



BUSINESS PLAN



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1. Summary

1.1. Online gaming with Latin accent

Casino games and betting are recreational activities that transcend borders, providing entertainment and pleasure to players from all over the world since prehistory.

Online gaming represents approximately 15% of this global market, regulated online gaming generated a gross margin of close to 65,000 million dollars in 2019, with a growth of 160% in 10 years.

The MiCasino.com team, led by the CEO and Chairman, Enric Flix, who knows the formula for success and has proven its success in Spain. The recipe combines the offer of attractive games for an inexperienced public, advertising with a local accent, close and immediate customer service, and the flexibility to adapt to the regulatory situation as the market develops.

MiCasino.com is the main commercial with work teams in Spain, Venezuela, Guatemala, Chile, and Costa Rica.

The Latin American online gaming market represents a huge business opportunity. It is estimated that the regulated online gaming market in Latin America will generate a gross margin of 3,000 million dollars in 2021 and more than 6,000 million in 2025.

In reality, the above figures fall very short. Taking into account unregulated gambling, as well as the experience in Spain, we believe that the potential in the short term is at least 5,000 million and in 5 years more than 12,000 million dollars.

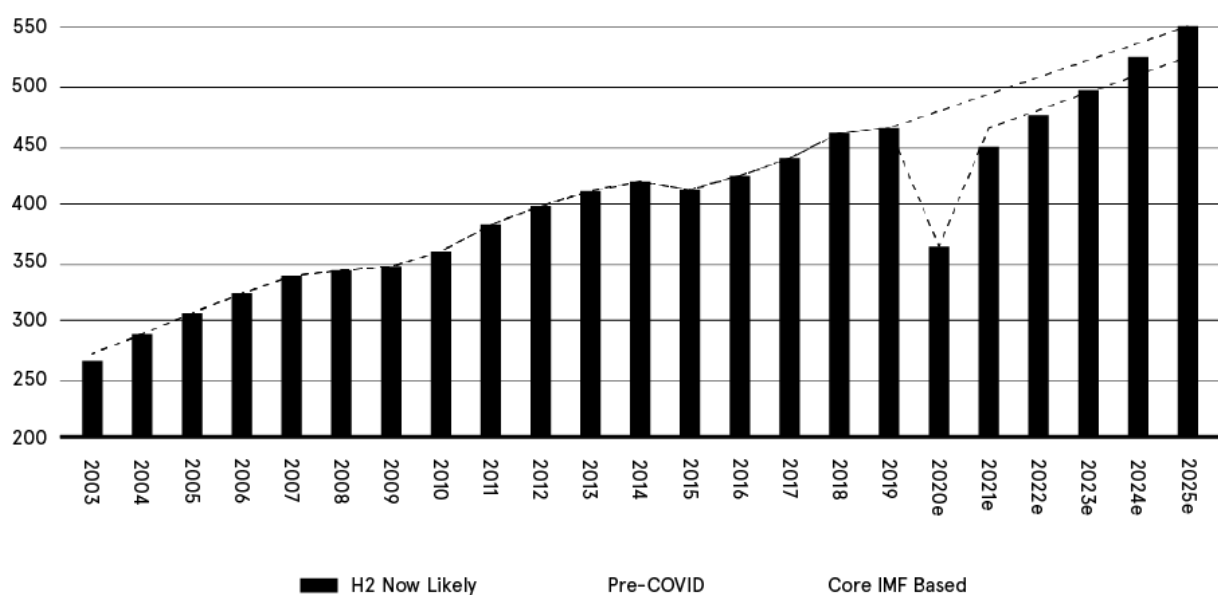
The first year alone is expected to exceed \$2.5 million in revenue (GGR) and \$700,000 in net profit. A rapid penetration driven by marketing investment and protected by exclusivity agreements will allow us to exceed 10.5 million dollars of profit in the third year of activity.



2. The Gaming Industry

There is evidence that 500,000 years ago human beings were already playing and betting. Games of chance and bets are recreational activities that transcend borders of entertainment and pleasure to players from all over the world since prehistory.

