

Company Registration Number: 166069

TRIVICO B.V.

Annual Financial Statements

for the period ended 31 December 2024

For Identification
Purposes Only
2020356

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Board of Directors and Other Officers

Board of Directors:	(SMES) Solutions for Management and Employment Support B.V.
Company Secretary:	(SMES) Solutions for Management and Employment Support B.V.
Independent Accountants:	inFocus N.V. Certified Public Accountants and Registered Auditors Groot Kwartierweg 7 Willemstad Curacao
Registered Office:	Dr H Fergusonweg 1 Willemstad Curacao
Registration Number:	166069

Accountant's Compilation Report

To the Board of Directors of Trivico B.V.

Report on the Compilation of the Financial Statements

We have compiled the accompanying financial statements of Trivico B.V., which comprise the statement of financial position as at 31 December 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the accompanying financial statements, including the accuracy and completeness of the information provided and for determining that the basis of preparation used is International Financial Reporting Standards (IFRSs).

Management is also responsible for the design, implementation and maintenance of 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.

Accountant's Responsibility

Our responsibility is to compile the financial statements based on information provided by management, in accordance with the requirements of International Standard on Related Services (ISRS) 4410 (Revised), Compilation Engagements.

We have applied our professional expertise to assist management in the preparation and presentation of these financial statements in accordance with IFRSs.

We have not audited or reviewed these financial statements and, accordingly, we do not express any assurance, audit opinion, or review conclusion on them.

Restriction on Distribution or Use

This report is intended solely for the information and use of the Board of Directors and management of the Company, and is not intended to be, and should not be, used by any other parties unless otherwise required by law or regulation

inFocus N.V.
Certified Public Accountants and Registered Auditors
Groot Kwartierweg 7
Willemstad
Curacao

Date: November 21, 2025

Signed: _____
For and on behalf of
inFocus N.V.

For identification purposes:

Statement of Profit or Loss and Other Comprehensive Income
for the Period Ended 31 December 2024

	Notes	17 Jan 24 to 31 Dec 24 €
Revenue	4	21,444
Cost of Sales		(256,436)
Gross Loss		(234,992)
Administrative Costs		(957,472)
Operating Loss		(1,192,464)
Finance Income	6	329
Finance Costs	7	(5,752)
Loss before Income Tax		(1,197,887)
Income Tax Expense	8	-
Loss for the Period		(1,197,887)
Other Comprehensive Income for the period		-
Total Comprehensive Loss for the Period		(1,197,887)

Statement of Financial Position
as at 31 December 2024

	Notes	31 Dec 24 €
ASSETS		
Non-Current Assets		
Investment in Subsidiary	10	1,000
Current Assets		236,887
Cash and Cash Equivalents		145,854
Trade and Other Receivables	11	35,704
Group Loan Receivable	12	55,329
TOTAL ASSETS		237,887
EQUITY AND LIABILITIES		
Shareholder's Equity		(1,197,886)
Issued Share Capital	13	1
Accumulated Loss		(1,197,887)
Non-Current Liabilities		
Loan Owing	14	346,419
Current Liabilities		1,089,354
Trade and Other Payables	15	1,082,438
Player Funds		6,916
Total Liabilities		1,435,773
TOTAL EQUITY AND LIABILITIES		237,887

On 24 October the Board of Directors of Trivico B.V. authorised these financial statements for issue:



For and on behalf of
(SMES) Solutions for Management and Employment Support B.V.

Statement of Changes in Equity
for the Period Ended 31 December 2024

	Notes	Issued Share Capital €	Accumulated Loss €	Total €
Share Allotment		1	-	1
Loss for the Year		-	(1,197,887)	(1,197,887)
Balance at 31 December 2024		<u>1</u>	<u>(1,197,887)</u>	<u>(1,197,886)</u>

Statement of Cashflows
for the Period Ended 31 December 2024

Notes	17 Jan 24 to 31 Dec 24 €
Cashflows from Operating Activities	
Loss for the Year	(1,197,887)
Adjusted for:	
Interest Income	(329)
Interest Expense	5,752
	<u>(1,192,464)</u>
Changes in Working Capital:	
Increase in Trade and Other Receivables	(35,704)
Increase in Trade and Other Payables	1,082,438
Increase in Player Funds	6,916
Cash Used in Operations	<u><u>(138,814)</u></u>
Cashflows from Investing Activities	
Investment in Subsidiary	(1,000)
Loans Advanced to Group Company	(55,329)
Interest Received	329
Cash Used in Investing Activities	<u><u>(56,000)</u></u>
Cashflows from Financing Activities	
Proceeds from Issue of Share Capital	1
Proceeds from Borrowings	346,419
Interest Paid	(5,752)
Cash Generated from Financing Activities	<u><u>340,668</u></u>
Net Increase in Cash and Cash Equivalents	145,854
Cash and Cash Equivalents at the Beginning of the Year	-
Cash and Cash Equivalents at the End of the Year	<u><u>145,854</u></u>

