

Owl In N.V.

Groot Kwartierweg 10, Livestrong Building
Curaçao

FINANCIAL STATEMENTS 2024

Table of contents

	Page
Director's report	2
Financial statements	
Balance sheet as at 31 December 2024	3
Profit and loss account for the year 2024	4
Notes to the financial statements	5
Notes to the balance sheet	7
Notes to the profit and loss account	11

Balance sheet as at 31 December 2024

(After appropriation of result)

ASSETS

		<u>31-12-2024</u>	<u>31-12-2023</u>
		€	€
Fixed assets			
Intangible assets	1	<u>1,316</u>	<u>1,316</u>
Financial assets			
Participation	2	<u>20,345</u>	<u>9,126</u>
Current assets			
Receivables from related parties	3	1,161,906	286,189
Other receivables	4	<u>11,028,866</u>	<u>10,975,301</u>
		<u>12,190,772</u>	<u>11,261,490</u>
Cash and cash equivalents	5	<u>4,007,056</u>	<u>1,482,693</u>
Total assets		<u><u>16,219,489</u></u>	<u><u>12,754,625</u></u>

SHAREHOLDER'S EQUITY AND LIABILITIES

Shareholder's equity	6		
Share capital		1	1
Share premium		2,775	2,775
Retained earnings		<u>7,451,192</u>	<u>1,091,790</u>
		<u>7,453,968</u>	<u>1,094,566</u>
Current liabilities			
Accounts payable	7	5,260,377	8,035,012
Profit tax payable		353	125,047
Other payables	8	<u>3,504,791</u>	<u>3,500,000</u>
		<u>8,765,521</u>	<u>11,660,059</u>
Total shareholder's equity and liabilities		<u><u>16,219,489</u></u>	<u><u>12,754,625</u></u>

Profit and loss account for the year 2024

	<u>2024</u>	<u>2023</u>
	€	€
Net revenue	49,714,872	65,992,100
Operational costs	⁹ <u>(39,860,634)</u>	<u>(58,915,970)</u>
Operational result	9,854,238	7,076,130
General and administrative expenses	¹⁰ <u>661,501</u>	<u>602,164</u>
Result before interest and taxes	9,192,737	6,473,966
Provision expenses	(3,732)	(62,978)
Currency translation differences	<u>(2,840,469)</u>	<u>(4,219,320)</u>
Financial result	<u>(2,844,201)</u>	<u>(4,282,298)</u>
Result before profit tax	6,348,536	2,191,668
Profit tax	<u>(353)</u>	<u>(31,692)</u>
	6,348,183	2,159,976
Result participation	<u>11,219</u>	<u>8,126</u>
NET RESULT FOR THE YEAR	<u><u>6,359,402</u></u>	<u><u>2,168,102</u></u>

Owl In N.V.

Notes to the financial statements

General notes

The most important activities of the entity

Owl In N.V. is a limited liability company that was incorporated in Curaçao, Willemstad on September 12, 2019. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 151201.

The Company is solely engaged in e-gaming activities.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements have been prepared in accordance with Book 2 of the Curaçao Civil Code using the Guidelines for annual reporting of the Dutch Accounting Standards Board.

Assets and liabilities are stated at face value unless indicated otherwise.

Disclosure of changes in accounting policies

The principles of valuation and determination of result remained unchanged compared to the previous year.

Conversion of amounts denominated in foreign currency

The financial statements are presented in euros, which is the functional and presentation currency of Owl In N.V.

Assets and liabilities denominated in foreign currencies are translated into administration currency at the rate of exchange prevailing at balance sheet date. Transactions in foreign currencies are translated at the exchange rates in effect on the day of the transaction. Items in the Statement of Income and Expenses were revalued at the average rate of exchange during the period under review.

Exchange gains or losses are reflected in the profit and loss account.

Exchange rates used:

1 EUR =	USD
2024	1.03500
2023	1.10364

Accounting principles

Intangible assets

Intangible fixed assets are stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset is higher than its realisable value.

Domains have a finite useful life and are amortised on a straight line basis over 5 years.

Owl In N.V.

Financial assets

Participations are valued according to the net asset value method.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements.

Cash and cash equivalents

Cash at banks represent bank balances. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

Current assets

Current assets are initially valued at the fair value of the consideration to be received. Trade receivables are subsequently valued at the amortised cost price. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

Accounting principles for determining the result

The result is the difference between the realisable value of the services provided and the costs and other charges during the year.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur.

Other income and expenses, including taxation, are recognized and reported in accordance with the accrual concept.

General and administrative expenses

General and administrative expenses comprise costs chargeable to the year that are not directly attributable to the cost of the goods and services sold.

Notes to the balance sheet

	<u>31-12-2024</u>	<u>31-12-2023</u>
	€	€
1 Intangible assets		
Domain	<u>1,316</u>	<u>1,316</u>

2 Participation

As at 31 December 2024 this item can be detailed as follows:

	<u>31-12-2024</u>	<u>31-12-2023</u>
	€	€
Participation in NestlingCorn Limited	<u>20,345</u>	<u>9,126</u>

Owl In N.V. has a 100% ownership in NestlingCorn Limited with domiciliation in Nicosia, Cyprus.
The valuation is on a net asset value basis.

Participation in NestlingCorn Limited

	<u>2024</u>	<u>2023</u>
	€	€
Book value as at 1 January	9,126	1,000
Correction beginning balance	-	2,151
Result participation for the year	<u>11,219</u>	<u>5,975</u>
Book value as at 31 December	<u>20,345</u>	<u>9,126</u>

3 Receivables from related parties

	<u>31-12-2024</u>	<u>31-12-2023</u>
	€	€
Receivable from NestlingCorn Limited	<u>1,161,906</u>	<u>286,189</u>

Receivable from NestlingCorn Limited

	<u>2024</u>	<u>2023</u>
	€	€
Balance as at 1 January	286,189	24,629
Movement during the year	<u>875,717</u>	<u>261,560</u>
Balance as at 31 December	<u>1,161,906</u>	<u>286,189</u>

NestlingCorn Limited acts as an agent for the Company in accordance with the service agreement entered into between the parties. The intercompany balance primarily represents funds held by the related party on behalf of the Company.

