

PANBET CURACAO N.V.

**Annual Report
Financial Statements 2025**

Panbet Curacao N.V.

Annual Report and Financial Statements 2025

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Panbet Curacao N.V.

Officers and Professional Advisers

Directors
G. Mishchiy
C.N.Porter (resigned 02 October 2025)
Local Partners B.V. (appointed 02 October 2025)

Registered Office
Hoogstraat 18
Willemstad
Curacao

Company Registration Number
118257

Independent Auditor
NSP SageHill Partners Ltd
50 Agias Zonis Street Arianthi Court
2nd Floor
3090 Limassol
Cyprus

Main Bankers
Central FX
2, 4 Minister Ct
London, EC3R 7BB
United Kingdom

Ecommbx Ltd
Pindarou 27
Alpha Building,
Block A, 3rd Floor
1060, Nicosia
Cyprus

Panbet Curacao N.V.

Directors' Report

The directors present their report and the audited financial statements for the year ended 31 December 2025.

1. Principal activity

The principal activity of the company is the provision of online sports betting services and online casino and other gaming services.

The Company is licensed by the Curaçao Gaming Authority to offer games of chance under license number OGL/2024/648/0172 in accordance with the National Ordinance on Games of Chance.

2. Results

The results of the company for the year ended 31 December 2025 are shown in the income statement on page 7. The loss for the year after taxation was €1,536,386 (2024: loss €2,958,997).

There were no dividends paid on the ordinary shares in respect of the year.

3. Post balance sheet events

Details of events after the reporting date can be found in note 16 to the financial statements.

4. Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare financial statements in accordance IFRS Accounting Standards. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its profit or loss for that period.

In preparing these financial statements under IFRSs the directors are required to:

- properly select and apply accounting policies.
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information.
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that, to the best of their knowledge and belief that the financial statements, which have been prepared in accordance with IFRSs, give a true and fair view of the assets, liabilities and financial position of the company and of its profit for the year.

Panbet Curacao N.V.

Directors' Report (continued)

4. Directors

The present composition of the board is set out on page 1.

The directors who held office during the year are as set out below:

G. Mishchiy
Local Partners B.V

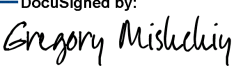
5. Audit enquiries

So far as the directors are aware there is no information relevant to the audit of which the Company's auditors are unaware. The directors have taken the necessary steps to ensure they themselves are aware of all relevant audit information and made sure that the Company's auditors are also aware of that information.

6. Auditors

The Independent Auditors, NSP Sagehill Partners 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.

For and on behalf of the Board on 29th June 2026:

DocuSigned by:

.....6D88E65ECA564EB.....

Director
G. Mishchiy

Signed by:

.....F40ECCA5F54A41B.....

Director
Local Partners B. V



Independent Auditor's Report

To the Board of Directors of Panbet Curacao N.V.

Report on the audit of the financial statements

Qualified Opinion

We have audited the non-statutory financial statements of Panbet Curacao N.V., which are presented in pages 7 to 33 and comprise the statement of comprehensive income, the statement of financial position as at 31 December 2025, statement of changes in equity, cash flow statement for the year ended and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by European Union.

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' Code of Ethics for Professional Accountants" (IESBA Code) together with the ethical requirements that are relevant to our audit of financial statements 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 qualified opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the directors' report in pages 2 to 3 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.



Independent Auditor's Report (continued)

To the Board of Directors of Panbet Curacao N.V.

Responsibilities of Management and Those Charged with Governance for the Financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards adopted by European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 Management.
- Conclude on the appropriateness of Management's 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.



Independent Auditor's Report (continued)

To the Board of Directors of Panbet Curacao N.V.

Other matters

Our audit work has been undertaken so that we might state to the Board of Directors of Panbet Curacao N.V. those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Panbet Curacao N.V., for our audit work, for this report, or for the opinion we have formed.

Other matter – non statutory financial statements

This accompanying financial statements are not statutory financial statements and are not intended for statutory purposes.

