

Media Entertainment N.V.  
Curaçao

**Media Entertainment NV**  
**Business Plan**  
**Registration number 108625**

Registered Business Address  
New Haven e-Zone  
Emancipatie Boulevard 29  
Curaçao

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## 1. Overview of the business

The company is incorporated on 27 November 2009. Its Directors are e-Management N.V. and the ultimate beneficial owner is Leonid Ponkratenko.

Media Entertainment NV is a leading Sports Betting and Casino games platform service provider, with the office in Curaçao and three subsidiaries fully owned by the company that support the company in its operations: INT Interactive Payments Ltd Entertainment International Malta Ltd and New World Times SA.

We are an innovative, technology-driven company, providing the latest in sports betting, casino and games solutions to multiple brands across the globe.

The platform is in-house developed including Sportsbook, Player Management System, Payment Gateway.

Company's platform may also be integrated into other systems, allowing B2c operators to offer an even broader array of gaming services to their clients. A full turnkey solution can also be offered to the operators, under which all back office / administration systems together with the provision of the odds compiling will be provided by the company.

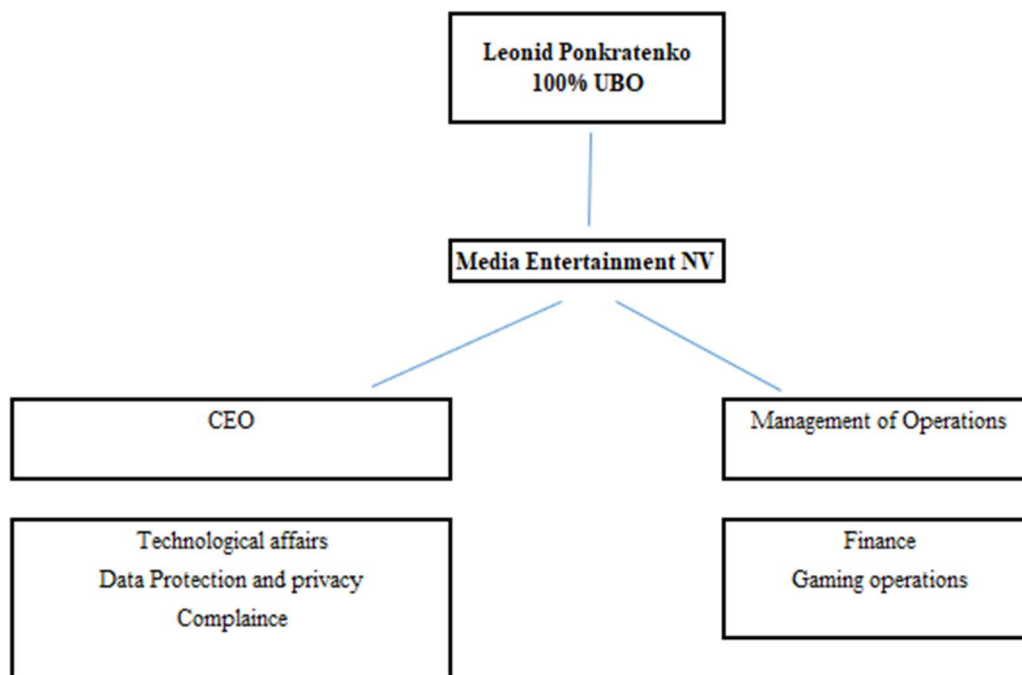
## 2. Group Structure

Company's ultimate beneficial owner is Leonid Ponkratenko and company Directors are e-Management N.V. The company has its registered office in Curaçao and has three subsidiaries fully owned by the company that support the company in its operations: INT Interactive Payments Ltd, Entertainment International Malta Ltd and New World Times SA.

The team behind the Company has an extensive online gaming experience gained from within the industry.

Each of the members of the team is qualified in their relevant areas of expertise and have previous experiences in their fields in other online gaming public and privately held companies.

Here is the Company's management structure:



### 3. Business Forecast

The Company has been in operations since 2009 and as a result has accumulated considerable experience and resources to continue operating in the long term as well. It has clients in various locations, however, the company will invest considerable amount in marketing in 2024, to build its brand awareness with the new customers, whilst looking after its existing loyal customers.

