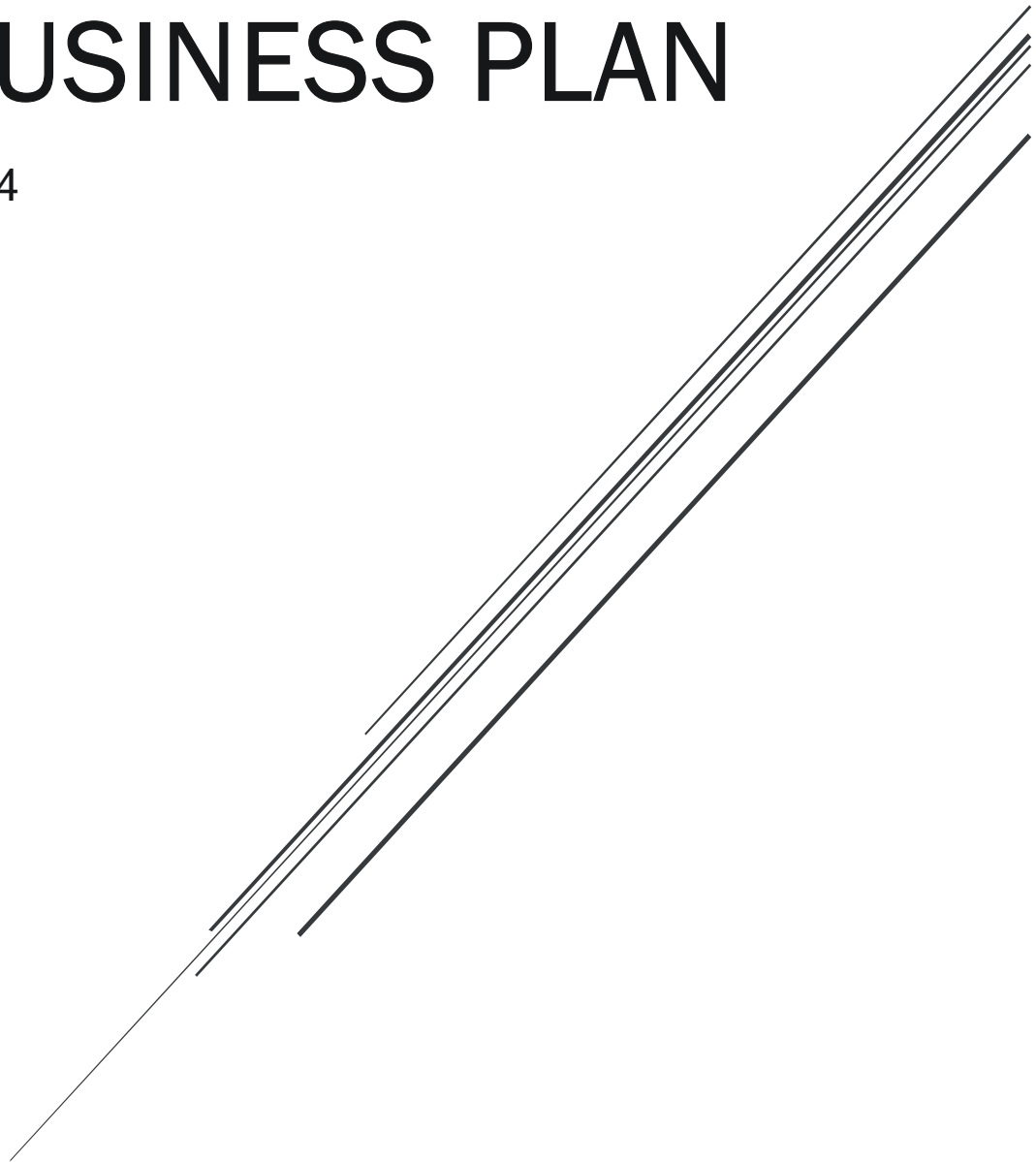


BUSINESS PLAN

2024



JW Entertainment B.V.
Dr. M.J. Hugenholtzweg 25. Curaçao

Indice

0. COMPANY DETAILS.....	2
1. General Vision	3
History	3
Activities and Services.....	3
Products and Services.....	4
Intellectual Property.....	5
Competitive Advantage.....	6
Future Plans	7
2. ESTRUTURE	9
Company Management Structure	10
3. FINANCIAL PREVISION FOR THE NEXT 5 YEARS (2024-2028).....	11
4. GENERAL VISION OF THE WANTED STRATEGY	13
5. MAIN SUPPLIERS AND MATERIAL DEPENDENCIES.....	17
Risk Management.....	18
6. RISK ASSESSMENT AND MANAGEMENT	20
External Audit	25
8. KPI	33
9. POLICIES AND PROCEDUREURS	35
Internal Preparation:	35

0. COMPANY DETAILS

COMPANY DETAILS

NAME	JW Entertainment B.V.
LEGAL FORM	Private Limited Liability Company
STATUTORY SEAT	Curaçao
DATE OF INCORPORATION	September 29, 2023
DATE ESTABLISHED	September 29, 2023
NOMINAL CAPITAL	100 share(s) with a nominal value of Euro 1
FISCAL YEAR	The fiscal year is equal to the calendar year
ADDRESS	Dr. M.J. Hugenholtzweg 25
COUNTRY	Curaçao

1. GENERAL VISION

History

Founded on September 29, 2023, in Curaçao, JW Entertainment stands out on the online gambling scene as a company driven by vast experience and genuine passion for the industry. Under the leadership of Vincenzo Caci, a UBO with in-depth knowledge of the sector, JW Entertainment brings together a team of experienced and highly engaged professionals, all with a proven track record of success in the industry.