Notes to the Financial Statements for the Period Ended 31 December 2024

1. Incorporation and Principal Activities

Country of Incorporation

The Company Trívico B.V. was incorporated in Curacao on 17 January 2024 as a limited liability company under the provisions of the Curaçao Civil Code and is registered with the Curaçao Chamber of Commerce and Industry under registration number 166069. Its registered office is at Dr H Fergusonweg 1, Willemstad, Curacao.

Principal activity

The principal activity of the Company is the operation of online gaming and betting platforms under a Curaçao eGaming licence, providing casino and interactive gaming services to international players.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and the provisions of the Curaçao Civil Code applicable to companies.

The financial statements have been prepared under the historical cost convention, unless otherwise stated in the accounting policies below.

3. Adoption of new or revised standards and interpretations

During the current period, the Company adopted all the new and revised IFRS accounting Standards that are relevant to its operations and are effective for accounting periods beginning on 17 January 2024.

4. Material accounting policy information

The material accounting policies adopted in the preparation of these financial statements are set out below.

Management seeks not to reduce the understandability of these financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

a. Going concern

The Director has, at the time of approving the financial statements, considered the financial position of the Company, including that its net assets are negative as at the reporting date. The Director has nevertheless a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future, supported by continued financial backing from its shareholder(s) and the expectation of future profitability and positive cash flows.

Accordingly, the Director continues to adopt the going concern basis of accounting in preparing these financial statements.

Notes to the Financial Statements (continued)
for the Period Ended 31 December 2024

b. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for services provided in the normal course of business, net of value-added tax and discounts, where applicable.

Revenue is recognised to the extent that it is probable that future economic benefits will flow to the company and these can be measured reliably.

The following specific recognition criteria must also be met before revenue is recognised:

i. Gross gaming revenue

Gross gaming revenue represents gains and losses, being the amounts staked less total payouts, from betting activity in the period.

c. Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

d. Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

e. Foreign currencies

Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates. The Euro is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency (Euro) using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

f. Investment in subsidiaries

In the Company's financial statements, investments in subsidiaries are accounted for by the cost method of accounting. The dividend income from such investments is included in the statement of profit or loss and other comprehensive income in the accounting year in which the Company's rights to receive payment of any dividend is established.

The Company gathers objective evidence that an investment is impaired. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements (continued)
for the Period Ended 31 December 2024

g. Financial instruments

Financial assets – Classification

The Company classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- b) 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 or 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, the 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 fair value through other comprehensive income (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 fair value through other comprehensive income (FVOCI).

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 recognised 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 fair value through profit or loss (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.

Notes to the Financial Statements (continued) for the Period Ended 31 December 2024

g. Financial Instruments (continued)

Financial assets – Impairment: credit loss allowance for ECL

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 within "net impairment losses on financial and contract assets." Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the balance sheet 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 balance sheet.

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.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

For all other financial instruments that are subject to impairment under IFRS 9, the Company applies general approach – a 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.

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 Months 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"). Refer to note 6, Credit risk section, for a description of how the Company determines when a SICR has occurred. 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. The Company's definition of credit impaired assets and definition of default is explained in note 6, Credit risk section.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note h, Credit risk section for a description of how the Company determines low credit risk financial assets.

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 exhausts 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.

Notes to the Financial Statements (continued) for the Period Ended 31 December 2024

g. Financial instruments (continued)

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 assess 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.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Classification as financial assets at amortised cost

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Notes to the Financial Statements (continued) for the Period Ended 31 December 2024

g. Financial Instruments (continued)

Financial liabilities – Modification

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet 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 balance sheet.

Share capital

Ordinary shares are classified as equity.

h. New accounting pronouncements

At the date of approval of the financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

Notes to the Financial Statements (continued) for the Period Ended 31 December 2024

I. Financial risk management

Financial risk factors

The Company is exposed to interest rate risk, credit risk, liquidity risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

I.1 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 income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. The Company is exposed to interest rate risk in relation to its non-current borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

Sensitivity analysis

An increase of 100 basis points in interest rates at 31 December 2024 would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. For a decrease of 100 basis points there would be an equal and opposite impact on the profit and other equity.

