

AE GROUP B.V. BUSINESS PLAN

Contents

1. Corporate profile	2
2. Competitive advantage	2
3. Casino and Sportsbook platform	3
4. Company structure, management, and staff	5
5. Management team	5
6. Business forecast – financial projections	6
7. Growth strategy	8
8. Advertising (in accordance with local laws)	8
9. Market analysis and strategy	9
10. Market trends	10
11. Competitor analysis	11
12. Market exclusion	11
13. Key suppliers and dependencies	11
14. Risk management	12
15. Risk evaluation	12
16. Audits and supervision	12
17. Legal and governance	12
18. Decision making process	12
19. Legal support	12
20. Target KPIs and objectives	13
21. Long term business goals	13
22. Policies and procedures' development	14
23. Communication	14

CORPORATE PROFILE

AE GROUP B.V., Company Registration Number 143574, was incorporated and registered in Curacao in May 2017 and operates by a registered trademark of **efbet®**. The brand is well known in EU, it is the leading gambling brand in Bulgaria with more than 30 years of history and experience.

The core business of the company involves organization and operation of online sports betting and wide variety of casino type games in online locations (online casino) under the domain:

WWW.EFBET.NET

The activities are carried out with the highest standards of quality, that makes AE Group B.V. a serious, efficient, and reliable company – the most essential characteristics in the online gaming field.

COMPETITIVE ADVANTAGE / WHY WE STAND OUT FROM THE CROWD

There is everything that players need for a first-class casino and sports betting experience:

- ✓ 100 + GAME PROVIDERS INTEGRATED ONLINE
- ✓ TOP MARKET BETTING PORTAL
- ✓ **efbet®** BEST CUSTOMER SUPPORT' NOMINATION AT CEEG/2022
- ✓ 10+ YEARS OF SUCCESSFUL EXPERIENCE ON THE GAMING MARKET
- ✓ ONE OF THE BEST BETTING EXPERTS
- ✓ PAYMENT OPTIONS BY MOST TRUSTED PARTNERS
- ✓ 31+ SPORTS, 700+ LEAGUES, 500 + ODDS, VIRTUAL SPORTS, LIVE GAMES
- ✓ QUALITY MANAGEMENT SYSTEM CERTIFIED: ISO/IEC 27001:2013
- ✓ **efbet®** IS NOT ONLY SPORT AND CASINO, BUT PASSION AT 360°!

Championships and world tournaments, in addition to LIVE betting, many integrated game providers such as Netent, Evolution, Pragmatic, EGT plus various Jackpots, configurable Payment Gateway and CRM with a modular platform approach that control the features you want to use, seamless integrations etc. And if a Player loves to bet on Sports, but would not like to worry about statistics, Virtual Sport Area will give him the opportunity to have fun without any neurotic.

AE Group B.V. uses one of the most powerful and advanced Casino and Sportsbook platforms on the market to guarantee the product's safety and to create a unique betting experience.

Since 2019 AE Group B.V. holds sub-license by CEG – Curacao, #1668/JAZ.

CASINO AND SPORTSBOOK PLATFORM

Why our betting platform is DIFFERENT?

INTUITIVE DESIGN

- ✓ Redesigned and reinvented user-friendly interface for easy day-to-day management
- ✓ Find the data needed with just a glance.
- ✓ User friendly and responsive **Mobile Apps**, covered by **iOS** and **Android**.
- ✓ Notification system when player fraudulent behavior is detected, keep us informed with the task status and up to date with system's background tasks.