DocuSigned by:
Stelios Spiliotis
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Stelios Spiliotis
Certified Public Accountant and Registered Auditor
for and on behalf of

NSP Sagehill Partners Limited
Certified Public Accountants and Registered Auditors

50 Agias Zonis Street
Arianthi Court, 2nd Floor
3090 Limassol
Cyprus

Limassol,
29th June 2026

Panbet Curacao N.V.**Statement of Comprehensive Income**
Year ended 31 December 2025

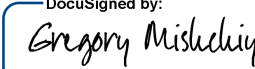
	Note	2025 €	2024 €
Amounts wagered		900,931,204	887,632,056
Revenue		35,537,465	36,027,500
Direct costs	4	(16,838,968)	(16,475,107)
		18,698,497	19,552,393
Marketing and advertising expenses		(875)	(116,025)
Other operating and administrative expenses	5	(20,255,684)	(22,434,695)
Operating (loss)		(1,558,062)	(2,998,327)
Financial income / (expense),net		37,565	53,807
(Loss) before taxation	6	(1,520,497)	(2,944,520)
Tax	7	(15,889)	(14,477)
(Loss) for the year		(1,536,386)	(2,958,997)
Other comprehensive income		-	-
Total comprehensive (loss) for the year		(1,536,386)	(2,958,997)

The notes on pages 11 to 33 form part of these financial statements.

Panbet Curacao N.V.**Statement of Financial Position
31 December 2025**

	Note	2025 €	2024 €
ASSETS			
Intangible assets	8	9,141	-
Total non-current assets		9,141	-
Trade and other receivables	9	3,210,224	4,386,835
Cash and cash equivalents	10	4,357,299	3,804,693
Total current assets		7,567,523	8,191,528
Total assets		7,576,664	8,191,528
EQUITY AND LIABILITIES			
Share capital	14	5,558	4,803
Retained earnings		(11,197,255)	((9,660,869))
Total equity		(11,191,697)	(9,656,066)
Trade and other payables	11	5,896,801	5,740,248
Derivative financial instruments	13	57,338	195,425
Total current liabilities		5,954,139	5,935,673
Trade and other payables	11	12,814,223	11,911,921
Long-term liabilities		12,814,223	11,911,921
Total liabilities		18,768,362	17,847,594
Total equity and liabilities		7,576,665	8,191,528

The financial statements were approved and authorised for issue by the Board on 29th June 2026 and signed on its behalf by:

DocuSigned by:

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Director
G. Mishchiy

Signed by:

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Director
Local Partners B.V

The notes on pages 11 to 33 form part of these financial statements.

Panbet Curacao N.V.**Statement of Changes in Equity**
Year ended 31 December 2025

	Share capital €	Retained earnings €	Total Equity €
At 1 January 2024	4,803	(6,701,872)	(6,697,069)
Loss for the year	-	(2,958,997)	(2,958,997)
At 31 December 2024	4,803	(9,660,869)	(9,656,066)
Loss for the year	-	(1,536,386)	(1,536,386)
Other	755	-	755
At 31 December 2025	5,558	(11,197,255)	(11,191,697)

The notes on pages 11 to 33 form part of these financial statements.

Panbet Curacao N.V.**Cash Flow Statement
Year ended 31 December 2025**

	Note	2025 €	2024 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(1,536,386)	(2,944,520)
Adjustments for:			
Depreciation and amortisation		3,047	-
Change in fair value of open bets		(138,087)	109,998
Interests received		(82,451)	(97,125)
Provision for impairment of cash at bank and payment		-	530,000
Other		755	-
Operating cash flows before movements in working capital		(1,753,122)	(2,401,647)
Increase in trade payables and accruals		1,058,854	3,063,783
Decrease/ (increase) in trade and other receivables		1,259,062	(689,459)
Cash flows generated / (used in) operations		564,794	(27,323)
Net cash incomes / (outflows) from operating activities		564,794	(27,323)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of intangible assets		(12,188)	-
Net cash (outflows) from operating activities		(12,188)	-
Provision for impairment of cash at bank and payment		-	(530,000)
Net increase / (decrease) in cash and cash equivalents		552,606	(557,323)
Cash and cash equivalents at the beginning of the year		3,804,693	4,362,016
Cash and cash equivalents at the year end		4,357,299	3,804,693

The notes on pages 11 to 33 form part of these financial statements.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

1. General Information

Panbet Curacao N.V. ("the Company") provides sports betting services and online casino and other gaming services.

The Company is a private limited company incorporated in Curacao. The address of the registered office is Hoogstraat 18, Willemstad, Curacao.

The ultimate controlling party is Mr. Valentin Gurvits.

2. Material Accounting Policies

The standalone financial statements are presented in accordance with IFRS Accounting Standards. The company will also issue audited consolidated financial statements for the year ended 31 December 2025.

IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards;
- IAS Standards; and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

Accounting convention and going concern

The financial statements, which are expressed in Euros, have been prepared under the historical cost convention as modified by the fair valuation of derivative financial instruments as explained in the accounting policies below. Historical cost is generally based on the fair value of consideration given in exchange for assets.

