

AFTERMATH BV - BUSINESS PLAN

1. Overview of the business products and services/brands as well as proprietary IP

AFTERMATH BV is a new start up online gambling business. AFTERMATH BV, Curacao company number 166859, was registered in Curacao on 9 April 2024. Once it is granted a Curacao Online Gaming Licence (**Licence**), AFTERMATH BV will commence to trade as SBX at the sbx.com url.

AFTERMATH BV will offer online casino games (third party and own), sports betting (including racing) and live dealer games in virtual currencies as set out in the Online Gaming Licence Application Form.

The founder, CEO and CTO of AFTERMATH BV is Gary Shannon. Gary has 20 years of experience in the online B2C industry and other online B2C industries.

Prior to founding AFTERMATH BV, Gary was the Chief Operating Officer for Entain Australia and New Zealand (ladbrokes.com.au, neds.com.au and tab.co.nz) from 2018 to 2023, overseeing all technology functions, as well as trading, customer service and business development.

Gary was the Chief Operating Officer for Neds (neds.com.au) in 2017 – 2018, during which time Gary and his team built, from the ground up, a best-in-class proprietary online gambling platform which generated over \$1 Billion AUD of staking in Year 1. This resulted in Entain acquiring the Neds business for \$95 million AUD in 2018, barely a year after the first bet was struck. After this acquisition, the ladbrokes.com.au business migrated onto the Neds platform due to its superior stability and scalability. The Neds platform remains the best online gambling platform in the Australian and New Zealand online gambling market.

AFTERMATH BV has secured the necessary funding (to cover technology build, launch costs and working capital) from Stephen Choi Cha (through Ambassador Holdings LLC). Stephen is a real estate entrepreneur who was an investor in the Neds business. Ambassador Holdings LLC is a 75% shareholder of AFTERMATH BV. Gary is a 25% shareholder via his two entities.

Gary and his team have developed the proprietary platform for AFTERMATH BV and are excited to bring their market leading technology capabilities and passion for customer experience to new customers in jurisdictions around the world.

A product road map has been developed to progressively develop and introduce core and innovative features within budget. The platform is being built to ISO27001 information security standards and will be tested by an approved independent testing laboratory in accordance with Curacao Gaming Control Board (**GCB**) requirements and the Licence Conditions.

2. Company management structure showing key management roles and reporting lines

Gary has recruited a high calibre team with online gambling experience from his extensive network, including former staff of stake.com, Entain, BET365 and other online gambling businesses.

The company management structure is in **Attachment A**.

Gary Shannon is the CEO (and a Key Employee for the Licence).

The Chief Compliance Officer (**CCO**) (and a Key Employee for the Licence) is Patrick Brown. Patrick is a qualified lawyer and ACAMS certified AML/CTF specialist. Patrick was the General Counsel and AML/CTF Compliance Officer for Entain Australia from 2014 – 2019, working alongside Gary. In 2021, Patrick founded a law firm and compliance advisory firm, specialising in online gambling.

3. Business forecasts for 3 years

The business forecasts for 3 years are in **Attachment B**.

4. Overview of intended strategy for the business growth and to secure/maintain/grow market share with specific financial and marketing plans

The intended launch date is November 2024, subject to Licence approval.

The projected Gross Gaming Revenue (**GGR**) margin across all products is conservatively projected at 3.5%. A financial model, which sits behind the business forecasts, is based on the number of first-time depositors (**FTDs**), number of active customers (**Actives**), customer churn, average spend and customer generosities.

With 2,500 FTDs projected in Month 1, total staking is projected to be \$21 million. FTDs per month scale up gradually, with monthly projected FTDs by the end of Year 1 at 5,000, resulting in 35,000 Actives in Month 12 and staking of \$525m. Thereafter, FTDs per month are projected to increase at a consistent level, resulting in an achievable and sustainable staking in Year 2 of about \$4 Billion USD.

The main variable cost is marketing, including affiliate and influencer marketing. Customer cost per acquisition (**CPA**) is projected within a range of \$100 to \$500 USD per FTD.

