

JMS Investment Group N.V.
Curaçao

Annual report 2023



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1. Report

1.1 General

JMS Investment Group N.V. (hereinafter: "the Company") is a company incorporated on April 18, 2016. The Company is a limited liability company and domiciled in Curaçao, Dutch Caribbean.

Reporting period

These annual accounts have been prepared for the fiscal year ended on 31 December 2023.

Activities

The activities of the Company, having its legal seat at Curaçao, primarily consist of:

Organizing, marketing, promoting, managing, supporting and operating 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.

1.2 COMPILATION REPORT

2. Financial statements

2.1 Balance sheet as at 31 December 2023*(After proposal result)*

		EUR 12/31/23	EUR 12/31/22
Assets			
Current assets			
Other receivables		5,000	-
Current accounts	1	932,131	1,682,773
Cash & cash equivalents	2	1,280,563	311,036
		2,217,694	1,993,809
Total assets		2,217,694	1,993,809
Equity & Liabilities			
Shareholders equity			
Nominal capital	3	1,000	1,000
Dividends paid		(4,492,898)	(3,815,744)
Result for the year		4,548,806	3,815,744
		56,908	1,000
Short term liabilities			
Other Liabilities and accruals	4	2,160,786	1,992,809
		2,160,786	1,992,809
Total equity & liabilities		2,217,694	1,993,809

2.2 Statement of income and expenses for the year 2023

		EUR 2023	EUR 2022
Turnover	5	16,003,597	12,399,118
Direct costs	6	<u>8,391,203</u>	<u>7,766,208</u>
Gross margin		7,612,394	4,632,910
IT and other operating expenses	7	15,050	15,000
Administrative & general expenses	8	<u>1,770,910</u>	<u>835,309</u>
		(1,785,960)	(850,309)
Operating result		<u>5,826,434</u>	<u>3,782,601</u>
Financial results	9	(1,286,265)	103,538
Result before tax		<u>4,540,169</u>	<u>3,886,139</u>
Income tax expense		8,637	(70,395)
Net result for the period		<u>4,548,806</u>	<u>3,815,744</u>

2.3 Notes to the financial statements

General

The financial statements are prepared according to the stipulations in chapter 9 Book 2 of the Curaçao Civil Code and accounting principles generally accepted in the Netherlands.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Liabilities and any losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Continuity

These financial statements have been prepared based on going concerns basis. The going concern basis of presentation assumes that the company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

Management is of the opinion, that the company's shareholders or other group companies will give the necessary support in case the assumption above mentioned is not realized. Consequently the Company has applied accounting principles based on going concerns.

Translation of foreign currency

Receivables, liabilities and obligations denominated in foreign currency are translated at the prevailing at exchange rates balance sheet date.

Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as at balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

Accounting policies in respect of the valuation of assets and liabilities

General

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention, unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model.

Financial fixed assets

Where significant influence is exercised, associated companies are valued under the net asset value method, but not lower than a nil value. This net asset value is based on the same accounting principles as applied by the Company.

Associated companies with negative net equity value are valued at nil. If the Company fully or partly guarantees the liabilities of the associated company concerned, or has the effective obligation respectively to enable the associated company to pay its (share of the) liabilities, a provision formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from associated company are taken into account.

Where no significant influence is exercised associated companies are valued at cost and if applicable less impairments in value.

Accounts receivable

Upon initial recognition the receivables are valued at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

Equity

Financial instruments are classified as equity, if they have the substance of equity instruments; the legal form is of no consequence.

Current liabilities

Upon initial recognition, current liabilities are stated at fair value and then valued at amortized cost.

Accounting policies in respect of determination

Turnover

Turnover represents amounts invoiced for goods and services supplied during the financial year reported on, net of discounts and value added taxes. Revenues from services are recognized in proportion to the services rendered. The cost price of these services is allocated to the same period.

Other operating expenses

Costs are taken into account under the historical cost convention and allocated to the period concerned.

Net financial result

Interest income and expenses consist of interest received from or paid to third parties.

