

BLUEINIC B.V.
REPORT AND FINANCIAL STATEMENTS
31 December 2023

CONTENTS	PAGE
Board of Directors and other officers	1
Management Report	2
Statement of profit or loss and other comprehensive income	3
Statement of financial position	4
Statement of changes in equity	5
Cash flow statement	6
Notes to the financial statements	7 - 19

BLUEINIC B.V.

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Elias Lazaris

Registered office:

Abraham Mendez
Chumaceiro Boulevard 03
P.O. Box 4750
Curacao

Registration number:

140279

MANAGEMENT REPORT

The Board of Directors presents its report and financial statements of the Company for the year ended 31 December 2023.

Incorporation

The Company BLUEINIC B.V. was incorporated in Curacao on 26/05/2016 as a private company with limited liability.

Principal activity and nature of operations of the Company

The principal activity of the Company is 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 Curacao.

Review of current position, future developments and performance of the Company's business

The Company's development to date, financial results and position as presented in the financial statements are considered satisfactory.

Principal risks and uncertainties

The principal risks and uncertainties faced by the Company are disclosed in notes 6 and 7 of the financial statements.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and that such changes will affect The Company's income or the value of its holdings of financial instruments.

Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

Results and Dividends

The Company's results for the year are set out on page 3. The Board of Directors, following consideration of the availability of profits for distribution as well as the liquidity position of the Company, does not recommend the payment of a dividend and the net profit for the year is retained.

Share capital

There were no changes in the share capital of the Company during the year under review.

Board of Directors

The sole member of the Company's Board of Directors as at 31 December 2023 and at the date of this report is presented on page 1. The Sole Director was a member of the Board of Directors throughout the year ended 31 December 2023.

In accordance with the Company's Articles of Association the Sole Director presently member of the Board continues in office.

There were no significant changes in the remuneration of the Board of Directors.

By order of the Board of Directors,



Elias Lazaris
Director

Nicosia, 26 June 2024

BLUEINIC B.V.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 31 December 2023

	Note	2023 €	2022 €
Revenue	8	33,892,509	31,570,876
Cost of sales		(31,550,598)	(20,949,680)
Gross profit		2,341,911	10,621,196
Server Hosting Fees		6,157	6,283
Professional Licence Fee		33,560	13,046
Consulting Services		1,250	7,698
Total operating expenses		40,967	27,027
Selling and distribution expenses	9	(764,539)	(368,383)
Administration expenses	10	(284,416)	(225,944)
Operating profit		1,251,989	9,999,842
Finance costs	11	(29,277)	(88,715)
Profit before tax		1,222,712	9,911,127
Tax	12	-	6,898
Net profit for the year		1,222,712	9,918,025
Other comprehensive income		-	-
Total comprehensive income for the year		1,222,712	9,918,025

The notes on pages 7 to 19 form an integral part of these financial statements.

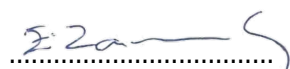
BLUEINIC B.V.

STATEMENT OF FINANCIAL POSITION

31 December 2023

	Note	2023 €	2022 €
ASSETS			
Non-current assets			
Property, plant and equipment	14	3,784	7,904
Available-for-sale financial assets	15	1,000	1,000
Non-current loans receivable	16	<u>3,815,162</u>	<u>-</u>
		<u>3,819,946</u>	<u>8,904</u>
Current assets			
Trade and other receivables	17	8,449,237	10,124,894
Cash at bank and in hand	18	<u>352,624</u>	<u>2,324,060</u>
		<u>8,801,861</u>	<u>12,448,954</u>
Total assets		<u><u>12,621,807</u></u>	<u><u>12,457,858</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital	19	3,588	3,588
Retained earnings		<u>11,139,537</u>	<u>9,916,825</u>
Total equity		<u><u>11,143,125</u></u>	<u><u>9,920,413</u></u>
Current liabilities			
Trade and other payables	20	1,478,682	2,518,401
Current tax liabilities	21	<u>-</u>	<u>19,044</u>
		<u>1,478,682</u>	<u>2,537,445</u>
Total equity and liabilities		<u><u>12,621,807</u></u>	<u><u>12,457,858</u></u>

On 26 June 2024 the Board of Directors of BLUEINIC B.V. authorised these financial statements for issue.