TOP-MARKET SPORTS BETTING PORTAL

- ✓ Enjoy the most comprehensive betting offers on the market.
- ✓ Best sports feed providers - Betradar and Betgenius full data feed integration
- ✓ Flexible Managed Trading Services tailored for any type of events.
- ✓ 24/7 support center

SOPHISTICATED OFFERS MANAGEMENT

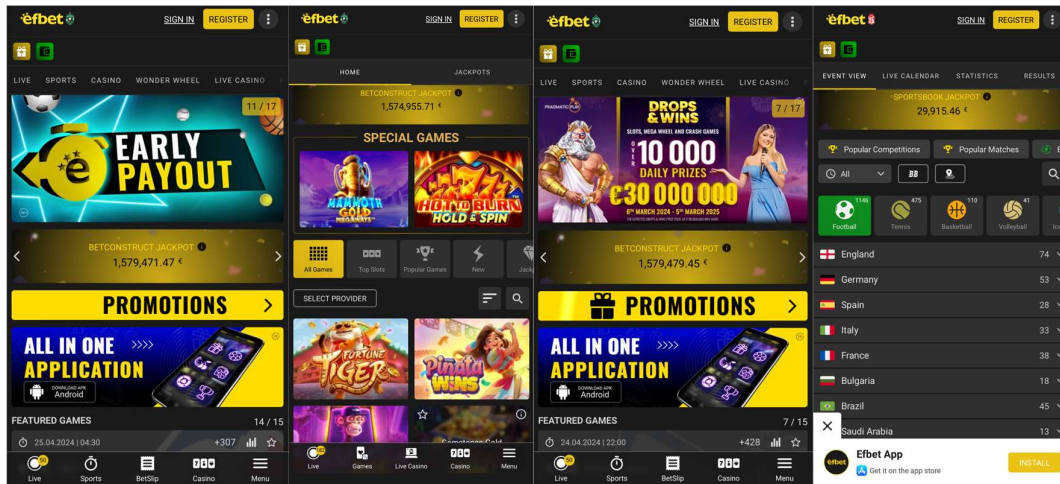
- ✓ Extensive suite of tools and features
- ✓ Attract players with free bets, odds boosts, and cashback to boost lifetime value.
- ✓ Scheduled or instant event-driven bonuses

AE Group B.V. Platform solution is based on the award-winning in-play software of Betconstruct, an ecosystem of rules to fit all the betting operator's needs. Betconstruct provides extensive experience in technology applied to the gambling sector. Satisfaction of their customers is their main goal. Their ability to respond quickly to market needs has led to success in many jurisdictions. Their aim is to adapt their game platform to any market, following the requirements of their customers. Betconstruct is a certified ISO 27001 organization which is also certified by some of the main worldwide known gaming laboratories.

It is a flexible, scalable, and reliable Platform Engine that offers ultimate 24/7 sportsbook with tens of thousands in-play matches a month and thousands proprietary betting markets with a tailor personalized betting experiences for all our customers with sophisticated tracking and analysis of players' behavior that will enable betting operators to offer a wide range of sports, events, and markets.

efbet®'s unique selling point is offering the highest odds worldwide on sports betting events and providing customers with the largest bonuses, rewards, and bets on each market, as well as delivering an amazing and unforgettable journey and experience.

Data can be stored in various database formats, organized in such a way that it is possible to transform the data into various interpretable measures. The Game Metrics are, in essence, interpretable measures and support for **decision-making purposes**.



The platform supports offering of casino games of all kinds and virtual providers with a range of 2000+ games from worldwide known providers and with options to configure, set and drill down more than 300 KPIs to answer all types of operational questions with our consolidated, real-time analytical platform fed by multiple data sources.

It is a ready solution that supports everything necessary for the success of an Operator. The solution offers real-time data performance and proprietary systems that perform strong KYC and AML verification with a strong compliance to the latest AML directives.

Therefore, the main objectives of the company are selecting an appropriate sales network and the staff training, since it is fundamental to perform friendly, professional and above all, timely in responding to any questions or problems 24/7.