Taxation

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realization is likely.

2.4 Notes to the balance sheet

	EUR 12/31/2023	EUR 12/31/22
1. Current accounts		
Current account shareholder	876,223	402,950
Interest receivable	55,908	-
Loan Stech European Entertainment Ltd.	-	1,279,823
	<u>932,131</u>	<u>1,682,773</u>

	EUR 12/31/2023	EUR 12/31/22
2. Cash & cash equivalents		
Payment Execution	122,991	73,430
E-Wallets	1,157,572	237,606
	<u>1,280,563</u>	<u>311,036</u>

3. Shareholders equity

The capital of the company consist of 1,000 shares with a nominal value of EUR 1 each.

	Issued Share capital EUR	Accum. Results EUR	Total EUR
Balance as at January 1 st	1,000	-	1,000
Dividends distribution	-	(4,492,898)	(4,492,898)
Movements	-	4,548,806	4,548,806
Balance as at December 31 st	<u>1,000</u>	<u>55,908</u>	<u>56,908</u>

	EUR 12/31/2023	EUR 12/31/22
4. Other Liabilities and accruals		
Profit tax payables	61,758	105,451
Player balances	254,617	274,704
Trade accounts payable	831,707	794,338
Accrual SC Technology	1,012,704	818,316
	<u>2,160,786</u>	<u>1,992,809</u>

2.5 Notes to the statement of income and expenses

	<u>2023</u> EUR	<u>2022</u> EUR
5. Turnover		
Gaming revenue	15,947,689	12,399,118
Interest income	55,908	-
	<u>16,003,597</u>	<u>12,399,118</u>
6. Direct costs		
Payment processing fees	149,588	206,564
Staff and overhead recharges	1,895,728	1,500,000
Commission fees	3,301,553	3,063,082
Agent fees	184,333	143,857
Marketing expenses	217,635	91,617
Game provider fees	-	454,751
Software / license fees	2,642,366	2,306,337
	<u>8,391,203</u>	<u>7,766,208</u>
7. IT and other operating expenses		
Gaming license fees	15,050	15,000
	<u>15,050</u>	<u>15,000</u>
8. Administrative & general expenses		
Management fees	2,400	2,150
Membership & contribution fees	120	90
Domiciliation fees	350	350
License fees National bank	75	75
Corporate secretarial fees	6,589	1,047
Accounting expenses	11,442	4,244
Legal fees	2,478	1,645
Tax advisory fees	8,460	1,640
Rent expenses	-	50,315
Travel expenses	-	60,885
Computer and internet expenses	-	12,929
Professional fees	8,457	-
Consultancy expenses	1,688,166	663,133
Bank charges	41,437	36,536
Other general expenses	936	270
	<u>1,770,910</u>	<u>835,309</u>
9. Financial results		
Bad debt expenses	(209,171)	-
Bank interest	-	(1,834)
Stech European Ltd. Loan written off	(1,078,658)	-
Unrealized gain/(loss) on exchange differences	1,564	105,372
	<u>(1,286,265)</u>	<u>103,538</u>

3. Other Information

3.1 Statutory provision regarding appropriation of result

In the articles of incorporation it states that the profit shall be at free disposal of the general meeting. Any distribution of the profit shall be made after approval of the annual account. Consequently the following has been presented concerning the appropriation of the result.

3.2 Appropriation of result

The management of the company proposes to appropriate the result as follows:

The positive result for the year 2023 in the amount of EUR 4,548,806 will be added in full to the other reserves. The Board of Directors, following consideration of the availability of profits for distribution as well as the liquidity position of the Company, recommend the payment of a dividend of EUR 4,492,898 in year 2023.

This proposal needs to be determined by the General Meeting and has therefore not yet been processed in the annual accounts 2023 for the company.

3.3 Subsequent events

There are no events after the balance sheet date that have significant impact on these financial statements, that require further disclosure.

Name:

Position:

Signature:

Global Related Services B.V.

Statutory director



Cem Sisman

Statutory director