.....
Elias Lazaris
Director

The notes on pages 7 to 19 form an integral part of these financial statements.

BLUEINIC B.V.

STATEMENT OF CHANGES IN EQUITY

31 December 2023

	Note	Share capital €	Advances from shareholders €	Retained earnings €	Total €
Balance at 1 January 2022		3,588	2,838,477	5,528,556	8,370,621
Comprehensive income					
Net profit for the year		-	-	9,918,025	9,918,025
Total comprehensive income for the year		-	-	9,918,025	9,918,025
Transactions with owners					
Dividends	13	-	-	(5,529,756)	(5,529,756)
Repayments for the year		-	(2,838,477)	-	(2,838,477)
Total transactions with owners		-	(2,838,477)	(5,529,756)	(8,368,233)
Balance at 31 December 2022/ 1 January 2023		3,588	-	9,916,825	9,920,413
Comprehensive income					
Net profit for the year		-	-	1,222,712	1,222,712
Total comprehensive income for the year		-	-	1,222,712	1,222,712
Balance at 31 December 2023		3,588	-	11,139,537	11,143,125

The notes on pages 7 to 19 form an integral part of these financial statements.

BLUEINIC B.V.

CASH FLOW STATEMENT

31 December 2023

	Note	2023 €	2022 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		1,222,712	9,911,127
Adjustments for:			
Depreciation of property, plant and equipment	14	<u>4,120</u>	<u>4,120</u>
		1,226,832	9,915,247
Changes in working capital:			
Decrease/(increase) in trade and other receivables		1,675,657	(3,355,078)
(Decrease)/increase in trade and other payables		<u>(1,039,719)</u>	<u>2,499,431</u>
Cash generated from operations		1,862,770	9,059,600
Tax paid		<u>(19,044)</u>	-
Net cash generated from operating activities		<u>1,843,726</u>	<u>9,059,600</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Loans granted		<u>(3,815,162)</u>	-
Net cash used in investing activities		<u>(3,815,162)</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Advances from shareholders		-	(2,838,477)
Dividends paid		<u>-</u>	<u>(5,529,756)</u>
Net cash used in financing activities		<u>-</u>	<u>(8,368,233)</u>
Net (decrease)/increase in cash and cash equivalents		(1,971,436)	691,367
Cash and cash equivalents at beginning of the year		<u>2,324,060</u>	<u>1,632,693</u>
Cash and cash equivalents at end of the year	18	<u>352,624</u>	<u>2,324,060</u>

The notes on pages 7 to 19 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

1. Incorporation and principal activities

Country of incorporation

The Company BLUEINIC B.V. (the "Company") was incorporated in Curacao on 26/05/2016 as a private company with limited liability. Its registered office is at Abraham Mendez, Chumaceiro Boulevard 03, P.O. Box 4750, Curacao.

Principal activity

The principal activity of the Company is 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 Curacao.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets at fair value through other comprehensive income.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2023. This adoption did not have a material effect on the accounting policies of the Company.

4. Significant accounting policies

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

Revenue

Recognition and measurement

Revenue represents the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties.

- **Rendering of services**

Rendering of services:

Revenue from rendering of services is recognised over time while the Company satisfies its performance obligation by transferring control over the promised service to the customer in the accounting period in which the services are rendered.

- **Commission income**

Commission income is recognised on an accruals basis in accordance with the substance of the relevant agreements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)

Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

Foreign currency translation

(1) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (€), which is the Company's functional and presentation currency.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Translation differences on financial assets at fair value through other comprehensive income are recognised in other comprehensive income and then included in the fair value reserve in equity. Translation differences on debt securities at fair value through other comprehensive income are recognised in profit or loss.

Tax

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life. The annual depreciation rates used are as follows:

	%
Plant and Machinery	20
Computer hardware	33,33

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, the asset is written down immediately to its recoverable amount.

Expenditure for repairs and maintenance of property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS**31 December 2023****4. Significant accounting policies (continued)****Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non financial assets, other than goodwill, that have suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Financial assets**Financial assets - Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)**Financial assets (continued)****Financial assets - Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets - Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

Financial assets - modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)**Financial assets (continued)****Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current assets.

Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are also subject to the impairment requirements of IFRS 9. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 6, Credit risk section.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than 180 days past due.

Credit related commitments

The Company issues commitments to provide loans. Such commitments are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight-line basis over the life of the commitment, except for commitments to originate loans if it is probable that the Company will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination; such loan commitment fees are deferred and included in the carrying value of the loan on initial recognition. At the end of each reporting period, the commitments are measured at (i) the remaining unamortised balance of the amount at initial recognition, plus (ii) the amount of the loss allowance determined based on the expected credit loss model, unless the commitment is to provide a loan at a below market interest rate, in which case the measurement is at the higher of these two amounts. The carrying amount of the loan commitments represents a liability. For contracts that include both a loan and an undrawn commitment and where the Company cannot separately distinguish the ECL on the undrawn loan component from the loan component, the ECL on the undrawn commitment is recognised together with the loss allowance for the loan. To the extent that the combined ECLs exceed the gross carrying amount of the loan, they are recognised as a liability.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)**Financial assets (continued)****Financial liabilities - measurement categories**

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost, except for (i) financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in securities), contingent consideration recognised by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Trade payables

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Financial liabilities - Modifications

An exchange between the Company and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Company and the costs can be measured reliably.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

4. Significant accounting policies (continued)**Prepayments**

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Company has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Company. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in profit or loss.

Share capital

Ordinary shares are classified as equity.

5. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

6. Financial risk management**Financial risk factors**

The Company is exposed to market price risk and liquidity risk arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

6.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and that such changes will affect The Company's income or the value of its holdings of financial instruments.

6.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

31 December 2023	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-2 years €	2-5 years €	More than 5 years €
Trade and other payables	167,945	167,945	-	-	167,945	-	-
Payables to related parties	1,306,737	1,306,737	-	-	-	1,306,737	-
	1,474,682	1,474,682	-	-	167,945	1,306,737	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

6. Financial risk management (continued)**6.2 Liquidity risk (continued)**

31 December 2022	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-2 years €	2-5 years €	More than 5 years €
Trade and other payables	216,629	216,629	-	216,629	-	-	-
Payables to related parties	<u>2,299,022</u>	<u>51,439</u>	<u>-</u>	<u>51,439</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,515,651</u>	<u>268,068</u>	<u>-</u>	<u>268,068</u>	<u>-</u>	<u>-</u>	<u>-</u>

7. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying the Company's accounting policies

- Impairment of loans receivable**

The Company periodically evaluates the recoverability of loans receivable whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country in which the borrower operates, which may indicate that the carrying amount of the loan is not recoverable. If facts and circumstances indicate that loans receivable may be impaired, the estimated future discounted cash flows associated with these loans would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

- Impairment of available-for-sale financial assets**

The Company follows the guidance of IAS 39 in determining when an investment is other-than-temporarily impaired. This determination requires significant judgment. In making this judgment, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health and near-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

- Impairment of non-financial assets**

The impairment test is performed using the discounted cash flows expected to be generated through the use of non-financial assets, using a discount rate that reflects the current market estimations and the risks associated with the asset. When it is impractical to estimate the recoverable amount of an asset, the Company estimates the recoverable amount of the cash generating unit in which the asset belongs to.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

7. Critical accounting estimates and judgments (continued)

- Useful live of depreciable assets**

The Board of Directors assesses the useful lives of depreciable assets at each reporting date, and revises them if necessary so that the useful lives represent the expected utility of the assets to the Company. Actual results, however, may vary due to technological obsolescence, mis-usage and other factors that are not easily predictable.

8. Revenue

The Company derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major product lines.