Global Total Gambling Gross Win Timeline (US\$bn)



The gaming industry advances are driven by demand and by the inalienable benefits it provides to society as a whole. The gaming market regulated gross margin of nearly \$470 billion globally in 2019¹ H2 Gambling Capital.

The figure is estimated to be between 800,000 (~x1.75) and 900,000 (~x2.00) million if we include unregulated gambling. The amount of money that is played each year, considering that the average gross margin is around 10%, is between 8,000,000 and 15,000,000 million dollars.

Online gambling represents approximately 15% of this global market, regulated online gambling required a gross margin of close to 65,000 million dollars in 2019, with a growth of 160% in 10 years² H2 Gambling Capital.

To a large extent, this growth is driven by the increase in purchasing power in emerging countries. In addition, anywhere in the world, it is accelerating as online gaming becomes available to more players thanks to the Internet, computers, and mobile phones. The regulated online gaming market is



expected to generate a gross margin of over \$120 billion by 2025³ H2 Gambling Capital



It is a highly specialized and competitive market due to its high entry barriers. On the one hand, the technology and the needs are complex operations, they require a long learning curve, in addition, various competitive factors of the business such as risk assessment or financial exploitation require large volumes of transactions and deposits. On the other hand, marketing requires large investments in advertising and a high degree of experience to adapt the offer to each territory.

Although moral and legal concerns about gambling persist in many countries, as their economy develops and their culture globalizes, governments are forced to face the reality: people have played, will play, and will play with or without their permission... For this reason, more and more state and national governments around the world prefer to legalize and authorize activities related to gambling, which will allow its development without adequate economic and social control.

Gambling for money is part of the leisure and entertainment industry, it is one more way to have fun, to escape from daily chores, and enjoy a few



moments of excitement.

As with many other products, it can have detrimental effects on the small reduction without self-control ability that abuses its consumption. That is why MiCasino.com supports all government measures to fight against bad habits, establishes rigorous controls, and, as the leader of the Latin American market, also aspires to lead private and public-private initiatives to promote responsible consumption in Latin America.

2.1. Online Gaming

In Spain, in 2012, 7,700 million dollars were played in the lottery, 2,100 million in traditional bingo, 1,100 million in physical casino tables, and 5,900 million in online games. In 2019, 13,600 million dollars were played in the lottery, 2,400 million in traditional bingo, 430 million at physical casino tables, and nearly 23,000 million in online games 4 General Directorate for the Regulation of Gambling. In other words, traditional face-to-face gaming grew by 50%, while online gaming grew almost 3-fold, a growth of 286%.

The 2.5 million online player accounts registered in Spain, with more than 3,450 million dollars in deposits, generated a gross margin of 890 million dollars in 2019 5 General Directorate for the Regulation of Gaming.

This pattern is repeated all over the world. The amounts wagered depend in part on the purchasing power and in part on the gambling culture in each country. Be that as it may, the volume of the market expands substantially in a few years as soon as online gambling is available to the majority of the population. In the same way that television increases the audience for sporting events, the internet increases the number of players but also increases the amounts bet per player.

The online channel allows any type of existing game to be offered: sports betting, horse betting, bingo, casino games, lotteries, slot machines, and poker, among others.

Of course, in each country, some games are more successful than others depending on the legislation, institutional and private promotion, and local culture and customs. In the long term, these cultural differences are maintained to a certain extent, but the online channel makes it possible to quickly and cheaply make new game modes available to registered players.



2.2. Prove Experience

Before 2002, in Spain, you could legally play different lotteries, sports pools, bingo, and other traditional authorized games. Other unregulated forms of classic sports betting were also very common, for example, *Porrás*, a game consisting of betting on the exact result of a football match, were very common. These games are organized between groups of friends, coworkers, or in the usual bars: without written rules, without any guarantee on the money bet, without protection to resolve conflicts, and without paying any type of tax.