Below a 3 year Forecast including Income and Cash Flow statements:

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|                                 | 2024              | 2025              | 2026              |
|---------------------------------|-------------------|-------------------|-------------------|
| <b>Revenues</b>                 |                   |                   |                   |
| Sportsbook                      | 27,427,336        | 28,250,157        | 28,744,534        |
| Casino                          | 20,694,420        | 21,694,929        | 22,278,249        |
| Other                           | 427,232           | 441,140           | 445,929           |
| <b>Total revenues</b>           | <b>48,548,988</b> | <b>50,386,226</b> | <b>51,468,712</b> |
| Sportbook bonuses               | 8,449,222         | 8,618,207         | 8,747,480         |
| Casino license fees             | 6,880,487         | 7,188,388         | 7,362,345         |
| Payments solution costs         | 5,947,704         | 6,245,089         | 6,557,343         |
| Affiliates costs                | 1,573,532         | 1,620,738         | 1,669,360         |
| Partners' shared expenses       | 7,681,355         | 7,896,433         | 8,054,361         |
| Partners' revenue share costs   | 6,049,586         | 6,273,420         | 6,398,889         |
| <b>Total Cost of Sales</b>      | <b>36,581,885</b> | <b>37,842,275</b> | <b>38,789,778</b> |
| <b>Gross Profit</b>             | <b>11,967,103</b> | <b>12,543,951</b> | <b>12,678,934</b> |
| <b>Operating Expenses</b>       |                   |                   |                   |
| IT Support Recharge             | 1,711,085         | 1,736,751         | 1,745,435         |
| Trading support Recharge        | 1,152,817         | 1,164,345         | 1,167,838         |
| Other Operating fees            | 6,061,405         | 6,164,448         | 6,226,093         |
| Other expenses                  | 3,020,607         | 3,065,916         | 3,096,575         |
| Depreciation                    | 2,611             | 3,111             | 3,611             |
| <b>Total Operating Expenses</b> | <b>11,948,524</b> | <b>12,134,571</b> | <b>12,239,552</b> |
| <b>Operating Income</b>         | <b>18,579</b>     | <b>409,380</b>    | <b>439,382</b>    |

The Company do not intend to rely on any other external sources of fundings as it has accumulated retained earnings. Based on the expected revenues and costs, the company will have enough money to meet its own needs on a monthly basis.

|                                                                 | 2024             | 2025             | 2026             |
|-----------------------------------------------------------------|------------------|------------------|------------------|
| <b>Cash flow statement</b>                                      |                  |                  |                  |
| <b>Operating activities, cash flows provided by or used in:</b> |                  |                  |                  |
| <b>Profit for the year</b>                                      | 18,579           | 409,380          | 439,382          |
| Depreciation                                                    | 2,611            | 3,111            | 3,611            |
| Decrease (increase) in accounts receivable                      | 3,542,719        | 1,557,035        | 625,415          |
| Increase (decrease) in liabilities (payables&partners)          | 564,238          | (502,188)        | 627,851          |
| Increase (decrease) in liabilities (player balances)            | 356,354          | 370,912          | 379,255          |
| <b>Net cash flow from operating activities</b>                  | <b>4,484,502</b> | <b>1,838,250</b> | <b>2,075,514</b> |
| Capital expenditures                                            |                  |                  |                  |
| <b>Net cash flows from investing activities</b>                 |                  |                  |                  |
| <b>Net increase (decrease) in cash and cash equivalents</b>     | <b>4,484,502</b> | <b>1,838,250</b> | <b>2,075,514</b> |

## 4. Marketing Research and Plan

### Industry Analysis

Gaming has been a key industry in the entertainment sector for years. The market size is billions of Euros annually and rapidly growing. The existing business is in a very strong position to continue as an ongoing concern.

### Swot Analysis

#### Strengths

The company has a competitive advantage over its competitors because of its unique in-house developed technology, technical expertise and strong positioning in certain markets.

#### Weaknesses

The company operates in a very competitive markets with certain restraints to acquire new clients.

#### Opportunities

Using its in-house built platform and unique technology, the company has an advantage over its competition. The number of operators owing their own technology is very small.

### **Threats**

The company operates in very competitive markets, also the current economic/social factors such as wars, restrictions, inflation are out the company's control contributing to the complexity of business operations.

### **Marketing Strategy**

The company intends to rely on TV advertising, sponsorships and affiliate/influencer networks, to build its customer base.

### **Market locations**

The company has been working in LatAm, but whilst trying to expand its proposition in the existing markets is also looking at Eastern European and other unregulated markets.

## **5. Company policies and internal control**

Company implements a risk-based approach strategy across all its business units. It analyses the risk involved with any potential transaction with a third party, and applies a level of due diligence which is compatible with that risk level: the higher the risk, the broader due diligence is performed; additionally, the level of risk correlates to the level and identity of the person / department handling and reaching resolutions in this matter.

The company performs a due diligence process in respect of all of its potential business partners. In addition, it performs a thorough due diligence process on its potential customers / licensees and, where applicable, it may perform such thorough due diligence on such other potential business partners as well, depending on the facts and circumstances, including, inter alia, the scope and nature of the transaction involved, the geographic location of such business partner and related people, the nature of intended activities of the business partner, information concerning the business partner and related people and certain financial attributes of the proposed transaction.

All policies are internally prepared and reviewed on an annual basis.