

Nexus Group Enterprises N.V. financial statement 2023

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Management report

Nexus Group Enterprises N.V.
To the shareholders

Curaçao, 2024-06-22

Re: Financial statement 2023

Dear Sirs,

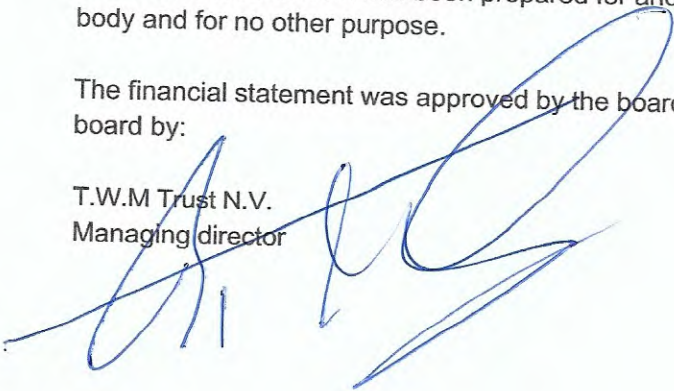
In conformity with the articles of incorporation of the company, we hereby present the financial statement to the general meeting of shareholders.

We have processed all of the accounting information. In our opinion this was done in a competent way. As a result hereof, the balance sheet and the profit and loss statement were compiled.

The financial statement has been prepared for and only for the company's members as a body and for no other purpose.

The financial statement was approved by the board of directors and signed on behalf of the board by:

T.W.M Trust N.V.
Managing director



General information

Incorporation

The company was incorporated under the laws of Curaçao on April 21st, 2016 as a private company with limited liability.

Registered office

The company's registered office is at Heelsumstraat 51, Unit B-03 E-Commerce Park, Willemstad, Curaçao.

Chamber of Commerce

The company is registered with the Chamber of Commerce under number 139781.

Board of directors

The board of directors consist of T.W.M. Trust N.V.

Principal activities

The company engaged in online gambling activities and in the provision of advertising services.

Reporting year

The reporting year started on January 1st, 2023 and ended on December 31st, 2023.

Reporting currency

The company has chosen to use the Euro (€) as its reporting currency.

Financial statement

Balance sheet (assets)

<u>Assets</u>	2023	2022
Fixed assets		
Intangible assets	€ 359.995	€ 403.632
Tangible assets	€ -	€ -
Financial assets	€ 20.019	€ 20.019
	€ 380.014	€ 423.651
Current assets		
Accounts receivable	€ -	€ -
Current accounts receivable	€ -	€ -
Other receivables and prepaid income	€ 94.083	€ 83.546
	€ 94.083	€ 83.546
Cash and cash equivalents	€ 868.378	€ 3.806.794
Total assets	€ 1.342.475	€ 4.313.991

Balance sheet (equity and liabilities)

<u>Equity and liabilities</u>	2023	2022
Equity		
Issued share capital	€ 8	€ 8
Share premium	€ 49.998	€ 49.998
Other reserves	€ 2.013.154	€ (3.885.564)
Correction previous years	€ (900.002)	€ -
Result current year	(€ 885.342)	€ 5.898.718
	€ 277.816	€ 2.063.159
Long term liabilities	€ -	€ -
Current liabilities		
Accounts payable	€ 215.580	€ 259.316
Current accounts payable	€ -	€ -
Taxes	€ -	€ -
Other liabilities and accrued expenses	€ 849.079	€ 1.991.516
	€ 1.064.659	€ 2.250.831
Total equity and liabilities	€ 1.342.475	€ 4.313.991

Profit and loss statement

	2023	2022
Income	€ 10.835.741	€24.345.284
Expenses		
Amortization of fixed assets	€ 43.637	€ 17.904
Operating expenses	€ 11.027.003	€ 18.172.100
	€ 11.070.640	€ 18.190.005
Operating result	(€234.899)	€ 6.155.279
Financial income and expenses	€ (646.798)	€ (254.900)
Result before taxation	(€ 881.697)	€ 5.900.379
Corporate income tax	(€ 3.645)	((€ 1.661)
Net result	(€885.342)	€ 5.898.718

Notes to the financial statement

General accounting principles

The financial statement is prepared in accordance with applicable local accounting standards.

Income and expenses are accounted for on an accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statement.

Continuity

The financial statement is prepared based on a going concern basis. The going concern basis of the presentation assumes that the company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The company's management is of the opinion, that the company's shareholder will give the necessary support in case the assumption above mentioned is not realized. Consequently the company has applied accounting principles based on a going concern basis.

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rate prevailing at balance sheet date.

Transactions in foreign currency during the financial year are recognized in the financial statement at the exchange rate prevailing at transaction date. The exchange differences resulting from the translation as at balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss statement.

Accounting policies in respect of the valuation of assets and liabilities

General

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention, unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model.

Financial fixed assets

Where significant influence is exercised, associated companies are valued under the net asset value method, but no lower than an nil value. This net asset value is based on the same accounting principles as applied by the company.

Associated companies with negative net equity value are valued at nil. If the company fully or partially guarantees the liabilities of the associated company concerned, or has the effective obligation respectively to enable the associated company to pay its (share of the) liabilities, a provision is formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from associated companies are taken into account.

Where no significant influence is exercised associated companies are valued at cost and if applicable less impairments in value.