The following material accounting policies were adopted by the Company and applied consistently and are those that are considered significant or material for the financial results and for the presentation of the financial statements.

Going concern

The Company incurred a loss of €1,536,386 for the year ended 31 December 2025 and, as of that date the Company's total liabilities exceeded its total assets by €11,191,697.

The directors have undertaken a review of the future prospects of the Company taking into account its current position and principal risks. This review considered both the Company's prospects and also its ability to continue in operation and to meet its liabilities and other financial commitments as they fall due over the 12 month period following approval of these financial statements. Based on this review, which identified various mitigation strategies and included financial projections, the directors have a reasonable expectation that the Company have adequate resources and support to continue in operation for at least 12 months from the date of approval of these financial statements.

The directors' assessment considers the following factors:

- The Company is expected to be profitable in 2026 and generate positive cash flows from operations
- The Company's ultimate beneficial owner has expressed the intention to provide all necessary financial support to enable the Company to continue as a going concern for at least 12 months from the signing of these financial statements.

As a result, the directors continue to adopt the going concern basis in preparing the financial statements.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (continued)

Application of new standards, interpretations and amendments of existing standards

In preparing the financial statements for the current period, the Company has adopted the following new IFRS's, amendments to IFRS's and IFRS Interpretations Committee (IFRIC) Interpretations. These standards do not have a significant impact on the results or net assets of the Company.

Standards and amendments to existing standards early adopted

The Company has not early adopted any standards for the year ended 31 December 2025.

Standards and amendments to existing standards effective on or after 1 January 2025 adopted by the Company:

The Company adopted all the new and revised IFRS Accounting Standards when they became effective in the EU for reporting period beginning on 1 January 2025:

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The adoption of these amendments had no effect on the financial statements of the Company.

New standards, amendments and interpretations that are not effective for the year ended 31 December 2025:

On the date of approval of these financial statements, the following standards and amendments have been issued by the International Accounting Standards Board (IASB) but were not yet effective:

a. Standards and amendments that are not effective for the year ended 31 December 2025 and have been endorsed by the European Union.

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	Effective for annual periods beginning on or after 1 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	Effective for annual periods beginning on or after 1 January 2026
Annual Improvements to IFRS Accounting Standards (Volume 11)	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, IFRS 13 and IAS 7	Effective for annual periods beginning on or after 1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	Effective for annual periods beginning on or after 1 January 2026

The Board of Directors does not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Company in future periods except for IFRS 18. Management is assessing the impact of this standard on the separate financial statements.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (continued)

b. Standards and amendments that have not been endorsed by the European Union.

IFRS 14	Regulatory Deferral Accounts	The European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard
IFRS 19	Subsidiaries without Public Accountability: Disclosures	Effective for annual periods beginning on or after 1 January 2027
Amendments to IFRS 19	Subsidiaries without Public Accountability: Disclosures	Effective for annual periods beginning on or after 1 January 2027
Amendments to IAS 21	The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	Effective for annual periods beginning on or after 1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The effective date is postponed indefinitely pending the outcome of IASB's research project on the equity method of accounting

The Board of Directors does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

Revenue recognition

Recognition and measurement

Revenue represents the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised services to the customer, excluding amounts collected on behalf of third parties (for example, value added taxes); the transaction price. The Company includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Company's experience with similar contracts and forecasted sales to the customer.

The Company recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Company can identify each party's rights and the payment terms for the services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Company's future cash flows is expected to change as a result of the contract), it is probable that the Company will collect the consideration to which it will be entitled in exchange for the services that will be transferred to the customer and when specific criteria have been met for each of the Company's contracts with customers.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (continued)

Revenue recognition (continued)

The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. In evaluating whether collectability of an amount of consideration is probable, the Company considers only the customer's ability and intention to pay that amount of consideration when it is due.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates are reflected in the statement of profit or loss and other comprehensive income in the period in which the circumstances that give rise to the revision become known by management.

Identification of performance obligations

The Company assesses whether contracts that involve the provision of a range of services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand alone selling price. A service that is promised to a customer is distinct if the customer can benefit from the service, either on its own or together with other resources that are readily available to the customer (that is the service is capable of being distinct) and the Company's promise to transfer the service to the customer is separately identifiable from other promises in the contract (that is, the service is distinct within the context of the contract).

