



Business Plan

Gaming Control Board

Curacao

28th March 2024

Overview of the Business Products and Business

Sportingtech is an award-winning iGaming Platform, which provides Gaming operators around the world with the very best turnkey solutions. It offers flexible and independent configuration of languages, currencies, odd types, website view types, registrations, activations, password rules, taxation functionality, margin management and limit management, and importantly – a back office for overseeing numerous websites via a unified account, with the capability to manage frontends using APIs. Real-time data analytics dashboards are powered by multiple data sources for comprehensive insights, permitting customers to have in-depth understanding and proper oversight of their operations. The user interface is customizable and therefore allows the definition and configuration for the ideal user experience for target audiences.

A number of Payment Service Providers (“PSPs”) and Know Your Customer (“KYC”) suppliers are integrated with the Sportingtech platform which means that customers, being licensed gaming companies, hold the contracts with the PSPs which manage their funds, including their player funds. They also directly hold the relationship with the KYC providers, and can select the ones which they trust to comply with applicable laws, and hold their player data securely.

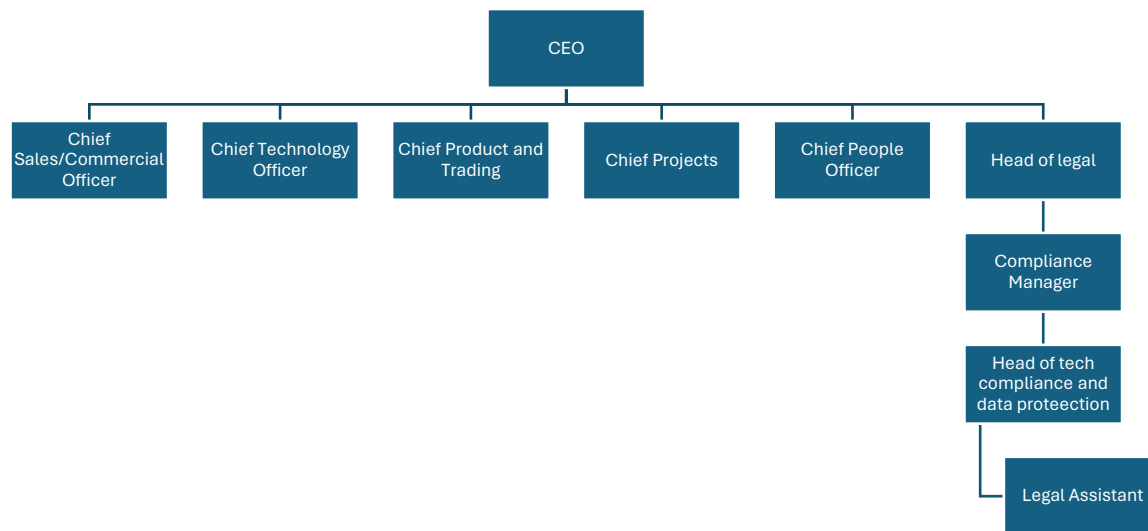
Sportingtech also offers integrations with CRM providers such as Income Access and Smartico, which allows gaming companies to work with established affiliates companies, track, and pay referred customers through a one stop shop in a cohesive and manageable manner. Customers are further able to access both historical and real-time data, utilizing a flexible and intuitive customer campaign management CRM product that empowers gamification.

Sportingtech is owned privately by two seasoned entrepreneurs within the technology, software, and igaming industries, who have vast experience previously in managing technology platforms. It has obtained licenses in Malta (Critical Supply License for Type 1 and Type 2 Games, under Auth Number MGA/B2b/718/2019) since 2019, and has been operating from Curacao under sub-license issued to Global Software Solutions NV, under license from Antillephone.

It now wishes to submit its direct application to the Gaming Control Board in Curacao, despite its activities not being appropriately covered by currently issued guidelines i.e it is a B2B platform and does not meaningfully facilitate the B2C operations vis-a-vis player funds and player data (B2B2C). A B2B2C license will be issued to entities who are genuinely and probably involved in the operations.

However, given the absence of clarity on what the situation for regulation and oversight, if any, will be for B2B platforms which are established in Curacao, Sportingtech has determined to submit this application.

Company Management Structure Showing Key Management Roles and Reporting Lines



The above chart shows the reporting lines within the company. The CTO manages, together with the Managing Director of the Bulgarian entity, a team of approximately 140 persons made up of software developers, NOC, QA testers, and coders. Other exec and office personnel are based mainly in Malta, Spain, England, or Portugal.

The Managing Director for the applicant company is EMOORE NV, and all contracts and binding instruments are reviewed by the legal department in accordance with company policies and budget, prior to being reviewed and signed by the Managing Director in Curacao. Updates on company affairs are also provided to the Curacao directors, which have a close relationship with the executive to manage the affairs conducted in or from Curacao correctly in accordance with all applicable laws and directives.