More than offering a variety of games to suit all tastes, JW Entertainment is dedicated to providing its customers with a safe, fun, and rewarding gaming experience. The company prioritizes platform security, using state-of-the-art technology to guarantee the protection of its players' data and transactions.

In addition, JW Entertainment stands out for its excellent customer service, offering fast and efficient support to ensure that its players have the best possible experience.

With an experienced, passionate team committed to excellence, JW Entertainment has positioned itself as a benchmark in the online gambling market, offering its customers a safe, fun, and rewarding gaming experience.

Activities and Services

JW Entertainment is dedicated to providing exciting and secure online gaming experiences for customers around the world.

Our activity:

- Offering a variety of games to suit all players' tastes and styles.
- Guaranteeing a safe and reliable platform so that customers can play with peace of mind.
- Providing exceptional customer service so that you always feel supported.

Our services:

- We organize, market, promote, manage, support, and operate all types of remote gambling activities, including games, betting, lotteries, and much more.
- We operate interactive online casinos and bingos, where customers can have fun and try their luck at their favorite games.
- We offer a wide range of payment and withdrawal options so that customers can carry out their transactions easily and safely.
- We offer 24/7 customer support so that your customers can count on our help whenever they need it.

With JW Entertainment, you can:

- Play their favorite games from the comfort of their home.
- Try their luck and win incredible prizes.
- Have fun with friends and family.
- Enjoy a safe and reliable gaming experience.

Products and Services

JW Entertainment is the gateway to a world of fun and entertainment online. Through its brands, the company offers a wide variety of games of chance to suit all tastes and styles of players.

The company offers a wide variety of slots from different providers, including classic slots, video slots, and progressive slots with incredible jackpots.

For table game lovers, JW Entertainment offers a selection of popular games such as blackjack, roulette, and poker. Customers can play against the computer or interact with real dealers in live casino games, providing a more authentic and exciting gaming experience.

In addition, JW Entertainment offers a complete sports betting platform. The company covers a wide variety of sporting events from around the world, so its customers can bet on their favorite teams and players.

In short, JW Entertainment also offers other games, such as bingo, lottery, and scratch cards, so that players can have fun in a variety of ways.

Intellectual Property

JW Entertainment stands out for its valuable intellectual property portfolio, which guarantees exclusivity and brand recognition in the online gambling market.

Its intellectual property assets include:

- Trademarks: JW Entertainment holds several trademarks for its products and services, such as the "JT Win" brand, which symbolizes its excellence and reliability.
- Software: The company's proprietary software is at the heart of its gaming platforms, providing a safe, fluid, and fun gaming experience for its customers.
- Content: JW Entertainment has a vast library of gaming content, including games, graphics, and sounds, all carefully developed to offer the best possible experience to its players.

The protection of its intellectual property is fundamental to:

- Maintaining its leading position in the online gambling market.
- Guarantee the authenticity of its products and services.
- Protect the investment they make in research and development.
- Combat piracy and counterfeiting.

JW Entertainment is committed to protecting its intellectual property in every way possible. This includes:

- Registration of patents, trademarks, and copyrights.
- Implementing strict security measures.
- Constant monitoring of the market.
- Taking legal action against any infringement of your rights.

We believe that intellectual property is the key to JW Entertainment's long-term success. By protecting their intellectual property assets, there is a guarantee that they can continue to offer their customers the best possible gaming experience.

Competitive Advantage

JW Entertainment stands out in the online gambling market for its unique and unrivaled competitive advantages:

Experience:

Its team brings together experienced and highly qualified professionals with in-depth knowledge of the online gambling industry. This expertise ensures that JW Entertainment offers its customers high-quality and reliable services and products.

State-of-the-art technology:

JW Entertainment is at the forefront of innovation, using cutting-edge technology to provide a superior and secure gaming experience for its customers. Its robust and reliable platform guarantees fluid, fast, and exciting gaming.

High-Quality Content:

JW Entertainment offers a wide variety of gambling games to suit all tastes and styles of players. Its games are developed by renowned providers and feature impressive graphics, immersive sound effects, and flawless gameplay.

Customer focus:

At JW Entertainment, the customer is at the center of everything that is done. They prioritize the satisfaction of their players and offer exceptional customer service. Their team is always ready to help and ensure that the player has the best possible experience.

Security and Reliability:

The security of their players and their data is the company's top priority. The most advanced security technologies are used to protect your information and ensure safe and reliable transactions.

Future Plans

JW Entertainment is preparing for a bright future, with ambitious plans to grow, expand and conquer the market. The company is committed to redefining the online gaming experience and becoming the leading reference in the sector.

Expansion of Services: JW Entertainment intends to expand its service offering in various markets, introducing new games, features, and innovative functionality to further enhance the player experience.

New Markets: The company is committed to entering new markets, increasing its presence worldwide, and reaching an even wider audience of gamers.

Increasing the Customer Base: JW Entertainment is dedicated to increasing its customer base, attracting new players, and retaining existing ones through attractive offers and exceptional customer service.

2. ESTRUTURE

COLOCAR ESTRUTURA

Departments:

Controlling and Reporting
Planning & Financial
Accountability
Business Intelligence
Compliance & AMLO Officer
Operations Management
CRM & Campaigns
Social Management
Costumer Services
Anti-Fraud Department
Information Technology
HR management

DOMINIQUE DOS
SANTOS

REGIS
AMORIM

JANUÁRIO
FERREIRA

Company Management Structure

UBO: Vincenzo Caci

- Responsible for the company's overall vision and strategic decisions.
- Defines the company culture and ensures that it is adhered to.