I.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and contract assets as well as lease receivables. Further, credit risk arises from financial guarantees and credit related commitments.

(i) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, the Company has established policies whereby the majority of bank balances are held with independently rated parties with a minimum rating of ["C"].

If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, Management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. [Individual credit limits and credit terms are set based on the credit quality of the customer in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.]

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Company's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

Notes to the Financial Statements (continued) for the Period Ended 31 December 2024

(ii) Impairment of financial assets

The Company has the following types of financial assets that are subject to the expected credit loss model:

- a) cash and cash equivalents
- b) credit commitments

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected losses to be recognised from initial recognition of the financial assets.

For all other financial assets 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 asset that is not credit-impaired on initial recognition is classified in Stage 1. 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 Months 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.

Impairment losses are presented as net impairment losses on financial and contract assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Significant increase in credit risk

The Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's/counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the Company and changes in the operating results of the borrower/counterparty.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal ratings model. The historic loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

Notes to the Financial Statements (continued)
for the Period Ended 31 December 2024

(ii) Impairment of financial assets (continued)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Low credit risk

The Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Management considers 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Default

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

Write-off

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a debt financial asset for write off when a debtor fails to make contractual payments greater than 180 days past due. Where debt financial assets have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The Company's exposure to credit risk for each class of (asset/instrument) subject to the expected credit loss model is set out below:

Notes to the Financial Statements (continued) for the Period Ended 31 December 2024

(ii) Impairment of financial assets (continued)

Receivables from related parties

For receivables from related parties lifetime ECL was provided for them upon initial application of IFRS 9 until these financial assets are derecognised as it was determined on initial application of IFRS 9 that it would require undue cost and effort to determine whether their credit risk has increased significantly since initial recognition to the date of initial application of IFRS 9.

For any new loans to related parties, which are not purchased or originated credit-impaired financial assets, the impairment loss is recognised as 12-month ECL on initial recognition of such instruments and subsequently the Company assesses whether there was a significant increase in credit risk.

The Company does not hold any collateral as security for any receivables from related parties.

There were no significant receivables from related parties written off during the period that are subject to enforcement activity.

Cash and cash equivalents

The Company assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

Bank deposits held with banks with investment grade rating are considered as low credit risk.

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls. The ECL on deposit accounts is calculated by considering published PDs for the rating as per Moody's and an LGD of 40–60% as published by ECB.

The Company does not hold any collateral as security for any cash at bank balances.

There were no significant cash at bank balances written off during the period that are subject to enforcement activity.

1.3 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

1.4 Capital risk management

Capital includes equity shares and share premium, convertible preference shares and loan from parent company.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance

Notes to the Financial Statements (continued)
for the Period Ended 31 December 2024

j. Critical accounting estimates, judgments and assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

j. Critical accounting estimates, judgments and assumptions

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

• **Calculation of loss allowance**

When measuring expected credit losses 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.

• **Income taxes**

Significant judgment is required in determining the provision for income taxes. 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 and deferred tax provisions in the period in which such determination is made.

• **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

Notes to the Financial Statements (continued)
for the Period Ended 31 December 2024

17 Jan 24 to
31 Dec 24
€

4. Revenue

Gross gaming revenue represents gains and losses, being the amounts staked less total payouts, from betting activity in the period:

Gross Gaming Revenue	61,278
Bonus Cost	(39,834)
Net Gaming Revenue	<u>21,444</u>

5. Expenses by Nature

The major items included within profit or loss are included below:

Cost of Sales	256,436
Professional and Consultancy fees	899,896
Software and IT costs	<u>55,581</u>

Cost of sales by category of activity:

Marketing Cost	111,334
Payment Supplier Fees	20,368
Content Supplier Fees	10,657
Platform Fees	1,247
Other Direct Costs	<u>112,831</u>
	<u>256,436</u>

6. Finance Income

Interest Income	<u>329</u>
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7. Finance Costs

Interest Expense	<u>5,752</u>
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Notes to the Financial Statements (continued)
for the Period Ended 31 December 2024

17 Jan 24 to
31 Dec 24
€

8. Income Tax

Corporate Tax

-

The tax on the Company's loss before tax differs from the theoretical amount that would arise using the applicable tax rate as follows:

Loss before tax	(1,197,887)
Tax calculated at the applicable Curaçao profit tax rate (22%)	(263,535)
Effect of expenses not deductible for tax purposes	-
Unrecognised deferred tax asset on tax losses carried forward	263,535
Tax charge for the period	-

The standard Curaçao profit tax rate is 22% under the Curaçao Income Tax Ordinance.