Fixed costs include:

- staffing;
- technology, communication and feeds; and
- office costs.

AFTERMATH BV expects to achieve a monthly positive cash flow in Month 5.

Up to and including August 2024, the accumulated cash flow deficits are \$1.7 million USD, with a further \$960,000 USD cash flow deficit projected for September and October 2024 (to finalise the technology build for launch). Once trading commences, the accumulated cash flow deficits for Months 1 to 4 are projected to be about \$1.16 million USD. The total funding need to meet the accumulated cash flow deficits prior to Month 5 is in the vicinity of \$3.8 million USD. Ambassador Holdings LLC has committed to this level of funding.

Marketing and customer acquisition will be predominantly by digital channels including ad words, organic and amplified social media with a focus on influencer marketing.

A detailed legal and regulatory assessment of world-wide jurisdictions is being prepared. Excluded markets include Curacao, Australia, the United States, and those jurisdictions that are assessed as high AML/CTF risk under the FATF list and sanctions lists.

5. Who are the key suppliers and material dependencies

The key suppliers are the virtual currency manager, casino game providers and technology providers.

Fireblocks is the virtual currency manager.

AFTERMATH BV will have direct agreements with Bgaming, Jade Rabbit Studios and Relax Gaming and utilise HUB88 as its casino games aggregator.

Technology providers include:

- Amazon Web Services – to host the core infrastructure;
- Vercel – to host front end stack; and
- LSports – as the primary sportsbook data feed;

Key suppliers are risk assessed during contract due diligence, with an alternative provider (replacement or substitute) identified in case a redundancy is needed.

6. Risk evaluation and management

Risks are identified, assessed and mitigated in accordance with a risk management framework based on ISO31000.

A risk register is to be maintained, with material risks elevated to executive and board level for oversight as appropriate.

External audits relating to key risks will be conducted as necessary, in addition to the financial audit.

7. Legal and governance framework

A board (AFTERMATH BV Oversight Committee (**AOC**)) will oversee the governance and risk management frameworks. The AOC will comprise of:

- Gary Shannon (UBO);
- Stephen Choi Cha (UBO); and
- Menno Jordaan of Starkeast Management BV (the Curacao based statutory director).

Matters that are reserved to the AOC include budget approval, material expenses, corporate governance and material regulatory decisions.

A deadlock of the AOC is unlikely due to the prior working relationship between Gary and Stephen in the Neds business. However, a mechanism to resolve any deadlock will be set out in the AOC Charter and shareholder agreement.

The CCO provides legal advice and support. Additional legal support is available through external law firms.

Attendees at AOC meetings will be the AOC members, with other attendees invited as needed. To maintain a separation of duties and avoid a conflict between the commercial and compliance functions, the CCO will have access to any member of the AOC at any time, including the Curacao statutory director.

8. Target KPIs and business objectives

The key business objective is to build a world-class online crypto casino and sports betting experience.

The target KPIs are to:

- meet or exceed the business forecasts;
- become cash flow positive in Month 5;
- achieve 4,000 FTDs per month by Month 12;
- achieve 10,000 active customers by Month 12; and
- meet or exceed the product road map.

9. Policies and procedures

The policies and procedures are predominantly done internally by the CCO, with support from external resources as necessary.

The suite of policies and procedures comprises of all those set out in the Online Gaming Licence Application Form.

The GCB will be updated about the policies and procedures in accordance with Article 15 of the Conditions to the Licence, that is, by a monthly report.

The AOC believes, acting reasonably, that the CCO is qualified, competent and not conflicted because:

- the CCO has 20 years of experience in legal, compliance, risk and governance roles with online gambling and financial services businesses;
- the CCO holds qualifications that include a Bachelor of Laws, Master of Laws, Master of Business Administration, Graduate Diploma of Applied Finance, Graduate Diploma of Corporate Governance and ACAMS AML/CTF specialist certification; and
- the AFTERMATH BV governance structure permits the CCO access to the ACO for key risk and governance oversight matters.