In 2002 online gambling was practically non-existent. Gambling advertising was allowed, but there were no state-wide online gambling licenses due to lack of regulation. A Spaniard who wanted to bet on the Internet had to do so in a foreign bookmaker, on a website in another language, on games he did not know, and with a very complex operation designed for another gaming culture and for experienced players.

In this context, the CEO of MiCasino.com, Enric Flix, founded one of the first online sports betting houses in Spain and revolutionized the gaming sector with a very simple model: games adapted to the gaming culture of Spain, advertising focused on the Spanish public, a high level of attention to the public by telephone and completely legal operations through an agreement with Sportingbet, an operator with an English license.

In 2004 more than 3,000 million dollars were played in this new online sports betting house, in 2007, only four years later, the amount bet through one of the very young companies was more than 10,000 million ⁶ Sportingbet, resultados anuales. When the big international bookmakers saw the potential of Spain and wanted to imitate the model, they found a huge barrier to entry, the CEO of MiCasino.com had closed long-term exclusivity agreements with the main newspapers and media in the country.

In 2008 Sportingbet came to control 100% of the online betting house that led the market in Spain after buying its share from the CEO of MiCasino.com. In mid-2012 Spain regulated online gaming and a year later William Hill bought the winning brand from Sportingbet. Nowadays, the big international online gaming operators compete with each other to gain a share in the juicy Spanish market at the cost of reducing their gross margin and increasing advertising costs.



Thanks to this spectacular success, the CEO of MiCasino.com, Enric Flix, is a world leader in the online gaming sector. Maintains excellent relationships and frequent contact with the main bookmakers and gaming operators globally.

3. MiCasino.com:

The gaming platform of Latin America

MiCasino.com is nothing more than the continuation of the successful model of one of the successful experiences in Spain, introducing and promoting online gambling in emerging markets.

The MiCasino.com team, led by the CEO, knows the formula for success and has proven its success in Spain. The recipe combines the offer of attractive games for an inexperienced public, advertising with a local accent, close and immediate customer service, and the flexibility to adapt to the regulatory situation as the market develops...

3.1. The keys to success within reach

The Latin American online gaming market represents a huge business opportunity: in Latin American countries there is a great tradition of gambling for money, the presence of the big brands in the sector is incipient, the margins provided by MiCasino.com allow quick penetration, and most countries have great potential to increase their GDP per capita.

As happened in Spain, in the Latin American market sports betting and online casino games, and more specifically betting related to football, are undoubtedly the best way to enter.

The experience in the sector and specialized marketing, as well as the network of contacts of MiCasino.com, the operational capacity of Dotworkers, and the work on the ground of the Regional Managers, to achieve strategic agreements and implement collection networks, are the keys to succeed in the Latin American online gaming market.

To date, such a profound territorial adaptation has never been seen: language adapted country by country; possibility of playing with the currency of current use; focus on the general public, without discriminating



by social or economic level; games adapted to any degree of experience, from beginners to experts; and a very close customer service with the local accent that customers understand best.

3.2. The gaming market in Latin America

In matters related to the gaming market, Spain is the reference country for all of Latin America, due to historical and cultural links, as well as political, economic, and legislative parallels. It is for this reason that the 1ª Cumbre Iberoamericana del Juego was held in Madrid, that Spain participates in the Ibero-American State Lotteries and Betting Corporation, CIBELAE, and that the two main Spanish companies in the sector, Codere and Cirsa (Sportium), have focused its international growth in the Latin American region.

The 19 countries that make up the bulk of the Latin American market add up to a population of more than 700 million inhabitants, more than double the 328 million in the USA and much larger than the 448 million in the European Union.

On the other hand, the average GDP (PPP) per inhabitant of the main countries is around 15,000 dollars per year, compared to around 35,500 in the EU and 62,700 in the USA. The GDP (PPP) per inhabitant is similar to that of Spain 20 years ago, but the number of mobile phones per inhabitant is similar to that of Spain and the percentage of Internet users, although still somewhat lower, is growing very quickly ^{7 Banco Mundial, Databank}.

