

Betrust Entertainment B.V.

Financial Statements

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

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Betrust Entertainment B.V.

Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Cash and cash equivalents	4	63,168	247,632
Receivable from subsidiary	5	4,739,710	6,982,221
Receivable from group companies		726	188,747
Prepaid expenses and other assets		98,520	18,361
Total current assets		4,902,124	7,436,961
Non-current assets			
Intangible assets	6	19,264	18,181
Investment in subsidiary	7	1,200	1,200
Total non-current assets		20,464	19,381
Total assets		4,922,588	7,456,342
Equity and liabilities			
Current liabilities			
Accounts payable (Net)		440,907	407,938
Payable to players (Net)		626,631	465,278
Payable to group companies		2,374,917	700,000
Payable to shareholders	8	14,817	14,817
Profit tax payable		-	11,787
Accrued expenses		853,621	3,731,972
Other payables	9	4,985	4,985
Total current liabilities		4,315,878	5,336,777
Equity			
Issued capital	10	90	90
Retained earnings / (Accumulated losses)		606,620	2,119,475
Total equity		606,710	2,119,565
Total liabilities and equity		4,922,588	7,456,342

See accompanying notes.



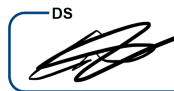

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Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue (Net)	11	16,652,519	13,863,221
Direct cost	12	-11,252,030	-8,643,489
Gross profit / (loss)		5,400,489	5,219,732
Selling and marketing expenses		-3,832,183	-3,179,984
Amortization	6	-3,908	-527
Administrative expenses	13	-173,361	-172,948
Profit / (loss) from operations		1,391,037	1,866,273
Finance cost	14	-815,290	-108,795
Profit / (loss) before tax		575,747	1,757,478
Profit tax expense	3	11,398	-353
Profit / (loss) for the year		587,145	1,757,125
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		587,145	1,757,125
Attributable to the owners		587,145	1,757,125

See accompanying notes.

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Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2021	90	1,212,350	1,212,440
Profit / (loss) for the year	-	1,757,125	1,757,125
Other comprehensive income	-	-	-
Dividend paid	-	-850,000	-850,000
Total comprehensive income / (loss) for the year	-	907,125	907,125
Balance, December 31, 2022	90	2,119,475	2,119,565
Profit / (loss) for the year	-	587,145	587,145
Other comprehensive income	-	-	-
Dividend paid	-	-2,100,000	-2,100,000
Total comprehensive income / (loss) for the year	-	-1,512,855	-1,512,855
Balance, December 31, 2023	90	606,620	606,710

See accompanying notes.

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Statement of cash flows

(All amounts in EUR)

	Note	2023	2022
Cash flow from operating activities			
Profit / (loss) for the year		587,145	1,757,125
Add: Profit tax expense		-11,398	353
Add: Amortization		3,908	527
(Increase) / decrease in receivable from subsidiary		2,242,511	-2,832,400
(Increase) / decrease in receivable from group companies		188,021	-188,747
(Increase) / decrease in prepaid expenses and other assets		-80,159	-16,361
Increase / (decrease) in dividend payable		-	-800,000
Increase / (decrease) in accounts payable		32,969	206,950
Increase / (decrease) in payable to players		161,353	-763,005
Increase / (decrease) in payable to group companies		1,674,917	700,000
Increase / (decrease) in profit tax payable		-389	-
Increase / (decrease) in accrued expenses		-2,878,351	2,761,803
Net cash generated from operating activities		1,920,527	826,245
Cash flow from investing activities			
(Increase) / decrease in intangible assets		-4,991	-18,708
Net cash generated from investing activities		-4,991	-18,708
Cash flow from financing activities			
Dividend declared and paid		-2,100,000	-850,000
Net cash generated from financing activities		-2,100,000	-850,000
Net increase / (decrease) in cash		-184,464	-42,463
Cash at the beginning of the year		247,632	290,095
Cash at the end of the year	4	63,168	247,632

See accompanying notes.

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Notes to financial statements

1. General information

Betrust Entertainment B.V. (the company) was established on August 31, 2016 in Curaçao as a private limited liability company. The address of its registered office is Korporaalweg 10, Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 141214.

The main objectives of the company are:

1a. to organize, market, promote, manage and operate all types of remote gaming activities, comprising all types of games, betting transactions, the operation of betting exchanges, interactive casinos, bingos, lotteries and other interactive games and to carry out any activities ancillary thereto by offering goods or services to persons who participate in licensed online gaming;

b. to act as buyers, sellers either by wholesale or retail or correspondence, promoters, importers, exporters, bailees, commission merchants and commission agents and brokers in respect of all types of plant, machinery, equipment, merchandise, goods, products and raw materials without restriction as to type or volume, and whether for immediate or future delivery, and whether on a cash or margin basis, in particular software and hardware required in the electronic gaming business;

c. to purchase or otherwise acquire and import equipment required by the company in order to carry out its objects.