CFO: Dominique dos Santos

- Responsible for the company's finances.
- Prepares budgets, financial plans, and financial reports.
- Ensures that the company complies with financial laws and regulations.
- Reports to the CEO/UBO.

CTO/CCO: Januário Ferreira

- Responsible for the company's technology and operations.
- Ensures that the company's IT infrastructure is working efficiently and securely.
- Develops and implements new technologies for the company.
- Reports to the CEO/UBO.

CMO: Regis Amorim

- Responsible for the company's marketing and sales.
- Creates and implements marketing strategies to promote the company's products and services.
- Manages the sales team and ensures that they are achieving their objectives.
- Reports to the CEO/UBO.

3. FINANCIAL PREVISION FOR THE NEXT 5 YEARS (2024-2028)

	TOTAL 2023	TOTAL 2024	TOTAL 2025	TOTAL 2026	TOTAL 2027	TOTAL 2028
TOTALS						
Registration	47365	59206	74008	92510	115637	144547
FTD	12542	16305	21196	27555	35821	46568
Sum of FTDs	€ 78 954,95	€ 98 693,68	€ 123 367,10	€ 154 208,88	€ 192 761,10	€ 240 951,38
Conversion Rate	26,48%	27,54%	28,64%	29,79%	30,98%	32,22%
UAPs	0	0	0	0	0	0
Turnover/GGR/NGR						
Turnover	€ 2 541 412,58	€ 3 303 836,36	€ 4 294 987,26	€ 5 583 483,44	€ 7 258 528,48	€ 9 436 087,02
GGR	€ 120 586,94	€ 162 792,37	€ 219 769,70	€ 296 689,10	€ 400 530,28	€ 540 715,88
Bonus Cost	€ 81,32	€ 105,71	€ 137,43	€ 178,65	€ 232,25	€ 301,93
NGR	€ 120 505,62	€ 161 477,54	€ 216 379,90	€ 289 949,06	€ 388 531,75	€ 520 632,54
GGR %	4,74%	4,93%	5,12%	5,31%	5,52%	5,73%
NGR %	4,74%	4,89%	5,04%	5,19%	5,35%	5,52%
Deposits						
Nr of Deposits	34305	44596	57975	75367	97977	127371
Sum of Deposits BRL	1 343 121,15 BRL	1 746 057,50 BRL	1 920 663,25 BRL	2 112 729,57 BRL	2 324 002,53 BRL	2 556 402,78 BRL
Sum of Deposits	€ 281 706,72	€ 366 218,73	€ 476 084,36	€ 618 909,66	€ 804 582,56	€ 1 045 957,33
Withdrawals						
Nr of Withdrawal	4348	5435	6794	8492	10615	13269
Sum of Withdrawal BRL	973 516,19 BRL	1 246 100,72 BRL	1 370 710,80 BRL	1 507 781,88 BRL	1 658 560,06 BRL	1 824 416,07 BRL
Sum of Withdrawal	€ 181 132,42	€ 231 849,50	€ 296 767,36	€ 379 862,22	€ 486 223,64	€ 622 366,26
NET CASH						
Net Cash BRL	247 503,04 BRL	499 956,78 BRL	549 952,45 BRL	604 947,70 BRL	665 442,47 BRL	731 986,72 BRL
Net Cash	€ 100 574,30	€ 134 369,23	€ 179 316,99	€ 239 047,44	€ 318 358,92	€ 423 591,06
Avg Deposit Per Player BRL	44,26 BRL	46,55 BRL	47,90 BRL	49,83 BRL	51,39 BRL	52,84 BRL
Avg Deposit Per Player	€ 8,23	€ 8,66	€ 8,91	€ 9,27	€ 9,56	€ 9,83

PLATFORM COSTS						
Casino						
Casino (Game Fee)	€ 15 181,56	€ 18 369,69	€ 20 390,35	€ 22 633,29	€ 25 122,95	€ 27 886,48
Casino Provider Fee	€ 15 054,58	€ 18 216,04	€ 20 219,81	€ 22 443,99	€ 24 912,82	€ 27 653,23
Casino Premium Fee	€ 126,98	€ 153,65	€ 170,55	€ 189,31	€ 210,13	€ 233,25
Sportsbook						
Sport (Game Fees)	€ 679,69	€ 822,42	€ 995,13	€ 1 204,11	€ 1 456,98	€ 1 762,94
Affiliation Software						
Total cost	€ 19 132,40	€ 23 150,20	€ 28 011,75	€ 33 894,21	€ 41 012,00	€ 49 624,52
Affiliation Software	€ 14 632,40	€ 17 705,20	€ 21 423,30	€ 25 922,19	€ 31 365,85	€ 37 952,68
Affiliate Setup Fee	€ 2 500,00	€ 3 025,00	€ 3 660,25	€ 4 428,90	€ 5 358,97	€ 6 484,36
Affiliate One Month Prepayment	€ 2 000,00	€ 2 420,00	€ 2 928,20	€ 3 543,12	€ 4 287,18	€ 5 187,48
CRM						
CRM Platform	€ 5 217,12	€ 6 312,72	€ 7 638,39	€ 9 242,45	€ 11 183,36	€ 13 531,87
Other Costs						
Hosting Costs	€ 12 500,00	€ 15 125,00	€ 18 301,25	€ 22 144,51	€ 26 794,86	€ 32 421,78
MMF	€ 3 993,86	€ 4 832,57	€ 5 847,41	€ 7 075,37	€ 8 561,19	€ 10 359,04
Total Platform Cost						
Total Platform Cost	€ 56 704,63	€ 68 612,60	€ 83 021,25	€ 100 455,71	€ 121 551,41	€ 147 077,21

