

Poligon Entertainment N.V.
Willemstad

Poligon Entertainment N.V.

at Willemstad

Annual report 2024

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1. Accountants report

Poligon Entertainment N.V.
Willemstad

Poligon Entertainment N.V.
Schout Bij Nacht Doormanweg 40
Willemstad

27 March 2025

Dear Sirs,

1.1 ACCOUNTANT'S COMPILATION REPORT

The financial statements of Poligon Entertainment N.V. have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2024 and the profit and loss account for the year then ended with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

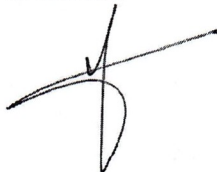
This compilation engagement has been performed by us in accordance with International Standard on Related Services 4410, Compilation engagements, which is applicable to accountants. The standard requires us to assist you with the preparation and presentation of the financial statements in accordance with the accounting policies as described in the notes. To this end we have applied our professional expertise in the fields of accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that the information you give us is correct and that you provide us with all relevant information. Therefore, we have conducted our work in accordance with the applicable regulations and on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole and are satisfied that they present a picture in line with our broad understanding of Poligon Entertainment N.V..

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

For further information on the nature and scope of a compilation engagement and the VGBA we refer you to www.nba.nl/uitleg-samenstellingsverklaring.

inFocus N.V.



W. van Steijn AA

Poligon Entertainment N.V.
Willemstad

1.2 GENERAL

Incorporation company

The Company was established on May 7th, 2014.

Activities

The activities of Poligon Entertainment N.V. primarily consist of:

To provide off-shore games of chance and wagering through the internet, including but not limited to games of skill and internet, in compliance with the regulations of Curaçao.
This service shall be referred to for all purposes as Internet Casino/Internet Wagering/Internet Sportsbook/Internet Lottery.

1.3 FISCAL POSITION

General

The profit realized by the company is entirely foreign profit which is exempt from corporate profit tax in Curaçao.

2024
EUR

Calculation taxable amount

Result before taxation	4,162,541
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Other non-deductible amounts

Foreign profit in accordance with Article 1A, paragraph 1c of the Profit Tax Ordinance 1940	(4,180,819)
Taxable amount	<u>(18,278)</u>

Gross Profit calculation

Gross profit	275,950,222
Cost of sales	-
	<u>275,950,222</u>
Causal expenses (Domestic)	(19,910)
Causal expenses (Foreign)	<u>(269,895,350)</u>
	6,034,962
Not causal expenses	(1,872,421)
For deduction excluded fines	-
Total	<u><u>4,162,541</u></u>

	Foreign profit EUR	Domestic profit EUR	Total profit EUR
Corporate tax calculation			
Gross profit	6,034,517	445	6,034,962
Not causal expenses	(1,853,698)	(18,724)	(1,872,421)
For deduction excluded fines	-	-	-
Total	<u><u>4,180,819</u></u>	<u><u>(18,279)</u></u>	<u><u>4,162,541</u></u>

Real presence / permanent establishment

In accordance with art. 1C WB is assumed that Poligon Entertainment N.V. meets the real presence and permanent establishment requirements. The actual management is located in Curaçao.

2.1 BALANCE SHEET AS AT 31 DECEMBER 2024

		31-12-2024	31-12-2023
		EUR	EUR
ASSETS			
Fixed assets			
<i>Property, plant and equipment</i>	1		
Machinery		3,152	-
Current assets			
<i>Receivables</i>			
Trade receivables	2	33,467	1,575,092
Other receivables and current assets	3	<u>2,025,953</u>	<u>-</u>
		2,059,420	1,575,092
<i>Cash and cash equivalents</i>			
Other banks		12,100,985	8,866,328
Total assets		<u>14,163,557</u>	<u>10,441,420</u>
EQUITY AND LIABILITIES			
Equity	4		
Issued share capital	5	5,357	5,357
Other reserves		<u>10,758,205</u>	<u>6,595,664</u>
		10,763,562	6,601,021
Current liabilities			
Trade payables	6	2,125,690	2,762,366
Taxes and social security contributions	7	-	1,928
Other payables and short term liabilities	8	<u>1,274,305</u>	<u>1,076,105</u>
		3,399,995	3,840,399
Total equity and liabilities		<u>14,163,557</u>	<u>10,441,420</u>


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2.2 INCOME STATEMENT FOR THE YEAR 2024

		2024	2023
		EUR	EUR
Net turnover	9	275,950,224	161,903,856
Expenses work contracted out and other	10		
external expenses		124,011,798	49,424,459
Personnel expenses	11	49,012	447,960
Depreciation of intangible and tangible	12		
fixed assets		407	-
Other operating expenses	13	142,789,551	107,843,795
Total operating expenses		<u>266,850,768</u>	<u>157,716,214</u>
Operating result		9,099,456	4,187,642
Financial income and expense	14	(4,936,915)	(1,216,052)
Result before taxation		4,162,541	2,971,590
Taxation	15	-	(1,928)
Net result after taxation		<u>4,162,541</u>	<u>2,969,662</u>



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2.3 NOTES TO THE FINANCIAL STATEMENTS

Entity information

Registered address and registration number trade register

The registered and actual address of Poligon Entertainment N.V. is Schout Bij Nacht Doormanweg 40, in Willemstad, Curaçao. Poligon Entertainment N.V. is registered at the Chamber of Commerce under number 132517.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements have been prepared in accordance with the accounting policies selected and disclosed by the company, and as set out in the notes to the financial statements. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

Valuation of assets and liabilities and determination of the result take 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. Income and expenses are accounted for on an accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial period are taken into account if they have become known before preparation of the financial statements.