2. The company is entitled to do all that may be useful or necessary for the attainment of its object or that is connected there with in the widest sense, including participating in any other venture or company.

3. The business of the company shall exclusively be conducted in an economic zone as expressed in the National Ordinance dated the twelfth day of February two thousand and one (P.B. 2001, number 18).

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 single statutory director:

- Xecutive Corporate Management B.V.

Statutory Director

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2. Summary of material 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 all the years presented, unless otherwise stated.

Basis of presentation

The separate 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 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.

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.

Investment

Investment in subsidiary is valued at cost, less impairment losses, if any.

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.

Intangible assets

Intangible assets are initially recognized at cost and amortized over the useful life of the assets.

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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 profit or loss.

The company's financial assets include cash and cash equivalents, prepaid expenses and other assets.

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, accrued expenses and other payables.

Subsequent measurement

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

Revenue recognition

Casino revenue is represented by the difference between the amounts of bets placed by customers less amounts won, net of bonuses and loyalty points, if any. The revenue is recognized at the fair value of consideration.

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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 counter parties failed to perform as contracted. The company does not have significant exposure to any individual client or counter party. Management of credit risk involves a number of considerations, such as financial profile of the counter party, specific terms and duration of the contractual agreement. There exists a risk of non-performance, however management believes that the company's exposure to credit risk associated with non-performance of its counter party 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 ANG 500,000 and 22% above it and the foreign source of income is subject to 0% of profit taxes.

4. Cash and cash equivalents

	2023	2022
Balances with bank and PSPs		
Skrill	49,263	12,354
Neteller	13,905	13,637
Paysafe	-	82,633
Empcorp	-	80,777
Paydoo	-	41,460
TransactEurope	-	14,371
Flutterwave	-	2,400
	63,168	247,632

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5. Receivable from subsidiary

	2023	2022
C/A Balthenie Limited	4,739,710	6,982,221
	4,739,710	6,982,221

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

6. Intangible assets

	2023	2022
Computer software and domain	23,699	18,708
Less: Amortization	-4,435	-527
	19,264	18,181

7. Investment in subsidiary

As at December 31, 2023 and December 31, 2022, the company holds 99.99% investment in Balthenie Limited, a company incorporated and domiciled in the Republic of Cyprus.

	2023	2022
Balthenie Limited (1,200 Equity shares of EUR 1.00 each)	1,200	1,200
	1,200	1,200

The company has elected not to present consolidated financial statements. Its owners have been informed and do not object to presenting separate financial statements.

8. Payable to shareholders

Payable to shareholders represents expenses incurred by the shareholders on behalf of the company net of the amount due from them. The payable does not carry any interest and is repayable on demand.

9. Other payables

	2023	2022
C/A Zion Investment	4,985	4,985
	4,985	4,985

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

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10. Issued capital

The issued capital of the company as at December 31, 2023 and December 31, 2022, consists of 100 common shares with a nominal value of USD 1 subscribed for EUR 90.

EUR 2,100,000 and EUR 850,000 were declared as dividends in 2023 and 2022 respectively.

11. Revenue (Net)

	2023	2022
Casino revenues	26,196,300	19,765,804
Less: Payouts	-9,563,063	-6,252,228
	16,633,237	13,513,576
Marketing Support Revenue(net)	19,282	349,645
	16,652,519	13,863,221

12. Direct cost

	2023	2022
Support services	4,209,684	2,677,070
Payment processing fees	3,166,734	2,430,388
Aggregators fees	2,893,970	2,624,938
Platform fees	925,579	898,034
License and server fees	51,452	7,971
Software expenses	4,611	5,088
	11,252,030	8,643,489

13. Administrative expenses

	2023	2022
IT expenses	80,768	89,699
Traveling expenses	69,502	28,436
Compliance fees	5,400	-
Annual management fees	3,750	3,011
Rent expenses	3,044	4,566
Annual compliance fees	2,750	9,500
Professional fees	30	33,441
Subscriptions and donations	-	1,197
Other expenses	8,117	3,098
	173,361	172,948

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14. Finance cost

	2023	2022
Impairment loss on trade receivables	562,028	89,839
Foreign exchange loss	245,158	18,956
Bank charges	8,104	-
	815,290	108,795

15. 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, prepaid expenses, accounts payable, accrued expenses, other assets and other payables approximate the carrying amount largely due to the short-term maturity.

16. Contingencies, commitments and legal proceedings

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

17. 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.

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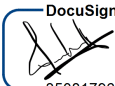
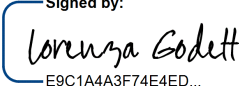

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18. Authorization for issue

These financial statements for the year ended December 31, 2023 were approved by the board of directors and authorized for issue on October 17, 2024.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Statutory Director	DocuSigned by:  3508179679034CB... Signed by:  E9C1A4A3F74E4ED...