PSP FEES (PAYBROKERS)						
Payments (Total)	€	9 532,47	€	14 464,30	€	18 734,04
Deposits						
Deposits BRL		1 221 019,23 BRL		1 746 057,50 BRL		1 920 663,25 BRL
Deposits EUR	€	227 182,84	€	366 218,73	€	476 084,36
Fee		3,00%		3,00%		3,00%
Deposit Fee BRL		36 630,58 BRL		52 381,72 BRL		57 619,90 BRL
Deposit Fee EUR	€	6 815,49	€	10 986,56	€	14 282,53
Withdrawals						
Withdrawals BRL		973 516,19 BRL		1 246 100,72 BRL		1 370 710,80 BRL
Withdrawals EUR	€	181 132,42	€	231 849,50	€	296 767,36
Fee		1,50%		1,50%		1,50%
Withdrawals Fee BRL		14 602,74 BRL		18 691,51 BRL		20 560,66 BRL
Withdrawals Fee EUR	€	2 716,99	€	3 477,74	€	4 451,51
PLATFORM+PSP COSTS						
TOTAL COSTS	€	66 237,10	€	83 076,91	€	101 755,29
Net Cash	€	100 574,30	€	134 369,23	€	179 316,99
NET PROFIT	€	34 337,20	€	51 292,33	€	77 561,70

OVERHEAD (APPLY MONTHLY)						
Affiliation Costs	€	15 038,00	€	16 692,18	€	18 528,32
Marketing	€	17 543,00	€	22 805,90	€	29 647,67
TOTAL COST OVERHEAD	€	32 581,00	€	39 498,08	€	48 175,99
EBITDA						
EBITDA	€	1 756,20	€	11 794,25	€	29 385,71

	€	55 218,10	€	92 443,37	€	145 323,81
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4. GENERAL VISION OF THE WANTED STRATEGY

JW Entertainment is positioning itself to dominate the online gaming market in Portugal through a comprehensive strategy focused on three main pillars:

1. Affiliation: Expanding Reach and Attracting New Customers

Enhanced Affiliate Program: JW Entertainment will invest in creating an even more robust and rewarding affiliate program. Through attractive commissions and effective support tools, the company aims to boost word-of-mouth marketing and reach new customers with great efficiency.

2. Marketing: Strengthening the Brand and Generating Leads

Multifaceted Digital Marketing: JW Entertainment will expand its presence across several digital marketing channels, including SEO, SEM, PPC, email marketing, and content marketing. This multifaceted approach will ensure maximum visibility and attract qualified leads.

Traditional High-Impact Marketing: The company recognizes the value of traditional marketing and will use it strategically to reach a wider audience. Television, radio, and print advertising will be carefully selected to generate brand awareness and drive interest.

3. Social Media: Dynamic Engagement and Effective Promotion

Reinforced Social Presence: JW Entertainment will strengthen its presence on the main social networks, such as Facebook, Instagram, and Twitter. This strategy aims to create vibrant communities, interact with customers in real-time, and promote its products and services dynamically and engagingly.

Detailed Implementation Plans:

- Affiliate Marketing:

Creation of an intuitive and easy-to-use affiliate portal.

Offer competitive commissions and additional rewards for high-performing affiliates.

Comprehensive support tools and marketing resources to help affiliates promote JW Entertainment.

Constant monitoring and analysis of affiliate program performance for continuous optimization.

- Digital Marketing:

Implementation of effective SEO strategies to improve positioning in search results.

Targeted SEM campaigns to reach the right audience with relevant ads.

Use of strategic PPC campaigns to maximize return on investment.

Creating high-quality, informative content to attract and convert leads.

Marketing automation to optimize workflow and increase efficiency.

- Traditional Marketing:

Strategic selection of traditional media channels based on the target audience and campaign objectives.

Creation of creative and impactful ads that convey the brand message effectively.

Partnerships with relevant influencers to increase the brand's reach and credibility.

- Social media:

Developing an engaging and relevant content strategy for each social platform.

Constant interaction with followers to build relationships and create a strong community.

Using social media analysis tools to monitor performance and optimize strategies.

Running targeted advertising campaigns on social networks to reach the ideal target audience.

Market Overview

JW Entertainment operates in a highly competitive market environment, but stands out due to several factors that drive its growth and guarantee its position in the market:

1. Brand recognition: The company has strong and constantly growing brands, consolidating its presence in the markets in which it operates.

2. Unrivaled Expertise: We have an experienced and highly qualified team with in-depth knowledge of the online gambling industry.

3. State-of-the-art Entertainment Platforms: We offer high-quality online gaming platforms with a wide range of options to suit players' diverse preferences.

Strategic Focus on Potential Markets:

- To optimize its resources and ensure maximum returns, SUPERSTARS directs its efforts to markets that have essential characteristics:

Clear Regulation:

The company operates exclusively in markets with defined and reliable regulations, ensuring a safe and transparent environment for its clients.

High Internet penetration:

The wide availability of the Internet in the selected markets guarantees a significant reach of potential customers.

High purchasing power:

We prioritize markets with high purchasing power, where consumers are more likely to invest in entertainment.

Excluded Markets:

JW Entertainment chooses not to invest in markets that do not fit its strategic criteria, for reasons such as:

- Regulatory Risks: Unregulated markets present legal uncertainties and instabilities, which can compromise the security of the company and its clients.
- Low Internet penetration: Limited internet connectivity in these markets restricts the company's growth potential.
- Low Purchasing Power: Lower disposable income in these markets limits the company's revenue potential.