Revenue	2023	2022
	€	€
Commissions receivable	33,892,509	31,570,876
	<u>33,892,509</u>	<u>31,570,876</u>

9. Selling and distribution expenses

	2023	2022
	€	€
Advertising	653	425
Commissions	763,886	367,958
	<u>764,539</u>	<u>368,383</u>

10. Administration expenses

	2023	2022
	€	€
Repairs and maintenance	2,020	3,176
Stationery and printing	2,395	284
Computer software	2,100	36,266
Auditors' remuneration	-	2,000
Accounting fees	3,000	3,000
Legal fees	11,430	14,409
Other professional fees	26,250	20,756
Entertaining	-	12
Management fees	72,000	8,826
Software Platform Licence	161,101	137,215
Depreciation	4,120	-
	<u>284,416</u>	<u>225,944</u>

11. Finance costs

	2023	2022
	€	€
Net foreign exchange losses	(3,921)	26,345
Sundry finance expenses	33,198	62,370
Finance costs	<u>29,277</u>	<u>88,715</u>

BLUEINIC B.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

12. Tax

12.1 Tax recognised in profit or loss

	2023 €	2022 €
Corporation tax - current year	-	6,073
Corporation tax - prior years	-	(12,971)
Credit for the year	-	(6,898)

13. Dividends

	2023 €	2022 €
Final dividend paid	-	5,529,756
	-	5,529,756

14. Property, plant and equipment

	Furniture, fixtures and office equipment €
Cost	
Balance at 1 January 2022	17,145
Balance at 31 December 2022/ 1 January 2023	17,145
Balance at 31 December 2023	17,145
Depreciation	
Balance at 1 January 2022	5,120
Charge for the year	4,121
Balance at 31 December 2022/ 1 January 2023	9,241
Charge for the year	4,120
Balance at 31 December 2023	13,361
Net book amount	
Balance at 31 December 2023	3,784
Balance at 31 December 2022	7,904

15. Available-for-sale financial assets

	2023 €	2022 €
Balance at 1 January	1,000	1,000
Balance at 31 December	1,000	1,000

BLUEINIC B.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

16. Non-current loans receivable

	2023	2022
	€	€
Loans receivable	<u>3,815,162</u>	-
	<u>3,815,162</u>	<u>-</u>

The fair values of non-current receivables approximate to their carrying amounts as presented above.

17. Trade and other receivables

	2023	2022
	€	€
Trade receivables	5,220,711	4,396,738
Directors' current accounts - debit balances (Note 22.2)	12,000	10,000
Deposits and prepayments	2,799,946	5,577,576
Other receivables	<u>416,580</u>	<u>140,580</u>
	<u>8,449,237</u>	<u>10,124,894</u>

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

18. Cash at bank and in hand

Cash balances are analysed as follows:

	2023	2022
	€	€
Cash at bank and in hand	<u>352,624</u>	<u>2,324,060</u>
	<u>352,624</u>	<u>2,324,060</u>

19. Share capital

	2023	2023	2022	2022
	Number of shares	€	Number of shares	€
Authorised				
Ordinary shares of US\$1 each	<u>4,000</u>	<u>3,588</u>	<u>4,000</u>	<u>3,588</u>
Issued and fully paid				
Balance at 1 January	<u>4,000</u>	<u>3,588</u>	<u>4,000</u>	<u>3,588</u>
Balance at 31 December	<u>4,000</u>	<u>3,588</u>	<u>4,000</u>	<u>3,588</u>

BLUEINIC B.V.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

20. Trade and other payables

	2023	2022
	€	€
Trade payables	167,945	216,629
Shareholders' current accounts - credit balances (Note 22.3)	50,939	51,439
Accruals	4,000	2,750
Payables to fellow subsidiaries (Note 22.1)	1,255,798	2,247,583
	1,478,682	2,518,401

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

21. Current tax liabilities

	2023	2022
	€	€
Corporation tax	-	19,044
	-	19,044

22. Related party transactions

The following transactions were carried out with related parties:

22.1 Payables to related parties (Note 20)

Name	2023	2022
	€	€
SECULINK LTD	1,255,798	2,247,583
	1,255,798	2,247,583

22.2 Directors' current accounts - debit balances (Note 17)

	2023	2022
	€	€
Elias Lazaris	12,000	10,000
	12,000	10,000

The Directors' current accounts are interest free, and have no specified repayment date.

22.3 Shareholders' current accounts - credit balances (Note 20)

	2023	2022
	€	€
3NESSO GAME TECH LTD	50,939	51,436
	50,939	51,436

The directors'/shareholders' current accounts are interest free, and have no specified repayment date.

23. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

24. Commitments

The Company had no capital or other commitments as at 31 December 2023.