

Nextgate (F.K.A. MAXXI MEDIA) N.V.

Groot Kwartierweg 10 Livestrong Building
Willemstad

FINANCIAL STATEMENTS 2023

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Nextgate (F.K.A. MAXXI MEDIA) N.V.
Willemstad

Director's report

We are pleased to present you the Financial Statements for the period 1 January, 2023 through 31 December, 2023.

During the period under review, the Company recorded a net profit of USD 392,179. Details of which are set out in the attached Profit and Loss account.

Curaçao,

A handwritten signature in black ink, appearing to read 'Deeuw', enclosed within a circular scribble.

eMoore N.V.
Managing Director

Groot Kwartierweg 10
Curaçao

Nextgate (F.K.A. MAXXI MEDIA) N.V.

Balance sheet as at 31 December 2023

(Before appropriation of result)

ASSETS

		<u>31-12-2023</u>	<u>31-12-2022</u>
		\$	\$
Current assets			
Receivables			
Receivables from group companies	1	791,467	1,035,286
Receivables from associated companies	2	1,064,800	-
Accounts receivable	3	185,200	448,945
		<u>2,041,467</u>	<u>1,484,231</u>
Cash and cash equivalents	4	<u>8,353</u>	<u>38,225</u>
Total assets		<u><u>2,049,820</u></u>	<u><u>1,522,456</u></u>

SHAREHOLDER'S EQUITY AND LIABILITIES

Shareholder's equity	5		
Share capital		1	1
Share premium		102,305	102,305
Retained earnings		1,180,194	827,478
Result for the year		392,179	352,716
		<u>1,674,679</u>	<u>1,282,500</u>
Current liabilities			
Players liability		135,092	58,240
Accounts payable	6	223,180	164,847
Other liabilities	7	16,869	16,869
		<u>375,141</u>	<u>239,956</u>
Total shareholder's equity and liabilities		<u><u>2,049,820</u></u>	<u><u>1,522,456</u></u>

Profit and loss account for the year 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
Revenues	3,883,550	3,123,893
Operational costs	⁸ <u>(2,999,418)</u>	<u>(2,354,735)</u>
Net operating result	884,132	769,158
General and administrative expenses	⁹ <u>95,834</u>	<u>111,009</u>
Total of operating result	<u>788,298</u>	<u>658,149</u>
Provision expenses	(49,262)	-
Provision debtors	(252,814)	(252,814)
Currency translation differences	<u>(94,043)</u>	<u>(52,619)</u>
Financial income and expense	<u>(396,119)</u>	<u>(305,433)</u>
Total of result before tax	392,179	352,716
Profit tax	<u>-</u>	<u>-</u>
Net result for the year	<u>392,179</u>	<u>352,716</u>

Nextgate (F.K.A. MAXXI MEDIA) N.V.

Notes to the financial statements

Entity information

Registered address and registration number trade register

The registered and actual address of Nextgate (F.K.A. MAXXI MEDIA) N.V. is Groot Kwartierweg 10 Livestrong Building, in Willemstad, Curaçao. Nextgate (F.K.A. MAXXI MEDIA) N.V. is registered at the Chamber of Commerce under number 107101.

General notes

The most important activities of the entity

Nextgate (F.K.A. MAXXI MEDIA) N.V. is a limited liability company that was incorporated in Curaçao, Willemstad on April 23, 2009.

The Company is solely engaged in e-gaming activities.

General accounting principles

The accounting standards used to prepare the financial statements

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

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

Disclosure of changes in accounting policies

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

Conversion of amounts denominated in foreign currency

The financial statements are presented in euros, which is the functional and presentation currency of Nextgate (F.K.A. MAXXI MEDIA) N.V.

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

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

Exchange rates used:

1 EUR =	USD
2023	1.1050
2022	1.06749

Accounting principles

Cash and cash equivalents

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

Current assets

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

Current liabilities

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

Accounting principles for determining the result

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

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

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

General and administrative expenses

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

Notes to the balance sheet

Receivables

	<u>31-12-2023</u>	<u>31-12-2022</u>
	\$	\$
1 Receivables from group companies		
Receivable from Agrade Private Foundation	33,026	24,030
Receivable from Marlony SA	<u>758,441</u>	<u>1,011,256</u>
	<u>791,467</u>	<u>1,035,286</u>
	<u>2023</u>	<u>2022</u>
	\$	\$

