

Sefiarray B.V.

Financial Statements

for the years ended December 31, 2023 and December 31, 2022

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Sefiarray B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Cash and cash equivalents	4	40,204	5,530
Prepaid expenses		-	1,136
Receivable from owners	5	100,698	100,698
Other receivables	6	8,595,212	-
Total current assets		8,736,114	107,364
Non-current assets			
Property, plant and equipment		-	-
Total non-current assets		-	-
Total assets		8,736,114	107,364
Equity and liabilities			
Current liabilities			
Accounts payable		543,762	1,176
Accrued expenses	7	-	2,700
Payable to group company	8	328,886	-
Total current liabilities		872,648	3,876
Non-current liabilities			
Loans and interest payable	9	305,815	292,315
Total non-current liabilities		305,815	292,315
Equity			
Issued capital	10	100	100
Retained earnings / (Accumulated losses)		7,557,551	-188,927
Total equity		7,557,651	-188,827
Total liabilities and equity		8,736,114	107,364

See accompanying notes.

Sefiarray B.V.

Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue		12,518,778	212,712
Direct cost	11	-3,320,600	-201,573
Gross profit / (loss)		9,198,178	11,139
Advertising and marketing expenses	12	-443,679	-52,525
Administrative expenses	13	-981,176	-25,712
Other income	14	2,700	-
Profit / (loss) from operations		7,776,023	-67,098
Finance cost	15	-29,545	-18,392
Profit / (loss) before tax		7,746,478	-85,490
Profit tax expense	3	-	-
Profit / (loss) for the year		7,746,478	-85,490
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		7,746,478	-85,490
Attributable to the owners		7,746,478	-85,490

See accompanying notes.

Sefiarray B.V.

Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2021	100	-103,437	-103,337
Profit / (loss) for the year	-	-85,490	-85,490
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-85,490	-85,490
Balance, December 31, 2022	100	-188,927	-188,827
Profit / (loss) for the year	-	7,746,478	7,746,478
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	7,746,478	7,746,478
Balance, December 31, 2023	100	7,557,551	7,557,651

See accompanying notes.

Sefiarray B.V.

Statement of cash flows

(All amounts in EUR)

	Note	2023	2022
Cash flow from operating activities			
Profit / (loss) for the year		7,746,478	-85,490
(Increase) / decrease in prepaid expenses		1,136	984
(Increase) / decrease in receivable from owners		-	74,839
(Increase) / decrease in other receivables		-8,595,212	-
Increase / (decrease) in accounts payable		542,586	1,176
Increase / (decrease) in accrued expenses		-2,700	-
Increase / (decrease) in payable to group company		328,886	-
Net cash used in operating activities		21,174	-8,491
Cash flow from investing activities			
(Increase) / decrease in property, plant and equipment		-	-
Net cash used in investing activities		-	-
Cash flow from financing activities			
Increase / (decrease) in loans and interest payable		13,500	13,500
Net cash used in financing activities		13,500	13,500
Net increase / (decrease) in cash		34,674	5,009
Cash at the beginning of the year		5,530	521
Cash at the end of the year	4	40,204	5,530

See accompanying notes.

Notes to financial statements

1. General information

Sefiarray B.V. (the company) was established on September 18, 2020 in Curaçao as a private limited liability company. The address of its registered office is Fransche Bloemweg 4, Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 155219.

The main objectives of the company are:

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising all types of games, betting and other operation of betting exchange, interactive casinos, bingos, lotteries, poker and other interactive games for clients established or residing outside of Curaçao.
2. The corporation is authorized to perform everything requisite or profitable to the accomplishment of its purpose or incidental thereto or connected therewith in the widest sense of the word.
3. The corporation has no authority to invoke the annulment of legal acts performed by the corporation, which exceeded the corporate objective.

The management of the company is borne by a board of directors. As of December 31, 2023, the management of the company is borne by a statutory director:

- | | |
|------------------------------------|--------------------|
| - Downtown E-Commerce Company B.V. | Statutory Director |
|------------------------------------|--------------------|

The director is pleased to present to the shareholder, the unaudited financial statements of Sefiarray B.V. (the “Company”) for the financial period ended 31 December 2023. The underlying administration of these financial statements was provided by an external accounting office. In the director’s opinion, the Company’s financial statements are prepared based on the documents and information provided to the accounting office. The financial statements, based on these documents and information, give a true and fair view of the financial position of the Company as at December 31, 2023 and the financial performance, changes in equity and cash flows of the Company for the financial period ending on that date.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

Basis of presentation

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention. The financial statements are presented in Euro (EUR) and all values are presented in actual, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

Previous year's figures have been regrouped to conform to current year's presentation.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Foreign currency transactions

The financial statements are presented in EUR, which is the company's functional and presentation currency. Transactions denominated in foreign currencies are translated at the exchange rate prevailing when the transaction is realized. The exchange results are recorded in the statement of profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates prevailing at the end of the year.

