

Webis Holdings plc

Global Gaming Group

Annual Report and Consolidated Financial Statements for the year ended 31 May 2025

Webis Holdings plc

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Webis Holdings plc

Group at a Glance

Webis Holdings plc (the “Company”) and its subsidiary companies (together the “Group”) operates two primary segments: -

WatchandWager.com Ltd and WatchandWager.com LLC
– Advanced Deposit Wagering (“ADW”)

WatchandWager.com LLC
– Cal Expo Harness Racetrack

WatchandWager.com Ltd is regulated in the Isle of Man and operates a totalisator wagering hub through its United States Tote supplier, which enables it to conduct its ADW business by passing wagers directly into global racetrack betting pools in real time.

WatchandWager.com LLC has its operational base in Lexington, Kentucky, with its head office in Larkspur, California, and provides pari-mutuel wagering, or pool-betting, services through a number of distribution channels to a global client base. The company holds United States pari-mutuel licences for its ADW business in the USA, including a multi-jurisdictional licence issued by the States of North Dakota, and individual licences for the States of California, Maryland, Colorado, New York, Washington and Kentucky. The business provides wagering opportunities predominantly on horse and greyhound racing and has contracted with a significant number of prestigious racetrack partners within the United States, Hong Kong, France, Canada, United Kingdom, Ireland, and Australia amongst others. It provides wagering facilities to customers through its interactive website, *watchandwager.com*, as well as offering a business-to-business wagering product.

WatchandWager.com LLC also operates Cal Expo Harness Racetrack in Sacramento, California, under a licence issued by the California Horse Racing Board. This ‘bricks and mortar’ presence in the largest State economy in the USA continues to provide leverage for our related global pari-mutuel operations.

As part of the requirements for the Isle of Man licence, client funds for the Isle of Man licensed companies are held in fully protected segregated client accounts within an Isle of Man regulated bank.

Webis Holdings plc

Group Gaming Licences

Webis Holdings plc

Isle of Man Gambling Supervision Commission

WatchandWager.com Ltd

Isle of Man Gambling Supervision Commission

WatchandWager.com LLC - Advanced Deposit Wagering

Multi-jurisdictional

California Horse Racing Board

North Dakota Racing Commission

State by State

California Horse Racing Board

Colorado Division of Racing Events

Kentucky Horse Racing Commission

The Maryland Jockey Club

New York State Gaming Commission

North Dakota Racing Commission

Washington Horse Racing Commission

WatchandWager.com LLC - Cal Expo Harness Racing

California Horse Racing Board

Webis Holdings plc

The Board of Directors

Denham Eke, aged 74

Non-executive Chair

Denham Eke began his career in stockbroking before moving into corporate planning for a major UK insurance broker. He is a Director of many years' standing of both public and private companies involved in the mining, leisure, manufacturing, and financial services sectors.

Denham Eke was appointed Non-executive Chair in April 2003.

Ed Comins, aged 56

Managing Director

Ed Comins has 30+ years' experience in the betting and gaming industry with Coral, Ladbroke Casinos, the Tote and GameAccount. At the Tote he had overall responsibility for developing Totepool's pari-mutuel business as General Manager of Tote Direct and Development Director for Totepool. He was Commercial Director for GameAccount, a provider of online skill games, where he managed betting partner relationships with key sportsbooks.

Ed Comins joined the Board in May 2010.

Richard Roberts, aged 61

Non-executive Director

Richard Roberts has served in executive and board positions over the past 25 years in the online gaming and betting industries, leading US digital operations in iGaming, ADW and fantasy sports markets. In his current position, he is the President of Digital Gaming for Mohegan Gaming and Entertainment.

Richard Roberts joined the Board in April 2021.

Katie Errock, aged 38

Non-executive Director

Ms Errock, currently Company Secretary for the Group and its subsidiary companies, has extensive experience in compliance, regulation, and corporate governance. She is an associate of the Chartered Institute for Securities and Investment. Ms Errock is also the Company Secretary for a number of other companies controlled by Burnbrae Group Limited, an entity wholly owned by Webis' principal shareholder, Jim Mellon.

Katie Errock joined the Board in August 2022.

Jim Mellon, aged 68

Non-executive Director

Jim Mellon is a well-known entrepreneur, investor and author. He started his career in fund management and now includes biopharma, property, mining and information technology amongst his many investments. Jim holds directorships in a number of companies, both quoted and unquoted, including the Chair of Juvenescence Limited, as well as being a Non-executive Director of Agronomics Limited. He is the beneficial owner and Chair of Burnbrae Group Limited and holds, in the name of Burnbrae Limited, 63.10% of the shares in Webis Holdings PLC.

Jim Mellon joined the Board in July 2024.

Webis Holdings plc

Directors' Report

The Directors present their annual report and the audited consolidated financial statements for the year ended 31 May 2025.

Principal activities

The Group operates:

- a pari-mutuel service to individual and business customers; and
- a racetrack under a licence issued in California, USA.

Business review

The Group operates on a worldwide basis and provides online and offline facilities in respect of a wide variety of pari-mutuel events.

Proposed dividend

The Directors do not propose the payment of a dividend (2024: US\$ Nil).

Policy and practice on payment of creditors

It is the policy of the Group to agree appropriate terms and conditions for its transactions with suppliers by means of standard written terms to individually negotiated contracts. The Group seeks to ensure that payments are always made in accordance with these terms and conditions.

At the year-end there were 30 days (2024: 17 days) of purchases in trade creditors.

Financial risks

Details relating to financial risk management are shown in note 19 to the financial statements.

Directors and Directors' interests

The Directors who held office during the year and to date were as follows:

Denham Eke	Non-executive Chair
Ed Comins	Managing Director
Richard Roberts	Non-executive Director
Katie Errock	Non-executive Director
Jim Mellon	Non-executive Director

The Directors who held office at the end of the year had the following interests in the ordinary shares of the Company and options to purchase such shares arising from incentive schemes:

Directors' interests

	Ordinary shares		Options	
	Interest at end of year 2025	Interest at start of year 2024	Interest at end of year 2025	Interest at start of year 2024
Denham Eke ¹	—	—	—	—
Ed Comins	—	—	14,000,000	14,000,000
Richard Roberts	—	—	—	—
Katie Errock	—	—	—	—

¹ Denham Eke is Managing Director of Burnbrae Limited which holds 248,204,442 ordinary shares representing 63.10% of the issued capital of the Company.

Webis Holdings plc

Directors' Report continued

Substantial interests

On 31 October 2025, the following interests in 3% or more of the Company's ordinary share capital had been reported:

	%	Number of ordinary shares
Burnbrae Limited	63.10	248,204,442

Employees

The Group is committed to a policy of equal opportunity in matters relating to employment, training, and career development of employees, and is opposed to any form of less favourable treatment afforded on the grounds of disability, sex, race, or religion.

The Group recognises the importance of ensuring employees are kept informed of the Group's performance, activities, and future plans.

De-Listing from AIM

At the General Meeting held on 18 December 2024, a resolution was passed which approved the cancellation of the admission of the Company's Ordinary Shares to trading on AIM. The cancellation of their admission to trading on AIM took place on 3 January 2025.

Political and charitable contributions

The Group made no political contributions during the year.

As part of the obligations of the pari-mutuel business in the United States, the Group made charitable contributions of US\$ 35,663 during the year (2024: US\$ 32,244).

Auditors

KPMG Audit LLC, being eligible, have expressed their willingness to continue in office in accordance with Section 12(2) of the Isle of Man Companies Act 1982.

On behalf of the Board

Denham Eke

Non-executive Chair

16 December 2025

Webis Holdings plc

Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. The Group financial statements have been prepared in accordance with UK Adopted – International Accounting Standards, and they have elected to prepare the Parent Company financial statements on the same basis.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period. In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, and reliable;
- state whether they have been prepared in accordance with UK Adopted – International Accounting Standards;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Acts 1931-2004.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Directors' Report that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Isle of Man governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors who hold office at the date of approval of this Director's Report confirm that so far as they are aware, there is no relevant audit information of which the Group and Parent Company's auditor is unaware, and that each Director has taken all the steps they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

Responsibility statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
- the Directors' report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy.

Signed on behalf of the Board.

