
Media Gate N.V. Business Plan

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1. Overview of the business

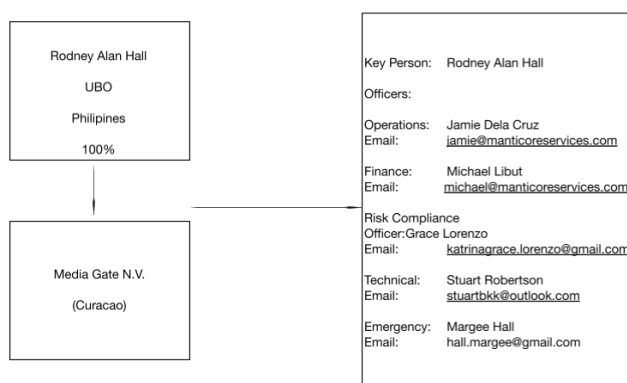
Media Gate N.V. (MG) is a company dedicated to operating a multi-language online gaming platform. MG currently operates the Bet Channel brand.

MG specialises in the Japanese sports betting and iGaming market. Bet Channel's sports book offers pari-mutuel odds, which are rare these days, and the look and feel of the offering is familiar to Japanese players. Bet Channel focuses on sports that are popular in Japan, such as baseball, sumo wrestling and martial arts events such as Breaking Down, Rizin, and K-1 that are not widely offered elsewhere.

MG has two decades of experience serving the Japanese market. Japanese customers expect the highest standards of customer service, which only experienced operators are able to deliver. MG will continue to outperform its competitors in providing the ultimate igaming experience for its customers.

2. Company management structure

STRUCTURE OF MEDIA GATE N.V.



3. Three year business forecast

There is tremendous demand for online casino services in Asia and our expertise in the Japanese sports betting and igaming industry makes for a compelling offering. Our three year forecast is as follows:

Year	Month	Bet	GGR	Promo&Bonus	NGR	New Registrants	Login players	Active players	Deposit players	PSP Fee	Gaming Fee	Affiliate Fee
2024	Jan	\$61,147,307	\$653,498	\$241,180	\$412,318	677	4,000	1,963	1,105	\$140,000	\$30,000	\$30,000
2024	Feb	\$86,319,634	\$1,643,283	\$324,045	\$1,319,238	509	3,200	1,646	1,010	\$165,000	\$170,000	\$20,000
2024	Mar	\$90,000,000	\$1,800,000	\$350,000	\$1,450,000	800	4,400	2,200	1,320	\$180,000	\$180,000	\$40,000
2024	Apr	\$85,000,000	\$1,700,000	\$350,000	\$1,350,000	750	4,000	2,000	1,200	\$170,000	\$170,000	\$35,000
2024	May	\$85,000,000	\$1,700,000	\$350,000	\$1,350,000	750	4,000	2,000	1,200	\$170,000	\$170,000	\$35,000
2024	Jun	\$85,000,000	\$1,700,000	\$350,000	\$1,350,000	750	4,000	2,000	1,200	\$170,000	\$170,000	\$35,000
2024	Jul	\$100,000,000	\$2,000,000	\$450,000	\$1,550,000	1,000	5,200	2,600	1,560	\$200,000	\$200,000	\$50,000
2024	Aug	\$100,000,000	\$2,000,000	\$450,000	\$1,550,000	1,000	5,200	2,600	1,560	\$200,000	\$200,000	\$50,000
2024	Sep	\$90,000,000	\$1,800,000	\$350,000	\$1,450,000	800	4,400	2,200	1,320	\$180,000	\$180,000	\$40,000
2024	Oct	\$80,000,000	\$1,600,000	\$300,000	\$1,300,000	700	4,000	2,000	1,200	\$165,000	\$165,000	\$30,000
2024	Nov	\$70,000,000	\$1,400,000	\$250,000	\$1,150,000	600	4,000	2,000	1,200	\$160,000	\$150,000	\$25,000
2024	Dec	\$100,000,000	\$1,800,000	\$350,000	\$1,450,000	1,000	5,200	2,600	1,560	\$200,000	\$200,000	\$50,000
2025	Jan	\$65,000,000	\$1,300,000	\$250,000	\$1,050,000	500	4,000	2,000	1,200	\$140,000	\$130,000	\$20,000
2025	Feb	\$90,000,000	\$1,800,000	\$350,000	\$1,450,000	800	4,400	2,200	1,320	\$180,000	\$180,000	\$40,000
2025	Mar	\$100,000,000	\$2,000,000	\$450,000	\$1,550,000	1,000	5,200	2,600	1,560	\$200,000	\$200,000	\$50,000
2025	Apr	\$95,000,000	\$1,900,000	\$400,000	\$1,500,000	900	4,800	2,400	1,440	\$190,000	\$190,000	\$45,000
2025	May	\$90,000,000	\$1,800,000	\$350,000	\$1,450,000	800	4,400	2,200	1,320	\$180,000	\$180,000	\$40,000
2025	Jun	\$90,000,000	\$1,800,000	\$350,000	\$1,450,000	800	4,400	2,200	1,320	\$180,000	\$180,000	\$40,000
2025	Jul	\$90,000,000	\$1,800,000	\$350,000	\$1,450,000	800	4,400	2,200	1,320	\$180,000	\$180,000	\$40,000
2025	Aug	\$95,000,000	\$1,900,000	\$400,000	\$1,500,000	900	4,800	2,400	1,440	\$190,000	\$190,000	\$45,000
2025	Sep	\$95,000,000	\$1,900,000	\$400,000	\$1,500,000	900	4,800	2,400	1,440	\$190,000	\$190,000	\$45,000
2025	Oct	\$85,000,000	\$1,700,000	\$350,000	\$1,350,000	750	4,200	2,100	1,260	\$170,000	\$170,000	\$35,000
2025	Nov	\$75,000,000	\$1,500,000	\$300,000	\$1,200,000	650	4,000	2,000	1,200	\$160,000	\$160,000	\$25,000
2025	Dec	\$110,000,000	\$2,000,000	\$450,000	\$1,550,000	1,200	5,200	2,600	1,560	\$220,000	\$220,000	\$60,000
2026	Jan	\$70,000,000	\$1,400,000	\$300,000	\$1,100,000	600	4,000	2,000	1,200	\$150,000	\$170,000	\$25,000
2026	Feb	\$85,000,000	\$1,700,000	\$350,000	\$1,350,000	750	4,200	2,100	1,260	\$170,000	\$170,000	\$35,000
2026	Mar	\$110,000,000	\$2,200,000	\$500,000	\$1,700,000	1,200	6,000	3,000	1,800	\$220,000	\$220,000	\$60,000
2026	Apr	\$110,000,000	\$2,000,000	\$450,000	\$1,550,000	1,200	6,000	3,000	1,800	\$220,000	\$220,000	\$60,000
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2026	Aug	\$120,000,000	\$2,000,000	\$450,000	\$1,550,000	1,400	6,600	3,300	1,980	\$240,000	\$240,000	\$70,000
2026	Sep	\$110,000,000	\$2,000,000	\$450,000	\$1,550,000	1,200	6,000	3,000	1,800	\$220,000	\$220,000	\$60,000
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2026	Dec	\$120,000,000	\$2,200,000	\$500,000	\$1,700,000	1,200	6,600	3,300	1,980	\$240,000	\$240,000	\$70,000