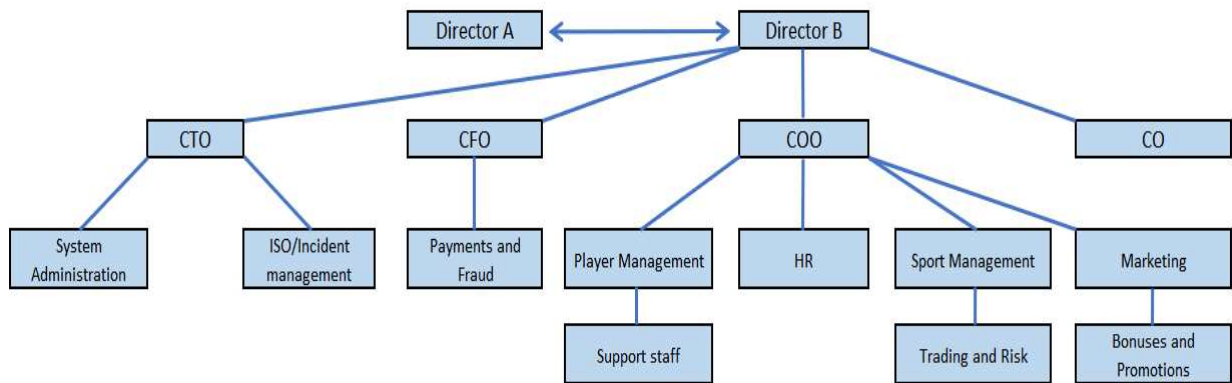
The company has adopted an organizational model, outlined the internal structure and relevant job duties, as well as fulfilled its obligations under the regulations of privacy and security at the workplace.

The company is also equipped with an efficient information system and technology that ensures data protection.

The company successfully collaborates with some of the biggest payment providers such as Jeton, Skrill, Neteller, Paybrokers, PiQ, Payment Center etc.

The company portfolio is constantly increasing by newest content, released by some of the biggest casino providers, and new “rising star” providers.

COMPANY STRUCTURE, MANAGEMENT AND STAFF



- Both Directors, Waaigat Directors B.V. and Mitko Todorov, oversee the company operations locally and abroad. They report to the company ownership body.

Key positions under Mr. Todorov include the following members (see organogram above):

- CTO – Martin Iliev, responsible for entire technical structure and its operation.
- CFO – Martin Simeonov, responsible for financials.
- COO – Bozhidar Yochev, responsible for entire aspects of the online operations.
- CO – Simeon Hristozov, responsible for regulatory compliance.

MANAGEMENT TEAM

- Waaigat Directors B.V. brings many years of professional experience in the gaming environment and management of gaming organizations. Mitko Todorov has more than 20 years of experience in impactful roles across gaming organizations and countries.
- CTO, Martin Iliev brings his successful experience in creation and developing gaming platforms with more than 7 years in the industry.
- CFO, Martin Simeonov has more than 10 years of successful financial experience and a proven record in the industry across multinational gaming structures.
- COO, Bozhidar Yochev has more than 10 years of experience gathered by various positions at the gaming international field.
- CO, Simeon Hristozov has more than 5 years of legal and compliance background, expert in Gambling law, GDPR, certified in AML.