Denham Eke
Non-executive Chair
16 December 2025

Webis Holdings plc

Independent Auditor's Report to the Members of Webis Holdings plc

Our opinion is unmodified

We have audited the financial statements of Webis Holdings plc (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated and Company statement of financial position as at 31 May 2025, the consolidated statements of comprehensive income, changes in equity and cash flows and Company statement of changes in equity for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion:

- The financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 May 2025 and of the Group's loss for the year then ended;
- The Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- The Parent Company statement of financial position and statement of changes in equity and related notes ("Parent Company financial statements") have been properly prepared in accordance with UK-adopted International Accounting Standards; and
- The Group and Parent Company financial statements have been properly prepared in accordance with the requirements of the Companies Acts 1931 to 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under and, are independent of the Company and Group in accordance with, UK ethical requirements including FRC Ethical Standards as required by the Crown Dependencies' Audit Rules and Guidance. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Material uncertainty relating to going concern

We draw attention to note 1.1 to the group and parent company financial statements which indicates that that the Group has incurred a net loss in the current year of US\$ 1,476,000, with net operating cash outflows in the current year of US\$ 979,000 and due to that, net liabilities increased from US\$ 490,000 to US\$ 1,966,000. The company incurred a loss for the year of US\$ 261,000, reducing company net assets to US\$ 142,000. The Group and Parent Company's ability to continue as a going concern is dependent on continued financial support from a related party, Galloway Limited. These events and conditions, along with the other matters explained in note 1.1 constitute a material uncertainty that may cast significant doubt on the Company's and Group's ability to continue as a going concern. Our opinion is not modified in this respect.

Going concern

The directors have prepared the financial statements on the going concern basis. They have concluded, as stated above, that a material uncertainty related to going concern exists.

Based on our financial statements audit work, we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Group's and Company's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. We did not identify any additional fraud risks.

Webis Holdings plc

Independent Auditor's Report to the Members of Webis Holdings plc continued

We performed procedures including

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence, if any, and discussed with management the policies and procedures regarding compliance with laws and regulations. As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

The Group and Company are subject to laws and regulations that directly affect the financial statements, including financial reporting legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Group and Company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or impacts on the Group and the Company's ability to operate. We identified gaming regulation as being the area most likely to have such an effect, recognising the regulated nature of the Group's and Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

We have nothing to report on other matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Acts 1931 to 2004 require us to report to you if, in our opinion:

- proper books of account have not been kept by the parent company and proper returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the books of account and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Webis Holdings plc

Independent Auditor's Report to the Members of Webis Holdings plc continued

Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of this report and restrictions on its use by persons other than the Company's members, as a body

This report is made solely to the Company's members, as a body, in accordance with section 15 of the Companies Act 1982. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

KPMG Audit LLC

Chartered Accountants

Heritage Court

41 Athol Street

Douglas

Isle of Man IM1 1LA

Webis Holdings plc

Consolidated Statement of Comprehensive Income

For the year ended 31 May 2025

	Note	2025 US\$000	2024 US\$000
Amounts wagered		94,676	110,459
Revenue	1.2	43,300	50,031
Cost of sales	1.2	(39,508)	(45,531)
Betting duty paid		(74)	(88)
Gross profit		3,718	4,412
Operating costs		(5,155)	(5,445)
Other losses		(23)	(12)
Other income		294	175
Operating loss	3	(1,166)	(870)
Finance costs	4	(310)	(193)
Loss before income tax		(1,476)	(1,063)
Income tax expense	6	—	—
Loss for the year		(1,476)	(1,063)
Total comprehensive loss for the year		(1,476)	(1,063)

The notes on pages 15 to 40 form part of these financial statements.

The Directors consider that all results derive from continuing activities.

Webis Holdings plc

Statements of Financial Position

As at 31 May 2025

	Note	31.05.25 Group US\$000	31.05.25 Company US\$000	31.05.24 Group US\$000	31.05.24 Company US\$000
Non-current assets					
Intangible assets	7	34	—	57	—
Property, equipment, and motor vehicles	8	82	—	525	—
Investments	9	—	3	—	3
Bonds and deposits	10	2	—	100	—
Total non-current assets		118	3	682	3
Current assets					
Bonds and deposits	10	931	—	883	—
Cash, cash equivalents and restricted cash	11	2,724	1,274	3,421	1,203
Trade and other receivables	12	1,375	1,926	1,228	1,564
Total current assets		5,030	3,200	5,532	2,767
Total assets		5,148	3,203	6,214	2,770
Equity					
Called up share capital	15	6,334	6,334	6,334	6,334
Share option reserve	15	42	42	42	42
Retained losses		(8,342)	(6,234)	(6,866)	(5,973)
Total equity		(1,966)	142	(490)	403
Current liabilities					
Trade and other payables	13	4,104	115	3,848	84
Loans, borrowings, and lease liabilities	14	532	500	970	850
Total current liabilities		4,636	615	4,818	934
Non-current liabilities					
Loans, borrowings, and lease liabilities	14	2,478	2,446	1,886	1,433
Total non-current liabilities		2,478	2,446	1,886	1,433
Total liabilities		7,114	3,061	6,704	2,367
Total equity and liabilities		5,148	3,203	6,214	2,770

The notes on pages 15 to 40 form part of these financial statements.

The financial statements were approved by the Board of Directors on 16 December 2025.

Denham Eke

Non-executive Chair

Webis Holdings plc

Statements of Changes in Equity

For the year ended 31 May 2025

Group	Called up share capital US\$000	Share option reserve US\$000	Retained earnings US\$000	Total equity US\$000
Balance as at 31 May 2023	6,334	42	(5,803)	573
Total comprehensive loss for the year:				
Loss for the year	—	—	(1,063)	(1,063)
Balance as at 31 May 2024	6,334	42	(6,866)	(490)
Total comprehensive profit for the year:				
Loss for the year	—	—	(1,476)	(1,476)
Balance as at 31 May 2025	6,334	42	(8,342)	(1,966)

Company	Called up share capital US\$000	Share option reserve US\$000	Retained earnings US\$000	Total equity US\$000
Balance as at 31 May 2023	6,334	42	(5,828)	548
Total comprehensive loss for the year:				
Loss for the year	—	—	(145)	(145)
Balance as at 31 May 2024	6,334	42	(5,973)	403
Total comprehensive profit for the year:				
Loss for the year	—	—	(261)	(261)
Balance as at 31 May 2025	6,334	42	(6,234)	142

The notes on pages 15 to 40 form part of these financial statements.

Webis Holdings plc

Consolidated Statement of Cash Flows

For the year ended 31 May 2025

	Note	2025 US\$000	2024 US\$000
Cash flows from operating activities			
Loss before income tax		(1,476)	(1,063)
Adjustments for:			
- Depreciation of property, equipment, and motor vehicles	8	137	139
- Amortisation of intangible assets	7	23	12
- Rent concessions received	17	(18)	—
- Finance costs net		262	136
- Disposal of ROU asset / lease liability - net		(65)	—
- (Increase) / decrease in movement of restricted cash		(195)	126
- Foreign exchange movements on loans and borrowings		93	—
- Increase in lease liabilities – interest expense		48	57
- Other foreign exchange movements		47	7
Changes in working capital:			
- (Increase) / decrease in receivables		(147)	150
- Increase in payables		256	136
Cash flows from operations		(1,035)	(300)
Finance income		6	11
Bonds and deposits placed in the course of operations		50	—
Net cash used in operating activities		(979)	(289)
Cash flows from investing activities			
Purchase of intangible assets	7	—	(50)
Purchase of property, equipment, and motor vehicles	8	(17)	(3)
Net cash used in investing activities		(17)	(53)
Cash flows from financing activities			
Loan interest paid		(268)	(147)
Payment of lease liabilities - principal	17	(101)	(91)
Payment of lease liabilities - interest	17	(48)	(57)
Rent concessions received	17	18	—
Repayment of loans and borrowings		(370)	(527)
Proceeds from loans and borrowings		920	1,433
Net cash generated from financing activities	14	151	611
Net (decrease) / increase in cash and cash equivalents		(845)	269
Cash and cash equivalents at beginning of year		2,410	2,148
Exchange losses on cash and cash equivalents		(47)	(7)
Cash and cash equivalents at end of year	11	1,518	2,410

The notes on pages 15 to 40 form part of these financial statements.