In Spain, with 47 million inhabitants and a GDP per inhabitant of 30,400 dollars ^{8 Banco Mundial, Databank}, in 2019 more than 39,000 dollars per year were gambled, 830 dollars per inhabitant. Almost 60% in online games, close to 23,000 million dollars, 490 dollars per inhabitant ^{9 Dirección general de ordenación del juego}.

In a conservative estimate, the regulated gaming market in Latin America moved more than 50,000 million dollars a year. Keep in mind that this figure does not include a large part of unregulated or illegal gambling; in Brazil, for example, illegal and offshore gambling represents 90% of the amounts wagered ^{10 Instituto Brasileiro Jogo Legal}. Likely, the real amount of money that is played in Latin American countries far exceeds 70,000 million dollars, an approximate average of between 100 and 150 dollars per inhabitant per year.



It is estimated that the regulated online gaming market in Latin America will generate a gross margin of 3,000 million dollars in 2021 and more than 6,000 million in 2025 ^{11 H2 Gambling Capital}.

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The gross margin and the profit margin are much higher than in mature markets since the player is less demanding and the competition is less. On the other hand, the MiCasino.com formula attracts a significant percentage of the money that was previously destined for traditional games, whether legal or unregulated.

In these emerging markets, the first operators to achieve significant market shares have the opportunity to pay off their investment in a relatively short time, provided that they can raise the barriers to entry for new competitors.

3.3. Beyond Latin America

As was the case in Spain before, when MiCasino.com has expanded the Latin American market, the big operators will fight to penetrate and gain market share.

When they do, they will find that most of the players are already MiCasino.com customers. Consequently, their penetration costs will be much higher.

Much of Asia and other regions of the world have characteristics similar to those of Latin America, there are still great opportunities for online gaming in emerging markets.

Online gambling moves between 750,000 and 1,500,000 million dollars worldwide every year. A share of 1% of this market means moving between 7,500 and 15,000 million dollars. With a return of 10% we would be talking about between 750 and 1,500 million dollars of annual profits.



4. MiCasino.com team

Enric Flix, CEO of MiCasino.com

Founding partner of MiCasino.com, mentor at Wayra, Conector and Niu, partner and advisor to start-ups. Previously founding partner and CEO of the online sports betting house that triggered demand in Spain, miapuesta.com. He has more than 20 years of experience in the Gambling sector.

COO de MiGroup

Founding partner of MiCasino.com, expert in mobile applications with more than 10 years of experience in the *gaming* and *gambling* industries.

Patricio Boerse

Technological partner of MiCasino.com. Owner of Dotworkers, with a staff of more than 50 workers, it is specialized in the development of platforms and customer service for the online gaming sector throughout Latin America. He has more than 20 years in the sector.

Yolanda Crisóstomos

Head of Human Resources, she has extensive experience in recruiting talent around Latin America. She has managed templates of more than 1,000 people, demonstrating excellent results.

Marc Gonçalves

CTO of the company with more than 7 years in the sector. He dominates all scenarios in the sector and has the ability to lead teams of more than 50 people and experience running platforms with millions of users per month.

Marcela Durán

CMO of the company with extensive experience in both offline and online media. It is 100% results-oriented and has been dedicated to the sector for more than 5 years. During that time, she has managed to make one of her companies where she worked a benchmark in the gambling sector in Latin America.



5. Company Organization

5.1. The Company



IT = Infraestructura tecnológica
AC = Atención al cliente
PSP = Pasarelas de pago online
MK = Marketing y publicidad
Cial. = Red comercial y de afiliación
INTLs = Internacionales

Medios = Periódicos, TV ...
Influencers = Youtubers, Tipsters ...
Task Force = Promotoras en la calle
Sport Bar = Restauración enfocada
Redes PV = Redes de puntos de venta con elevado tráfico diario.