BUSINESS FORECAST - FINANCIAL PROJECTIONS

AE Group Forecast	2024	2025	2026	2027	2028
Country's Population	203 823 459	204 434 930	205 048 235	205 663 379	206 280 369
Active Population (%)	65%	65%	65%	65%	65%
Active Population	132 485 249	132 882 704	133 281 353	133 681 197	134 082 240
GDP - Purchasing Power Parity	16 593	17 008	17 433	17 869	18 315
(%) Internet access per capita	77%	77%	77%	77%	77%
Internet access per capita	102 013 641	102 319 682	102 626 641	102 934 521	103 243 325
(%) Mobile Phones	92%	92%	92%	92%	92%
(Q) Mobile Phones	93 852 550	94 134 108	94 416 510	94 699 760	94 983 859
(%) registration /internet connections	5%	7%	10%	14%	19%
Registered Clients	5 100 682	7 162 378	10 262 664	14 410 833	19 616 232
(%) Active clients/Registered Clients	35%	35%	40%	45%	50%
Active Clients - Accounts	1 785 239	2 506 832	4 105 066	6 484 875	9 808 116
Average bet	6,00	6,00	6,00	6,00	6,00
Repeated bets/day/client	2	2	2	2	2
Average days of participation/Year	250	250	250	250	250
Expenditure per Client / Year	3 000	3 000	3 000	3 000	3 000
Expected Spendings /Year	5 355 716 176	7 520 496 655	12 315 196 971	19 454 624 536	29 424 347 601
(%) Participation per Game					
Sports Betting	55%	55%	55%	55%	55%
Casino	45%	45%	45%	45%	45%
Poker	0%	0%	0%	0%	0%
Other	0%	0%	0%	0%	0%
Turnover					
Sports Betting	2 945 643 897	4 136 273 160	6 773 358 334	10 700 043 495	16 183 391 181
Casino	2 410 072 279	3 384 223 495	5 541 838 637	8 754 581 041	13 240 956 421
Poker	0	0	0	0	0
Other	0	0	0	0	0
TOTAL TURNOVER	5 355 716 176	7 520 496 655	12 315 196 971	19 454 624 536	29 424 347 601
PAY - OUT %					
Sports Betting	95,00%	95,00%	95,00%	95,00%	95,00%
Casino	96,00%	96,00%	96,00%	96,00%	96,00%
Poker	94,00%	94,00%	94,00%	94,00%	94,00%
Other	90,00%	90,00%	90,00%	90,00%	90,00%
Gross Gaming Revenue					
Sports Betting	147 282 195	206 813 658	338 667 917	535 002 175	809 169 559
Casino	96 402 891	135 368 940	221 673 545	350 183 242	529 638 257
Poker	0	0	0	0	0
Other	0	0	0	0	0
Total GGR	243 685 086	342 182 598	560 341 462	885 185 416	1 338 807 816
ILOTEFbet OPEX					
Price List	2024	2025	2026	2027	2028
A Winners Prices (Pay out)					
Sports Betting	2 798 361 702	3 929 459 502	6 434 690 418	10 165 041 320	15 374 221 622
Casino	2 313 669 388	3 248 854 555	5 320 165 092	8 404 397 799	12 711 318 164
Poker	-	-	-	-	-
Other	-	-	-	-	-
Total of Winners Prices	5 112 031 090	7 178 314 057	11 754 855 509	18 569 439 119	28 085 539 785
GGR	243 685 086	342 182 598	560 341 462	885 185 416	1 338 807 816
B1 Gaming tax & POS licence fee (%)					
Sports Betting	15	15	15	15	15
Casino	12	12	12	12	12
Poker	-	-	-	-	-
Other	-	-	-	-	-
Total Gaming Tax	27	27	27	27	27
B2 Gaming tax & POS licence fee					
Sports Betting	22 092 329	31 022 049	50 800 188	80 250 326	121 375 434
Casino	11 568 347	16 244 273	26 600 825	42 021 989	63 556 591
Poker	-	-	-	-	-
Other	-	-	-	-	-
Total Gaming Tax	33 660 676	47 266 321	77 401 013	122 272 315	184 932 025
C Clients Acquisition Cost					
Sports Betting	23,27	23,27	23,27	23,27	23,27
Casino	19,04	19,04	19,04	19,04	19,04
Poker	0	0	0	0	0
Other	-	-	-	-	-
Total Acquisition Cost	42,32	42,32	42,32	42,32	42,32
Grand Total (A+B+C)	5 145 691 836	7 225 580 448	11 832 256 591	18 691 711 504	28 270 471 879