Strategy for Sustainable Growth:

We believe that the strategy outlined in this document, focusing on promising markets and leveraging our competitive differentiators, will enable JW Entertainment to achieve solid and sustainable growth over the next 3 years. We are committed to the efficient and effective implementation of this strategy, boosting our position as a benchmark in the online gambling market.

JW Entertainment's differentials:

- Recognized and Valued Brands: The company invests in building strong and memorable brands that inspire trust and loyalty among players.
- Unparalleled Experience: JW Entertainment brings together experienced professionals with a passion for the sector, who guarantee excellence in every aspect of the business.
- State-of-the-art technology: The company continually invests in innovative and secure platforms, providing a superior gaming experience for its customers.
- Customer Commitment: JW Entertainment prioritizes customer satisfaction, offering dedicated support and a safe and reliable gaming environment.
- Conclusion: With a solid strategy, driven by competitive differentiators and a commitment to sustainable growth, JW Entertainment is confident in its ability to stand out in the online gambling market and achieve lasting success.

5. MAIN SUPPLIERS AND MATERIAL DEPENDENCIES

JW Entertainment works with several key suppliers to guarantee the quality and reliability of its services. Our main partners include:

1. Payment Partners:

- Anspacepay: Secure and efficient processing of customer payments.
- Maldopay: Innovative solutions for financial transactions, guaranteeing speed and reliability.

2. Software Providers:

- Pragmatic: High-quality online casino games and engaging player experience.
- Evolution: Live casino content with experienced dealers and real-time interaction.
- Softgaming: Robust and flexible platform for managing online games.
- Scribe: Innovative games with impressive visuals, providing a unique gaming experience.

3. Robust Infrastructure for Unrivalled Support:

- BELLOA TECHNOLOGIES: State-of-the-art IT infrastructure to ensure the stability, security, and scalability of JW Entertainment's operations.

4. Targeted Marketing for Expanded Reach:

- Diverse Affiliates: Strategic network of marketing partners to promote JW Entertainment's products and services to a broad and engaged audience.

JW Entertainment's success depends on several factors, including:

1. Online Gambling Software:

The fundamental basis for offering customers a variety of exciting and engaging games.

2. Robust and Scalable IT Infrastructure:

Essential support to ensure flawless platform operation, fast transaction processing, and data security.

3. Effective Marketing Strategies:

Attracting new customers and retaining the loyalty of the existing base through targeted and engaging campaigns.

At JW Entertainment, the careful selection of suppliers and investment in essential resources guarantee the delivery of a superior gaming experience to customers. The company is continuously dedicated to seeking out strategic partnerships and optimizing its operations to achieve sustainable growth and consolidate its position as a benchmark in the online gambling market.

Risk Management

At JW, we recognize that dependence on external suppliers and resources presents inherent business risks, as in any other venture. However, we are committed to proactively managing these risks, ensuring the continuity and success of our operations.

To mitigate these risks, we have implemented the following measures:

1. Strategic Supplier Diversification: We have established partnerships with several suppliers, reducing dependence on a single partner and minimizing the impact of possible service interruptions.

2. Long-Term Contracts for Stability: We enter into long-term contracts with our suppliers, guaranteeing continued access to products and services that are essential for the proper functioning of JW's platform.
3. Contingency Plans for Immediate Action: We have developed detailed contingency plans to deal with any type of interruption in our suppliers' service, ensuring a rapid and effective response to minimize negative impacts on the business.

We firmly believe that the risk mitigation measures implemented at JW are robust and effective, protecting our business and ensuring the continuity of our operations. Through proactive and transparent management, we are confident that JW will continue to prosper and achieve its goals, even in the face of market challenges and uncertainties.

6. RISK ASSESSMENT AND MANAGEMENT

At JW, we have implemented a comprehensive and proactive risk assessment and management process, to identify, analyze, and mitigate the risks that could affect our business. Through a strategic and rigorous approach, we guarantee the company's security, stability, and sustainable growth.

Risk Assessment Methodologies:

To accurately identify and assess risks, we use a variety of proven methods, including:

1. SWOT analysis:

We carry out an in-depth SWOT analysis to identify the strengths (Strengths), weaknesses (Weaknesses), opportunities (Opportunities), and threats (Threats) that impact our business. This analysis allows us to make strategic decisions based on a holistic view of the company and its environment.

2. Scenario Analysis:

Through scenario analysis, we assess the potential impact of different future events on our business. This analysis helps us prepare for unexpected situations and develop effective contingency plans.

3. Sensitivity Analysis:

We carry out a sensitivity analysis to assess the impact of different variables on our business, such as changes in interest rates, market fluctuations, or changes in regulations. This analysis allows us to make informed decisions and minimize the risks associated with external factors.

4. Daily financial monitoring:

We carry out daily financial reports that allow us to detect and analyze the main risks that may be emerging on our platforms. This constant monitoring ensures that we can respond quickly and effectively to any kind of threat to our financial health.

We believe that effective risk management is fundamental to JW's long-term success. By implementing a comprehensive and proactive risk assessment and mitigation process, we ensure the security of our operations, protect our clients' interests, and build a solid foundation for sustainable growth.

Risk Mitigation

At JW, we recognize the importance of risk mitigation to ensure the safety and success of our business. To this end, we implement a variety of effective strategies to minimize the impact of adverse events and protect the interests of the company and our clients.

1. Strategic Diversification:

We diversify our business in several ways, such as expanding into new markets, launching new products and services, and investing in different areas of activity. This diversification makes us less vulnerable to specific events and allows us to achieve more sustainable growth.

2. Acquisition of Insurance Contracts:

To protect JW against unexpected financial losses, we have acquired insurance contracts covering various types of risks, such as fire, theft, fraud, and interruptions in operations. This measure guarantees our ability to deal with adverse events without compromising the company's financial health.