As the Company incurred a loss during the reporting period, no current or deferred income tax has been recognised. The related tax losses, amounting to €1,197,887, may generally be carried forward for up to ten (10) years, subject to the provisions of Curaçao tax legislation.

No deferred tax asset has been recognised in respect of these losses, as there is currently insufficient certainty that future taxable profits will be available against which the losses can be utilised.

9. Dividends

No dividends were declared or paid during the period.

10. Investment in Subsidiary

1,000 shares in Fundsflare Limited, at 1EUR	1,000
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11. Trade and Other Receivables

Receivable from Subsidiary, FundsFlare Limited	22,199
Prepayments	760
Other Receivables	12,745
	35,704

Notes to the Financial Statements (continued)
for the Period Ended 31 December 2024

17 Jan 24 to
31 Dec 24
€

12. Group Loan Receivable

Loan advanced to subsidiary, Fundsflare Limited
Capital Advanced
Interest Charged

55,000
329
55,329

This loan is unsecured, bears interest at 6% per annum (calculated daily and compounded monthly), and is to be repaid or renewed by 19 September 2025. The funds advanced are in terms of a Credit Facility Agreement entered into between the parties on 19 September 2024, the total facility being for EUR100,000.

13. Issued Share Capital

Authorized:
1 share issued at 1EUR

1
1

Issued and paid up as follows:
1 share issued at 1EUR

1
1

14. Loan Owing

Loan advanced by and unconnected company, Levanzo Limited
Capital Advanced
Interest Charged

340,667
5,752
346,419

This loan is unsecured, bears interest at 6% per annum (calculated daily and compounded monthly), and is to be repaid or renewed by 23 May 2026. The funds advanced are in terms of a Credit Facility Agreement entered into between the parties on 23 May 2024, the total facility being for EUR1,000,000.

15. Trade and Other Payables

Trade Creditors
Owed to the subsidiary, Fundsflare Limited
Provisions
Accruals and Other Payables

74,936
1,000
997,826
8,676
1,082,438

Notes to the Financial Statements (continued)
for the Period Ended 31 December 2024

17 Jan 24 to
31 Dec 24
€

16. Related party transactions

The company is the 100% shareholder of Fundsflare Limited, incorporated in Cyprus.

The following transactions were carried out with related parties:

Trade payable to subsidiary

Fundsflare Limited (trade receivable as per note 11)	(22,199)
Fundsflare Limited (trade payable included in note 15)	51,027
	<u>28,828</u>

Group loan receivable from Subsidiary (refer note 12)

Fundsflare Limited	<u>55,329</u>
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17. Contingent liabilities

The Company had no contingent liabilities at 31 December 2025.

18. Events after the reporting period

As explained in note 19, the geopolitical situation in Eastern Europe and the Middle East remains intense with the continuation of the conflict between Russia and Ukraine and the Israel-Gaza conflict. As at the date of authorising these financial statements for issue, the conflicts continue to evolve as military activity proceeds and additional sanctions are imposed.

Depending on the duration of the conflict between Russia and Ukraine, the Israel-Gaza conflict and continued negative impact on economic activity, the Company might experience further negative results, and liquidity restraints and incur additional impairments on its assets in 2025 which relate to new developments that occurred after the reporting period.

Notes to the Financial Statements (continued)
for the Period Ended 31 December 2024

19. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevent them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The Israel-Gaza conflict has escalated significantly after Hamas launched a major attack on 7 October 2023. Companies with material subsidiaries, operations, investments, contractual arrangements or joint ventures in the War area might be significantly exposed. Entities that do not have direct exposure to Israel and Gaza Strip are likely to be affected by the overall economic uncertainty and negative impacts on the global economy and major financial markets arising from the war. This is a volatile period and situation, however, the Company is not directly exposed. Management will continue to monitor the situation closely and take appropriate actions when and if needed.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact

Despite the limited direct exposure, the conflict is expected to negatively impact the tourism and services industries in Cyprus. Furthermore, the increasing energy prices, fluctuations in foreign exchange rates, unease in stock market trading, rises in interest rates, supply chain disruptions and intensified inflationary pressures may indirectly impact the operations of the Company. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.