Revenues earned by the Company are recognised on the following bases:

- Fixed-odds betting

Amounts staked comprises of the gross takings received from customers in respect of the betting activities and does not represent the Company's revenue. Revenue is recognised as the net win or loss on an event, net of betting tax. Open betting positions, which are accounted for as derivative financial instruments, are carried at fair value and gains and losses arising on these positions are recognised in revenue. Odds betting is outside IFRS 15 and is recognised in accordance to IFRS 9.

- Other wagers

Casino and other games of chance are identified as separate performance obligations giving the right for the customer to provide tries in the game of chance. Performance obligations are fulfilled when the customer tries in a game of chance. Revenue is recognised immediately after the game's end as the result of the game is known. Any open betting positions are accounted for as derivate accounting instruments measured at fair value with gains or losses arising on these positions recognised in the income statement. This is accounted for in accordance with IFRS 9.

Interest income/expense

For all financial instruments measured at amortised cost, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts based on the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income / expense is included in finance income / costs in the statement of profit or loss.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (continued)

Foreign currencies

The individual financial statements of each entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the financial statements, the financial statements of each entity are expressed in Euro, which is the functional and presentation currency of the financial statements.

Transactions in currencies other than the functional currency (foreign currencies) are translated into the functional currency at exchange rates which approximate those applicable at transaction dates. Foreign currency monetary assets and liabilities at the statement of financial position date are translated into the functional currency at exchange rates ruling at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the statement of comprehensive income.

Taxation

Income tax represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Panbet Curacao N.V.

Notes to the Financial Statements
For the year ended 31 December 2025

2. Material Accounting Policies (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current is also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property plant and equipment are carried at cost or deemed cost (fair value on acquisition through business combination) less accumulated depreciation and impairment provisions.

Acquisition cost includes the purchase price plus other costs related to acquisition, such as freight, postage, duties, commissions, interest on investment loans recorded before the tangible assets are capitalised or before they are put into use.

The costs of expansion, modernization, or improvements leading to increased productivity, capacity or efficiency are capitalised. Maintenance and repair expenses are expensed as incurred. Where the carrying amount of an asset is greater than the amount that it is estimated to be recoverable, it is written down to its recoverable amount.

The Company depreciates its property, plant and equipment on a straight line basis in order to write off the cost of each asset less the estimated residual value over its estimated useful life as follows:

Fixture and fittings	33% straight line basis
Computers and equipment	33% straight line basis

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (continued)

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial assets and financial liabilities

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 to be classified 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, 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 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 FVOCI.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (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 recognized 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 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.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in 'other income'. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income. Financial assets measured at amortised cost comprise: cash and cash equivalents, bank deposits with original maturity over 3 months, trade receivables and financial assets at amortised cost.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses).

FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss in the period in which it arises.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (continued)

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment, any related balance within the FVOCI reserve is reclassified to retained earnings. The Company's policy is to designate equity investments as FVOCI when those investments are held for strategic purposes other than solely to generate investment returns. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit or loss and other comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

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 amortized cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. 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. Debt instruments measured at amortized 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. Expected losses are recognized and measured according to one of two approaches: general approach or simplified approach.

For trade receivables including trade receivables with a significant financing component and contract assets and lease receivables the Company applies the simplified approach permitted by IFRS 9, which uses lifetime expected losses to be recognised from initial recognition of the financial assets. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other financial asset 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.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (continued)

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

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 month 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"). 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.

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.

Financial assets - Modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (continued)

Financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. These 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.

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.

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Derivative Financial Instruments

Sports betting open bets are carried at fair value as they meet the definition of a derivative and are included within financial liabilities. Gains and losses on the revaluation of such bets are included in revenue.

Trade payables and accruals

Trade payables are initially measured at fair value, being the invoiced amount and subsequently measured at amortised cost using the effective interest method. Liabilities are recognised for amounts to be paid in the future for goods and services received regardless of whether or not they have been invoiced by the supplier.

Provisions and contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the obligation can be reliably estimated.

Share capital

Ordinary shares issued are classified as equity if they are entitled to a residual interest in the assets of the Company after deducting its liabilities. They are recognised at the proceeds received net of direct issue costs.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

2. Material Accounting Policies (continued)

Dividend distribution

Proposed dividends are recognised as liability in the financial statements in the period in which are approved by the shareholders. Any interim dividends approved for distribution by the Board of Directors are recognised within equity in the period in which the decision is made.

Dividend distributed in the form of non-cash assets are measured at the fair value of the net assets to be distributed. The difference between the dividend paid and the carrying amount of the net assets distributed is recognized in the statement of comprehensive income.

Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

3. Critical accounting estimates, judgments and sources of estimation uncertainty

In the application of the Company's accounting policies management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered relevant. Actual results might differ from these estimates.

The following are the critical judgements made by management in the process of applying accounting policies as well as the key sources of estimation uncertainty that have significant risk of causing material adjustment to the carrying amounts of the assets and liabilities.

Taxes and levies related to Betting

The Company have provided for and made its best estimates of taxes due as at the reporting date. However, due to the involvement in gambling sector with dynamical regulatory landscape and tax regime operational entities of the Company remain open to challenge by relevant tax authorities. Should a tax authority challenge the tax position of the Company, a material adjustment to the carrying amounts of assets and liabilities within the next financial year may result.

Income taxes

The Company is tax resident in Curacao and is subject to income taxes in Curacao. Significant judgment is required in determining the applicable worldwide provision for income and other applicable betting taxes, especially upon changes in regulations. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such determination is made.

Impairment losses on loan and other receivables from related parties

The Company reviews its loan and other receivables from related parties to assess whether there is an impairment risk. In accordance with IFRS 9 "Financial Instruments", the Company has performed an exercise to estimate expected future credit losses (ECL) based on prospective view.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

3. Critical accounting estimates, judgments and sources of estimation uncertainty (continued)

When measuring ECL, the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Betting transactions

Betting transactions are measured at the fair value of the consideration received or paid. This is usually the nominal amount of the consideration; however, in relation to unresolved bets for sports betting and lottery, the fair value is estimated in accordance with IFRS 9 using valuation and probability techniques, taking into account the probability of the future win.

Panbet Curacao N.V.**Notes to the Financial Statements
For the year ended 31 December 2025****4. Direct Costs**

	2025	2024
	€	€
Sports analysis and sports data costs	-	73,415
Direct costs of online casino and bingo products	339,336	425,077
Payment processing charges	12,590,104	12,279,088
Royalties charge (note 15.2)	1	1,551,887
Other direct costs, including duties and levies	3,909,527	2,145,640
	<u>16,838,968</u>	<u>16,475,107</u>

5. Other operating and administrative expenses

	2025	2024
	€	€
Technical and support services	447,289	1,053,284
Other operating expenses	19,808,395	20,851,411
Provision for impairment of cash at bank and payment	-	530,000
	<u>20,255,684</u>	<u>22,434,695</u>

(i) The expense includes recharges from fellow subsidiaries for marketing, IT and other services in the amount of €19,707,936 (2024: €21,935,673) (note 15.2).

6. Loss before taxation

	2025	2024
	€	€
Profit before tax is after charging:		
Amortization of software	3,047	-
Foreign currency (gains)	(21,934)	(90,347)
Provision for impairment of cash at bank and payment	121,590	530,000
Auditors' remuneration	68,000	68,600
	<u>68,000</u>	<u>68,600</u>

7. Tax

	2025	2024
	€	€
Corporation Income Tax	-	-
Withholding Tax on income from overseas	15,889	14,477
	<u>15,889</u>	<u>14,477</u>

Panbet Curacao N.V. has a territorial tax basis for the corporation tax calculations: the apportionment of income between domestic and foreign sources is based on the ratio of domestic to total direct expenses.

The Company is paying withholding tax on interest income received from its fellow subsidiaries.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

8. Intangible assets

Cost	Software €
At 1 January 2024	-
At 31 December 2024	-
Additions	12,188
At 31 December 2025	12,188
Amortization	
At 1 January 2024	-
At 31 December 2024	-
Charge for the year	3,047
At 31 December 2025	3,047
Net book value	
At 31 December 2024	-
At 31 December 2025	9,141

9. Trade and other receivables

	2025 €	2024 €
Amounts owed by group undertakings (note 15.3)	3,127,991	4,326,528
Corporate tax receivable	47,001	47,001
Prepayments and accrued income	35,232	13,306
	<u>3,210,224</u>	<u>4,386,835</u>

(i) The fair value of trade and other receivables due within one year approximate to their carrying amounts as presented above.

10. Cash and cash equivalents

	2025 €	2024 €
Cash at bank and at payment systems (i)	4,478,889	4,334,693
Provision for impairment of cash at bank and payment systems (ii)	(121,590)	(530,000)
	<u>4,357,299</u>	<u>3,804,693</u>

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

10. Cash and cash equivalents (continued)

- (i) Cash at bank and at payment systems include funds that are designated by the Company to meet amounts due to customers (note 11).
- (ii) The Company assessed the credit risk on its cash at bank balances and payment service providers in accordance with IFRS 9. Based on this assessment, a provision of €121,590 was recognised to reflect potential credit losses from these institutions. Furthermore, an amount of €408,410 was fully written off during the year and thus provision was reduced to €121,590.
- (iii) The fair value of cash at bank and at payment systems due within one year approximate to their carrying amount as presented above.