1. Pendiente de publicación oficial.
2. Trámites administrativos iniciados.
3. Despliegue territorial en curso.

MiCasino.com is based in Europe, and, for now, has work teams in Spain, Venezuela, Guatemala, Chile, and Costa Rica.

MiCasino.com operates in various Latin American countries, initially with international gaming licenses as Conalot, using MiCasino.com and MiCasino as trademarks.

Dotworkers is the associated strategic partner responsible for the development and maintenance of the technical infrastructure. It provides a platform of proven solvency and an experienced team made up of personnel specialized in operations related to online gaming in Latin America. A robust base completely customized for MiCasino.com both in the look and feel, as well as in the range of products, as well as in the features and payment methods available to the customer.

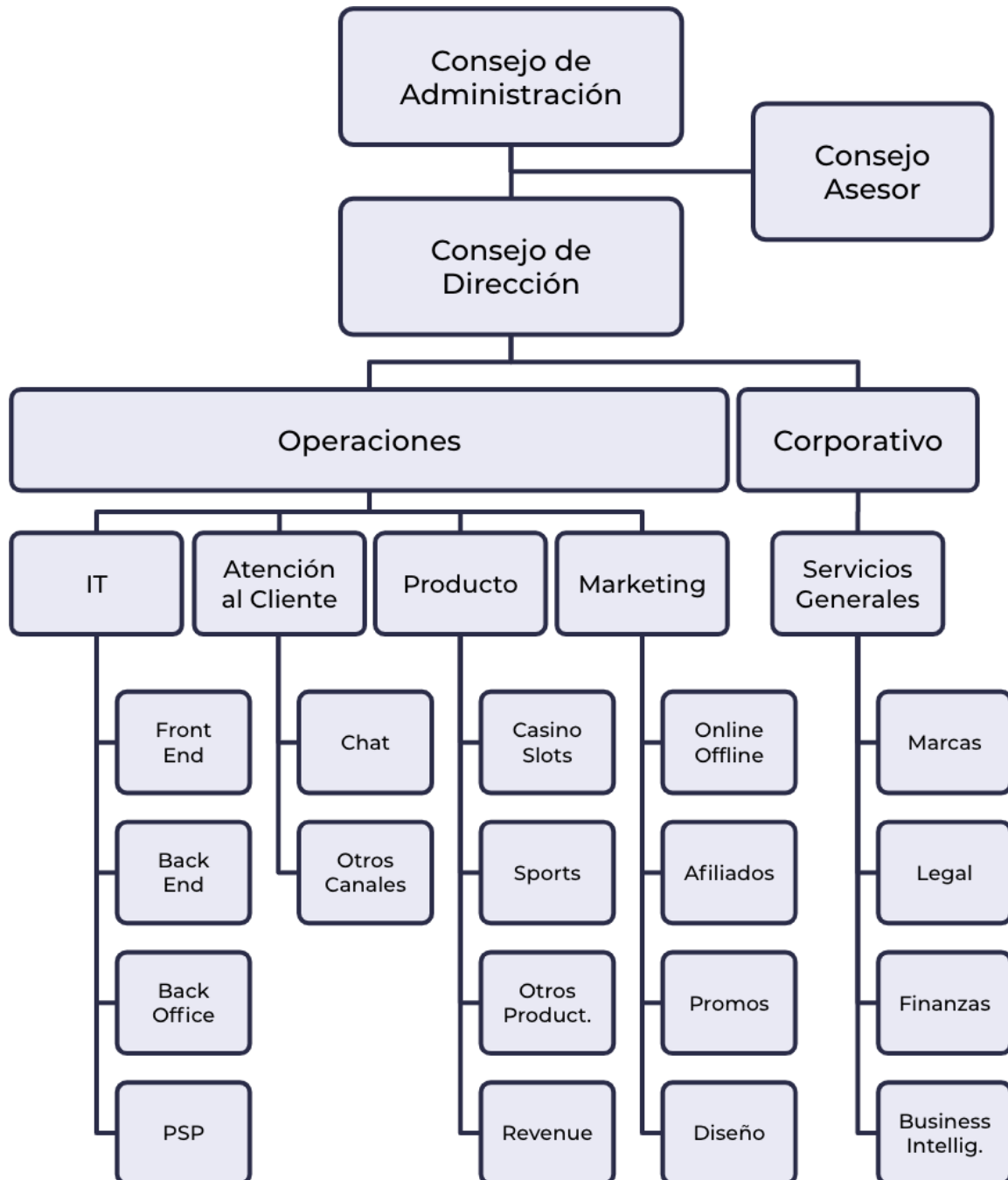
The central direction of the marketing areas and the commercial network corresponds to MiGroup. The management has extensive experience in marketing with a Latin accent focused on online gaming and has work teams on the ground, although its administrative headquarters are located in Spain.



