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Supplement to the Current Business Plan Regarding Shareholder Change

Introduction

This document serves as a supplement to the main master business plan of Triumphbet Company N.V. (hereinafter referred to as the "**Company**") and was developed due to the intentions of the current shareholder (Andrey Timchkenko, born 14.10.1983) to transfer their share to a new shareholder.

Purpose of this Supplement:

- To provide the regulator with a detailed explanation of the development strategies of the Company after the shareholder change.
- To ensure transparency and consistency in the implementation of all steps related to the transfer of ownership of the Company.
- To describe specific actions to comply with all regulatory requirements and obligations to partners and clients regarding the shareholder change.

This document is developed in the interests of the current shareholder and the Company, taking into account the strategic changes in the Company in the event of a successful transfer deal. A potential buyer (hereinafter referred to as the "**New Shareholder**") has been involved for clarification of the plan following the transfer.

The document aims to help the regulator, the managing company, and partners gain a comprehensive understanding of the Company's future directions and ensure that the shareholder change will not adversely affect its operational and financial stability.

Reasons for the Shareholder Change

As a result of legislative changes in the country of residence of the current shareholder (Republic of Kazakhstan) and other personal circumstances, they decided to step down.

On September 6, 2024, amendments to the "Law on Gambling Business of the Republic of Kazakhstan No. 219 dated January 12, 2007" came into force. These legislative modifications clearly indicate an intention to combat the gambling business in the region. Organizing online casinos by Kazakh nationals is now subject to criminal liability, creating risks for the current shareholder.

Despite these prohibitive measures for organizing such businesses, there is no ban on physical individuals participating in games. After negotiations with payment partners in Kazakhstan, it was determined that these amendments have not yet affected the operability of payment services for the gambling business. This suggests that a Company with a shareholder from another country can continue operations in the region. Given that over

90% of the customer base is from Kazakhstan, a shareholder change will allow the Company to begin a gradual redistribution of customer traffic to other regions, thereby ensuring long-term strategic flexibility.

Terms of the Deal

The shareholder transfer is not structured as a high-value sale. The current shareholder Mr. Andrey Timchenko prioritized continuity, strategy alignment, and operational understanding over financial gain. Searching for a potential buyer could take considerable time. To resume, the main criteria for selecting a candidate included:

- Ability to understand the Company's core values;
- Alignment with the ideology established by the current shareholder;
- Experience in the industry;
- Commitment to the business;
- Awareness of processes in the markets where the Company operates.

The beneficiary sees further development in the Kazakhstan region may not be easy, so he has decided to step aside.

The full terms of the deal will be detailed in the share purchase agreement.

Risks and Risk Management Strategy

Legal Risks

The key risk prompting this change is legal exposure from Kazakhstan's legislation. The transfer of shares to a non-Kazakh individual eliminates these risks and supports uninterrupted business continuity.

With the September 6, 2024 amendments to the "Law on Gambling Business of the Republic of Kazakhstan No. 219," the state developed a plan to combat illegal gambling and gambling addiction in Kazakhstan for 2024–2026. This plan emphasizes not raising awareness about responsible gambling but rather demonizing the sector and highlighting its societal harm. This may lead to resentment and a demand for criminal liability from the public due to local regulations.

Financial Risks

The Company maintains adequate liquidity across several accounts (bank accounts, PSP balances, and cryptocurrency holdings). **There are no outstanding liabilities.**

Previously, the Company provided a temporary internal loan to the current shareholder in USDT. This transaction had an economic basis, reflecting short-term use of Company funds under mutually agreed terms. Upon completion of the ownership transfer, the outstanding balance will be formally recognized as dividend distribution. This one-time transaction will be fully subject to applicable profit tax in accordance with the law.

The Company holds several contracts under which it has financial obligations. Changing the shareholder will require the Company to undergo multiple comprehensive checks, during which payment services may suspend operations, potentially halting operations. The Company acknowledges these risks and has developed an action plan to ensure uninterrupted operations.

The Company affirms that the operation has been reviewed from a tax and accounting perspective and does not present any risk to financial stability.

This is not part of any pattern of affiliated withdrawals but a one-time resolution of internal financial arrangements with full transparency and compliance.

Reputational Risks

The ownership structure of the Company in Curaçao offers a certain level of anonymity for the shareholder, and for the Company's clients, the shareholder change process is not expected to affect the Company's reputation. The Company has also completed an internal due diligence process on the new shareholder, confirming absence of a criminal record or politically exposed status.

