

LOSARTEZ B.V.
BUSINESS RISK ASSESSMENT

1. DOCUMENT CONTROL

Version	Version Date	Approved By
1.0	30 March 2026	The Board

2. INTRODUCTION

This Business Risk Assessment ("BRA") identifies and assesses the enterprise-level money laundering and terrorist financing ("ML/TF") risks applicable to Losartez B.V. (the "Company"), a Curaçao-licensed online gaming operator regulated by the Curaçao Gaming Authority ("CGA"). This BRA is prepared in accordance with the National Ordinance on the Reporting of Unusual Transactions ("NORUT") and CGA guidelines; the full regulatory framework is set out in the Company's AML/CFT Policy. This document focuses solely on risk identification and assessment at the enterprise level. For detailed compliance procedures, customer due diligence requirements, reporting obligations, training, record keeping, and organizational structure, refer to the Company's AML/CFT Policy.

3. RISK ASSESSMENT METHODOLOGY

The Company assesses inherent ML/TF risk across six categories: Customer Risk, Product/Service Risk, Geographic/Jurisdiction Risk, Transaction/Payment Risk, Delivery Channel Risk, and New Technologies Risk. Each category is scored as Low, Medium, or High based on the likelihood of ML/TF occurring and the potential impact. Residual risk is determined after considering the mitigating controls documented in the Company's AML/CFT Policy and Operating Control Matrix. Individual customer risk scoring is performed separately using the Customer Risk Rating Matrix referenced in the AML/CFT Policy.

4. RISK ASSESSMENT TABLE

The following table sets out the Company's enterprise-level ML/TF risk assessment:

Risk Category	Key Risk Factors	Inherent Risk Rating	Mitigating Controls	Residual Risk Rating
(a) Customer Risk	International customer base; online-only registration (non-face-to-face); potential for anonymity; customers may use multiple accounts or third-party funding sources.	HIGH	KYC/CDD procedures per AML/CFT Policy (Section: Customer Due Diligence); Customer Risk Rating Matrix for individual risk scoring; Enhanced Due Diligence for high-risk customers; PEP and sanctions screening; ongoing monitoring of customer activity.	MEDIUM
(b) Product/Service Risk	Online casino, sports betting, and live dealer games are recognized as higher-risk products per FATF guidance; potential for rapid movement of funds; bonus abuse and chip dumping risks.	HIGH	Transaction monitoring systems; velocity checks and betting pattern analysis; deposit/withdrawal limits; suspicious activity detection per AML/CFT Policy; Operating Control Matrix procedures.	MEDIUM
(c) Geographic/Jurisdiction Risk	Global customer base spanning multiple jurisdictions; exposure to customers from higher-risk countries per FATF grey/black lists; varying AML standards across jurisdictions.	HIGH	Prohibited Jurisdictions List maintained and enforced; geo-blocking and IP verification; enhanced scrutiny for customers from FATF-identified higher-risk jurisdictions; no acceptance of customers from prohibited jurisdictions per AML/CFT Policy.	MEDIUM

(d) Transaction/Payment Risk	Multiple payment channels (credit/debit cards, e-wallets, bank transfers, potentially cryptocurrency); layering risk through deposits and withdrawals; third-party payment risk.	MEDIUM-HIGH	Payment provider due diligence; CDD triggered at EUR 2,000 threshold; transaction monitoring and pattern analysis; suspicious transaction reporting (NAf. 5,000 FIU threshold); withdrawal to verified source of funds only; controls per AML/CFT Policy.	MEDIUM
(e) Delivery Channel Risk	Entirely non-face-to-face operations; no physical customer interaction; increased identity fraud and impersonation risk; remote onboarding.	HIGH	Electronic identity verification; document verification procedures; IP address monitoring and geo-location checks; device fingerprinting; multi-factor authentication; procedures per AML/CFT Policy.	MEDIUM
(f) New Technologies Risk	Potential acceptance of cryptocurrency payments; blockchain-based transactions may offer increased anonymity; rapidly evolving technology landscape.	MEDIUM (if cryptocurrency accepted) / LOW (if not accepted)	Blockchain analytics tools (if cryptocurrency accepted); enhanced monitoring for crypto transactions; due diligence on crypto payment providers; technology risk assessment per Operating Control Matrix.	LOW-MEDIUM

5. OVERALL RISK ASSESSMENT

Given the nature of online gaming operations, the Company's overall inherent ML/TF risk is assessed as HIGH. This assessment reflects the combination of non-face-to-face customer relationships, international customer base, multiple payment channels, and the inherent risks associated with online gambling as recognized by FATF and international standards. After application of the mitigating controls set out in the Company's AML/CFT Policy and Operating Control Matrix, the overall residual risk is assessed as MEDIUM. This residual risk level is consistent with international standards recognizing online gambling as a higher-risk sector requiring robust controls.

6. RISK APPETITE STATEMENT

The Company has zero appetite for facilitating money laundering or terrorist financing. The Company accepts a medium residual risk level, which is actively managed through the comprehensive controls described in the AML/CFT Policy and Operating Control Matrix. Any increase in residual risk beyond medium, or identification of material control deficiencies, requires immediate escalation to the Board of Directors for review and remediation.

7. REVIEW AND APPROVAL

This BRA shall be reviewed annually by the Compliance Officer/MLRO, or more frequently if there are material changes to the Company's business model, product offerings, customer base, geographic exposure, or regulatory requirements. Material changes to risk conclusions or overall risk ratings require Board approval in accordance with the governance procedures set out in the AML/CFT Policy.