The Master Affiliates are a key figure for territorial development in Latin America. Similar to how a master franchise operates, Master Affiliates are in charge of establishing strategic partnerships, spanning one or more countries, in close collaboration with central management. Another of its main functions is to adapt the product and operations according to local idiosyncrasies and implement an extensive capillary network focused on attracting customers, as well as facilitating access to the online gaming platform.



5.2. Business Structure





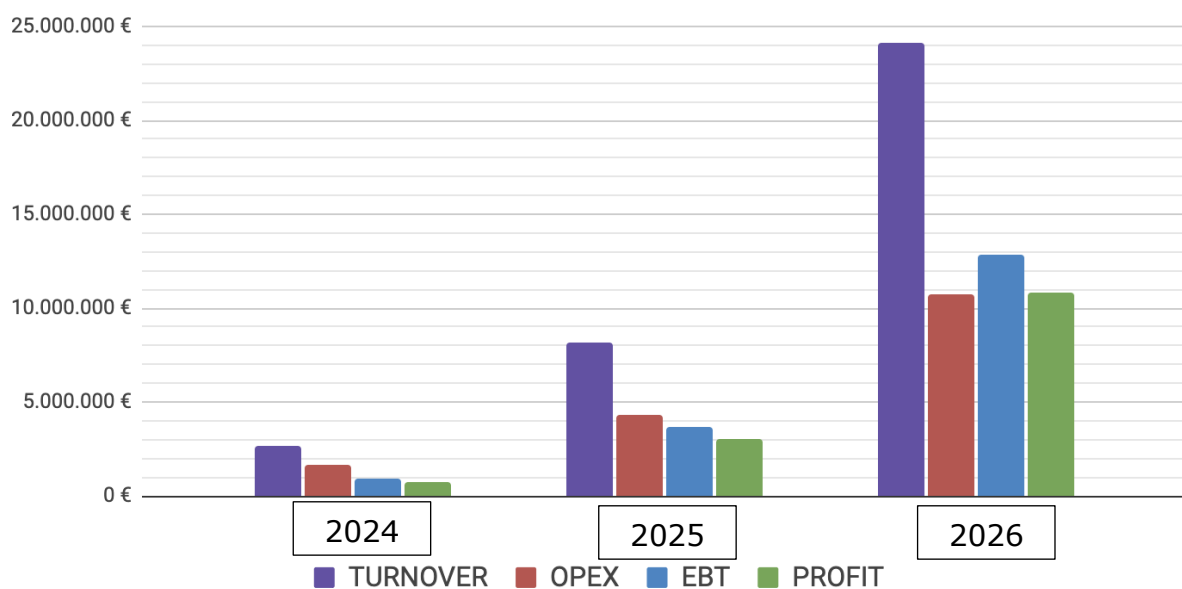
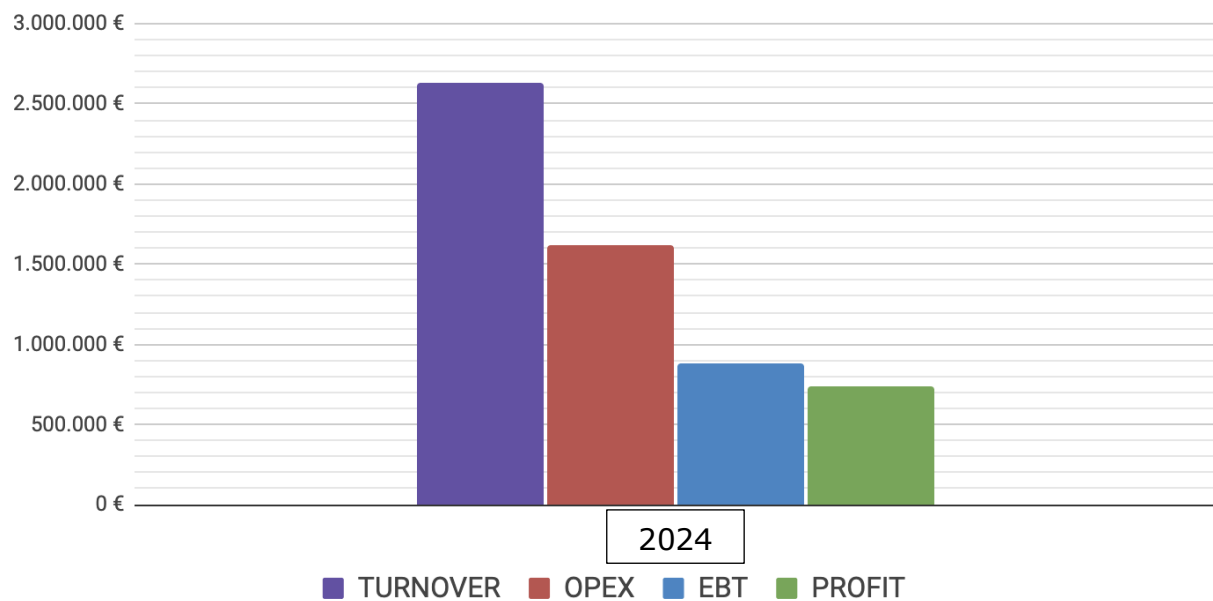
6. Territorial Expansion