11. Trade and other payables

	2025	2024
	€	€
Amounts due to customers (i)	2,634,091	2,632,391
Other payables (ii)	45,500	147,190
Amounts owed to group undertakings (note 15.4)	13,655,594	12,758,480
Other provisions and accruals (iii)	2,375,839	2,114,108
	<u>18,711,024</u>	<u>17,652,169</u>

Broken down into:

	2025	2024
	€	€
Short-Term trade and other payables	5,896,801	5,740,248
Long-Term trade and other payables	12,814,223	11,911,921
	<u>18,711,024</u>	<u>17,652,169</u>

- (i) Amounts due to customers represent funds held by customers in their Marathonbet customer accounts.
- (ii) Other payables mainly comprise of payables to direct costs and withholding tax payable.
- (iii) Other provisions and accruals mainly comprise of total jackpot accrual for an amount of €1,766,505 (2024: €1,417,243), dormant account balances for an amount of €496,136 (2024: €567,919), accruals for network and other direct costs for an amount of €10,652 (2024: €70,321), and various other accruals an amount of €102,546 (2024: €58,625).
- (iv) The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

12. Financial risk management

The Company's activities expose them to a variety of financial risks. Financial risk management is carried out by the Board of Directors. The principal financial risks comprise liquidity risk, financing risk, credit risk and currency risk.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's interest rate risk arises from loans received/provided from/to fellow subsidiaries and its parent. The loans are granted at fixed rates and expose the Company to fair value interest rate risk. The directors are of the opinion that the Company is not exposed to significant interest rate risk.

The management monitors interest rate fluctuations on a continuous basis and ensures that loan received/provided from/to fellow subsidiaries and its parent are agreed at market rates. At the reporting date, the interest rate profile of interest-bearing financial instruments was as follows:

Fixed rate instruments	2025	2024
	€	€
Marathonbet Spain S.A.	2,431,668	2,215,184
Marathonbet Italy S.R.L.	-	1,057,816
ISG Limited	-	(320,711)
	2,431,668	2,952,289

Liquidity risk

Liquidity risk is the risk that the Company has insufficient funds available to settle debts as they fall due. The Company's business generates strong cash flows which are retained in cash balances in the business to the full extent necessary to meet its anticipated working capital requirements including its obligations to customers in respect of deposits received and customer winnings.

The following are the contractual financial liabilities at 31 December, all of which are repayable within six months:

	2025	2024
	€	€
Trade and other payables	18,711,024	17,652,169
Sports betting open positions	57,338	195,425
	18,768,362	17,847,594

Panbet Curacao N.V.

12. Financial risk management (continued)

Capital management and financing risk

The Company seeks to maintain an appropriate capital structure which enables it to continue as a going concern. The Company's capital comprises principally equity derived from retained earnings or funding arrangements made available by its shareholder from time to time.

Credit risk

Credit risk arises when a failure of a counterparty to discharge its obligations could reduce the amount of future inflows from financial assets held on statement of financial position.

The Company is exposed to risk primarily in relation to loan receivables from related companies, deposits held by regulated financial institutions and monies in the hands of payment processors.

Maximum exposure

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at 31 December was:

	2025	2024
	€	€
Owing by group companies	3,127,991	4,326,528
Corporation tax receivable	47,001	47,001
Cash at bank and payment systems	4,357,299	3,804,693
	<u>7,532,291</u>	<u>8,178,222</u>

Management of risk

Financial institutions and payment processors

The Company mitigate its credit risk by conducting initial due diligence on relevant financial institutions and payment processors and by subsequent close monitoring of the limits of deposits and other monies held by them. Whilst the Company is exposed to credit risk, these are held with a significant number of counterparties with a range of credit ratings.

Transactions with clients

In relation to its core business substance, the Company's exposure to credit risk is limited since all of its sales are carried out on the basis of prepayments made by customers. A marginal part of the prepayments is executed with the use of credit cards, where management adopts monitoring and credit control policy which minimises any credit risk exposure.

Loan receivable from related parties

The Company has concentration of credit risk from loans receivable from related parties (note 15.3).