Webis Holdings plc

Notes to the Financial Statements

For the year ended 31 May 2025

1 Reporting entity

Webis Holdings plc (the "Company") is a company domiciled in the Isle of Man. The address of the Company's registered office is Viking House, Nelson Street, Douglas, Isle of Man, IM1 2AH. The Webis Holdings plc consolidated financial statements as at and for the year ended 31 May 2025 consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The Group's primary activities are the provision of pari-mutuel wagering services, through its Isle of Man and USA based subsidiaries and the hosting of harness racing, through its USA based subsidiary.

The Company voluntarily delisted from AIM, with the cancellation of the admission of the Company's Ordinary Shares to trading on AIM taking place on 3 January 2025. Following this delisting, the Company will no longer disclose EPS within the financial statements, and the Company will not present interim financial statements.

1.1 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with UK Adopted – International Accounting Standards. They were authorised for issue by the Board on 16 December 2025.

The Group has consistently applied the accounting policies as set out in note 1.2 to all periods presented in these financial statements.

Functional and presentational currency

These financial statements are presented in US Dollars which is the Company's functional and presentational currency. Financial information presented in US Dollars has been rounded to the nearest thousand, unless otherwise indicated. All continued operations of the Group have US Dollars as their functional currency.

Other information presented

In line with the Isle of Man Companies Acts 1931-2004, the Company also presents Parent Company Statements of Financial Position, the Parent Company Statement of Changes in Equity and related disclosures. The Company applies the requirements of UK Adopted International Accounting Standards, as indicated in the relevant accounting policies below, when preparing the Company statement of financial position and related notes.

(b) Basis of measurement

The financial statements are prepared under the historical cost convention except where assets and liabilities are required to be stated at their fair value.

(c) Use of estimates and judgement

The preparation of the Group financial statements in conformity with UK Adopted – International Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. Although these estimates are based on management's best knowledge and experience of current events and expected economic conditions, actual results may differ from these estimates.

The Directors consider the only critical estimate area to be as follows:

- Note 19 – the measurement of Expected Credit Loss ("ECL") allowance for trade and other receivables and assessment of specific impairment allowances where receivables are past due.

Going concern

The Group and Parent Company financial statements have been prepared on a going concern basis, notwithstanding material uncertainties related to events and conditions discussed below, that may cast significant doubt on the going concern assumption.

As indicated in the statement of comprehensive income, the Group has incurred a net loss in the current year of US\$ 1,476,000 (2024: loss of US\$ 1,063,000), with net operating cash outflows in the current year of US\$ 979,000 (2024: outflows of US\$ 289,000) and due to that, net liabilities increased from US\$ 490,000 to US\$ 1,966,000. WatchandWager.com Ltd generated a loss of US\$ 19,000, while WatchandWager.com LLC incurred a loss of US\$ 1,196,000. The company incurred a loss for the year of US\$ 261,000 (2024: loss of US\$ 145,000), reducing company net assets to US\$ 142,000 (2023: US\$ 403,000).

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Group and the Company will continue to sustain losses to November 2026 and is dependent on continued financial support from Galloway Limited in order to continue its operations and implement its strategic review. To this end, in November 2025, Galloway Limited agreed to continue to assist in supporting the activities of the Group for a period of twelve months from the date of approval of these financial statements.

Webis Holdings plc

Notes to the Financial Statements continued

1.1 Basis of preparation continued

Going concern continued

The Directors have announced that the Group and the Company will seek to evaluate mergers, acquisitions, and value enhancement opportunities or potentially sell the business.

This aligns with the Group and the Company's ongoing strategies, which are pursued in order to help achieve and maintain its goal of achieving profitability and maintaining adequate liquidity in order to continue its operations, with these developments including:

- appointment of XST Capital, an investment bank in New York specialising in US regulated gaming about mutual ventures in the regulated USA space for the growth of the business to support strategic options;
- continuing to renew US state regulated gaming licenses and continuing to maintain racetrack operations; and
- taking advantage of any anticipated regulatory change in the State of California's adoption of sports betting legislation which will further open up opportunities for the Group.

Whilst the Directors continue to assess all strategic options, the Directors recognise that the ultimate success of the Group and Company is difficult to predict as they require additional liquidity to continue pursuing the required investment.

The outcome of these circumstances represents a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

As with any company placing reliance on other parties for financial support, the Directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on these factors, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

1.2 Summary of material accounting policies

During the current year, the Group adopted all the new and revised IFRSs that are relevant to its operation and are effective for accounting periods beginning on 1 June 2024. No adoptions had a material effect on the accounting policies of the Group.

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

Basis of consolidation

The consolidated financial statements incorporate the results of the Group. Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue until the date that such control ceases. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

Inter-company transactions, balances, and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Webis Holdings plc

Notes to the Financial Statements continued

1.2 Summary of material accounting policies continued

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). As the primary activities of the Group and the primary transactional currency of the Group's customers are carried out in US Dollars, the consolidated financial statements have been presented in US Dollars, which is the Company's presentational and functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. 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 the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings are presented in the income statement within 'Finance income' or 'Finance costs'. All other foreign exchange gains and losses are presented in the income statement within 'Other (losses)/gains'.

Revenue from contracts with customers

The Group generates revenue primarily from the provision of wagering services and the hosting of races on which guests are entitled to participate in the related wagering services. Revenue is measured at fair value based on the consideration specified in a contract with a customer. The Group recognises revenue when it discharges services to a customer. Revenue has been disaggregated by geographical locations which are consistent with the operating segments (note 2).

Hosting fees (Racetrack operations) are recognised when the customers participate in the Group's pari-mutuel pools and the race audio visual signals are transmitted. Hosting fees are recorded on a gross receipts basis.

Wagering revenue from the Group's activities as the race host is recognised when a race on which wagers are placed is completed. The wagering commission from the Group's commingling of its wagering pools with a host's pool is recognised when the race on which those wagers are placed is completed. The Group acts as a principal when it allows customers to place wagers in the races it hosts and as an agent when it allows customers to place wagers in other entities' races. Where the Group acts as a principal, the entire wager is recognised as revenue and where it is an agent the wagering commission the Group retains is recognised as revenue.

Settlement terms for revenue where the Group acts as a host is usually 7 days for on and off-track wagering and 30 days from month end for ADW wagering. Where the Group acts as an agent, settlement terms are typically 30 days from month end.

Transactions fees (ADW operations) are recognised when the Group facilitates customers' deposit transactions into their betting accounts. The Group recognises revenue for transaction services net of related winnings.

Cost of sales

The Group recognises cost of sales related to the Racetrack operations in which it is the race host. The cost of sales includes direct costs such as purses, hub fees, import fees, pay-outs, and other statutory distributions.

Segmental reporting

Segmental reporting is based on the business areas in accordance with the Group's internal reporting structure, which allows the individual operating segments to be identified by the disparate nature of the principal activity they undertake. The Group determines and presents segments based on the information that internally is provided to the Board and Managing Director, the Group's chief operating decision maker.

An operating segment is a component of the Group and engages in business activities from which it may earn revenues and incur expenses. The Board and Managing Director regularly review an operating segment's results to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Webis Holdings plc

Notes to the Financial Statements continued

1.2 Summary of material accounting policies continued

Current and deferred income tax continued

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries except for deferred income tax liability, where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference is the liability not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes, assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Intangible assets — other

(a) Trademarks and licences

Separately acquired trademarks and licences are shown at historical cost. Trademarks and licences acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and licences have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment. Amortisation is calculated using the straight-line method to allocate the cost of trademarks and licences over their estimated useful lives of three years. Renewal costs are expensed in the year they relate to.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three years.

(b) Website design and development costs

Costs associated with maintaining websites are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique websites controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the website so that it will be available for use;
- management intends to complete the website and use it;
- there is an ability to use the website;
- it can be demonstrated how the website will generate probable future economic benefits;
- adequate technical, financial, and other resources to complete the development and to use the website are available; and
- the expenditure attributable to the website during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the website include the website employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Website development costs recognised as assets are amortised over their estimated useful lives, which do not exceed three years.