Accounting principles

Receivables

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Current assets

Current assets are initially valued at the fair value of the consideration to be received, including transaction costs if material. Trade receivables are subsequently valued at the amortised cost price. Provisions for bad debts are deducted from the carrying amount of the receivable.

Equity

When Poligon Entertainment N.V. purchases treasury shares, the consideration paid is deducted from equity (other reserves or any other reserve if the articles of association allow so) until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received is included in equity (other reserves or any other reserve). The consideration received will be added to the reserve from which earlier the purchase price has been deducted.

Incremental costs directly attributable to the purchase, sale and/or issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Other reserves

Other reserves are all reserves, except the legal and statutory reserves. Other reserves can freely be distributed to the shareholders.

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 goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Revenue recognition

Net turnover comprises the income from the supply of goods and services and realised income from construction contracts after deduction of discounts and such like and of taxes levied on the turnover.

Selling expenses

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

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.

Income tax expense

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

2.4 NOTES TO THE BALANCE SHEET AS AT 31 DECEMBER 2024

ASSETS

Fixed assets

1 Property, plant and equipment

	Machinery EUR
Book value as at 1 January 2024	-
Movements	
Additions	3,559
Depreciation	(407)
Balance movements	3,152
Balance as at 31 December 2024	
Cost or manufacturing price	3,559
Accumulated depreciation	(407)
Book value as at 31 December 2024	3,152

Depreciation;

Automation; 3 years depreciation with no residual value.

Current assets

Receivables

	31-12-2024 EUR	31-12-2023 EUR
2 Trade receivables		
Trade debtors	33,467	1,575,092
3 Other receivables and current assets		
Prepayment Beagle Tech B.V.	2,025,953	-

EQUITY AND LIABILITIES

4 Equity

	Issued share capital	Other reserves	Total
	EUR	EUR	EUR
Balance as at 1 January 2024	5,357	6,595,664	6,601,021
Appropriation of result	-	4,162,541	4,162,541
Balance as at 31 December 2024	<u>5,357</u>	<u>10,758,205</u>	<u>10,763,562</u>

5 Issued share capital

The share capital is USD 6,000 consisting of 6,000 shares each with a nominal value USD 1.

Current liabilities

	31-12-2024 EUR	31-12-2023 EUR
6 Trade payables		
Trade creditors	<u>2,125,690</u>	<u>2,762,366</u>
7 Taxes and social security contributions		
Company tax	<u>-</u>	<u>1,928</u>
8 Other payables and short term liabilities		
Audit and consultancy costs	2,500	2,500
Payable to payment agents	14,292	13,103
Players balances	1,257,513	862,109
Miscellaneous prepaid expenses	-	198,393
	<u>1,274,305</u>	<u>1,076,105</u>

2.5 NOTES TO THE INCOME STATEMENT FOR THE YEAR 2024

	2024 EUR	2023 EUR
9 Net turnover		
Sales	<u>275,950,224</u>	<u>161,903,856</u>
10 Expenses work contracted out and other external expenses		
Other external expenses (Non-domestic causal costs)	<u>124,011,798</u>	<u>49,424,459</u>
Other external expenses (Non-domestic causal costs)		
Consultation on operational activities	-	6,199,360
Game providers	22,329,636	21,708,903
Platform fees	4,893,076	5,324,292
Sportsbook Feed	91,179,619	13,019,654
Customer support (Non-domestic)	5,609,467	2,190,554
Customer support (Domestic)	-	981,696
	<u>124,011,798</u>	<u>49,424,459</u>
11 Personnel expenses		
Wages and salaries (Non-domestic causal cost)	-	411,804
Other staff expenses	<u>49,012</u>	<u>36,156</u>
	<u>49,012</u>	<u>447,960</u>
Wages and salaries (Non-domestic causal cost)		
Salaries and wages	<u>-</u>	<u>411,804</u>
Other staff expenses		
Recruitment expenses	48,500	36,000
Study and training expenses	<u>512</u>	<u>156</u>
	<u>49,012</u>	<u>36,156</u>
12 Depreciation of intangible and tangible fixed assets		
Depreciation of property, plant and equipment	<u>407</u>	<u>-</u>
Depreciation of property, plant and equipment		
Depreciation costs of machinery	<u>407</u>	<u>-</u>

	2024 EUR	2023 EUR
13 Other operating expenses		
Selling expenses (Non-domestic causal costs)	122,433,164	93,653,604
Office expenses (Non-domestic causal costs)	19,656,042	13,695,118
General expenses	700,345	495,073
	<u>142,789,551</u>	<u>107,843,795</u>
Selling expenses (Non-domestic causal costs)		
Marketing	75,573,887	54,170,425
Sponsoring	8,543,019	1,466,127
PSP fees	38,316,258	38,017,052
	<u>122,433,164</u>	<u>93,653,604</u>
Office expenses (Non-domestic causal costs)		
Automation expenses	<u>19,656,042</u>	<u>13,695,118</u>
General expenses		
Bank expenses	539,323	372,573
Legal expenses and professional consulting	55,638	74,300
Travelling and hotel expenses	103,886	45,009
Audit costs, other non-audit services	1,428	2,500
Fine and increases of taxes and social insurance premiums	-	600
Other general expenses	70	91
	<u>700,345</u>	<u>495,073</u>
14 Financial income and expense		
Currency translation differences	<u>(4,936,915)</u>	<u>(1,216,052)</u>
15 Taxation		
Corporate profit tax	<u>-</u>	<u>(1,928)</u>

Willemstad, 27 March 2025
Poligon Entertainment N.V.