4 Other receivables

	31-12-2024	31-12-2023
	€	€
Receivables - PSP wallet balances *	9,843,906	9,844,136
Prepaid expenses	1,134,165	1,131,165
Profit tax receivable 2023	50,795	-
	<u>11,028,866</u>	<u>10,975,301</u>

* The receivables with payment service providers (PSP wallets) are receivables from various financial institutions that facilitate the payment process between the Company and its customers. The receivable at year end consists of the total deposits minus withdrawals of the players and minus a commission for services provided. The amounts are settled in most cases weekly, monthly or quarterly to the bank accounts of the Company depending on the amount to be settled. No interest is accruable on the funds considering these are part player funds and part settled revenue in transit.

5 Cash and cash equivalents

	31-12-2024	31-12-2023
	€	€
Cash-in-transit	1,297	-
Paymix Ltd, current account	3,189,576	838,541
Capital International Bank, current account	28,030	-
Migom Bank Ltd., current account *	-	-
Emerald Financial Group Ltd., current account	68,235	758
The Kingdom Bank Corporation, current account	44,862	104,452
Verser Pay Ltd., current account	672,952	496,030
ZEN.COM, current account	2,104	42,912
	<u>4,007,056</u>	<u>1,482,693</u>

All cash and cash equivalents are at the Company's free disposal.

*** Migom Bank Ltd., current account**

	31-12-2024	31-12-2023
	€	€
Migom bank Ltd. balance	66,710	62,978
Provision for doubtful recovery of bank balance	(66,710)	(62,978)
Total	<u>-</u>	<u>-</u>

Due to the uncertainty surrounding the recoverability of outstanding balances with Migom Bank Ltd., a provision has been created. This provision accounts for the potential risk of partial or full non-recovery of assets, ensuring that any financial impact is appropriately reflected in the financial statements. The provision will be reassessed periodically based on the recoverability of the amount.

6 Shareholder's equity

The Company's authorized share capital amounts to EUR 1 and consists of 1 share with a nominal value of EUR 1,00.

As at 31 December 2024, 1 share was issued and fully paid-up.

Movements in the shareholder's equity accounts are as follows:

	Share capital	Share pre- mium	Retained earnings	Total
	€	€	€	€
Balance as at 1 January 2024	1	2,775	1,091,790	1,094,566
Result for the year	-	-	6,359,402	6,359,402
Balance as at 31 December 2024	<u>1</u>	<u>2,775</u>	<u>7,451,192</u>	<u>7,453,968</u>

7 Accounts payable

	31-12-2024	31-12-2023
	€	€
Accounts payable	<u>5,260,377</u>	<u>8,035,012</u>

As at 31 December 2024 this item can be detailed as follows:

Accounts payable

	31-12-2024	31-12-2023
	€	€
Bandwidth expenses	2,152	2,152
Software expenses	1,086,174	2,401,672
Legal and professional expenses	1,159	-
Marketing expenses	1,060,557	2,104,132
Rent expenses	-	2,506
Affiliate expenses	158,573	113,646
Management expenses	-	4,250
Customer support expenses	139,446	309,285
Customer balance*	875,666	945,535
Customer bonus balance*	1,936,650	2,151,834
	<u>5,260,377</u>	<u>8,035,012</u>

*Customer balance and customer bonus balance are balances the Company owes to the player and are available on demand on the player account for withdrawal or betting activities. The balances reflected in the Financial Statements are the summarized balance of all players as per 31 December 2024.

Aging Summary of Accounts payable

	<u>31-12-2024</u>
	€
0-30 days	2,400,479
31-60 days	-
61-90 days	21,386
Over 90 days	<u>26,196</u>
	2,448,061
Customer balance	875,666
Customer bonus balance	<u>1,936,650</u>
	<u><u>5,260,377</u></u>

For the trade creditors, the majority of the balances are current. Customer balances and customer bonus balances have not been included in the aging analysis, as they are not generated by the Company's payment practices but are entirely influenced by player activity.

	<u>31-12-2024</u>	<u>31-12-2023</u>
	€	€
8 Other payables		
Dividend payable	3,500,000	3,500,000
Net wages payable	4,691	-
Social securities payable	<u>100</u>	<u>-</u>
	<u><u>3,504,791</u></u>	<u><u>3,500,000</u></u>

Notes to the profit and loss account**9 Operational costs**

	2024	2023
	€	€
Marketing and affiliate expenses	13,007,096	19,842,185
Software and IT expenses	15,600,714	20,030,019
Customer support expenses	1,846,473	1,849,101
Hosting expenses	161,926	122,156
Service level agreement expenses	84,000	17,500
Commission expenses	9,145,066	17,031,499
Sublicense fee	15,359	9,576
Write off	-	13,934
	<u>39,860,634</u>	<u>58,915,970</u>

10 General and administrative expenses

	2024	2023
	€	€
Management expenses	240,078	207,475
Legal and professional expenses	5,589	48,621
Wages and salaries expenses	51,441	51,441
Social security charges	1,002	1,002
Rent expenses	28,644	30,345
Bank expenses	334,747	263,280
	<u>661,501</u>	<u>602,164</u>

11 Profit tax expense

The Company's profit tax is determined in accordance with the territorial tax regime of Curaçao. Under this regime, a profit tax rate is applied to the taxable domestic net result.