4. Growth Strategy

The Interactive Gaming industry is entering into a blooming phase. There is a global demand for casino products, in particular in Asia. Based on our extensive variety of marketing strategies and experience MG believes that it can be a successful market player in the gaming industry.

The company will focus on the following marketing strategies to grow the business over the next three years:

Business Promoter Network Marketing

Business Promoter Network Marketing provides visitors and customers with sophisticated and attractive tools that engage them in marketing activities on our behalf.

MG's Business Promoter Network application offers a comprehensive set of management and control mechanisms. The referral functionality is integrated directly into web sites or email newsletters. Customers can not only recommend their favorite products and services to their

friends, but also track their real-time performance as referrers and get rewarded for actions their friends down the referral chain.

MG configures the "commission" actions, the types of incentives, the number of referral levels and the duration of the program.

MG can monitor all program activities in real-time, analyze and optimize program performance and give full customer support.

Online casino Marketing

We believe the most efficient and effective way to promote our casino is to build awareness amongst existing online casino, sportsbook and Forex/financial betting customers in the target markets. This can be done by massive online marketing activities, advertising where permitted and working with large affiliate networks.

Affiliate Marketing

Affiliate Marketing is where the company uses an external party to market their products/services. It is a system of advertising in which the affiliate agrees to feature marketing materials from the company and the affiliate gets a percentage of any sales generated in return. Affiliate normally provides free advertising for the company and compensation is based on performance i.e. sales, clicks, registrations, or a combination of all. Business generated from affiliates is monitored within the internal affiliate management system. This can be viewed by affiliates to keep track of the progress.

Regardless of whether the affiliates manage a large web site or a small one, this is an opportunity for them to make money every month for minimal effort in conjunction with the casino. When visitors go to their web site click on our site's banners they will earn a percentage of any gaming profit generated out of these visitors. This is also done through other marketing materials such as leaflets.

Through a combination of Affiliates sites and paid for online advertising we aim to have a strong online presence in China. During the year we will seek to move towards an advertising serving solution which will allow tracking of click through and new registrations.

Email Campaigns

Through existing email databases and purchased email databases an initial email push will be done both prior to site launch and on the launch date. Industry average conversion rates of 0.15% should see an existing database holding in excess of 1 million email addresses resulting in approximately 1,500 funded accounts.