Receivable from Agrade Private Foundation

Balance as at 1 January	24,030	9,885
Movement for the year	<u>8,996</u>	<u>14,145</u>
Balance as at 31 December	<u>33,026</u>	<u>24,030</u>
	<u>2023</u>	<u>2022</u>
	\$	\$

Receivable from Marlony SA

Balance as at 1 January	1,011,256	-
Movement for the year	-	1,264,070
Provision Marlony SA account*	<u>(252,815)</u>	<u>(252,814)</u>
Balance as at 31 December	<u>758,441</u>	<u>1,011,256</u>

*After all the PSP's, banks and player funds have been reconciled, we discovered an unreconcilable amount from previous years, with a total amount of USD. 1,264,070 receivable from Marlony, whereas Marlony has no payable to Nextgate registered. Considering that all third party accounts have been reconciled, it was decided to write off this amount in 5 years, as it seems that the previous years Revenues has been inflated.

	<u>31-12-2023</u>	<u>31-12-2022</u>
	\$	\$
2 Receivables from associated companies		
Receivable from Marlony SA	<u>1,064,800</u>	<u>-</u>
	<u>31-12-2023</u>	<u>31-12-2022</u>
	\$	\$

3 Other receivables

Balance merchant accounts	207,032	422,779
Receivable from third parties	(21,832)	24,227
Prepaid expenses	<u>-</u>	<u>1,939</u>
	<u>185,200</u>	<u>448,945</u>

	<u>31-12-2023</u>	<u>31-12-2022</u>
	\$	\$
4 Cash and cash equivalents		
Cash	1	1
Migom Bank, current account EUR	42,672	31,447
Migom Bank, current account USD	6,590	6,777
Valyuz, current account EUR	2,387	-
Valyuz, current account USD	5,965	-
Migom Bank, provision on current accounts*	(49,262)	-
	<u>8,353</u>	<u>38,225</u>

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

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

5 Shareholder's equity

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

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

	Share capital	Share pre- mium	Retained earnings	Result for the year	Total
	\$	\$	\$	\$	\$
Balance as at 1 January 2023	1	102,305	827,478	352,716	1,282,500
Appropriation of result	-	-	352,716	(352,716)	-
Result for the year	-	-	-	392,179	392,179
Balance as at 31 December 2023	<u>1</u>	<u>102,305</u>	<u>1,180,194</u>	<u>392,179</u>	<u>1,674,679</u>

	<u>31-12-2023</u>	<u>31-12-2022</u>
	\$	\$
6 Accounts payable		
Management fees payable	1,914	19,430
Hosting fees payable	(2,287)	5,654
Software fees payable	223,553	139,763
	<u>223,180</u>	<u>164,847</u>
	<u>31-12-2023</u>	<u>31-12-2022</u>
	\$	\$
7 Other liabilities		
Other liabilities	<u>16,869</u>	<u>16,869</u>

Nextgate (F.K.A. MAXXI MEDIA) N.V.

	<u>2023</u>	<u>2022</u>
	\$	\$
Maxxi Media Malta Ltd.		
Balance as at 1 January	5,337	5,662
Movements	-	(325)
Balance as at 31 December	<u>5,337</u>	<u>5,337</u>
	<u>2023</u>	<u>2022</u>
	\$	\$
Disfar Corporation		
Balance as at 1 January	6,844	6,844
Movements	-	-
Balance as at 31 December	<u>6,844</u>	<u>6,844</u>
	<u>2023</u>	<u>2022</u>
	\$	\$
Priority Payout Group		
Balance as at 1 January	4,688	4,688
Movements	-	-
Balance as at 31 December	<u>4,688</u>	<u>4,688</u>
	<u>2023</u>	<u>2022</u>
	\$	\$
Marlony SA		
Balance as at 1 January	-	76,004
Movements	-	(76,004)
Balance as at 31 December	<u>-</u>	<u>-</u>

Notes to the profit and loss account

	<u>2023</u>	<u>2022</u>
	\$	\$
8 Operational costs		
License fees	10,308	7,086
Bandwith fees	1,540	6,700
Payment processor expenses	345,695	225,859
Marketing expenses	7,150	-
Software fees	781,760	749,269
Marlony fees	1,832,700	1,365,821
Commission fees	20,265	-
	<u>2,999,418</u>	<u>2,354,735</u>
	<u>2023</u>	<u>2022</u>
	\$	\$
9 General and administrative expenses		
Management fees - eMoore N.V.	80,182	68,944
Bank expenses	15,652	40,074
Other expenses	-	1,991
	<u>95,834</u>	<u>111,009</u>