, supporting and operating all types of remote gaming activities, including but not limited to internet websites for casino games and sports betting.

Review of current position, future developments and performance of the Company's business

The Company's development to date, financial results and position as presented in the financial statements are considered satisfactory.

Existence of branches

The Company does not maintain any branches.

Results

The Company's results for the year are set out on page 6.

Dividends

During the year 2025 the Board of Directors approved the payment of an interim dividend of €41,850,000 (2024: €36,750,000).

Share capital

There were no changes in the share capital of the Company during the year under review.

Board of Directors

The sole member of the Company's Board of Directors as at 31 December 2025 and at the date of this report is presented on page 1. The Sole Director was a member of the Board of Directors throughout the year ended 31 December 2025.

In accordance with the Company's Articles of Association the Sole Director presently member of the Board continues in office.

There were no significant changes in the remuneration of the Board of Directors.

Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 24 to the financial statements.

Independent Auditors

The Independent Auditors, D. Papademetriou Ltd, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

Aleksandr Bocharnikov
Director

Paralimni, 22 June 2026

Independent Auditor's Report

To the Members of TECHSOLUTIONS GROUP N.V.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of parent company TECHSOLUTIONS GROUP N.V. (the "Company"), which are presented in pages 6 to 22 and comprise the statement of financial position as at 31 December 2025, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of parent company TECHSOLUTIONS GROUP N.V. as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as issued by the IASB, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report (continued)

To the Members of TECHSOLUTIONS GROUP N.V.

Responsibilities of the Board of Directors for the Financial Statements (continued)

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Independent Auditor's Report (continued)

To the Members of TECHSOLUTIONS GROUP N.V.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

We have reported separately on the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2025.



D. PAPADEMETRIOU LTD
CHARTERED ACCOUNTANTS
P.O.Box: 33121, 5311 PARALIMNI
Tel: 23 820 300, Fax: 23 820 301

Demetris Papademetriou MSc, DpBA, FCA

Certified Public Accountant and Registered Auditor

for and on behalf of

D. Papademetriou Ltd

Certified Public Accountants and Registered Auditors

Efesou 9

P.O Box 33121

Paralimni, Cyprus

Paralimni, 22 June 2026

TECHSOLUTIONS GROUP N.V.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 31 December 2025

	Note	2025 €	2024 €
Revenue	8	499,477,910	434,288,932
Cost of sales	9	<u>(330,080,994)</u>	<u>(270,492,894)</u>
Gross profit		169,396,916	163,796,038
Marketing expenses	10	(94,257,693)	(136,688,795)
Administration expenses	11	<u>(2,661,742)</u>	<u>(1,908,535)</u>
Operating profit		72,477,481	25,198,708
Net finance costs	12	<u>(5,516,550)</u>	<u>(4,867,828)</u>
Net profit for the year		66,960,931	20,330,880
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>66,960,931</u>	<u>20,330,880</u>

The notes on pages 10 to 22 form an integral part of these financial statements.

TECHSOLUTIONS GROUP N.V.

STATEMENT OF FINANCIAL POSITION

31 December 2025

	Note	2025 €	2024 €
ASSETS			
Non-current assets			
Investments in subsidiaries	14	<u>2,000</u>	<u>2,000</u>
		2,000	2,000
Current assets			
Trade and other receivables	15	104,532,812	64,911,816
Cash at bank and in hand	16	<u>10,799,903</u>	<u>8,693,824</u>
		115,332,715	73,605,640
Total assets		115,334,715	73,607,640
EQUITY AND LIABILITIES			
Equity			
Share capital	17	1	1
Retained earnings		<u>46,307,202</u>	<u>21,196,273</u>
Total equity		46,307,203	21,196,274
Non-current liabilities			
Borrowings	18	<u>580,120</u>	<u>574,620</u>
		580,120	574,620
Current liabilities			
Trade and other payables	19	<u>68,447,392</u>	<u>51,836,746</u>
		68,447,392	51,836,746
Total liabilities		69,027,512	52,411,366
Total equity and liabilities		115,334,715	73,607,640

On 22 June 2026 the Board of Directors of TECHSOLUTIONS GROUP N.V. authorised these financial statements for issue.



 Aleksandr Bocharnikov
 Director

The notes on pages 10 to 22 form an integral part of these financial statements.

TECHSOLUTIONS GROUP N.V.

