

XZ SOLUTIONS B.V.

FINANCIAL STATEMENTS

Year Ended December 31, 2023

GENERAL INFORMATION

Director(s)
Odin Trust B.V.

Registered address
Dr. M.J. Hugenholtzweg 25, Unit 11
Willemstad
Curaçao

Company Registration Number
159328

Incorporation Date
December 03, 2021

Nominal Capital
100 share(s) with a nominal value of EUR 1.00 each

XZ SOLUTIONS B.V.
COMPILATION REPORT
for the financial year ended December 31, 2023

**To the Board of Directors of
XZ Solutions B.V.**

Dr. M.J. Hugenholtzweg 25, Unit 11
Willemstad
Curaçao

We have compiled the accompanying balance sheet and income statement of XZ Solutions B.V. for the year ended December 31, 2023, in accordance with applicable accounting standards generally accepted and the provisions of Book 2 Curaçao Civil Code.

The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

We have not audited or reviewed the accompanying financial statements of XZ Solutions B.V. and accordingly, do not express an opinion or any other form of assurance on them.

Management is responsible for the preparation and fair presentation of the accompanying financial statements of XZ Solutions B.V.

Willemstad, Curaçao

Aggregate Corporate Services B.V.

November 20, 2024

XZ SOLUTIONS B.V.
DIRECTORS' REPORT
for the financial year ended December 31, 2023

The board of directors is pleased to present its report to the shareholder(s) together with the financial statements of XZ Solutions B.V. for the financial year ended December 31, 2023.

Principal activities

XZ Solutions B.V. is a company incorporated and domiciled in Curaçao, Dutch Caribbean, with registered office at Dr. M.J. Hugenholtzweg 25, Unit 11, Willemstad, Curaçao. The Company is engaged in organizing, marketing, promoting, managing, supporting and operating 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.

Results and appropriations

The results of the Company for the year ended December 31, 2023 are set out in the Company's financial statements on page 4. No interim dividend has been issued during the financial year and the directors do not recommend distribution of a final dividend.

Fiscal position

The Company is subject to Profit Tax Ordinance 1940.

As of January 1, 2023, companies subject to the Profit Tax Ordinance 1940 are subject to a 15% profit tax on the first ANG 500,000 of taxable domestic profit, while a rate of 22% is applicable to any taxable domestic profit exceeding this amount. To determine whether income is considered domestic or non-domestic, the profit before indirect cost is allocated to either domestic or non-domestic based on causal (local/foreign) expenses excluding cost of materials.

Current and post balance sheet events

There was no material current and post balance sheet events, which have a bearing on the understanding of the financial statements.

Statement by directors

Odin Trust B.V. in its capacity as sole director of the company, do hereby state that, in its opinion:

- (i) the financial statements and the notes to the financial statements are drawn up so as to give a true and fair view of the state of affairs of the Company as at December 31, 2023 and the results of the Company for the year ended on that date, and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

For and on behalf of the board of directors:

Odin Trust B.V.

Director

November 20, 2024

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FINANCIAL STATEMENTS

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XZ SOLUTIONS B.V.
BALANCE SHEET
As at: December 31, 2023
before allocation of the result of the year

	notes	USD 12.31.2023	USD 12.31.2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	176,184	172,324
Other non-current assets	4	1,947,780	878,027
Total non-current assets		2,123,964	1,050,351
Current assets			
Cash and cash equivalents	5	119,669	249,485
Trade accounts receivable	6	991,481	359,456
Total Current assets		1,111,150	608,941
TOTAL ASSETS		3,235,114	1,659,292
		USD 12.31.2023	USD 12.31.2022
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Nominal Capital	7	113	113
Paid-in Surplus		9,289,286	8,485,201
Retained earnings		(7,767,242)	-
Current year result		(8,152,625)	(7,767,242)
Total Shareholders' Equity		(6,630,468)	718,072
Current liabilities			
Trade accounts payables	8	1,998,413	895,231
Other payables	9	7,867,169	45,989
Total current liabilities		9,865,582	941,220
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		3,235,114	1,659,292

Approved by

Name: Odin Trust B.V.
Title: Director

The accompanying notes are an integral part of these financial statements.

XZ SOLUTIONS B.V.
INCOME STATEMENT
For the period ending December 31, 2023

	notes	USD 2023	USD 2022
Income			
Wagering income		14,050,217	3,569,963
Direct costs	10	(6,898,631)	(4,158,402)
Gross Profit/ (Loss)		7,151,586	(588,439)
Other income		1,100,008	-
Income before Operating Expenses		8,251,594	(588,439)
Expenses			
Marketing expenses		7,200,096	1,546,229
Customer support expenses		11,158	40,579
ICT expenses		1,293,062	557,898
Office expenses		1,033,536	677,162
Depreciations		45,092	27,808
Professional expenses		5,225,453	3,770,421
Legal expenses		50,979	71,316
Travel and accomodation expenses		130,145	64,386
Representative expenses		13,840	-
Accounting and tax services		38,037	3,652
Exchange differences		-	356,680
Bank fees		92,361	50,179
Interest expenses		263,028	-
Other operating expenses		46,768	12,493
		15,443,555	7,178,803
Operating Result		(7,191,961)	(7,767,242)
Other gains/ (losses)	11	(960,664)	-
Result before Taxes		(8,152,625)	(7,767,242)
Income tax expense		-	-
Net Profit/(Loss)		(8,152,625)	(7,767,242)

Approved by

Name: Odin Trust B.V.
Title: Director

The accompanying notes are an integral part of these financial statements.

