

**Wac Media N.V.**

Curaçao

Annual report 2023

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## 1. Report

## 1.1 General

Wac Media N.V. (hereinafter: "the Company") is a company incorporated on January 16, 2017. The Company is a limited liability company and domiciled in Curaçao, Dutch Caribbean.

### ***Reporting period***

These annual accounts have been prepared for the fiscal year ended on 31 December 2023.

### ***Activities***

The activities of the Company, having its legal seat at Curaçao, primarily consist of:

Managing and supporting gaming platforms for remote gaming, including software and hardware components of such platforms, whether for casino, poker or other games, whether to be operated through internet, mobile or interactive media

## 1.2 COMPILATION REPORT

## 2. Financial statements

**2.1 Balance sheet as at 31 December 2023***(After proposal result)*

|                                       |   | EUR               | EUR              |
|---------------------------------------|---|-------------------|------------------|
|                                       |   | 12/31/2023        | 12/31/2022       |
| <b>Assets</b>                         |   |                   |                  |
| <b>Current assets</b>                 |   |                   |                  |
| Prepaid expenses                      |   | 231,511           | -                |
| Accrued income                        |   | 1,946,083         | 114,021          |
| Trade accounts receivables            |   | 6,640,084         | 2,784,705        |
| Current accounts                      | 1 | 4,399,126         | 851,430          |
| Cash & cash equivalents               | 2 | 289,321           | 2,530            |
|                                       |   | 13,506,125        | 3,752,686        |
| <b>Total assets</b>                   |   | <b>13,506,125</b> | <b>3,752,686</b> |
|                                       |   |                   |                  |
|                                       |   | EUR               | EUR              |
|                                       |   | 12/31/2023        | 12/31/2022       |
| <b>Equity &amp; Liabilities</b>       |   |                   |                  |
| <b>Shareholders equity</b>            |   |                   |                  |
| Nominal capital                       | 3 | 1,000             | 1,000            |
| Paid-in surplus                       |   | 2,128,860         | 2,128,860        |
| Dividend distributions                |   | (2,218,513)       | -                |
| Retained earnings                     |   | (1,221,863)       | (1,247,853)      |
| Result for the year                   |   | 3,491,054         | 25,990           |
|                                       |   | 2,180,538         | 907,997          |
| <b>Short term liabilities</b>         |   |                   |                  |
| Current accounts                      | 4 | 1,866,170         | -                |
| Other liabilities and accruals        | 5 | 9,459,417         | 2,844,689        |
|                                       |   | 11,325,587        | 2,844,689        |
| <b>Total equity &amp; liabilities</b> |   | <b>13,506,125</b> | <b>3,752,686</b> |

**2.2 Statement of income and expenses for the year 2023**

|                                   |    | EUR<br>2023       | EUR<br>2022      |               |
|-----------------------------------|----|-------------------|------------------|---------------|
| <b>Turnover</b>                   | 6  | 28,736,200        | 9,921,539        |               |
| Direct costs                      | 7  | <u>24,026,827</u> | <u>8,174,360</u> |               |
| <b>Gross margin</b>               |    | 4,709,373         |                  | 1,747,179     |
| IT and other operating expenses   | 8  | 10,330            | 18,637           |               |
| Administrative & general expenses | 9  | <u>1,205,840</u>  | <u>1,710,628</u> |               |
|                                   |    | (1,216,170)       |                  | (1,729,265)   |
| <b>Operating result</b>           |    | <u>3,493,203</u>  |                  | <u>17,914</u> |
| <b>Financial results</b>          | 10 | (2,149)           |                  | 8,076         |
| <b>Result before tax</b>          |    | <u>3,491,054</u>  |                  | <u>25,990</u> |
| Income tax expense                |    | -                 |                  | -             |
| <b>Net result for the period</b>  |    | <u>3,491,054</u>  |                  | <u>25,990</u> |

## 2.3 Notes to the financial statements

### *General*

The financial statements are prepared according to the stipulations in chapter 9 Book 2 of the Curaçao Civil Code and accounting principles generally accepted in the Netherlands.

Income and expenses are accounted for on 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 statements.

### *Continuity*

These financial statements have been prepared based on going concerns basis. The going concern basis of 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.

Management is of the opinion, that the company's shareholders or other group companies will give the necessary support in case the assumption above mentioned is not realized. Consequently the Company has applied accounting principles based on going concerns.

### *Translation of foreign currency*

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

Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates 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 account.

## **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 not lower than a 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 partly 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 formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from associated company 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 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. These 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**

***Turnover***

Turnover represents amounts invoiced for goods and services supplied 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 is allocated to the same period.

***Other operating expenses***

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

***Net financial result***

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

***Taxation***

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 statements and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realization is likely.

## 2.4 Notes to the balance sheet

|                                             | EUR<br>12/31/2023 | EUR<br>12/31/2022 |
|---------------------------------------------|-------------------|-------------------|
| <b>1. Current accounts</b>                  |                   |                   |
| Current account WAC Portugal                | 20,400            | 20,400            |
| Current account WATG Corp. Services Ltd. UK | 86,195            | 68,019            |
| Current account WAC technology UK           | 64,337            | -                 |
| Current account WAC Latvia                  | 675,544           | 495,643           |
| Current account WA Tech IOM                 | 3,074,641         | -                 |
| Current account WA Tech Irish branch        | 434,641           | -                 |
| Current account WAC Malta Ltd.              | -                 | 232,030           |
| Current account I-Digital Media             | 3,273             | -                 |
| Current account Bet Studios                 | 4,507             | -                 |
| Current account Innovation Ventures Holding | 220               | -                 |
| Current account WAC Holding Group Ltd.      | 5,083             | 5,053             |
| Current account Njoy Interactive N.V.       | 30,285            | 30,285            |
|                                             | <b>4,399,126</b>  | <b>851,430</b>    |
|                                             |                   |                   |
|                                             | EUR<br>12/31/2023 | EUR<br>12/31/2022 |
| <b>2. Cash &amp; cash equivalents</b>       |                   |                   |
| Saibank                                     | 920               | 920               |
| PayMix Pro                                  | 132,750           | 1,237             |
| Fincrypt UAB                                | 155,617           | 373               |
| Valyuz Eur                                  | 2                 | -                 |
| Valyuz USD                                  | 32                | -                 |
|                                             | <b>289,321</b>    | <b>2,530</b>      |