STATEMENT OF CHANGES IN EQUITY 31 December 2025

	Note	Share capital €	Retained earnings €	Total €
Balance at 1 January 2024		1	37,615,393	37,615,394
Comprehensive income				
Net profit for the year		-	20,330,880	20,330,880
Transactions with owners				
Dividends	13	-	(36,750,000)	(36,750,000)
Balance at 31 December 2024		1	21,196,273	21,196,274
Balance at 31 December 2024/ 1 January 2025		1	21,196,273	21,196,274
Comprehensive income				
Net profit for the year		-	66,960,931	66,960,931
Transactions with owners				
Dividends	13	-	(41,850,000)	(41,850,000)
Balance at 31 December 2025		1	46,307,204	46,307,205

The notes on pages 10 to 22 form an integral part of these financial statements.

TECHSOLUTIONS GROUP N.V.

CASH FLOW STATEMENT

31 December 2025

	Note	2025 €	2024 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		66,960,931	20,330,880
Adjustments for:			
Interest expense	12	<u>5,500</u>	<u>5,500</u>
		66,966,431	20,336,380
Changes in working capital:			
(Increase)/decrease in trade and other receivables		(39,620,996)	16,238,476
Increase in trade and other payables		<u>9,110,645</u>	<u>5,579,376</u>
Cash generated from operations		<u>36,456,080</u>	<u>42,154,232</u>
CASH FLOWS FROM INVESTING ACTIVITIES		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		<u>(34,350,000)</u>	<u>(36,750,000)</u>
Net cash used in financing activities		<u>(34,350,000)</u>	<u>(36,750,000)</u>
Net increase in cash and cash equivalents		2,106,079	5,404,232
Cash and cash equivalents at beginning of the year		<u>8,693,824</u>	<u>3,289,592</u>
Cash and cash equivalents at end of the year	16	<u>10,799,903</u>	<u>8,693,824</u>

The notes on pages 10 to 22 form an integral part of these financial statements.

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

1. Incorporation and principal activities

Country of incorporation

The Company TECHSOLUTIONS GROUP N.V. (the "Company") was incorporated in Curacao on 20 September 2017 as a private company with limited liability. Its registered office is at Seru Loraweg 17 C, Curacao.

Principal activities

The principal activities of the Company unchanged from last year. The company's core operations are focused on organizing, marketing, promoting, managing, supporting and operating all types of remote gaming activities, including but not limited to internet websites for casino games and sports betting.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB.

The financial statements have been prepared under the historical cost convention as modified by the revaluation and financial assets and financial liabilities at fair value through profit or loss.

3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2025. This adoption did not have a material effect on the accounting policies of the Company.

4. Significant accounting policies

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

Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified.

Revenue

Recognition and measurement

The Company generates its revenue by facilitating and processing sports bets, along with providing various online games. Following standard industry practices, the initial recognition of income involves categorizing the net income from customer bets and wagers, as well as payouts to customers, as gross betting and gaming revenue. The statement of profit and loss and other comprehensive income reflects the net gambling and gaming revenue, which is the amount remaining after subtracting bonuses accrued to player accounts.

All bets originally recorded are recognized concerning the dates when the outcomes of the respective bets have been determined, provided that the wagers were placed before the reporting date. However, bets deducted from customers' accounts before the reporting date, for events that are scheduled to take place after the reporting date (referred to as pending bets), are recognized as financial liabilities to customers in accordance with IFRS 9.

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

4. Significant accounting policies (continued)

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Foreign currency translation

(1) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Dividends

Interim dividends are recognised in equity in the year in which they are approved by the Company's Directors. Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the year in which they are approved by the Company's shareholders.

Financial assets

Financial assets - Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

4. Significant accounting policies (continued)

Financial assets (continued)

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets - impairment - credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

4. Significant accounting policies (continued)

Financial assets (continued)

Financial assets - impairment - credit loss allowance for ECL (continued)

For all other financial instruments that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 6, Credit risk section, for a description of how the Company determines when a SICR has occurred. If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company's definition of credit impaired assets and definition of default is explained in note 6, Credit risk section.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 6, Credit risk section for a description of how the Company determines low credit risk financial assets.

Financial assets -Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

4. Significant accounting policies (continued)

Financial assets (continued)

Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 6, Credit risk section.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 180 days past due.

Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

4. Significant accounting policies (continued)

Prepayments

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in profit or loss.

Share capital

Ordinary shares are classified as equity.

5. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

6. Financial risk management

Financial risk factors

The Company is exposed to credit risk, liquidity risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

6.1 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, as well as trade receivables.

(i) Risk management

The company does not have formal policies and procedures for managing and monitoring credit risk.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

(ii) Impairment of financial assets

- trade and other receivables
- cash and cash equivalents
- receivables from related parties

Trade and other receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL.

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

6. Financial risk management (continued)

6.1 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Trade and other receivables (continued)

There were no significant trade receivable and contract asset balances written off during the year that are subject to enforcement activity.

Receivables from related parties

For receivables from related parties lifetime ECL was provided for them upon initial application of IFRS 9 until these financial assets are derecognised as it was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk has increased significantly since initial recognition to the date of initial application of IFRS 9.

For any new loans to related parties, which are not purchased or originated credit-impaired financial assets, the impairment loss is recognised as 12-month ECL on initial recognition of such instruments and subsequently the Company assesses whether there was a significant increase in credit risk.

There were no significant receivables from related parties written off during the year that are subject to enforcement activity.

Cash and cash equivalents

The Company assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

Bank deposits held with banks with investment grade rating are considered as low credit risk.

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls.

The Company does not hold any collateral as security for any cash at bank balances.

6.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

31 December 2025

	Carrying amounts €	Contractual cash flows €	Within 12 months €
Trade and other payables	28,512,621	28,512,621	28,512,621
Payables to related parties	26,178,096	26,178,096	26,178,096
Loans from other related parties	580,120	580,120	-
	55,270,837	55,270,837	54,690,717

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

6. Financial risk management (continued)

6.2 Liquidity risk (continued)

31 December 2024

	Carrying amounts €	Contractual cash flows €	Within 12 months €
Trade and other payables	27,675,351	27,675,351	27,675,351
Payables to related parties	17,406,020	17,406,020	17,406,020
Loans from other related parties	574,620	574,620	-
	<u>45,655,991</u>	<u>45,655,991</u>	<u>45,081,371</u>

6.3 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US Dollar and the Euro. The Company's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

6.4 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

7. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying the Company's accounting policies

- **Impairment of investments in subsidiaries**

The Company periodically evaluates the recoverability of investments in subsidiaries whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries may be impaired, the estimated future discounted cash flows associated with these subsidiaries would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

- **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in note 6, Credit risk section.

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

7. Critical accounting estimates and judgments (continued)

- **Related party transactions**

In the normal course of business, the Company enters into transactions with its related parties. IFRS 9 requires initial recognition of financial instruments based on their fair values. Judgement is applied in determining if transactions are priced at market or non-market interest rates, where there is no active market for such transactions. The basis for judgement is pricing for similar types of transactions with unrelated parties and effective interest rate analysis. Terms and conditions of related party balances are disclosed in the related party transactions note.

8. Revenue

	2025	2024
	€	€
Gaming and gambling revenue	499,477,910	434,288,932
	499,477,910	434,288,932

9. Cost of sales

	2025	2024
	€	€
Services received	330,080,994	270,492,894
	330,080,994	270,492,894

10. Marketing expenses

	2025	2024
	€	€
Affiliate marketing expenses	78,484,264	121,353,093
Other advertising and marketing expenses	15,773,429	15,335,702
	94,257,693	136,688,795

11. Administration expenses

	2025	2024
	€	€
Auditors' remuneration	25,000	25,000
Professional fees	1,285,701	812,025
Business trips expenses	46,811	55,433
Software expenses	1,123,178	781,117
Web Services expenses	167,145	94,981
Other expenses	13,907	137,718
Office expenses	-	2,262
	2,661,742	1,908,536

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

12. Finance costs

	2025 €	2024 €
Net foreign exchange losses	(856,594)	(63,190)
PSP conversion losses	(2,336,817)	(3,153,507)
Interest expense	(5,500)	(5,500)
Bank charges	(2,317,639)	(1,645,631)
Finance costs	(5,516,550)	(4,867,828)

13. Dividends

	2025 €	2024 €
Interim dividend	41,850,000	36,750,000
	41,850,000	36,750,000

During the year 2025 the Board of Directors approved the payment of an interim dividend of €41,850,000 (2024: €36,750,000).