As may be seen, the platform is not a subject person under applicable AML laws, however it has a robust compliance and legal department, as well as technical compliance, expecting to very soon complete the stand alone GLI 19 and 33 certifications, and to then move towards further regulated markets, target being Latin America.

Furthermore, it supports all RG and AML initiatives undertaken by its licensed customers and is duly committed towards ensuring a sustainable progression of their businesses by doing so, protecting vulnerable and under age persons, and keeping crime out of gambling. A number of features on the platform enable such limits and restrictions, as well as other safety functions.

Business Forecast for Three Years

	2023 Expected	2024	2025	2026
Invoiced Existing clients	62,855,900.00	50,731,912.38	49,000,000.00	49,000,000.00
New Clients Invoiced	-	3,733,250.00	27,031,500.00	78,050,250.00
Total Invoiced	62,855,900.00	54,465,162.38	76,031,500.00	127,050,250.00
Direct Costs	40,262,845.00	33,038,041.68	46,225,791.68	76,012,541.68
Op. Costs	10,820,058.00	18,271,117.46	24,300,000.00	41,300,000.00
EBIT	11,772,997.00	3,156,003.24	5,505,708.32	9,737,708.32

***Direct costs include Sportsbook, Casino and Virtuals providers**

***Op. Costs include Salaries, Technology, Marketing, Finance, Legal, Sales, Travels, other operational costs**

The Financial projections were built based on the continuity of existing operations and further investment in the acquisition of new clients. We have based projections on the revenues of current clients and clients which are likely to be acquired over the next three (3) years, considering that revenues could stabilize (i.e. not continue to increase exponentially as has been the case in the past few years) and the worst case even losing one of the current clients, to reflect a real vision of the next 3 years. Revenues from new clients were built together with the sales and technology team, to access the capacity to acquire and onboard these clients, and each of the new clients is classified ranging from internal classifications of 5 (lowest revenues) to 1 (highest revenues) using a moderate to conservative estimate.

Regarding cost analysis, direct costs are directly related to clients activity and third party providers - Sportsbook, Casino, Virtuals providers and others directly linked to the client activity and GGR generated, using reference buy rates. Operating costs were built based on the corresponding and expected increase in activity, if on the one hand we have fixed costs that remain constant, on the other we have some variable costs, which will have to increase with the entry of new customers, for example IT costs, financial costs, new employees, more travel and investment in marketing will also be needed,

Sportingtech maintains a very close relationship with its chosen customers, and onboard only a few customers each year, to ensure that it is able to fulfil its business objectives of being a growth partner, providing unique features, functionality, guidance and strategy to its customers for separating themselves out from the competition, and acquiring and retaining customers in competitive environments.

As a technology platform supplier, it is constantly seeking to improve its core features being the provision of state of the art technology and back office allowing a one stop shop for customer management, provision of all the top gaming suppliers, payment services providers, affiliate tools and world class sports data and trading risk desk which is based out of Malta.

Sportingtech offers an unparalleled selection of casino and live casino content from giants such as PG Soft, Evolution, Ezugi, Pragmatic Play, Spribe, Booming Games and others. It has also secured deals with Sportradar as well as Genius Sports (previously BetGenius) to offer the best customer selection at all stages of their growth.

Bespoke custom features are available on demand, and a localized and competitive offering to the Latam market give Sportingtech a competitive advantage over larger and less attentive technology platform suppliers within the igaming industry. Sportingtech offers support at all stages of business development and growth, a concierge and personal service which is tailor made to the customer.

Sportingtech plans to pursue the regulated market in Brazil, in Colombia, Peru, Mexico and Chile - all its customers are currently in Brazil, and plan to become regulated as well as pivot to some neighboring jurisdictions always within the South American Continent.

Key Suppliers and Material Dependencies

The below summarises key suppliers and material dependencies:

Banking and Finance

The use of banking and finance is central to the operations of Sportingtech, however it must be remembered that we do not deal in any player funds, integrating payment service providers solely so that B2C customers can use them in the conduct of their business.

Sportingtech tends to integrate the major regulated PsPs for Brazil on demand by its customers, these currently consisting of, for example, Paybrokers, Pagfast, Zenetpay, Zrobank and Pay4fun.

In the issuance and settlement of invoices, Sportingtech uses (i) a Malta Financial Services Authority licensed institution called Paymix, (ii) Fiduciary Incorporated Limited and (iii) an Isle of Man licensed

bank called Capital Bank Isle of Man for its banking needs and for payment of invoices through the SEPA, SWIFT, and settlement systems.

Capital International Limited is a member of the London Stock Exchange. Capital International Bank Limited is a wholly owned subsidiary of Capital International Group Limited

Financial Audit

For the Curacao entity being GSS, Sportingtech works with a relevant tax and audit advisor being Mr. Arthur van Aalst from Baker Tilly Curacao.