**3. Shareholders equity**

The capital of the company consist of 1,000 shares with a nominal value of EUR 1 each.

|                                         | Issued Share<br>capital | Accum. Results   | Paid-in surplus /<br>Dividend<br>distributions | Total            |
|-----------------------------------------|-------------------------|------------------|------------------------------------------------|------------------|
|                                         | EUR                     | EUR              | EUR                                            | EUR              |
| Balance as at January 1 <sup>st</sup>   | 1,000                   | (1,221,863)      |                                                | (1,220,863)      |
| Paid-in surplus                         |                         |                  | 2,128,860                                      | 2,128,860        |
| Dividend distributions                  |                         |                  | (2,218,513)                                    | (2,218,513)      |
| Result current year                     | -                       | 3,491,054        | -                                              | 3,491,054        |
| Balance as at December 31 <sup>st</sup> | <b>1,000</b>            | <b>2,269,191</b> | <b>(89,653)</b>                                | <b>2,180,538</b> |

|                              | EUR<br>12/31/2023 | EUR<br>12/31/2022 |
|------------------------------|-------------------|-------------------|
| <b>4. Current accounts</b>   |                   |                   |
| Current account Lorenzo Caci | 220,961           | -                 |
| Current account Belloa       | 1,645,209         | -                 |
|                              | <b>1,866,170</b>  | <b>-</b>          |

|                                          | EUR<br>12/31/2023 | EUR<br>12/31/2022 |
|------------------------------------------|-------------------|-------------------|
| <b>5. Other liabilities and accruals</b> |                   |                   |
| Trade accounts payable                   | 6,028,236         | 2,562,489         |
| Dividends payable                        | 2,218,513         |                   |
| Other accruals                           | 1,212,668         | 282,200           |
|                                          | <b>9,459,417</b>  | <b>2,844,689</b>  |

**2.5 Notes to the statement of income and expenses**

|                                                 | EUR<br>2023       | EUR<br>2022      |
|-------------------------------------------------|-------------------|------------------|
| <b>6. Turnover</b>                              |                   |                  |
| Software license revenue                        | 28,736,200        | 9,921,499        |
| Other income                                    | -                 | 40               |
|                                                 | <u>28,736,200</u> | <u>9,921,539</u> |
| <b>7. Direct costs</b>                          |                   |                  |
| Internal OS service provider fee                | -                 | 190,659          |
| Consultancy fees                                | 1,238,008         | 496,761          |
| Hosting fees                                    | 260,373           | 5,637            |
| Affiliates software fees                        | -                 | 5,785            |
| Marketing expense                               | 422,292           | -                |
| Game providers fees                             | -                 | 7,645            |
| Casino providers fees                           | -                 | 7,467,873        |
| Software license fees                           | 15,382,795        | -                |
| Training and recruitment fees                   | 30,138            | -                |
| Intra group payment providers fees              | 6,587,867         | -                |
| Other fees                                      | 105,354           | -                |
|                                                 | <u>24,026,827</u> | <u>8,174,360</u> |
| <b>8. IT and other operating expenses</b>       |                   |                  |
| Gaming license fees                             | 10,310            | 18,637           |
| ICT maintenance & support                       | 20                | -                |
|                                                 | <u>10,330</u>     | <u>18,637</u>    |
| <b>9. Administrative &amp; general expenses</b> |                   |                  |
| Management fees                                 | 2,400             | 2,150            |
| Corporate secretarial fees                      | 15,730            | 14,444           |
| Legal fees                                      | 1,728             | 47,608           |
| Domiciliation fees                              | 350               | 350              |
| License fees National Bank                      | 75                | 75               |
| Accounting expenses                             | 5,727             | 8,693            |
| Tax advisory fees                               | 150               | 875              |
| Notary expenses                                 | -                 | 1,325            |
| Professional services                           | 72,089            | 1,572,141        |
| Membership and contributions                    | 120               | 90               |
| Flights, travel and entertainment fees          | 928,594           | 1,095            |
| Office expenses                                 | 56,605            | -                |
| Bank charges                                    | 120,988           | 50,094           |
| Other general expenses                          | 1,284             | 11,688           |
|                                                 | <u>1,205,840</u>  | <u>1,710,628</u> |
| <b>10. Financial results</b>                    |                   |                  |
| Realized gain/(loss) on exchange differences    | (2,149)           | 110              |
| Interest Income                                 | -                 | 7,966            |
|                                                 | <u>(2,149)</u>    | <u>8,076</u>     |

### **3. Other Information**

### 3.1 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. Any distribution of the profit shall be made after approval of the annual account. Consequently the following has been presented concerning the appropriation of the result.

### 3.2 Appropriation of result

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

The positive result for the year 2023 in the amount of EUR 3,491,054 will be added in full to the other reserves.

This proposal needs to be determined by the General Meeting and has therefore not yet been processed in the annual accounts 2023 for the company.

### 3.3 Subsequent events

There are no events after the balance sheet date that have significant impact on these financial statements, that require further disclosure.

Name:

Position:

Signature:

Virae Management B.V.

Statutory director