Compliance Officer

Additionally, in light of evolving CGA standards, the Company has appointed a new Compliance Officer.

This change is aimed at strengthening the Company's AML/CFT framework and aligning internal compliance functions with current CGA expectations. The new Compliance Officer possesses relevant experience and will lead the implementation of enhanced risk controls, monitoring protocols, and reporting systems. The update further demonstrates the Company's proactive commitment to regulatory excellence and operational transparency.

Shareholder Change and Submission of Information to the Curaçao Gaming Control Board

As part of the process of transferring shares to the new shareholder, a letter was sent to the Company's director detailing the intentions and providing information about the selected candidate for purchase. This allows the initiation of comprehensive due diligence to confirm suitability for the role and compliance with obligations.

The new shareholder, in turn, has prepared a complete package of documents for due diligence by the Curaçao Gaming Control Board. The legal services partner of the Company conducted its own comprehensive check, confirming that the new shareholder has no criminal record and is not a politically exposed person, significantly reducing the risks associated with license renewal for operations in the future.

Action Plan to Ensure Uninterrupted Operations

Given the current circumstances, the Company must take measures to guarantee compliance with all regulatory requirements and obligations to its partners and clients.

Over its active operating period, the Company and its subsidiary have established bank accounts and secured reliable partners, including payment service providers (PSPs), gaming providers, and platform support companies. These partners are essential to ensuring uninterrupted service delivery for the Company's clients.

Understandably, our partners, for their risk assessment and financial portfolio monitoring, require client verification (Know Your Customer – KYC). Therefore, in the event of a shareholder change, the Company will need to undergo the annual KYC procedure again. To minimize the likelihood of service disruptions, the service provider has already sent letters to key partners regarding the planned ownership changes. The letter specified the potential new shareholder and requested a preliminary check to expedite the process and prevent misunderstandings.

After the ownership structure changes, each partner will be notified of the change. This will initiate comprehensive verification processes. In some cases, these checks may temporarily suspend services for the Company. Upon examining the bank verification process, it was determined that banking services (account management) would be paused until the checks are complete. Based on prior verification processes, such activities could take up to two months.

This implies a potential risk of the Company being unable to meet its obligations, such as payments to service providers and commissions to gaming providers. To mitigate this, the Company should pay all outstanding invoices before the transition and, where possible, prepay obligations for 1-2 months based on additional agreements with partners.

The Company had accounted for this in its operational plan.

Training and Knowledge Transfer to the New Shareholder

To ensure the sustainable functioning of the **Company**, measures must be taken to train the new shareholder on internal processes. The following actions are planned post-shareholder change:

- Introduction to platform development teams.
- Introduction to the legal support team.
- Familiarization with tools for information exchange with key partners.
- Orientation on task management procedures within the Company.

The new shareholder is already familiar with the Company's current business plan and is ready to adapt it for the Company's future growth in new conditions. The new shareholder understands the client acquisition strategy as they previously participated in the Company's partner platform and successfully worked as a client acquisition agent.

After the transaction is completed, the managing company will conduct comprehensive training on internal operational processes. During this training, the following will be provided:

- Operational documentation for the back-office system.
- Administrator account credentials for the back-office system.
- Server access.
- Backup copy of the source code.
- Access to accounts on third-party platforms (hosting, domain registrars, and information exchange platforms).

To ensure a seamless transition without affecting the Company's operational activities, the service provider plans to dedicate one workweek (8 hours per day) to training the new shareholder on platform operations after the transaction is finalized.

Development Concept of the New Shareholder

After reviewing the current business plan, the new shareholder has identified risks associated with focusing exclusively on the Kazakhstani market. They note that the Company's development should target broader audiences and expand into different regions.

Nevertheless, the new shareholder recognizes the importance of maintaining brand loyalty among the existing client base in Kazakhstan. Therefore, they intend to preserve the principles of the current strategy established by the previous shareholder.

Generally, emphasis will be placed on:

- Development of localized payment methods, especially crypto solutions;
- Conversion of offline traffic through partnerships with land-based casinos in Georgia and Kazakhstan;
- Launch of a sub-brand targeting regional growth with brand differentiation.

A refreshed brand could act as a catalyst for starting many initiatives anew. The updated brand will have the opportunity to monitor the quality of services provided, leveraging past experiences.

According to the new shareholder's plans, working with two land-based casinos through the partner platform will enable further development of the current platform and create opportunities for replicating similar client acquisition schemes. This outcome will allow the partner platform to be marketed to a broader audience.

Signed by:

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