XZ SOLUTIONS B.V.
NOTES TO THE FINANCIAL STATEMENTS
For the period January 01, 2023 through December 31, 2023

1 General Information

XZ Solutions B.V. was incorporated on December 03, 2021. The Company is a limited liability company and domiciled in Curaçao, Dutch Caribbean.

The principal activities of the Company are that of organizing, marketing, promoting, managing, supporting and operating 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.

The Company is registered with the Curacao Chamber of Commerce under number 159328.

2 General Accounting Principles

Basis of Preparation

The Financial Statements have been prepared in accordance with applicable accounting standards generally accepted and the provision of Book 2 Curaçao Civil Code. They have been prepared under the historical cost basis. Unless stated otherwise, all assets and liabilities are stated at their nominal value.

Accounting Method

The financial statements are prepared using the accrual method of accounting. In accordance with this method of accounting, revenue is recognized in the period in which it is earned and expenses are recognized in the period in which they are incurred.

Foreign Currencies

The financial statements are presented in US Dollars (USD or \$). Foreign currency transactions are translated into the functional currency using daily ECB exchange rates. Exchange differences arising on the settlement of monetary items are recognized as realized foreign exchange gains or losses on the income statement. Exchange differences arising on translating monetary items at the end of the reporting period are recognised as unrealized financial

Cash and cash equivalents

Cash and cash equivalents comprises cash at bank and on hand. All cash is directly available to the Company.

Taxes

Profit tax liabilities for the current and prior periods are measured at the amount expected to be paid to the taxation authorities. Current profit taxes are recognised in the income statement and are adjusted for any differences between the estimated and actual tax payable in prior years.

3 Property, plant and equipment

	USD 2023	USD 2022
Equipment	249,084	195,538
Other fixed assets	-	4,594
less: accumulated depreciation	(72,900)	(27,808)
	176,184	172,324

XZ SOLUTIONS B.V.
NOTES TO THE FINANCIAL STATEMENTS
For the period January 01, 2023 through December 31, 2023

	USD 2023	USD 2022
4 Other non-current assets		
Intangible assets	1,947,780	878,027
	1,947,780	878,027

	USD 2023	USD 2022
5 Cash and cash equivalents		
Bank and wallets	119,669	249,394
Cash	-	91
	119,669	249,485

	USD 2023	USD 2022
6 Trade accounts receivable		
PSP Merchant accounts	435,525	253,902
Prepayments	-	88,006
Other receivables	555,956	17,548
	991,481	359,456

						USD 2023	USD 2022
7 Shareholders' Equity							
	CAPITAL STOCK						
	Common Stock	Preferred Stock	Amount Paid up	Additional Paid-in Capital	Accum. Results	Total Shareholders' equity	Total Shareholders' equity
Balance at Jan 01,	100	0	113	8,485,201	(7,767,242)	718,072	€ -
Issued capital	0	0	-	-	-	-	€ 113
Paid-in Surplus	0	0	-	804,085	-	804,085	€ 8,485,201
Net Result for the year	0	0	-	-	(8,152,625)	(8,152,625)	€ (7,767,242)
Balance at Dec 31,	100	0	113	9,289,286	(15,919,867)	(6,630,468)	€ 718,072

	USD 2023	USD 2022
8 Trade accounts payables		
Creditors	1,915,413	810,273
Player Balances	83,000	84,958
	1,998,413	895,231

XZ SOLUTIONS B.V.
NOTES TO THE FINANCIAL STATEMENTS
For the period January 01, 2023 through December 31, 2023

9 Other payables	USD 2023	USD 2022
Other liabilities	-	44,239
Loan payable	7,600,340	-
Interest payable	263,028	-
Accrued expenses - accounting & tax services	3,801	1,750
	7,867,169	45,989
10 Direct costs	USD 2023	USD 2022
Domestic Direct costs		
Gaming License expenses	33,788	21,926
	33,788	21,926
Non-Domestic Direct costs		
Bonus and Promotions	1,922,203	392,615
Payment processing fees	2,620,395	781,403
Game platform license fees	976,187	456,688
Game software license fees	1,346,058	328,210
Affiliate marketing fees	-	2,177,560
	6,864,843	4,136,476
Total Direct costs	6,898,631	4,158,402
Appropriation of result		

The General Meeting shall determine how the result of the financial year will be appropriated.