Webis Holdings plc

Notes to the Financial Statements continued

1.2 Summary of material accounting policies continued

Property, equipment, and motor vehicles

Items of property, equipment and motor vehicles are stated at historical cost less accumulated depreciation (see below) and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Depreciation is calculated using the straight-line method to allocate the cost of property, equipment, and motor vehicles over their estimated useful lives.

The estimated useful lives of property, equipment and motor vehicles for current and comparative periods are as follows:

Motor vehicles	5 years	Fixtures and fittings	3 years
Plant and equipment	3-5 years		

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gains/(losses) – net' in the income statement.

Investment in subsidiary

A subsidiary is an entity controlled by the entity. The Company controls an investee when the Company is exposed or has rights to variable returns from its involvement with the investee and can affect the return through its power over the investee. Control exists when the Company has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable are considered.

Investment in subsidiaries are initially recognised at cost. At subsequent reporting dates, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognised as an expense. Where impairment losses subsequently reverse, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognised in the profit or loss.

Equity

Share capital is determined using the nominal value of shares that have been issued.

Equity settled share-based employee remuneration is credited to the share option reserve until related stock options are exercised. On exercise or lapse, amounts recognised in the share option reserve are taken to share capital. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

Retained earnings include all current and prior period results as determined in the income statement and any other gains or losses recognised in the Statement of Changes in Equity.

Financial instruments

Recognition and measurement

Non-derivative financial instruments include trade and other receivables, cash and cash equivalents, bonds and deposits, borrowings and trade and other payables.

Financial assets and financial liabilities are recognised on the Group and the Company's balance sheet when the Group and/or the Company become party to the contractual terms of the instrument. Transaction costs are included in the initial measurement of financial instruments, except financial instruments classified as at fair value through profit or loss. The subsequent measurement of financial instruments is dealt with below.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Webis Holdings plc

Notes to the Financial Statements continued

1.2 Summary of material accounting policies continued

Financial instruments continued

Recognition and measurement continued

Cash and cash equivalents

Cash and cash equivalents are defined as cash in bank and in hand as well as bank deposits, money held for processors and cash balances held on trust for the customers entitled to them. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. These are subsequently measured at amortized cost.

Bonds and deposits

Bonds and deposits are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Borrowings

Interest-bearing borrowings and overdrafts are recorded at the proceeds received net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs are charged on an accrual basis using the effective interest method and are added to the carrying amount of the instrument.

Trade and other payables

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

Impairment of financial assets

The Group and the Company use an impairment model that applies to financial assets measured at amortised cost and contract assets and is detailed below. Financial assets at amortised cost include trade receivables, cash and cash equivalents, bonds and deposits.

Performing financial assets

Stage 1 (0-30 Days)

From initial recognition of a financial asset to the date on which an asset has experienced a significant increase in credit risk relative to its initial recognition, a stage 1 loss allowance is recognised equal to the credit losses expected to result from its default occurring over the next 12 months ('12-month ECL').

Stage 2 (31-90 Days)

Following a significant increase in credit risk relative to the initial recognition of the financial asset, a stage 2 loss allowance is recognised equal to the credit losses expected from all possible default events over the remaining lifetime of the asset ('Lifetime ECL'). The assessment of whether there has been a significant increase in credit risk requires considerable judgment, based on the lifetime probability of default ('PD'). Any financial asset that had been outstanding for greater than 30 days would be assessed on an individual basis to determine if it qualified as a significant increase in credit risk. Stage 1 and 2 allowances are held against performing loans; the main difference between stage 1 and stage 2 allowances is the time horizon. Stage 1 allowances are estimated using the PD with a maximum period of 12 months, while stage 2 allowances are estimated using the PD over the remaining lifetime of the asset.

Impaired financial assets

Stage 3 (After 90 Days)

When a financial asset is considered to be credit-impaired, the allowance for credit losses ('ACL') continues to represent lifetime expected credit losses, however, interest income is calculated based on the amortised cost of the asset, net of the loss allowance, rather than its gross carrying amount.

The Group applies the ECL model to two main types of financial assets that are measured at amortised cost:

Trade receivables, to which the simplified approach (provision matrix) prescribed by IFRS 9 is applied. This approach requires the recognition of a Lifetime ECL allowance on day one. In the normal course of operations, trade receivables could be considered to be in default after 90 days.

Other financial assets at amortised cost, to which the general three stage model (described above) is applied, whereby a 12-month ECL is recognised initially and the balance is monitored for significant increases in credit risk which triggers the recognition of a Lifetime ECL allowance.

Webis Holdings plc

Notes to the Financial Statements continued

1.2 Summary of material accounting policies continued

Financial instruments continued

Impairment of financial assets continued

Impaired financial assets continued

ECLs are a probability-weighted estimate of credit losses. ECLs for financial assets that are not credit-impaired at the reporting date are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due in accordance with the contract and the cash flows that the Company expects to receive). ECLs for financial assets that are credit-impaired at the reporting date are measured as the difference between the gross carrying amount and the present value of estimated future cash flows. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk. The measurement of ECLs considers information about past events and current conditions, as well as supportable information about future events and economic conditions. The Group reviews its impairment methodology for estimating the ECLs, taking into account forward-looking information in determining the appropriate level of allowance. In addition, it identifies indicators and set up procedures for monitoring for significant increases in credit risk.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement/modification date. The right-of-use asset is initially measured at cost, and subsequently at cost less accumulated depreciation and impairment loss and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted at the Group's applicable incremental borrowing rate (if the rate implicit in the lease cannot be determined). The Group has measured the incremental borrowing as equal to external borrowing rates. The lease liability is subsequently increased by the interest cost of the lease liability and decreased by the lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised, or a termination option is reasonably certain not to be exercised.

The Group has applied judgment to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which affects the amount of lease liabilities and right of use assets recognised.

The Group receives rent concessions on its racetrack lease when, due to external factors, the number of days raced in a season is lower than the actual number of days scheduled to be raced.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension, or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, equipment, and motor vehicles' and lease liabilities in 'loans, borrowings and lease liabilities' in the statement of financial position.

Webis Holdings plc

Notes to the Financial Statements continued

1.2 Summary of material accounting policies continued

Leases continued

i. As a lessee continued

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value items and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Employee benefits

(a) Pension obligations

The Group and the Company do not operate any post-employment schemes, including both defined benefit and defined contribution pension plans.

(b) Short-term employee benefits

Short-term employee benefits, such as salaries, paid absences, and other benefits, are accounted for on an accrual's basis over the period in which employees have provided services in the year. All expenses related to employee benefits are recognised in the Statement of Comprehensive Income in operating costs.

(c) Profit sharing and bonus plans

The Group and the Company recognises a liability and an expense for bonuses and profit sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group and the Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation. Any recognised liability would be settled within 12 months of the year end.

Standards and interpretations in issue not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year and have not been applied in preparing these consolidated financial statements. The Directors do not expect the adoption of the standards and interpretations to have a material impact on the Group's financial statements in the period of initial application.

Standards

Effective date (accounting periods commencing on or after)

Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	1 January 2026
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Annual Improvements to IFRS Accounting Standards – Amendments to:	1 January 2026
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- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows

IFRS 18 Presentation and Disclosure in Financial Statements**	1 January 2027
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IFRS 19 Subsidiaries without Public Accountability: Disclosures**

Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures (Amendments to IFRS 10 and IAS 28)*	1 January 2027
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**The effective date of these amendments was deferred indefinitely. Early adoption continues to be permitted.*

***Not yet endorsed by the UK Endorsement Board or EFRAG.*

Webis Holdings plc

Notes to the Financial Statements continued

2 Operating Segments

A. Basis for segmentation

The Group has two operating segments, which are its reportable segments. The segments offer different services in relation to various forms of pari-mutuel racing, which are managed separately due to the nature of their activities.

Reportable segments and operations provided

Racetrack operations – hosting of races through the management and operation of a racetrack facility, enabling patrons to attend and wager on horse racing, as well as utilise simulcast facilities.

ADW operations – provision of online ADW services to enable customers to wager into global racetrack betting pools.

The Group's Board of Directors review the internal management reports of the operating segment on a monthly basis.

B. Information about reportable segments

Information relating to the reportable segments is set out below. Segment revenue along with segment profit / (loss) before tax are used to measure performance as management considers this information to be a relevant indicator for evaluating the performance of the segments.