Financial instruments**Financial assets****Initial recognition and measurement**

Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, loans and receivables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through statement of profit or loss.

The company's financial assets include cash and cash equivalents and other receivables.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The company's financial liabilities include accounts payable, loans and interest payable and other payables.

Subsequent measurement

The subsequent measurement of financial assets and liabilities depends on their classification.

Impairment of long-lived assets

Long-lived assets, other than goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Recoverability of assets is measured by comparison of the carrying amount of the asset to the net undiscounted future cash flows expected to be generated from the asset. If the future undiscounted cash flows are not sufficient to recover the carrying value of the assets, the assets' carrying value is adjusted to fair value. The company regularly evaluates its long-lived asset for indicators of possible impairment. To date no impairment has been recorded.

Concentration of credit risk and certain other risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties failed to perform as contracted. The company does not have significant exposure to any individual client or counterparty. Management of credit risk involves number of considerations, such as financial profile of the counterparty, specific terms and duration of the contractual agreement. There exists a risk of non-performance, however the management believes that the company's exposure to credit risk associated with non-performance of its counterparty is minimum.

New standards, amendments and interpretations issued but not effective for the financial year beginning January 01, 2023 and not early adopted

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the company.

3. Profit taxes

The company is subject to a territorial tax system, wherein the income earned in Curaçao is subject to 15% profit taxes on income up to 500,000 XCG and 22% above it and the foreign source of income is subject to 0% of profit taxes.

4. Cash and cash equivalents

	2023	2022
Balance with One.io	40,204	-
Balance with ConnectPay	-	5,134
Balance with Sepaga	-	396
	40,204	5,530

5. Receivable from owners

The receivable is short-term in nature and does not carry any interest.

6. Other receivables

	2023	2022
Gaming revenue receivable – B2C Site	8,595,212	-
	8,595,212	2,700

7. Accrued expenses

	2023	2022
Annual compliance fees	-	2,700
	-	2,700

8. Payable to group company

	2023	2022
Dumelita Ltd	328,886	-
	328,886	-

The above payable does not carry any interest and is repayable on demand.

9. Loans and interest payable

	2023	2022
Loans payable to Kabe Limited	270,000	270,000
Interest payable on the above loans	35,815	22,315
	305,815	292,315

The above loan is subject to an interest of 5% per annum and repayable on February 28, 2024.

10. Issued capital

The issued share capital of the company as on December 31, 2023 and 2022 consists of 100 ordinary shares with a nominal value of EUR 1 each and subscribed for EUR 100.

As of December 31, 2023 and 2022, Dumelita Ltd., a company incorporated and domiciled in Republic of Cyprus, held 100% of shares of the company.

No dividends were declared in 2023 and 2022.

11. Direct cost

	2023	2022
Commissions and fees	2,593,581	-
Software expenses	698,093	141,471
Royalty	28,926	15,081
Licenses and server fees	-	45,021
	3,320,600	201,573

12. Advertising and marketing expenses

	2023	2022
Marketing expenses	438,789	52,525
Design expenses	4,890	-
	443,679	52,525

13. Administrative expenses

	2023	2022
Professional fees	976,782	6,300
Rent expenses	2,862	7,363
Write off of assets	1,532	-
Compliance fees	-	4,950
Annual management fees	-	3,250
Annual compliance fees	-	2,700
Other expenses	-	1,149
	981,176	25,712

14. Other income

	2023	2022
Write back of liabilities	2,700	-
	2,700	-

15. Finance cost

	2023	2022
Bank charges	16,045	4,892
Interest expenses	13,500	13,500
	29,545	18,392

16. Fair value

Fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to arrive at the fair value:

Cash and cash equivalents, accounts payable, other receivables and payables approximate the carrying amount largely due to the short-term maturity.

Loans and interest payable have been disclosed at a value which fairly approximates the value which is expected to be repaid.

17. Contingencies, commitments and legal proceedings

The company has no contingent or future purchase liabilities and is not involved in any legal actions.

18. Subsequent events

In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2023. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2023.

19. Authorization for issue

These financial statements for the year ended December 31, 2023 were approved by board of directors and authorized for issue on June 19, 2026.

Board of Directors:

Name

Function

Signature

Downtown E-Commerce Company B.V.

Statutory Director