Operational Expenses					
Payroll					
Administrartion	32 400	32 400	36 000	36 000	36 000
Persons	3	3	3	3	3
Salary	10 800	10 800	12 000	12 000	12 000
Traiders	432 000	504 000	672 000	672 000	756 000
Persons	30	35	40	40	45
Salary	14 400	14 400	16 800	16 800	16 800
CRM	86 400	86 400	96 000	96 000	96 000
Persons	8	8	8	8	8
Salary	10 800	10 800	12 000	12 000	12 000
Hot-line	96 000	96 000	120 000	132 000	132 000
Persons	8	8	10	10	10
Salary	12 000	12 000	12 000	13 200	13 200
Service Depratment					
System Administrator	43 200	43 200	48 000	48 000	48 000
Persons	4	4	4	4	4
Salary	10 800	10 800	12 000	12 000	12 000
System Managers	33 600	33 600	36 000	36 000	36 000
Persons	2	2	2	2	2
Salary	16 800	16 800	18 000	18 000	18 000
Financial - Accounting dtrm	57 600	57 600	62 400	62 400	62 400
Persons	4	4	4	4	4
Salary	14 400	14 400	15 600	15 600	15 600
Marketing & Advertising	12184254	17109130	28017073	44259271	66940391
Various Expenses (VAT on expenses - local)	22 644	22 644	22 644	22 644	22 644
Maintenance HW	94 800	105 000	105 000	105 000	105 000
Insurance	0	0	0	0	0
Building Rent	60 000	60 000	60 000	60 000	60 000
Utilities	12 000	12 000	12 000	12 000	12 000
Other Building Expenses	6 000	6 000	6 000	6 000	6 000
Royalties Casino	11 568 347	20 305 341	33 251 032	52 527 486	79 445 739
Bonuses	34 115 912	47 905 564	78 447 805	123 925 958	187 433 094
Foreign copyright (i.e. SIS)	0	0	0	0	0
Foreign fees (i.e. data feed)	600 000	650 000	650 000	650 000	700 000
live steraming SB	200 000	200 000	200 000	200 000	200 000
Broadcasting (satelite or cable)					
Company maintenance	55 200	55 200	55 200	55 200	55 200
Sportsbook provider Royalties (System Fee)	180 000	180 000	200 000	200 000	200 000
Transaction Fees	14 621 105	20 530 956	33 620 488	53 111 125	80 328 469
Affiliate Commissions	29 242 210	41 061 912	67 240 975	106 222 250	160 656 938
Total Operating Expenses (in EURO)	103 743 673	149 056 946	242 958 617	382 439 334	577 331 874
Net Revenues					
	106 280 668	145 859 261	239 981 763	380 473 698	576 543 847
Country Demographics					
Population Increase	0,30%	0,30%	0,30%	0,30%	0,30%
Population	203 823 459,45	204 434 929,83	205 048 234,62	205 663 379,33	206 280 369,46
	100,30%	100,30%	100,30%	100,28%	100,26%
GDP - Purchasing Power Parity	16 593	17 008	17 433	17 869	18 315

GROWTH STRATEGY

AE Group B.V intends to achieve its growth through strategic marketing campaigns targeting the online casino demographics. We will also focus on building a strong brand reputation for user convenience, exceptional customer service and a rewarding loyalty program.

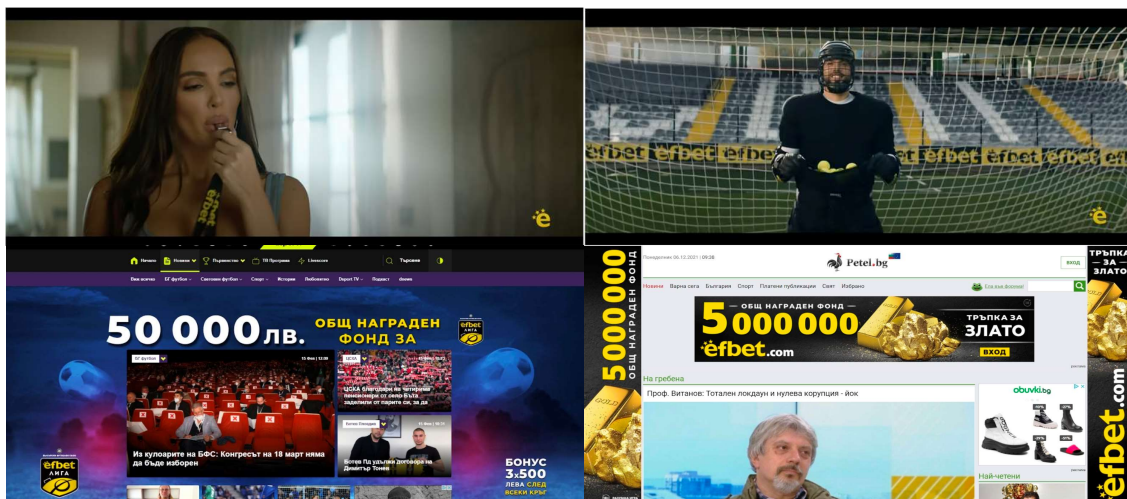
- ✓ Bonuses, such as free bets (sports betting), various deposit bonuses, such as welcome bonuses and reload bonuses, refer-a-friend bonuses, early pay-out, and other types of incentives.
- ✓ Cashback promotions, which return a portion of losses.
- ✓ Frequent Player program, loyalty programs that let players earn awards that can be spent on various rewards.
- ✓ VIP Program - for the high rollers, who make up the most part of the revenue. Offering full-time VIP services for them is one way to go, which means that they have access to privileges, including special deals, extra bonuses, free tickets for events and a dedicated VIP manager to look after their every need.
- ✓ Limited time in-game events - Easter, Christmas, World Cup, and the like.
- ✓ Affiliate marketing - Partnership between **efbet**® as an Operator and a network of affiliates abroad.