	<u>Reportable segments</u>		Corporate operating costs	Total
	Racetrack 2025 US\$000	ADW 2025 US\$000	2025 US\$000	2025 US\$000
External revenues	41,527	1,773	–	43,300
Segment revenue	41,527	1,773	–	43,300
Segment loss before tax	(161)	(1,054)	(261)	(1,476)
Interest expense	(47)	(2)	(267)	(316)
Depreciation and amortisation	(101)	(59)	–	(160)
Other material non-cash items:				
- Impairment movement on trade receivables	–	–	–	–
Segment assets	1,245	2,582	1,321	5,148
Segment liabilities	1,260	2,793	3,061	7,114

	<u>Reportable segments</u>		Corporate operating costs	Total
	Racetrack 2024 US\$000	ADW 2024 US\$000	2024 US\$000	2024 US\$000
External revenues	48,017	2,014	–	50,031
Segment revenue	48,017	2,014	–	50,031
Segment profit / (loss) before tax	(101)	(817)	(145)	(1,063)
Interest expense	(53)	(5)	(146)	(204)
Depreciation and amortisation	(100)	(50)	(1)	(151)
Other material non-cash items:				
- Impairment movement on trade receivables	–	3	–	3
Segment assets	2,213	2,728	1,273	6,214
Segment liabilities	1,886	2,451	2,367	6,704

Webis Holdings plc

Notes to the Financial Statements continued

2 Operating Segments continued

C. Reconciliations of information on reportable segments to the amounts reported in the financial statements

	2025 US\$000	2024 US\$000
i. Revenues		
Total revenue for reportable segments	43,300	50,031
Consolidated revenue	43,300	50,031
ii. Loss before tax		
Total loss before tax for reportable segments	(1,215)	(918)
Loss before tax for other segments	(261)	(145)
Consolidated loss before tax	(1,476)	(1,063)
iii. Assets		
Total assets for reportable segments	3,827	4,941
Assets for other segments	1,321	1,273
Consolidated total assets	5,148	6,214
iv. Liabilities		
Total liabilities for reportable segments	4,053	4,337
Liabilities for other segments	3,061	2,367
Consolidated total liabilities	7,114	6,704
v. Other material items		
Interest expense	(316)	(204)
Depreciation and amortisation	(160)	(151)
Impairment movement on trade receivables	–	3

There were no reconciling items noted between Segment information and the Financial Statements.

D. Geographic information

i. Revenues

The below table analyses the geographic location of the customer base of the operating segments.

		2025 US\$000	2024 US\$000
Revenue			
Racetrack operations	North America	41,527	48,017
ADW operations	North America	1,280	1,479
ADW operations	British Isles	426	459
ADW operations	Caribbean	67	76
		43,300	50,031

Webis Holdings plc

Notes to the Financial Statements continued

2 Operating Segments continued

D. Geographic information continued

ii. Non-current assets

The geographical information below analyses the Group's non-current assets by the Company's Country of Domicile (Isle of Man) and the United States of America. Information is based on geographical location of the Group's assets.

	2025 US\$000	2024 US\$000
United States of America	116	583
Isle of Man	–	–
	116	583

Non-current assets exclude financial instruments. During the year, additions to non-current assets for the reportable segments were Racetrack US\$ 17,000 (2024: US\$ Nil) and ADW US\$ 64,000 (2024: US\$ 53,000).

E. Major customers

The Group does not earn revenue of 10% or more from any external customer.

3 Operating loss

Operating loss is stated after charging:

	2025 US\$000	2024 US\$000
Auditors' remuneration — audit	136	156
Depreciation of property, equipment, and motor vehicles	137	139
Amortisation of intangible assets	23	12
Exchange losses	87	4
Directors' fees	115	94

4 Finance costs

	2025 US\$000	2024 US\$000
Bank interest receivable	6	11
Loan and lease interest payable	(316)	(204)
Net finance costs	(310)	(193)

5 Staff numbers and cost

	2025	2024
Average number of employees – Pari-mutuel and Racetrack Operations	49	55

The aggregate payroll costs of these persons were as follows:

	2025 US\$000	2024 US\$000
Pari-mutuel and Racetrack Operations		
Wages and salaries	1,518	1,678
Social security costs	111	122
	1,629	1,800

Webis Holdings plc

Notes to the Financial Statements continued

6 Income tax expense

(a) Current and Deferred Tax Expenses

The current and deferred tax expenses for the year were US\$ Nil (2024: US\$ Nil). Despite having made losses, no deferred tax was recognised as there is no reasonable expectation that the Group will recover the resultant deferred tax assets.

(b) Tax Rate Reconciliation

	2025 US\$000	2024 US\$000
Loss before tax	(1,476)	(1,063)
Tax charge at IOM standard rate (0%)	–	–
Adjusted for:		
Tax credit for US tax losses (at 21%)	(251)	(219)
Add back tax losses not recognised	251	219
Tax charge for the year	–	–

The maximum deferred tax asset that could be recognised at year end is approximately US\$ 1,631,000 (2024: US\$ 1,380,000). The Group has not recognised any asset as it might not be recoverable within the allowed period. The tax losses for tax years beginning in January 2018 are currently permitted to be carried forward indefinitely. Tax losses incurred prior to that period expire after 20 years.

Webis Holdings plc

Notes to the Financial Statements continued

7 Intangible assets

	Software & development costs		Total	
	Group US\$000	Company US\$000	Group US\$000	Company US\$000
Cost				
Balance at 1 June 2023	617	14	617	14
Additions during the year	50	–	50	–
Balance at 31 May 2024	667	14	667	14
Balance at 1 June 2024	667	14	667	14
Additions during the year	–	–	–	–
Balance at 31 May 2025	667	14	667	14
Amortisation and Impairment				
Balance at 1 June 2023	598	14	598	14
Amortisation for the year	12	–	12	–
Balance at 31 May 2024	610	14	610	14
Balance at 1 June 2024	610	14	610	14
Amortisation for the year	23	–	23	–
Balance at 31 May 2025	633	14	633	14
Carrying amounts				
At 1 June 2023	19	–	19	–
At 31 May 2024	57	–	57	–
At 31 May 2025	34	–	34	–

The Group reviews intangible assets annually for impairment or more frequently if there are indications that the intangible assets may be impaired (see note 1). The carrying amount of US\$ 34,000 of software and development costs relates primarily to development and integration costs of the US based wagering website. These assets will be fully amortised within the next 2 years.

Webis Holdings plc

Notes to the Financial Statements continued

8 Property, equipment, and motor vehicles

Group	Computer Equipment US\$000	Fixtures, Fittings & Track Equipment US\$000	Motor Vehicles US\$000	Right-of- use Assets US\$000	Total US\$000
Cost					
Balance at 1 June 2023	117	334	50	888	1,389
Additions during the year	3	–	–	–	3
Balance at 31 May 2024	120	334	50	888	1,392
Balance at 1 June 2024	120	334	50	888	1,392
Additions during the year	–	17	–	64	81
Disposals/decommissioned assets	–	–	–	(827)	(827)
Balance at 31 May 2025	120	351	50	125	646
Depreciation					
Balance at 1 June 2023	116	288	38	286	728
Charge for the year	1	23	7	108	139
Balance at 31 May 2024	117	311	45	394	867
Balance at 1 June 2024	117	311	45	394	867
Charge for the year	2	23	5	107	137
Disposals/decommissioned assets	–	–	–	(440)	(440)
Balance at 31 May 2025	119	334	50	61	564
Carrying amounts					
At 1 June 2023	1	46	12	602	661
At 31 May 2024	3	23	5	494	525
At 31 May 2025	1	17	–	64	82

Company	Computer Equipment US\$000	Fixtures & Fittings US\$000	Total US\$000
Cost			
Balance at 1 June 2023	37	80	117
Additions during the year	–	–	–
Balance at 31 May 2024	37	80	117
Balance at 1 June 2024	37	80	117
Additions during the year	–	–	–
Balance at 31 May 2025	37	80	117

Webis Holdings plc

Notes to the Financial Statements continued

8 Property, equipment and motor vehicles continued

Company	Computer Equipment US\$000	Fixtures & Fittings US\$000	Total US\$000
Depreciation			
Balance at 1 June 2023	36	80	116
Charge for the year	1	–	1
Balance at 31 May 2024	37	80	117
Balance at 1 June 2024	37	80	117
Charge for the year	–	–	–
Balance at 31 May 2025	37	80	117
Carrying amounts			
At 1 June 2023	1	–	1
At 31 May 2024	–	–	–
At 31 May 2025	–	–	–

9 Investments in Subsidiaries

Investments in subsidiaries are held at cost less impairment. Details of investments are as follows:

Subsidiaries	Country of incorporation	Activity	2025 Holding (%)	2024 Holding (%)
WatchandWager.com Limited	Isle of Man	Operation of interactive wagering totaliser hub	100	100
WatchandWager.com LLC	United States of America	Operation of interactive wagering totaliser hub and harness racetrack	100	100
betinternet.com (IOM) Limited	Isle of Man	Dormant	100	100

Impairment assessment is performed annually, and this involves assessment of the net asset value and profitability of the subsidiaries.