The use of HTML Email Marketing offers powerful, cost effective internet based marketing solutions for all businesses especially those related to online casinos. Email and newsletter marketing campaigns can help increase sales revenue and offer a better customer relationship. There already exists an extensive variety of ready-to-use HTML email templates for sportsbook as well as casino, which allows simple editing functions, allowing sportsbook and casino administrators to create professional HTML email newsletters designed to targeting existing and new players. Furthermore, no HTML skills are required. If specialist template designs are required these can be easily developed and customized to match a company's theme or marketing campaign.

HTML Email Marketing also offers a comprehensive email newsletter publishing, content-focused landing pages and Newsletter archive solution that allows a company to make a site rich with valuable information, optimizes search engine results and turns short email newsletter life cycle into a much longer news-worthy publication.

Banner Advertising

Banner Advertising is the promoting of a website, such as an affiliate website through banners. Once there is a click onto the banner, information is gathered from the customer and placed into a database. It is then monitored within the internal affiliate management system. The affiliate website will then be rewarded income based on business generated from the banner. There is usually no charge for the banner to be placed on the affiliate site. Therefore the affiliate site earns income based on performance.

It is an ideal opportunity to gain exposure from banners. These can be very colorful and depending on the size, can contain a lot of company promotional information.

5. Key suppliers

Qtech - games
Global Technology Group - games
Tiger Games - games
Paymix - banking
Payz - payment processing
Sticpay - payment processing

We are continually looking for alternatives and backups for banking and payment processing.

6. Risk Evaluation

The Company has implemented an appropriate Customer Risk Categorization Methodology in order to identify, calculate, score, and categorize the customers; this Customer Risk Categorization considers the following factors:

a. Country Risk

The Company Sanctions Policy is to periodically identify different sanctions and other data related to countries and territories; this data includes the Transparency International Index, the FATF high-risk and NCCT list, different Regulators' specific instructions related to countries etc. After the identification of these risks and data, the Company categorizes the different countries to the following categories:

- a. Non-compliant
- b. High risk
- c. Medium risk
- d. Low risk

Accordingly, The Company applies this categorization to its Customer Risk

Categorization model in its AML-CFT System (as explained in more detail in the sections following)

The following territories are prohibited: USD, France, The Netherlands, Curacao, Aruba, Bonaire, St. Martin, St. Eustatius, Saba, Singapore.

b. Customer Risk

The Company serves a very diverse customer portfolio – dealing with individuals and companies from a variety of different industries, profession types, residence types etc. The different risks associated with the ‘customer’ are identified through our Customer Risk Categorization model and used in our Risk Scoring model in our AML-CFT System (as explained in more detail in the sections following).

c. Transaction Risk / Distribution Channel Risk

The Company has stated in this Policy that the primary delivery channel is at the Branch level (regardless if it's the Main Branch or a Sub-Branch; however, based on the technological advancement and heavy investment in FinTech, the Company offers alternative delivery channels after it has first formally identified the individual or corporate.

Therefore, the Customer Risk Categorization model we employ considers the following risk variables based on the transaction types:

- a. Cash transactions – amount variables differ, e.g. $\geq$ USD1,000, or USD1,000<>USD10,000 etc.
- b. Foreign currency – transactions in foreign currency with amount variables differing (as above)
- c. Electronic channels – transactions executed via bank transfers with amount variables differing (as above)

AML-CFT Risk

The Company is using an AML-CFT System for the customer screening and transaction monitoring controls; therefore, if there are alerts generated for watchlist and PEP matching of customers - based on these alerts we would consider flagging the customers as ‘high risk’ by default if there is any such alert confirmed.

In this respect, the Customer Risk Categorization model used in our Risk Scoring model in our AML-CFT System is as explained in the next sections and throughout this Policy Document.

7. Legal and governance

The Board of Directors of the Company has appointed the Compliance Officer (C) to direct and manage the Compliance Function within the Group; the Board of Directors of the Company has appointed a MLRO to manage the customers and transactions executed within Curacao; based on these appointments, the compliance department has the following structure (as required):

- Compliance Officer (CO) – heading the Group Compliance Department and directs the compliance function for the Group; the CO reports directly to the Board of Directors of the Holding Company, and receives periodical reports by the MLRO for the Company's compliance level;

- MLRO – is responsible to manage the compliance function within the country; the MLRO reports directly to Board of Directors, but he receives consultancy by the CO for any guidance required; reports to the CO periodically for the compliance level of the Company; and,

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- Branch Compliance Officer – is responsible to implement the Company AML-CTF Policy in the main office or any Branch setup by the Company, and report any suspicion, via the formal STR form, to the CO or MLRO. NOTE: All STAFF have been instructed that at NO point in time should they communicate any of their suspicions to the customer/person/entity involved in a potentially suspicious transaction

8. Policies and procedures

The company's policies and procedures are maintained internally. They will be reviewed on a quarterly basis and the GCB will be apprised of any policy changes as they happen.