

Lowell & Pruitt N.V.

Groot Kwartierweg 10, Livestrong Building
Willemstad, Curaçao

FINANCIAL STATEMENTS 2024

Table of contents

	Page
Director's report	2
Financial statements	
Balance sheet as at 31 December 2024	3
Profit and loss account for the year 2024	4
Notes to the financial statements	5
Notes to the balance sheet	7
Notes to the profit and loss account	11

Lowell & Pruitt N.V.
Willemstad

Director's report

We are pleased to present you with the Annual Report for the period January 1, 2024 through December 31, 2024.

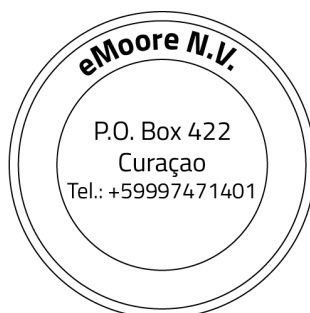
During the period under review, the Company recorded a net loss of EUR 2,337. Details of which are set out in the attached Profit and Loss account.

Curaçao,



eMoore N.V.
Managing director

Groot Kwartierweg 10
Livestrong Building
Curaçao



Balance sheet as at 31 December 2024

(Before appropriation of result)

Assets

		31-12-2024	31-12-2023
		€	€
Fixed assets			
Intangible assets	1	44,647	65,647
Financial fixed assets			
Participations	2	-	3,017
Current assets			
Receivables from related parties	3	76,908	219,654
Other receivables	4	810,795	555,553
		887,703	775,207
Cash and cash equivalents	5	3,725,387	1,260,294
Total assets		4,657,737	2,104,165
Shareholder's equity and liabilities			
Shareholder's equity	6		
Share capital		1	1
Retained earnings/ Accumulated losses		(843,906)	(115,311)
Result for the year		(2,337)	(728,595)
		(846,242)	(843,905)
Provisions			
Provision participations		228	-
Current liabilities			
Accounts payable	7	1,806,702	2,266,501
Other payables	8	3,686,397	651,657
Accruals	9	10,652	29,912
		5,503,751	2,948,070
Total shareholder's equity and liabilities		4,657,737	2,104,165

Profit and loss account for the year 2024

	<u>2024</u>	<u>2023</u>
	€	€
Net revenue	8,323,039	4,375,965
Operational expenses	¹⁰ <u>(8,137,494)</u>	<u>(4,977,953)</u>
Net operating result	185,545	(601,988)
General and administrative expenses	¹¹ <u>180,266</u>	<u>125,818</u>
Total of operating result	5,279	(727,806)
Interest expenses	-	(2,806)
Currency translation differences	<u>(4,371)</u>	<u>-</u>
Financial income and expense	<u>(4,371)</u>	<u>(2,806)</u>
Result before tax	908	(730,612)
Profit tax	¹² <u>-</u>	<u>-</u>
	908	(730,612)
Share in result of participations	<u>(3,245)</u>	<u>2,017</u>
NET RESULT FOR THE YEAR	<u><u>(2,337)</u></u>	<u><u>(728,595)</u></u>

Notes to the financial statements

General notes

The most important activities of the entity

Lowell & Pruitt N.V. is a limited liability company that was incorporated in Curaçao, Willemstad on September 5, 2017. The Company is registered with the Chamber of Commerce and Industry of Curaçao under number 144786.

The Company is solely engaged in e-gaming activities.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statements are drawn up 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 Lowell & Pruitt 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.

Accounting principles

Intangible assets

Intangible fixed assets are stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset is higher than its realisable value.

Financial assets

Participations are valued according to the net asset value method.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements.

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

Lowell & Pruitt N.V.

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

1 Intangible assets

	Internet domain €
Balance as at 1 January 2024	
Cost price	105,000
Accumulated amortization	(39,353)
Book value as at 1 January 2024	65,647
Movements	
Amortization	(21,000)
Balance movements	(21,000)
Balance as at 31 December 2024	
Cost price	105,000
Accumulated amortization	(60,353)
Book value as at 31 December 2024	44,647

The Company purchased two domains in February 2022. Domains have a finite useful life and are amortised on a straight line basis over 5 years.

2 Participations

	31-12-2024 €	31-12-2023 €
Participation in Arbex Technology Ltd.	-	3,017

Lowell & Pruitt N.V. has a 100% ownership in Arbex Technology Ltd. with domiciliation in Cyprus.
The valuation is on a net asset value basis.

The movement of the investment in participation is as follows:

Lowell & Pruitt N.V.

Participation in Arbex Technology Ltd.