10 Bonds and deposits

	2025 US\$000	2024 US\$000
Bonds and deposits - expire within one year	931	883
Bonds and deposits - expire within one to two years	2	–
Bonds and deposits - expire more than five years	–	100
	933	983

Cash bonds of US\$ 825,000 have been paid as security deposits in relation to various US State ADW licences (2024: US\$ 875,000). These cash bonds are held in trust accounts used exclusively for cash collateral, with financial institutions which

Webis Holdings plc

Notes to the Financial Statements continued

10 Bonds and deposits continued

have been screened for their financial strength and capitalization ratio. The financial institutions have a credit rating of A-Excellent from AM Best credit rating agency. Therefore, these bonds are considered to be fully recoverable. A rent deposit of US\$ 100,000 is held by California Exposition & State Fair and is for a term now ending in 2025 (2024: US\$ 100,000). This is held by an entity of the Californian state government and is therefore considered fully recoverable. Rent and other security deposits total US\$ 8,249 (2024: US\$ 8,168). These deposits are repayable upon completion of the relevant lease term, under the terms of legally binding agreements. The fair value of the bonds and deposits approximates to the carrying value.

11 Cash, cash equivalents and restricted cash

	Group		Company	
	2025 US\$000	2024 US\$000	2025 US\$000	2024 US\$000
Cash and cash equivalents – Company and other funds	1,518	2,410	68	218
Restricted cash – protected player funds	1,206	1,011	1,206	985
Total cash, cash equivalents and restricted cash	2,724	3,421	1,274	1,203

The Group holds funds for operational requirements and for its non-Isle of Man customers, shown as 'Company and other funds' and on behalf of its Isle of Man regulated customers and certain USA state customers, shown as 'protected player funds'.

Protected player funds are held in fully protected client accounts within an Isle of Man regulated bank and in segregated accounts within a USA regulated bank. These funds are segregated from operational funds of the Company and are held on trust for the customers entitled to them.

12 Trade and other receivables

	Group		Company	
	2025 US\$000	2024 US\$000	2025 US\$000	2024 US\$000
Trade receivables	308	325	–	–
Amounts due from Group undertakings	–	–	1,879	1,494
Other receivables and prepayments	1,067	903	47	70
	1,375	1,228	1,926	1,564

Included within trade receivables are impairment provisions of US\$ 65,433 (see note 19), (2024: US\$ 65,566). Other receivables include accrued and other income due to the Group, along with sundry other debtors. Amounts due from Group undertakings are unsecured, interest free and repayable on demand.

13 Trade and other payables

	Group		Company	
	2025 US\$000	2024 US\$000	2025 US\$000	2024 US\$000
Trade payables	553	597	9	9
Amounts due to customers	2,237	1,945	–	–
Taxes and national insurance	14	22	6	2
Accruals and other payables	1,300	1,284	100	73
	4,104	3,848	115	84

Other payables include distributions and purses payable for the racetrack operations, along with sundry other payables.

Webis Holdings plc

Notes to the Financial Statements continued

14 Loans, borrowings, and lease liabilities

Current liabilities

	Group		Company	
	2025 US\$000	2024 US\$000	2025 US\$000	2024 US\$000
Unsecured loans (current portion)	–	20	–	–
Lease liabilities (current portion)	32	100	–	–
Secured loans – Galloway Limited	500	850	500	850
	532	970	500	850

Non-current liabilities

	Group		Company	
	2025 US\$000	2024 US\$000	2025 US\$000	2024 US\$000
Lease liabilities (non-current portion)	32	453	–	–
Secured loans – Galloway Limited	2,446	1,433	2,446	1,433
	2,478	1,886	2,446	1,433

Terms and repayment schedule

	Nominal interest rate	Year of maturity	2025 Total US\$000	2024 Total US\$000
Unsecured loans	1.00-8.90%	2025	–	20
Lease liabilities	6.00-9.50%	2023-30	64	553
Secured loan 2019 - Galloway Limited*	7.00%	2024	–	350
Secured loan 2020 - Galloway Limited*	7.00%	2025	500	500
Secured loan 2023 - Galloway Limited*	11.00%	2028	1,526	1,433
Secured loan 2024 - Galloway Limited*	13.00%	2029	920	–
Total loans and borrowings			3,010	2,856

During 2022, the Group had received an unsecured Paycheck Protection Program (“PPP”) loan for US\$ 48,427, which matured on 7 May 2025 and had attracted interest at 1% per annum.

The secured loans from Galloway Limited are secured over the unencumbered assets of the Group, which includes the Cash and cash equivalents – Company and other funds of US\$ 1,518,000 (2024: US\$ 2,410,000) and Cash bonds of US\$ 825,000 (2024: US\$ 875,000).

In November 2024, the Group obtained additional financing from Galloway Limited of US\$ 920,000, with the Secured loan 2019 of US\$ 350,000, being rolled into the new financing.

The 2020 Galloway loan of US\$ 500,000 matured on 25 March 2025, there is no new maturity, and all previous terms and conditions continue to apply to this loan, with interest accruing at 7% per annum and it remains secured over the unencumbered assets of the Group.

*The fair value of the Galloway Limited loans approximates to the carrying value.

Webis Holdings plc

Notes to the Financial Statements continued

14 Loans, borrowings and lease liabilities continued

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Other loans and borrowings US\$000	Lease liabilities US\$000	Total US\$000
Balance at 1 June 2023	1,397	644	2,041
Changes from financing cash flows			
Proceeds from loans, borrowings, and lease liabilities	1,433	57	1,490
Repayment of borrowings	(527)	–	(527)
Payment of lease liabilities	–	(148)	(148)
Interest paid	(147)	(57)	(204)
Total changes from financing cash flows	759	(148)	611
Other changes			
Liability-related			
Interest expense	147	57	204
Total liability-related other changes	147	57	204
Balance at 31 May 2024	2,303	553	2,856
Balance at 1 June 2024	2,303	553	2,856
Changes from financing cash flows			
Proceeds from loans, borrowings, and lease liabilities	920	48	968
Exchange movements on loans and borrowings	93	–	93
Repayment of borrowings	(370)	–	(370)
Payment of lease liabilities	–	(149)	(149)
Rent concession received	–	18	18
Interest paid	(268)	(48)	(316)
Total changes from financing cash flows	375	(131)	244
Other changes			
Liability-related			
New leases	–	64	64
Disposal of lease liabilities	–	(452)	(452)
Rent concession received	–	(18)	(18)
Interest expense	268	48	316
Total liability-related other changes	268	(358)	(90)
Balance at 31 May 2025	2,946	64	3,010

Webis Holdings plc

Notes to the Financial Statements continued

15 Share capital

	No.	2025 US\$000	2024 US\$000
Allotted, issued, and fully paid			
At beginning and close of year: ordinary shares of 1p each	393,338,310	6,334	6,334
At 31 May: ordinary shares of 1p each	393,338,310	6,334	6,334

The authorised share capital of the Company is US\$ 9,619,000 divided into 600,000,000 ordinary shares of £0.01 each (2024: US\$ 9,619,000 divided into 600,000,000 ordinary shares of £0.01 each). This is the sole class of shares authorised and issued by the Company and these shares convey the right for shareholders to vote at general meetings, to receive dividends and to receive surplus assets on the liquidation of the Company. There are no preferences or restrictions attached to these shares. Neither the Company, nor its subsidiaries, hold any shares in the Company. Share options are shown below.