14. Investments in subsidiaries

	2025 €	2024 €
Balance at 1 January	2,000	2,000
Balance at 31 December	2,000	2,000

The details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	2025 Holding %	2024 Holding %	2025 €	2024 €
Techsolutions (CY) Group Limited	Cyprus	Billing management services	100	100	1,000	1,000
Snerevus Ltd	Cyprus	Billing management services	100	100	1,000	1,000
					2,000	2,000

15. Trade and other receivables

	2025 €	2024 €
Trade receivables	47,800,835	3,289,354
Trade receivables from related parties (Note 22.2)	52,830,481	58,531,902
Other receivables	3,901,496	3,090,560
	104,532,812	64,911,816

The Company does not hold any collateral over the trading balances.

The exposure of the Company to credit risk and impairment losses in relation to trade and other receivables is reported in note 6 of the financial statements.

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

16. Cash at bank and in hand

Cash balances are analysed as follows:

	2025 €	2024 €
Cash at bank	10,799,903	8,693,824
	10,799,903	8,693,824

The exposure of the Company to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 6 of the financial statements.

17. Share capital

	2025 Number of shares	2025 US\$	2024 Number of shares	2024 US\$
Authorised				
Ordinary shares of €1 each	1	1	1	1
		€		€
Issued and fully paid				
Balance at 1 January	1	1	1	1
Balance at 31 December	1	1	1	1

18. Borrowings

	2025 €	2024 €
Non-current borrowings		
Loans from other related parties (Note 21.4)	580,120	574,620
	580,120	574,620

Maturity of non-current borrowings:

	2025 €	2024 €
Between one and five years	580,120	574,620

19. Trade and other payables

	2025 €	2024 €
Trade payables	11,520,211	8,675,262
Payables to related parties (Note 22.3)	25,902,600	17,130,524
Shareholders' current accounts - credit balances (Note 21.5)	275,496	275,496
Website users' balances	15,695,604	14,145,715
Dividends payable	9,000,000	1,500,000
Accruals	4,756,675	5,255,375
Other creditors	1,296,806	4,854,374
	68,447,392	51,836,746

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

20. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

21. Related party transactions

The Company is ultimately controlled by Mr. Aleksandr Bocharnikov, citizen of Cyprus.

The following transactions were carried out with related parties:

21.1 Purchases from related parties

		2025	2024
	<u>Nature of transactions</u>	€	€
Techsolutions (CY) Group Limited	Billing management services	3,600,000	3,600,000
Sneverus Ltd	Billing management services	450,000	100,000
Sakartilo Ltd	Provision of marketing and other outsourcing services	7,614,400	4,938,200
Opticonnect Limited	Technical and marketing sourcing services	178,189,490	138,323,185
		<u>189,853,890</u>	<u>146,961,385</u>

21.2 Receivables from related parties (Note 15)

	2025	2024
<u>Name</u>	€	€
Techsolutions (CY) Group Limited	44,680,805	46,784,026
Sneverus Ltd	8,149,676	11,747,876
	<u>52,830,481</u>	<u>58,531,902</u>

TECHSOLUTIONS GROUP N.V.

NOTES TO THE FINANCIAL STATEMENTS 31 December 2025

21. Related party transactions (continued)

21.3 Payables to related parties (Note 19)

	2025	2024
	€	€
<u>Name</u>	<u>1,300,100</u>	<u>-</u>
Sakartilo Ltd	<u>24,602,500</u>	<u>17,130,524</u>
Opticonnect Limited	<u>25,902,600</u>	<u>17,130,524</u>

21.4 Loans from related parties (Note 18)

	2025	2024
	€	€
Empresario Ltd	<u>580,120</u>	<u>574,620</u>
	<u>580,120</u>	<u>574,620</u>

21.5 Shareholders' current accounts - credit balances (Note 19)

	2025	2024
	€	€
Shareholders' current account	<u>275,496</u>	<u>275,496</u>
	<u>275,496</u>	<u>275,496</u>

The shareholders' current accounts are interest free, and have no specified repayment date.

22. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2025.

23. Commitments

The Company had no capital or other commitments as at 31 December 2025.

24. Events after the reporting period

As explained in note 20 the geopolitical situation in Eastern Europe intensified on 24 February 2022, with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

Regardless of the duration of the conflict between Russia and Ukraine, and continued negative impact on economic activity, the risk that the Company might experience negative results and liquidity restraints in 2025 which relate to new developments that occurred after the reporting period is low.

Independent auditor's report on pages 3 to 5