3. Detailed Contingency Plans:

We develop detailed contingency plans to deal with unexpected events such as technical failures, cyber-attacks, and natural disasters. These plans guarantee a quick and effective response to any type of crisis, minimizing negative impacts on the business and our clients' experience.

We believe that risk mitigation is an ongoing process that requires constant monitoring and adaptation to changes in the market and the environment. By implementing effective risk mitigation measures, JW positions itself as a resilient and reliable company, prepared to face challenges and achieve long-term success.

Audit and Supervision

At JW, we have implemented a comprehensive and proactive risk audit and oversight process, to ensure the effective identification, assessment, and mitigation of all risks that may affect our business. This rigorous approach allows us to make informed decisions, protect the interests of the company and our clients, and ensure long-term sustainable success.

We carry out audits and risk assessments every month, following a structured process that covers the following steps:

1. Meeting with the Management Team:

We hold monthly meetings with the management team to carry out an up-to-date SWOT analysis, identifying the company's strengths, weaknesses, opportunities, and threats for that month. This analysis allows us to take a holistic view of the business environment and identify potential risks and opportunities.

2. Collaborative Brainstorming: We use brainstorming techniques to identify potential risks in each area of the company. This collaborative approach allows us to bring together different perspectives and identify a wide range of risks that may have been overlooked.

3. Comprehensive Scenario Analysis:

We carry out scenario analysis to assess the impact of different past events on the company's business. This analysis allows us to learn from past mistakes and take preventive measures to avoid the same risks recurring in the future.

4. Detailed Process Mapping:

We identify the company's main business processes and map each stage of the process that has changed. This analysis allows us to identify potential risk points at each stage of the process and implement appropriate mitigation measures.

5. Accurate identification of risk points:

Each step of the mapped process is analyzed to identify potential risk points. This detailed analysis allows us to identify risks more precisely and take targeted mitigation measures.

6. Comprehensive Probability and Impact Assessment:

We assess the likelihood of each risk occurring again and the potential impact it has caused and could have on the company's business. This assessment allows us to prioritize risks and allocate resources efficiently to mitigate the most relevant risks.

7. Constant Monitoring of Regulatory Changes:

We habitually monitor changes in laws and regulations that may affect the company's business. This constant vigilance allows us to remain in compliance with current regulations and avoid fines, sanctions, and other legal problems.

8. Proactive monitoring of market trends:

We monitor market trends and changes in technology that may present new risks or opportunities. This analysis allows us to identify new growth opportunities and take measures to mitigate emerging risks.

9. Detailed Monitoring of Competitors' Activities:

We monitor the activities of our competitors to identify new threats or opportunities. This analysis allows us to maintain a competitive advantage and make informed strategic decisions.

10. Quantitative Assignment of Probability and Impact:

A probability and impact are assigned to each identified risk, using a quantitative or qualitative scale. This quantification allows us to objectively prioritize risks and make data-driven mitigation decisions.

11. Strategic Risk Prioritization:

We prioritize risks according to their probability and impact, focusing first on the risks that are most likely to occur and have the greatest potential impact on the company's business. This strategic prioritization allows us to allocate resources efficiently and effectively.

12. Use of Advanced Risk Analysis Tools:

Risk analysis tools are used to calculate the company's VaR (Value at Risk). VaR is a quantitative measure of the risk of financial losses that the company may suffer in a given period. This analysis allows us to have a clear view of the company's risk profile and make more informed risk management decisions.

13. Confidence Level Definition:

The level of confidence that the company wishes to have in the VaR estimate is defined. This level of confidence allows us to determine the accuracy of our risk estimate and make decisions appropriate to our risk tolerance.

14. Continuous VaR Monitoring:

The company's VaR is monitored over time to identify changes.

External Audit

At JW, internal and external audits play a fundamental role in ensuring the transparency, compliance, and effectiveness of our risk management processes. Through rigorous and independent audits, we reinforce the trust of our stakeholders and ensure the solidity of our operations.

We complement the internal audit with external audits carried out by independent and renowned auditing companies. These audits provide external assurance about the company's financial situation, the effectiveness of our risk management processes, and our adherence to best corporate governance practices.

Benefits of External Audit:

- **Increased Transparency:** External audits demonstrate our commitment to transparency and accountability to our stakeholders, including customers, investors, employees, and regulatory authorities.
- **Reinforcing Trust:** By submitting ourselves to rigorous external audits, we demonstrate our commitment to financial strength, effective risk management, and good corporate governance, reinforcing the trust of our stakeholders.
- **Identification of Opportunities for Improvement:** External audits can identify areas where we can improve our risk management processes, our corporate governance practices, and our compliance with laws and regulations.
- **Proactive Risk Management:** By implementing external audit recommendations, we can proactively mitigate risks and strengthen our competitive position in the market.

We believe that external auditing is an essential instrument to ensure the solidity, transparency, and sustainability of JW in the long term. Through rigorous and independent audits, we maintain the trust of our stakeholders, continually improve our processes, and build a solid foundation for lasting success.

Supervisory Committee

At JW, we have established a dedicated Risk Oversight Committee to ensure robust and transparent governance in the company's risk management. This committee made up of experienced members of the board of directors and management, supervises and guides JW's risk management process, ensuring that it is aligned with the company's strategic objectives and best market practices..