Options

Movements in share options during the year were as follows:

	2025	2024
At start of year – number of 1p ordinary shares	14,000,000	14,000,000
Options granted	–	–
Options lapsed	–	–
Options exercised	–	–
At end of year – number of 1p ordinary shares	14,000,000	14,000,000

The options were issued on 3 March 2016 to Ed Comins, Managing Director of the Group and vested on 3 March 2019. The options expire on 2 March 2026. The weighted average exercise price of all options is £0.01.

16 Capital commitments

As at 31 May 2025, the Group had no capital commitments (2024: US\$ Nil).

17 Leases

A. Leases as lessee

The Group leases office and racetrack facilities. The office facility is leased until May 2027, with an average length of renewal of two years. The racetrack facility is leased until the end of 2025, with the contract coming to an end at the behest of the landlord.

Since the year end, the Group has been actively reviewing alternative track operations and have agreed potential race dates with Fresno racetrack for 2026.27.

The Group also leases additional office facilities with contract terms of no more than one year. These leases are short-term, and the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.

i. Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented within property, equipment, and motor vehicles.

Webis Holdings plc

Notes to the Financial Statements continued

17 Leases continued

A. Leases as lessee continued

i. Right of use assets continued

Group	Property US\$000	Total US\$000
Cost		
Balance at 1 June 2023	888	888
Balance at 31 May 2024	888	888
Balance at 1 June 2024	888	888
Additions during the year	64	64
Disposals during the year	(826)	(826)
Balance at 31 May 2025	126	126
Depreciation		
Balance at 1 June 2023	286	286
Charge for the year	108	108
Balance at 31 May 2024	394	394
Balance at 1 June 2024	394	394
Charge for the year	108	108
Disposals during the year	(440)	(440)
Balance at 31 May 2025	62	62
Carrying amounts		
At 1 June 2023	602	602
At 31 May 2024	494	494
At 31 May 2025	64	64

ii. Amounts recognised in profit or loss

	2025 US\$000	2024 US\$000
Interest on lease liabilities	48	57
Depreciation expense	108	108
Rent concessions received	(18)	–
Expenses relating to short-term leases	67	68

iii. Amounts recognised in statement of cash flows

	2025 US\$000	2024 US\$000
Payment of lease liabilities - principal	(101)	(91)
Payment of lease liabilities – interest	(48)	(57)
Rent concessions received	18	–

Webis Holdings plc

Notes to the Financial Statements continued

18 Related party transactions

Identity of related parties

The Parent Company has a related party relationship with its subsidiaries (see note 9), and with its Directors and executive officers and with Burnbrae Ltd (significant shareholder).

Transactions and balances with and between subsidiaries

Transactions with and between the subsidiaries in the Group, which have been eliminated on consolidation, are considered to be related party transactions. During the year, Webis Holdings plc recharged head office costs to WatchandWager.com Ltd of US\$ 259,999 (2024: US\$ 259,962) and to WatchandWager.com LLC of US\$ 389,999 (2024: US\$ 389,944). WatchandWager.com LLC recharged support costs of US\$ 7,165 (2024: US\$ 7,831) to WatchandWager.com Ltd. At the year end, Webis Holdings plc had receivable balances with WatchandWager.com Ltd of US\$ 1,548,970 (2024: US\$ 971,639) and with WatchandWager.com LLC of US\$ 329,899 (2024: US\$ 522,178). WatchandWager.com Ltd had a receivable balance of US\$ 9,276,685 (2024: US\$ 8,485,256) with WatchandWager.com LLC. There were no impairments on these balances.

Transactions and balances with entities with significant influence over the Group

Rental and service charges of US\$ 44,347 (2024: US\$ 43,365) and Directors' fees of US\$ 44,983 (2024: US\$ 43,987) were charged in the year by Burnbrae Limited, of which Denham Eke is a common Director and Katie Errock an employee. Trade payables at the year-end of US\$ 3,582 (2024: US\$ 3,582) related to rental and service charges. The Group also had loans of US\$ 2,946,000 (2024: US\$ 2,282,555) from Galloway Limited, a company related to Burnbrae Limited by common ownership and Directors (note 14). Interest expense of US\$ 267,444 (2024: US\$ 146,268) was paid on these loans.

Transactions and balances with individuals with control over the Group

Directors' fees of US\$ 22,312 (2024: US\$ Nil) were charged in the year by Jim Mellon, who is the beneficial owner of Webis Holdings plc (see note 20).

Transactions with key management personnel

The total amounts for Directors' remuneration during the year were as follows:

	2025 US\$000	2024 US\$000
Emoluments — salaries, bonuses, and taxable benefits	361	373
— fees	115	94
	476	467

Directors' Emoluments

	Basic salary US\$000	Fees US\$000	Bonus US\$000	Termination payments US\$000	Benefits US\$000	2025 Total US\$000	2024 Total US\$000
Executive							
Ed Comins	341	—	—	—	20	361	373
Non-executive							
Denham Eke*	—	26	—	—	—	26	25
Sir James Mellon	—	—	—	—	—	—	2
Richard Roberts	—	48	—	—	—	48	48
Katie Errock*	—	19	—	—	—	19	19
Jim Mellon	—	22	—	—	—	22	—
Aggregate emoluments	341	115	—	—	20	476	467

* Paid to Burnbrae Limited.

14,000,000 share options were issued to Ed Comins (see note 15) during 2016.

Webis Holdings plc

Notes to the Financial Statements continued

19 Financial risk management

Capital structure

The Group's capital structure is as follows:

	2025 US\$000	2024 US\$000
Cash and cash equivalents	1,518	2,410
Loans and similar liabilities	(2,946)	(2,303)
Net funds	(1,428)	107
Shareholders' equity	1,966	490
Capital employed	538	597

The Group's policy is to maintain as strong a capital base as possible, insofar as can be sustained due to the fluctuations in the net results of the Group and the inherent effect this has on the capital structure. The Group monitors costs on an ongoing basis and undertakes actions to grow revenue, with the aim of improving the Group's capital base. The Group does not have any external capital requirements imposed upon it.

The Group's principal financial instruments comprise cash and cash equivalents, trade receivables and payables that arise directly from its operations.

The main purpose of these financial instruments is to finance the Group's operations. The existence of the financial instruments exposes the Group to a number of financial risks, which are described in more detail below.

The principal risks which the Group is exposed to relate to liquidity risks, credit risks and foreign exchange risks.

Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its financial obligations as they fall due.

The Group's objective is to maintain continuity of funding through trading and share issues but to also retain flexibility through the use of short-term loans if required.

Management controls and monitors the Group's cash flow on a regular basis, including forecasting future cash flow. Banking facilities are kept under review to ensure they meet the Group's requirements. Funds equivalent to customer balances are held in designated bank accounts where applicable to ensure that Isle of Man Gambling Supervision Commission player protection principles are met. Other customer balances are covered by cash funds held within the Group and by receivables due from ADW racetrack settlement partners. The Directors anticipate that the business will maintain sufficient cash flow in the forthcoming period, to meet its immediate financial obligations.