ADVERTISING (IN ACCORDANCE WITH LOCAL LAWS)

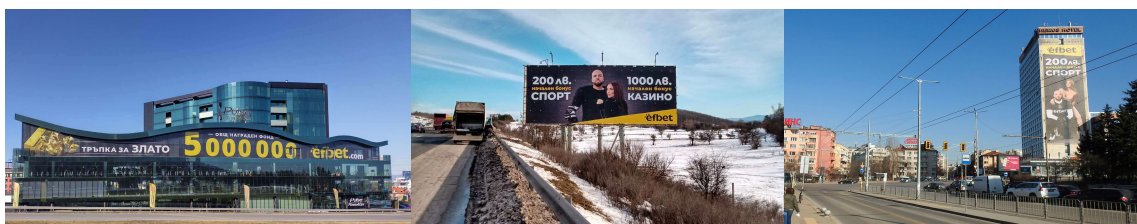
- ✓ Sponsorship – a very important part of efbet DNA
- ✓ More than 30 teams in the elite – football, volleyball, basketball, boxing, and many more.



- ✓ High levels of airing and advertising in diverse formats - movie quality production (working with the best creative agencies and production teams), Famous faces (footballers, singers, artists, influencers), Special placements, sections & premium positioning, Own/paid media, social and partners, PRs.



- ✓ Outdoor/OOH (in accordance with the local Law) - Standard and non-standard positions, Premium and visible locations and constructions, Underground/taxi, stadium branding.