Essential Duties of the Risk Supervision Committee:

- **Strategic Guidance:** The committee provides strategic guidance for the company's risk management, defining the acceptable risk profile, approving policies and procedures related to risk management, and monitoring the effectiveness of the implementation of these policies.
- **Strict Supervision:** The committee closely supervises the company's risk management process, periodically reviewing risk reports, evaluating the adequacy of risk mitigation measures, and ensuring that internal controls are effective.
- **Transparent Communication:** The committee regularly communicates with the board of directors, senior management, and other relevant stakeholders, providing information about the company's risk profile, ongoing risk mitigation measures, and the results of risk management activities scratches.
- **Continuous Improvement:** The committee continually seeks to improve the company's risk management process, identifying opportunities for improvement, implementing new practices, and adapting to changes in the business and regulatory environment.

We believe that the Risk Oversight Committee plays a crucial role in ensuring JW's long-term strength, transparency, and sustainability. Through robust governance and rigorous oversight, the committee contributes to effective risk mitigation, informed strategic decisions, and building a solid foundation for the company's lasting success.

7. LEGAL AND GOVERNANCE FRAMEWORK

Oversight of the Board of Directors

At JW, we recognize the fundamental role of the Board of Directors in overseeing the management of the company and making strategic decisions that impact the long-term success of the organization. Through robust corporate governance and a commitment to the highest standards of ethics and responsibility, the Board of Directors ensures that JW meets the expectations of its stakeholders and contributes to the sustainable development of society.

Essential Duties of the Board of Directors:

- **Strategy Definition:** The Board of Directors defines the company's vision, mission, and values, establishing the strategic direction that guides JW's activities and operations. This strategic definition ensures that the company is aligned with market trends, customer needs, and stakeholder expectations.
- **Approval of Budget and Business Plans:** The Board of Directors approves the company's annual budget and detailed business plans, ensuring that financial resources are allocated efficiently and effectively to achieve the organization's strategic objectives. This rigorous approval process ensures transparency in financial management and the responsible use of company resources.
- **Performance Monitoring:** The Board of Directors closely monitors the company's performance, regularly evaluating financial and non-financial indicators, such as profitability, growth, customer satisfaction, and social impact. This continuous monitoring allows the Board to identify opportunities for improvement, make corrective decisions, and ensure that the company is on track to achieve its objectives.
- **Compliance with Laws and Regulations:** The Board of Directors ensures that the company complies with all applicable laws and regulations, both nationally and internationally. This responsibility includes ensuring ethical business practices, the protection of customer data,

and the responsible use of natural resources. Compliance with laws and regulations is fundamental to the company's reputation, its long-term sustainability, and the protection of the interests of its stakeholders.

- **Protection of Shareholders' Interests:** The Board of Directors acts as a representative of the company's shareholders, protecting their interests and ensuring that the company is managed responsibly and transparently. This responsibility includes ensuring the fair distribution of dividends, the appreciation of shareholder capital, and clear and transparent communication with shareholders.

We believe that JW's Board of Directors plays a crucial role in ensuring good corporate governance, the company's sustainability, and the creation of value for all its stakeholders. Through its leadership, expertise, and commitment to the highest ethical standards, the Board of Directors contributes to the long-term success of JW and the sustainable development of society.

Current Composition of the Board of Directors:

- UBO: VINCENZO CACI

Interaction with Everyday Decision-Making

At JW, we believe that strategic interaction between the UBO (Ultimate Beneficiary Owner) and the management team is critical to the long-term success of the company. Through open and transparent communication, collaboration, and sharing of expertise, UBO and the management team ensure that day-to-day decisions are aligned with the company's strategic vision and long-term objectives.

Strategic Interaction Model:

- **Regular Meetings:** The UBO meets regularly with the management team to discuss a variety of topics relevant to the company's success, including:

- Performance Review: Analyze the company's financial and non-financial results, identifying areas of success and opportunities for improvement.
- Challenges and Opportunities: Discuss the main challenges and opportunities that the company faces in the current market, seeking innovative solutions and effective strategies to overcome them.
- Guidance and Support: The UBO provides strategic guidance and support to the management team, sharing its experience and knowledge to assist in making informed and effective decisions.
- Open and Transparent Communication:
 - UBO and the management team communicate openly and transparently, creating an environment of mutual trust and respect.
 - Frequent communication allows ideas and concerns to be shared freely, facilitating problem-solving and joint decision-making.
 - Transparency in communication ensures that all stakeholders are informed about the company's strategic decisions and their impacts on the business.
- Collaboration and Sharing of Expertise:
 - UBO and the management team collaborate closely, combining their skills and knowledge to find innovative solutions to the company's challenges.
 - The UBO contributes its strategic vision and high-level experience, while the management team provides insights into the company's daily operations and specific challenges.
 - Sharing expertise ensures that decisions are made based on a wide range of perspectives and with a deep understanding of the company's needs.
- Alignment with the Strategic Vision:
 - The management team's daily decisions are always aligned with the company's strategic vision, defined by UBO.

- This coherence ensures that the company is always moving in the right direction and that its resources are allocated efficiently to achieve its long-term objectives.
- Strategic alignment guarantees the company's sustainability and its ability to adapt to market changes and new opportunities.

We believe that the strategic interaction between UBO and the management team is a differentiator for JW, allowing the company to make informed, effective decisions in line with its vision of the future. Through open communication, collaboration, and sharing of expertise, JW positions itself as an agile, innovative company prepared to achieve long-term success.

Matters Reserved to the Board of Directors/UBO

At JW, we recognize the importance of concentrating strategic decisions with the greatest impact on the Board of Directors (CA) and the Ultimate Beneficiary Owner (UBO). This approach ensures that decisions that shape the company's future are taken with maximum rigor, expertise, and responsibility, ensuring long-term sustainability and protecting the interests of all stakeholders.