The following are the contractual maturities of financial assets and financial liabilities:

2025

Financial assets

	Carrying amount US\$000	Contractual cash flow US\$000	6 months or less US\$000	Up to 1 year US\$000	1–5 years US\$000	5+ years US\$000
Cash, cash equivalents and restricted cash	2,724	2,724	2,724	–	–	–
Trade receivables	308	308	308	–	–	–
Other receivables	965	965	965	–	–	–
Bonds and deposits	933	933	681	250	2	–
	4,930	4,930	4,678	250	2	–

Webis Holdings plc

Notes to the Financial Statements continued

19 Financial risk management continued

Liquidity risk continued

2024

Financial assets

	Carrying amount US\$000	Contractual cash flow US\$000	6 months or less US\$000	Up to 1 year US\$000	1–5 years US\$000	5+ years US\$000
Cash, cash equivalents and restricted cash	3,421	3,421	3,421	–	–	–
Trade receivables	325	325	325	–	–	–
Other receivables	773	773	773	–	–	–
Bonds and deposits	983	983	680	203	–	100
	5,502	5,502	5,199	203	–	100

2025

Financial liabilities

	Carrying amount US\$000	Contractual cash flow US\$000	6 months or less US\$000	Up to 1 year US\$000	1–5 years US\$000	5+ years US\$000
Trade payables	(553)	(553)	(553)	–	–	–
Amounts due to customers	(2,237)	(2,237)	(2,237)	–	–	–
Other payables and loans	(3,911)	(5,068)	(1,642)	(177)	(3,249)	–
Lease liabilities	(64)	(70)	(18)	(17)	(35)	–
	(6,765)	(7,928)	(4,450)	(194)	(3,284)	–

2024

Financial liabilities

	Carrying amount US\$000	Contractual cash flow US\$000	6 months or less US\$000	Up to 1 year US\$000	1–5 years US\$000	5+ years US\$000
Trade payables	(597)	(597)	(597)	–	–	–
Amounts due to customers	(1,945)	(1,945)	(1,945)	–	–	–
Other payables and loans	(3,111)	(3,873)	(1,281)	(623)	(1,969)	–
Lease liabilities	(553)	(724)	(27)	(123)	(460)	(114)
	(6,206)	(7,139)	(3,850)	(746)	(2,429)	(114)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Impairment losses on financial assets recognised in profit or loss were as follows:

	2025 US\$000	2024 US\$000
Non-credit impaired trade receivables	3	4
Credit impaired trade receivables	62	62
Total impairment losses	65	66

Webis Holdings plc

Notes to the Financial Statements continued

19 Financial risk management continued

Credit risk continued

The Group's exposure to credit risk is influenced by the characteristics of the individual racetracks and the settling agents operating on behalf of these tracks. The racetracks themselves are influenced by many factors, including the product they offer, supporting sources of revenue they might generate, such as offering simulcast, slots or sports wagering facilities, current economic conditions, ownership structure, state laws and so on, all of which may affect their liquidity and ability to operate.

The Group limits its exposure to credit risk by regular settling and verification of balances due to and from settling agents, with standard terms of one month. While there is on occasion debt that is slower to be settled, historical settlements for at least the last six years show that of the current trade receivable balance, greater than 99% would be expected to be received.

In addition, the majority of the current Group customers have transacted with the Group for five years or more and none of these customers balances have been specifically impaired in that period.

The Group has continued to take a conservative approach to the assessment of the Weighted Average Loss Rate and maintained rates that are considered to reflect the risk that exists under current market conditions.

The following table provides information about exposure to credit risk and expected credit losses for trade receivables as at 31 May 2025:

2025	Weighted Average Loss Rate (%)	Gross Carrying Amount US\$000	Loss Allowance US\$000	Net Carrying Amount US\$000	Credit Impaired
Current (not past due)	0.50%	174	(1)	173	No
1-30 days past due	1.00%	110	(1)	109	No
31-60 days past due	3.00%	17	(1)	16	No
61-90 days past due	5.00%	9	—	9	No
More than 90 days past due	7.00%	1	—	1	No
More than 90 days past due	100.00%	62	(62)	—	Yes
		373	(65)	308	

2024	Weighted Average Loss Rate (%)	Gross Carrying Amount US\$000	Loss Allowance US\$000	Net Carrying Amount US\$000	Credit Impaired
Current (not past due)	0.50%	245	(1)	244	No
1-30 days past due	1.00%	57	(1)	56	No
31-60 days past due	3.00%	10	—	10	No
61-90 days past due	5.00%	7	(1)	6	No
More than 90 days past due	7.00%	10	(1)	9	No
More than 90 days past due	100.00%	62	(62)	—	Yes
		391	(66)	325	

The Group uses an allowance matrix to measure the ECLs of trade receivables from racetracks and their settling agents, which comprise a moderate number of balances, ranging from small to large. The Group has reviewed its historical losses over the past four years as well as considering current economic conditions in estimating the loss rates and calculating the corresponding loss allowance.

Webis Holdings plc

Notes to the Financial Statements continued

19 Financial risk management continued

Credit risk continued

Classes of financial assets — carrying amounts

	2025 US\$000	2024 US\$000
Cash and cash equivalents	1,518	2,410
Bonds and deposits	933	983
Trade and other receivables	1,272	1,101
	3,723	4,494

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the Statements of Financial Position (or in the notes to the financial statements). Credit risk, therefore, is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

The maximum exposure to credit risks for receivables in any business segment:

	2025 US\$000	2024 US\$000
Pari-mutuel	1,272	1,101

Of the above receivables, US\$ 308,000 (2024: US\$ 325,000) relates to amounts owed from racing tracks. These receivables are actively monitored to avoid significant concentration of credit risk, and the Directors consider there to be no significant concentration of credit risk.

The Directors consider that all the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality. The banks have external credit ratings of at least Baa3 from Moody's.

The credit risk for liquid funds and other short-term financial assets is considered negligible since the counterparties are reputable banks with high-quality external credit ratings.

Interest rate risk

The Group finances its operations mainly through capital and borrowings from a related party, with interest on these borrowings charged at agreed fixed rates, ranging from 7% to 13% per annum. Cash at bank and in hand earns negligible interest at floating rates, based principally on short-term interbank rates.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments is as follows:

	2025 US\$000	2024 US\$000
Fixed-rate instruments		
Financial liabilities	2,946	2,283

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities, at FVTPL. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rates would have increased or decreased equity by US\$ 29,460 (2024: US\$ 22,826). This analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

Any other movement in interest rates would not be considered to have any significant impact on net assets at the balance sheet date as the Group and Parent Company do not have floating rate loans payable.

Foreign currency risks

The Group operates internationally and is subject to transactional foreign currency exposures, primarily with respect to Pounds Sterling, Hong Kong Dollars, and Euros.

The Group does not actively manage the exposures but regularly monitors the Group's currency position and exchange rate movements and makes decisions as appropriate.

Webis Holdings plc

Notes to the Financial Statements continued

19 Financial risk management continued Foreign currency risks continued

At the reporting date the Group had the following exposure:

2025	USD US\$000	GBP US\$000	EUR US\$000	HKD US\$000	Total US\$000
Current assets	3,937	129	91	770	4,927
Current liabilities	(3,625)	(327)	(39)	(643)	(4,634)
Short-term exposure	312	(198)	52	127	293

2024	USD US\$000	GBP US\$000	EUR US\$000	HKD US\$000	Total US\$000
Current assets	4,200	550	97	557	5,404
Current liabilities	(3,847)	(269)	(41)	(639)	(4,796)
Short-term exposure	353	281	56	(82)	608

The following table illustrates the sensitivity of the net result for the year and equity with regards to the Group's financial assets and financial liabilities and the US Dollar–Sterling exchange rate, US Dollar–Euro exchange rate and US Dollar–Hong Kong Dollar exchange rate.

A 5% weakening of the US Dollar against the following currencies at 31 May, would have increased / (decreased) equity and profit and loss by the amounts shown below:

2025	GBP US\$000	EUR US\$000	HKD US\$000	Total US\$000
Current assets	6	5	38	49
Current liabilities	(16)	(2)	(32)	(50)
Net assets	(10)	3	6	(1)

2024	GBP US\$000	EUR US\$000	HKD US\$000	Total US\$000
Current assets	28	5	28	61
Current liabilities	(14)	(2)	(32)	(48)
Net assets	14	3	(4)	13

A 5% strengthening of the US Dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above on the basis that all other variables remain constant.

20 Controlling party and ultimate controlling party

The Directors consider the ultimate controlling party to be Burnbrae Limited and its beneficial owner Jim Mellon by virtue of their combined shareholding of 63.10%.

21 Subsequent events

Since the year end, the Group has received additional funding from Galloway Limited (related party) of US\$ 430,000. The funding is to support the Group's working capital requirements and does not currently have a fixed repayment term or interest rate.

In addition, the Group has subsequently engaged XST Capital, an investment bank in New York, to explore strategic options for the Group (see note 1.1 Going Concern).

Webis Holdings plc

Company Information

Directors

Denham Eke
Non-Executive Chair
Ed Comins
Managing Director
Richard Roberts
Independent Non-Executive Director
Katie Errock
Non-Executive Director
Jim Mellon
Non-Executive Director

Company Secretary

Katie Errock

Registered Office

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Standard Bank House
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Auditor

KPMG Audit LLC
Chartered Accountants
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