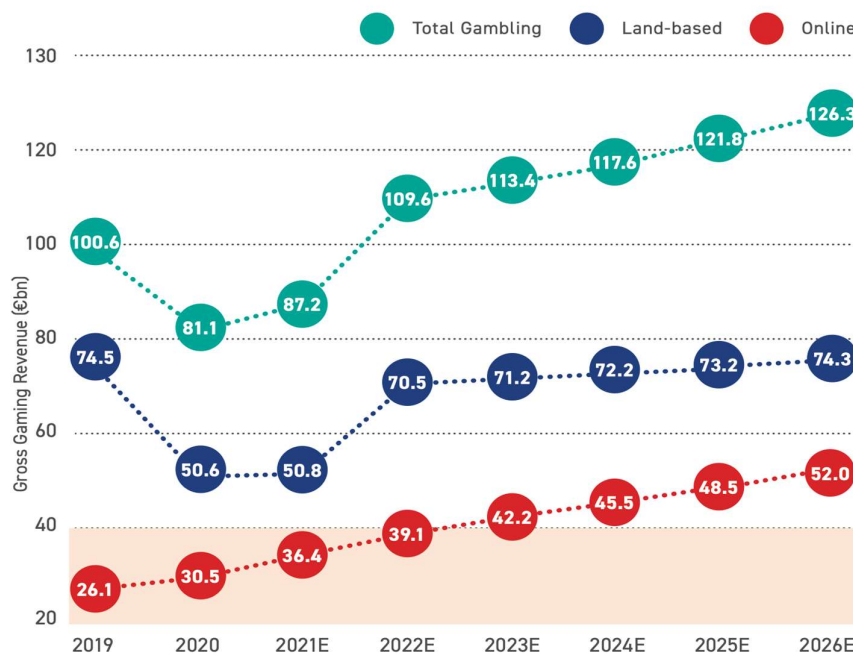


MARKET ANALYSIS AND STRATEGY

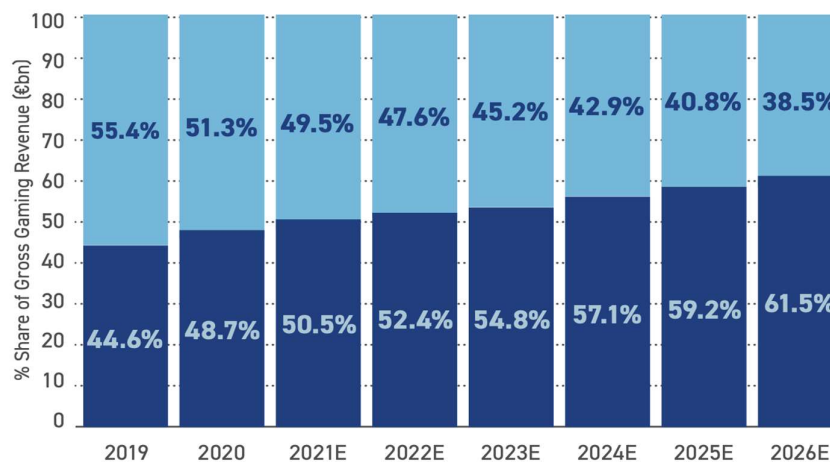
- ✓ As an Operator, our target audience is represented by individuals (demographics – active population), familiar and comfortable with digital means of communication, online platforms, and online transactions.
- ✓ All marketing activities serve our end-customers' interests.

MARKET TRENDS

- ✓ The online casino industry has been on the rise for the past few years. While sports betting used to bring the main revenue, now there is a shift to the online sector, particularly the online casino, which takes the main role of revenue vendor in more and more territories around the world.
- ✓ Gambling market revenue – history and projection: Positive trend and growth over the last years, despite the pandemic. Accelerated a pre-existing growth trend of online sector.



- ✓ In terms of means of communication usage: Mobile is taking the betting over from desktop computers.



COMPETITOR ANALYSIS

There are many online casinos, that together kind of dominate the market globally. Established online casino companies like "1xBet" and "Bet365" are developed and famous. However, some lack a strong focus on user experience or innovative loyalty programs, creating an opportunity for "efbet.net" to attract players who seek more streamlined and rewarding experience.

While large companies in many cases do not pay attention to individual issues and even tend to take unmeasured risks, we do not forget that the rules are important for each customer. We believe that corporate ethics towards each client sooner or later brings success, and here we should note our competitive advantages:

- ✓ **efbet®** understands that gaming can be a sensitive issue and ensures that all its officers and directors are of impeccable legal standing.
- ✓ **Security** – Payments are handled by expert partners and all transactions are administered using state-of-the-art encryption technology.
- ✓ **Fairness** – nothing is more important than ensuring the fairness of the games offered.
- ✓ **Anti - Fraud and Money Laundering** – the company employs a transactional risk team to minimize credit card fraud and chargeback exposure. All gameplay is monitored by sophisticated technology and staff reviewed.
- ✓ **Gaming Responsibility** – the company prevents underage users from playing. It also offers referrals to those with a gaming addiction to overcome their problems

MARKET EXCLUSION

AE Group B.V. excludes operation in any country, jurisdiction, or territory, where strict online gambling regulation applies, and in any jurisdiction where such business activity is not permitted by local legislation.

KEY SUPPLIERS AND DEPENDANCIES

AE Group B.V. collaborates with most of the biggest, reliable, and reputable software and game providers like Evolution, Pragmatic, Amatic, Games Global, EGTD, Amusnet etc. We rely on a long and successful partnership with them. We carefully select secure payment providers and partner only with the market-proven ones for smooth operation.

RISK MANAGEMENT

We have established various agreements with alternative gaming software and payment processing providers to mitigate potential disruptions from any single supplier. For example, we also have backup agreements with other base platform providers, who can become the main one very quickly due to substitute main functions and to secure the business.