Accounts receivable

Upon initial recognition of the receivables are valued at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. The provisions are determined by individual assessment of the receivables.

Equity

Financial instruments are classified as equity, if they have the substance of equity instruments; the legal form is of no consequence.

Current liabilities

Upon initial recognition, current liabilities are stated at fair value and then valued at amortized cost.

Accounting policies in respect of determination of the result

Turnover

Turnover represents amounts invoiced for services during the financial year reported on, net of discounts and value added taxes. Revenues from services are recognized in proportion to the services rendered. The cost price of these services are allocated to the same period.

Other operating expenses

Costs are taken into account under the historical cost convention and allocated to the period concerned.

Financial income and expenses

Financial income and expenses consist of interest received from or paid to third parties.

Corporate income tax

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statement and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realization is likely.

Notes to the balance sheet (assets)

<u>Intangible assets</u>	<u>2023</u>	<u>2022</u>
Investment	€ 450.000	€ 450.000
Amortization	€ (90.005)	€ (46.368)
	€ 359.995	€ 403.632
<u>Financial assets</u>	<u>2023</u>	<u>2022</u>
Indirect investment to partner company	€ 20.019	€ 20.019
<u>Other receivables and prepaid income</u>	<u>2022</u>	<u>2022</u>
Prepayments	€ 90.942	€ 80.576
Jackpot progressive account	€ 3.135	€ 2.964
Other current assets	€ 6	€ 6
	€ 94.083	€ 83.546
<u>Cash and cash equivalents</u>	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	€ 868.378	€ 3.806.795
Money in transit	€ -	€ -
	€ 868.378	€ 3.806.795

Notes to the balance sheet (equity and liabilities)

<u>Issued share capital</u>	<u>2023</u>	<u>2022</u>
Eight (8) shares of one United State Dollars (\$ 1) each	€ 8	€ 8

<u>Other reserves</u>	<u>2023</u>	<u>2022</u>
Opening balance	(€ 3.885.564)	(€ 7.270.733)
Result previous year	€ 5.898.718	€ 8.340.827
Dividend declared	€ -	€ (4.588.536)
Correction of previous years	€ (900.002)	€ (367.122)
	€ 1.113.152	(€ 3.885.564)

<u>Accounts payable</u>	<u>2023</u>	<u>2022</u>
Trade and other payables	€ 215.580	€ 609.049

<u>Other liabilities and accrued expenses</u>	<u>2023</u>	<u>2022</u>
Liabilities to users	€ 215.630	€ 432.873
Liabilities to affiliates	€ 272.526	€ 896.244
Dividends payable	€ 260.500	€ 238.000
Unexplained receipt	€ 4.888	€ 1.965
Pending withdrawals	€ 59.535	€ 72.701
	€ 849.078	€ 1.641.783

Notes to the profit and loss statement

<u>Income</u>	<u>2023</u>	<u>2022</u>
GGR (unadjusted)	€ 10.449.709	€ 22.144.327
Income/expense from adjustments	€ -	€ 2.200.957
Other non-operating income	€ 386.032	€ 406.523
	<u>€ 10.835.741</u>	<u>€ 24.751.807</u>
<u>Amortization of fixed assets</u>	<u>2023</u>	<u>2022</u>
Amortization current year	€ 43.637	€ 17.904
<u>Operating expenses</u>	<u>2023</u>	<u>2022</u>
Provider expenses	€ 2.441.102	€ 4.198.789
Promotions	€ 3.600.210	€ 4.354.799
Marketing expenses	€ 1.780.473	€ 6.339.111
Gaming license	€ 27.428	€ 21.942
Software and support	€ 79.591	€ 99.776
Communications	-	-
IT & computer accessories	€ 44.652	€ 39.197
Consultation service fee	€ 56.138	€ 63.746
Bank fees	€ 211.046	€ 266.398
Service fee for wallets	€ 13.847	€ 15.587
Commission due to payment in crypto currency	-	-
General and administrative expenses	€ 2.771.071	€ 2.771.428
Training expenses	€ -	€ 800
Tax fines and penalties	-	-
Other operating expenses	€ -	€ 512
Other non-operating losses	€ 1.448	€ 8.782
Differences	€ -	€ 1
	<u>€ 11.027.004</u>	<u>€ 18.180.868</u>

Notes to the profit and loss statement

<u>Financial income and expenses</u>	<u>2023</u>	<u>2022</u>
Exchange differences	€ (646.745)	€ (652.461)
Interest expense	€ (53)	€ (15)
	<u>€ (646.798)</u>	<u>€ (652.476)</u>
<u>Corporate income tax</u>	<u>2023</u>	<u>2022</u>
Profit tax	(€ 3.645)	(€ 1.661)

Other information

Statutory provision regarding appropriation of result

In the articles of incorporation it states that the profit shall be at free disposal of the general meeting of shareholders. Any distribution of the profit shall be made after the approval of the financial statement. Consequently the following has been presented concerning the appropriation of the result.

Appropriation of the result

The management of the company propose to appropriate the result as follows:

The result for the financial year will be added to the other reserves.

This proposal needs to be determined by the general meeting of shareholders and has therefore not yet been proposed in the financial statement.

Contingent liabilities

The company had no contingent liabilities as at balance sheet date.

Commitments

The company had no capital or other commitments as at balance sheet date.

Subsequent events

There are no events after the balance sheet date that have significant impact on this financial statement that require further disclosure.

Prospects

The company does not foresee any major changes in activities.