	2024	2023
	€	€
Book value as at 1 January	3,017	1,000
Result participation	(3,245)	2,017
Addition to provision	228	-
Book value as at 31 December	-	3,017

3 Receivables from related parties

	31-12-2024	31-12-2023
	€	€
Receivable from Arbex Technology Ltd.	76,908	219,654

As at 31 December 2024 this item can be detailed as follows:

Receivable from Arbex Technology Ltd.

	2024	2023
	€	€
Balance as at 1 January	219,654	-
Movement during the year	(142,746)	219,654
Balance as at 31 December	76,908	219,654

In December 2022, the company entered into a Service Level Agreement with Arbex Technology Ltd, under which Arbex Technology Ltd agreed to provide services to Lowell & Pruitt N.V. related to revenue collection functions. These services include, but are not limited to, accepting and executing payments, transfers, deposits, and settlements on behalf of Lowell & Pruitt N.V., as directed by it.

The intercompany balance primarily represents the cash at bank balances of Arbex Technology Ltd, which were originally transferred to and accepted by Arbex Technology Ltd. after deducting the disbursements executed on behalf of Lowell & Pruitt N.V.

4 Other receivables

	31-12-2024	31-12-2023
	€	€
Payment service provider receivables	625,459	544,615
Crypto wallets	63,556	-
Prepaid expenses	121,431	10,589
Third party bank account	349	349
	810,795	555,553

5 Cash and cash equivalents

	31-12-2024	31-12-2023
	€	€
Cash in transit	-	805,493
Finance Incorporated Limited, current account	3,657,750	444,201
Finance Incorporated Limited, Mastercard	58,477	12,097
PayDo, current account	9,160	(1,497)
	<u>3,725,387</u>	<u>1,260,294</u>

6 Shareholder's equity

The Company's authorized share capital amounts to EUR 1 and consists of 1 share with a nominal value of EUR 1,00 per share.

Movements in the shareholder's equity were as follows:

	Share capital	Retained earnings/ Accumulated losses	Result for the year	Total
	€	€	€	€
Balance as at 1 January 2024	1	(115,311)	(728,595)	(843,905)
Appropriation of result	-	(728,595)	728,595	-
Result for the year	-	-	(2,337)	(2,337)
Balance as at 31 December 2024	<u>1</u>	<u>(843,906)</u>	<u>(2,337)</u>	<u>(846,242)</u>

7 Accounts payable

	31-12-2024	31-12-2023
	€	€
Creditors	<u>1,806,702</u>	<u>2,266,501</u>

As at 31 December 2024 this item can be detailed as follows:

Creditors

	31-12-2024	31-12-2023
	€	€
Software expenses	1,804,799	2,257,098
Management expenses	-	5,163
Rent expenses	-	4,240
Affiliate marketing	1,903	-
Total	<u>1,806,702</u>	<u>2,266,501</u>

8 Other payables

	31-12-2024	31-12-2023
	€	€
Curent account third party	3,581,781	-
Players balance	104,616	651,657
	<u>3,686,397</u>	<u>651,657</u>

As at 31 December 2024, the current account with third party can be detailed as follows:

Current account third party

	2024	2023
	€	€
Balance as at 1 January	-	156,934
Movement during the year	3,581,781	(156,934)
Balance as at 31 December	<u>3,581,781</u>	<u>-</u>

The amount reported under 'Current account balances' includes funds processed through the Company's merchant account on behalf of a third party under a domain and website purchase agreement effective February 2022. These funds represent player deposit transactions and are held as liabilities until settlement.

The current account bears no interest. No repayment date is agreed upon.

9 Accruals

	31-12-2024	31-12-2023
	€	€
Accrued expenses	<u>10,652</u>	<u>29,912</u>

Notes to the profit and loss account

10 Operational expenses

	2024	2023
	€	€
Marketing expenses	475,499	629,790
Software & IT / Hosting expenses	5,654,318	3,183,801
Subscription expenses	262,976	180,740
Customer support expenses	489,181	290,656
Payment processing expenses	1,145,304	628,505
Depreciation expenses	21,000	21,000
Sublicense fee	36,713	5,888
Agency expenses	54,000	34,516
Bandwidth & support expenses	-	4,116
Write off	(1,497)	(1,059)
	<u>8,137,494</u>	<u>4,977,953</u>

11 General and administrative expenses

	2024	2023
	€	€
Management expenses	78,772	55,449
Legal and professional expenses	980	730
Advisory fees	12,000	13,923
Office rent	6,960	6,890
Bank expenses	74,109	48,826
Travel expenses	4,396	-
Other expenses	3,049	-
	<u>180,266</u>	<u>125,818</u>

12 Profit tax

The Company's profit tax is determined in accordance with the territorial tax regime of Curaçao. Under this regime, a profit tax rate is applied to the taxable domestic net result.