1. Approval of Mergers and Acquisitions:

The CA/UBO evaluates and approves all proposed mergers and acquisitions, ensuring that they are aligned with the company's strategy, present significant value potential, and do not compromise JW's financial strength.

This rigorous analysis protects the interests of shareholders, guarantees synergy between the companies involved, and contributes to JW's sustainable growth.

2. Issuance of New Shares:

The CA/UBO decides on the issuance of new shares, considering factors such as the need for capital, the dilution of existing shareholding, and the impact on the value of the shares.

This strategic decision ensures that fundraising is done responsibly and that shareholders' interests are protected.

3. Declaration of Dividends:

The CA/UBO determines the distribution of dividends to shareholders, considering the company's profitability, future investment needs, and shareholders' expectations.

This balanced decision ensures that shareholders are rewarded for their investment, while the company maintains sufficient resources to finance its future growth.

4. Approval of Large Investments:

The CA/UBO evaluates and approves large investments in strategic projects and initiatives, ensuring that they are aligned with the company's long-term vision, present an adequate potential return, and do not compromise JW's financial health.

This rigorous analysis ensures that the company's resources are allocated efficiently and effectively, maximizing value for stakeholders.

5. Appointment and Dismissal of Management Team Members:

The CA/UBO selects and appoints members of the management team, seeking individuals with the qualifications, experience, and skills necessary to successfully lead the company.

The CA/UBO also has the authority to dismiss members of the management team who do not demonstrate satisfactory performance or who are not aligned with the company's values.

This responsibility ensures that the management team is comprised of competent, committed individuals who represent the best interests of JW.

We believe that the concentration of strategic decisions in CA/UBO is fundamental to JW's robust corporate governance. Through a rigorous, transparent, and responsible decision-making process, CA/UBO ensures that the company is on the right path to achieving its long-term objectives, generating value for all stakeholders, and contributing to the sustainable development of society.

Legal Support and Advice

The company receives support and legal advice from an external law firm.

Guests to Board of Directors Meetings

In addition to its members, the CA may invite to its meetings:

- Members of the management team;
- External consultants;
- Other specialists.

8. KPI

At JW, we use a variety of key performance indicators (KPIs) to monitor the company's progress toward its long-term strategic objectives. By analyzing relevant data and closely monitoring performance in crucial areas, we can identify areas of success, and opportunities for improvement and make informed decisions to optimize business results.

KPI Addressed:

1. Sales:

We monitor total sales, sales by service, and sales by distribution channel to get a holistic view of sales performance.

This analysis allows us to identify the most profitable services and channels, allocate resources efficiently, and take action to drive sales growth in specific areas.

2. Profitability:

We monitor the gross profit margin, operating profit margin, and net profit to assess the company's financial health.

This analysis allows us to identify opportunities to increase efficiency, reduce costs, and optimize profitability, ensuring the company's financial sustainability.

3. Growth:

We monitor the annual growth rate, market share, and number of new customers to assess the company's growth rate.

This analysis allows us to identify areas of potential growth, expand our customer base, and achieve our market expansion objectives.

4. Efficiency:

We monitor production costs, marketing costs, and general and administrative costs to assess the company's operational efficiency.

This analysis allows us to identify areas where we can reduce costs, optimize processes, and improve productivity, ensuring the efficient use of company resources.

5. Customer Satisfaction:

We monitor customer retention rate, customer satisfaction score, and number of customer complaints to assess the quality of our services and customer loyalty.

This analysis allows us to identify areas where we can improve the customer experience, increase satisfaction, and build customer loyalty, contributing to the long-term success of the company.

We believe that the use of KPIs is essential for making informed strategic decisions and achieving JW's long-term objectives. By monitoring performance in crucial areas, we can identify areas of success, and opportunities for improvement and take proactive measures to optimize the company's results and ensure its long-term sustainability.

Long-Term Business Objectives

At JW, we are committed to long-term, sustainable growth by setting ambitious strategic objectives that guide our actions and decisions. By setting clear, measurable goals, we can track progress, identify areas of success, and take proactive steps to achieve our goals.

1. Increase sales by 10% to 15% per year: We seek constant sales growth by expanding our customer base, launching new products and services, and optimizing our marketing and sales strategies.

2. Increase net profit margin to 20%: We aim to increase operational efficiency, reduce costs, and optimize the pricing of our products and services to achieve sustainable profitability.

3. Increase market share to 25%: We seek to become a leader in our market by expanding our geographic presence, innovating our products and services, and offering a superior customer experience.

4. Reduce production costs by 5%: We seek to optimize our supply chain, implement efficient technologies, and negotiate better prices with suppliers to reduce costs and increase efficiency.

5. Increase customer satisfaction scores every year: We strive to deliver an exceptional customer experience by exceeding customer expectations, providing high-quality support, and resolving issues quickly and efficiently.

6. Effective Monitoring with KPIs: We use a variety of key performance indicators (KPIs) to monitor our progress against our long-term strategic objectives. Analyzing KPIs allows us to identify areas of success, and opportunities for improvement and make informed decisions to optimize our results and achieve our objectives.

We believe that effective monitoring of KPIs is critical to making informed strategic decisions and achieving JW's long-term goals.

9. POLICIES AND PROCEDEURS

JW policies and procedures are developed both internally and externally.

Internal Preparation:

- Legal Department: The company's legal department is responsible for writing and reviewing policies and procedures.
- Consultants – Management Team: The company has an experienced management team that allows it to assist in the development of specific policies and procedures.

External Preparation:

- External Consultants: The company hires external consultants to develop and review all policies and procedures.
- Ready-made Templates: The company, in some cases, uses ready-made templates for policies and procedures available online or in specialized locations.