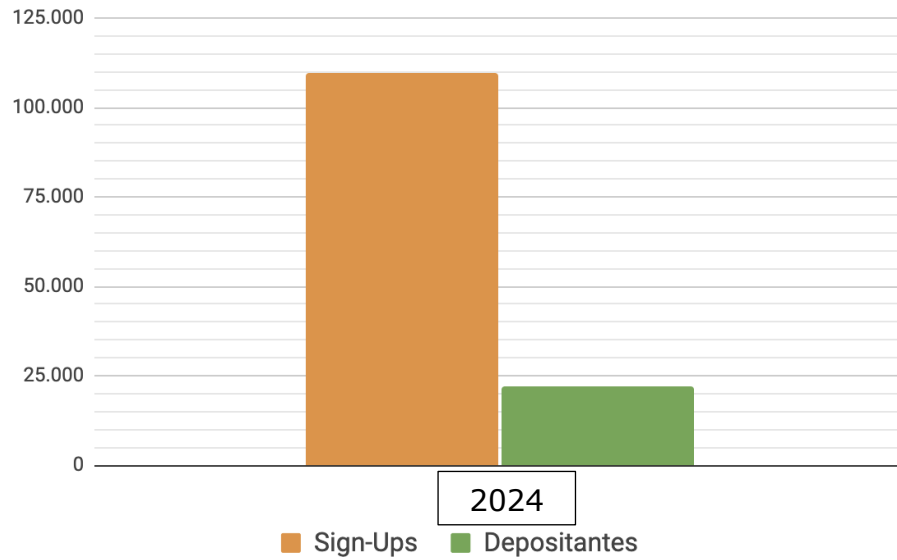
7. Forecast

7.1. Growth





7.2. Main KPIs



DP/SU
20%

CPD
\$56

LTV
\$120