RISK EVALUATION

AE Group B.V. performs regular risk checks and assessments, identifying potential threats like data breaches, attacks from various nature and sources, and responsible gaming concerns. We have implemented security protocols, data encryption, and responsible gaming features that are being closely supervised, like deposit limits, self-exclusion options, helpful external tools and players help to mitigate these risks.

AUDITS AND SUPERVISION

We undergo annual internal audits to ensure compliance with regulations and best practices. A dedicated risk committee within Finance oversees the risk management strategies.

LEGAL AND GOVERNANCE

AE Group B.V.'s Directors are indeed experienced individuals with broad expertise in gaming and management. Their main objective is to provide strategic guidance and ensure the company operates by ethical and lawful manner.

DECISION MAKING PROCESS

The ownership body sets broad strategies after brainstorming processes and communicate it with the Directors. The Directors communicate with the managers and prepare a business case, which is subject to confirmation by the ownership. Directors manage day-to-day operations with the valuable input of the management team. Major decisions regarding game selection, providers, major deals, platform upgrades and replacement, or significant investments require ownership/board explicit approval.

LEGAL SUPPORT

AE Group B.V. relies on reputable external LLPs occasionally and on lawyers on the group's level. Some of them are also educating themselves in local CW legislation using experienced lawyers abroad who actively execute duties for other gaming companies, gaining experience by best practices and legislation updates.

TARGET KPIs AND OBJECTIVES

Measuring success isn't just about giving yourself a good word. It tells us whether we're using our budget and our resources effectively. If something is not working, regularly checking the metrics, and evaluating performance gives us a chance to adapt to get our marketing strategy back on track. Due to measure the success, AE Group B.V. uses and tracks several Key Performance Indicators like:

- ✓ Number of new end users' registrations – Player acquisition.
- ✓ Number of new end users who's made a deposit – Player participation.
- ✓ Geolocation
- ✓ Players returned to play within a period (week, month, etc.) – Retention rate.
- ✓ Fluctuation in GGR for a period (week, month, etc.) – Revenue growth.
- ✓ Feedback by established channels and surveys – Player's satisfaction.

LONG TERM BUSINESS GOALS

It's easier to be an authentic and trustworthy brand when we know our unique selling points and that we're delivering what our customers desire. We believe that the good game is:

- Fair (with clear rules applicable to all participants)
- Attractive
- Interesting
- Accessible, and giving choice to everyone.

Having a marketing strategy and plan that communicates those values is what will help us grow. AE Group B.V. is focused on a long-term run and achieving success in multiple GEOs. For the best achievements that we aim on for the next couple of years, we use targets with clearly defined empirical metrics that include:

- ✓ Strong affiliate partners in LATAM, measurable by registered and deposited accounts due to raise awareness of **efbet®**.
- ✓ Maintain a customer satisfaction score above 90% through continuous improvement of customer service and player's gaming experience.
- ✓ Capture 5% of the active population, aged 18-60y, who have internet access, and especially use mobile devices, as registered players. Already have major mobile APPs developed/live.

- ✓ Capturing 35% of the abovementioned 5% of active individuals, as a depositor, with average deposit amount of only EUR 6.00.
- ✓ Achieving an annual revenue growth rate of at least 50% for the next three years.

POLICIES AND PROCEDURES' DEVELOPMENT

AE Group B.V. needs to update its documentation from time to time as a usual practice regarding major events or legislative updates. The company develops and updates its policies and procedures according to business and activity's transparency. The process involves the assistance of reputable consulting firms specializing in online gaming regulations and compliance. This also guarantees implementation of the industry best practices and regulatory guidelines from the Gaming Control Board (GCB) or its subordinate authorities.

COMMUNICATION

Our Policies and other company data are published on our website. If we need to submit any of them for pre-approval by CGB we are ready to do it. We also will keep the Authority updated by submitting any information requested regularly, as by the established in place Combined Quarterly Reports (CQR) and in accordance with the Curacao legislation.

AE GROUP B.V.