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

12. Financial risk management (continued)

Impairment analysis / ECL model

Regarding impairment analysis, for 2025, the Company applied the ECL model in accordance with IFRS 9 regarding intergroup receivables, related party balances and cash at banks by using forward looking information. The Company measures ECL determined by evaluating a range of possible outcomes including the possibility that a credit loss occurs and recovery action plans. The possibility of the credit loss occurring (PD) has been estimated by using reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions. The Company has also used publicly available information from rating agencies.

Currency risk

The Company earns revenues in foreign currencies which exposes it to foreign currency exchange risk. The Company mitigates this risk by attempting to incur costs in currencies matching its revenues. Any remaining foreign currency exposure is not considered to be material.

The carrying amounts of the Company's main foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

Assets

	2025 €	2024 €
Russian Rubles	977,741	1,537,746
United States Dollars	1,729,844	1,436,395
British Pounds	195,460	9,693

Liabilities

	2025 €	2024 €
Russian Rubles	(1,043,162)	(836,395)
United States Dollars	(716,873)	(975,739)
British Pounds	(7,255)	(8,144)

Net exposure

	2025 €	2024 €
Russian Rubles	(65,421)	701,351
United States Dollars	1,012,971	460,656
British Pounds	188,204	1,549

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

12. Financial risk management (continued)

The carrying value of the Company's financial instruments by category is analysed as follows:

	2025	2024
	€	€
Trade and other receivables	3,174,992	4,373,529
Cash and cash equivalents	4,357,299	3,804,693
Total financial assets	<u>7,532,291</u>	<u>8,178,222</u>
Fair value through Profit or Loss open sports bets	57,338	195,425
Trade and other payables	16,335,185	15,538,061
Total financial liabilities	<u>16,392,523</u>	<u>15,733,486</u>

The fair value hierarchy (as defined in IFRS 13) of the Company's financial instruments carried at fair value was as follows:

	Level 3
	€
Liabilities held at fair value	
At 31 December 2025	
Open sports bets	<u>57,338</u>
At 31 December 2024	
Open sports bets	<u>195,425</u>

Open sports bets are valued using methods and inputs that are not observable market data and all fair value movements on the balance are recognised in revenue in the income statement. There are no reasonably possible changes to assumptions or inputs that would lead to material changes in the fair value determined, although the final value will be determined by future sporting results. The principal assumptions relate to anticipated gross win margins on unsettled bets.

13. Derivative financial instruments

	2025	2024
	€	€
Open sports betting liabilities	<u>57,338</u>	<u>195,425</u>

Open sports betting liabilities are a liability from an open position at the year end and are classified as current liabilities.

Panbet Curacao N.V.

Notes to the Financial Statements
For the year ended 31 December 2025

14. Share capital

	2025	2024
	€	€
Authorised, allotted and fully paid		
6,000 ordinary shares of \$1 each	5,558	4,803

On 9 April 2025, the Company's shares (100% of shares) were sold 100% by Marathon Alderney Limited to the to its parent company, FUND97 LTD, for the nominal value of shares in the amount of USD 6,000.

15. Contingent liability

The Company operates across a number of jurisdictions and continues to be exposed to challenge by a number of different tax authorities as to its tax status and liability to taxes, both direct and indirect, in those jurisdictions.

By reason of the nature of its international online gambling and gaming activities, there is always the possibility of a challenge being raised by a relevant tax authority in respect of the Company and its operations in all relevant periods up to 31 December 2025. Any successful challenge could result in the tax charge and operating expenses and financial liabilities in the financial statements being materially understated. It is not practicable to estimate the financial effect and timing of any possible economic outflow were a contingent liability to be realised, as it is not possible to foresee the precise nature and extent of any tax authority challenge and whether such challenge would ultimately be successful.

As part of the Board's ongoing regulatory compliance and operational risk assessment process, it continues to monitor legal and regulatory developments, and their potential impact on the business, and continues to take appropriate advice in respect of these developments. Given the nature of the legal and regulatory landscape of the industry, from time to time the Company might receive notices and communications from regulatory authorities. The Company is furthermore subject to regular compliance assessments of its licensed activities, according to practices of the regulator. The Company's policy is to engage in dialogue with regulators and address any concerns raised in such assessments, to work cooperatively with the regulator and to take action to address any concerns raised as part of the assessment as soon as possible. For matters where an outflow of funds is probable and can be measured reliably, amounts are recognised in the financial statements.