In Malta and other place such as Bulgaria, the group is also required to prepare and submit audited accounts in accordance with IFRS 26 standards and audited by licensed practitioners which provide a true and fair view and are freely available and downloadable from the various business registries.

Co Location and Hosting

Sportingtech is expecting to complete in the coming days a migration of its servers from a hosting centre in Brussels where servers were held IBM, to a more purpose built co-location centre for gaming companies located in Dublin, Ireland together with Continent 8 who will be well known to the Curacao Gaming Control Board, and which offer a number of services such as DDOS attack support, as well as disaster recovery.

The company is also in the process of establishing its real time replication servers in Malta, and further strengthening its disaster recovery and back up plans in accordance with GLI requirements, MGA requirements, as well as the requirements (still to be confirmed) in Curacao.

Sports Data

The company relies on data fees from official and unofficial competitions from Genius Sports and Sportradar, and offers its customers the ability to choose different packages from between them. These are worldclass suppliers, and Sportingtech is able to properly rely on the quality of the data and technology these suppliers employ in the provisioning of relevant sports data.

Trading and Risk

Trading risk is managed internally, and a number of in-house tools and functionalities are employed to ensure constant monitoring, detection and prevention of fraud, collusion, or mistakes in any odds being offered by operators.

Games Suppliers

Only reputable suppliers are selected, and their games have been tested by third party test-houses for compliance with legal and technical standards in multiple locations. The top games suppliers in use by Sportingtech are as follows: PG Soft, Pragmatic Play, Spribe, Games Global, Smart Soft, Booming Games Evolution, Spinomenal, Fazi and Wazdan.

Availability of Platform and Services

This is also a key risk and key dependency, and additional firewalls and security measures have been implemented very recently to protect the platform for any system attacks. Furthermore, cybersecurity and data integrity measures are duly employed and continually improved in order to ensure the integrity of data and to ensure that it is free from manual intervention unless duly authorised, and not manipulated. Audit trails are available in case of any suspected access.

Risk Evaluation and Management

An internal audit by a certified auditor and system audits are conducted at appropriate intervals (normally at least once each year) in order to ensure that policies are in place and up to date, are properly implemented and tested.

Internal audit is conducted in order to reduce legal risks and avoid future cost, build trust with the customer base, identify deficiencies and engage with employees. These measures cover off a number of items such as documents, policies, websites, technical equipment and set up, recovery measures, data management, occupation of key functions by fit and proper persons (experience + qualifications), communication to regulatory and other authorities, timely reporting, and adequate training and awareness of employees, among others.

This function is managed mainly by the legal department, and includes the technical compliance function as well as all stakeholders required as part of internal audit controls.

Legal Governance and Framework

This important aspect is managed in house, and comprises a head of legal who is an experienced and qualified lawyer, with a legal assistant reporting into him (also a qualified lawyer) and a compliance person (active search underway). A head of technical and data compliance likewise reports into the head of legal.

All contracts within Sportingtech are approved by the head of legal or a person delegated by him, prior to being signed off. Written directives and policies are issued by the legal department to the relevant directors. All relevant directors are informed of the sign off processes, and are in any case well aware of the business and undertakings of Sportingtech.

Due diligence, including licenses where applicable, are checked and verified prior to the signature of contract or customer contracts. Expenses are checked vs the budget.

Local advice from top advisors in London, Bulgaria, Brazil and others is obtained whenever the need arises.

The Board is kept duly apprised of all matters affecting the legal and compliance department at monthly Board meetings and/or weekly update meetings to the CEO as required.

Decisions which are taken by the Board are signing off on strategy, material expenditures, settlements and or litigations, and material contracts, licenses, removal of directors, and bonus payments. A close relationship is held via the CEO and the Board to ensure all parties are comfortable with the development of plans.

Target KPIs and Business Objectives

The objective over the next 5 years is to grow the number of customers across Latam and other regulated jurisdictions. We will be targeting established operators with a proven track record or who have experience in growing an operation in the specific market. Our business plan has 10 deals agreed for 2024 with at least 6 of those being live by the end of the year. This number grows year-on-year for the next 5 years and we will be selective in our approach to the clients we work with choosing quality over quantity.

Policies and Procedures

Most policies and procedures are written in house by the policy owner, which has all required powers to over see the proper implementation. Necessary input is provided by the compliance and legal departments, or other involved departments as may be the case.

Whenever policies are supplied as a template, the same process as set out above is employed to ensure the policy owner is owning the document, finally approving its contents, and is aware they have responsibility for the implementation and adherence to that policy.

Conclusion

Sportingtech is well placed to identify and properly manage its risks, obtain a license from the new regime to be implemented in Curacao, and to continue to achieve further success in its business.

The Management.