Given the nature of the legal and regulatory landscape of the industry, from time to time the Company has received notices or legal actions from a small number of its betting clients. The Company has taken legal advice as to the manner in which it should respond and the likelihood of success of such actions. Based on this advice and the nature of the actions, for the majority of these matters the Board is unable to quantify reliably the outflow of funds that may result, if any. For matters where an outflow of funds is probable and can be measured reliably, amounts have been recognised in the financial statements within Provisions. These amounts are not material and thus no provision is recognised as at 31 December 2025.

Panbet Curacao N.V.

Notes to the Financial Statements For the year ended 31 December 2025

15. Related party balances and transactions

15.1 Interest income from fellow subsidiaries and parent company

<u>Name</u>	2025 €	2024 €
Marathonbet Spain S.A.	65,147	42,478
Marathonbet Italy S.R.L.	13,506	24,641
FUND97 LTD	3,798	30,006
	82,451	97,125

15.2 Intercompany expenses and charges with fellow subsidiaries

<u>Name</u>	<u>Nature of transactions</u>	2025 €	2024 €
Marathon Alderney Limited	Marketing and e-gaming services	578,625	953,904
Marathonbet Italy S.R.L.	Write off of balance	1,101,194	-
Panserve Spain S.A.	Recharges for services	1,226,868	1,124,620
Arbor L.K. LTD	Recharges for services	819,625	-
YSolution Limited	Royalties charge	1	1,551,887
Interactive Affiliates Guernsey Limited	Recharges for affiliate marketing	6,992,021	3,277,603
Codellon Limited	Recharges for services	2,735,624	2,325,682
ISG Limited	Recharges for services	7,112,137	12,226,206
ISG Limited	Interest expense	962	56,315
Panserve Limited	Recharges for services	2,784,721	2,922,853
Revando Limited	Recharges for services	83,433	2,394
		23,435,211	24,441,464

- (i) Intercompany expenses and charges with fellow subsidiaries included in direct cost €3,493,800 (2024: €2,505,791), in other operating and administrative expenses €19,707,936 (2024: €21,935,673) and in other expenses €233,475 (2024: €0).

15.3 Amounts owed by group undertakings

<u>Name</u>	<u>Nature of transactions</u>	2025 €	2024 €
Marathonbet Spain S.A. (i)	Loan Receivable	2,431,668	2,215,184
Marathonbet Italy S.R.L. (ii)	Loan Receivable	-	1,057,816
Panserve Limited	Advances for services	42,887	-
Panserve Spain S.A.	Advances for services	184,054	415,579
Marathon Alderney Limited	Trade Receivable	26,060	-
Codellon Limited	Advances for services	443,322	637,949
		3,127,991	4,326,528

- (i) The loans due from fellow subsidiary is unsecured, denominated in EURO, repayable on demand and carry interest rate of 3%.
- (ii) The loans due from fellow subsidiary is unsecured, denominated in EURO, repayable on demand and carry interest rate of 3%. On 31 March 2025, the Company's management decided to a write off a loan to Marathonbet Italy S.R.L which totals €1,101,194.

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Notes to the Financial Statements For the year ended 31 December 2025

15. Related party balances and transactions (continued)

15.4 Amounts owed to Group Undertakings

<u>Name</u>	<u>Nature of transactions</u>	2025 €	2024 €
Panserve Limited	Trade Payable	-	238,569
ISG Limited (i)	Trade Payable	9,752,484	8,480,672
ISG Limited	Loan Payable	-	320,711
Revando Limited	Trade Payable	167,798	130,468
FUND97 LTD	Trade Payable	400,000	-
Arbor L.K. LTD	Trade Payable	24,258	-
Panserve Spain S.A.	Trade Payable	27,343	-
Marathon Alderney	Dividends Payable	-	52,190
Interactive Affiliates Guernsey Limited	Trade Payable	221,972	425,332
YSolution Limited (i)	Royalties Payable	3,061,739	3,110,538
		13,655,594	12,758,480

(i) The payables to the fellow subsidiaries are classified as non-current because it has been agreed that the Company will settle the balance once it has the necessary financial resources, which is expected to be at least 12 months from year end 31 December 2025.

Parent company, ultimate parent company and controlling party

The parent company is FUND97 LTD which is registered in Cyprus.
The controlling party of FUND97 LTD is Mr. Valentin David Gurvits.

16. Events after the balance sheet date

During 2026, the receivable due from Marathonbet Spain S.A., with a carrying amount of €2,431,668 as at 31 December 2025, was assigned to the parent company, FUND97 LTD.

There were no other material events after the reporting period, which have a bearing on the understanding of the financial statements.