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SPORTS BETTING

BRAZIL - PRESENTATION
MAY 2019

meridianbet.com/business

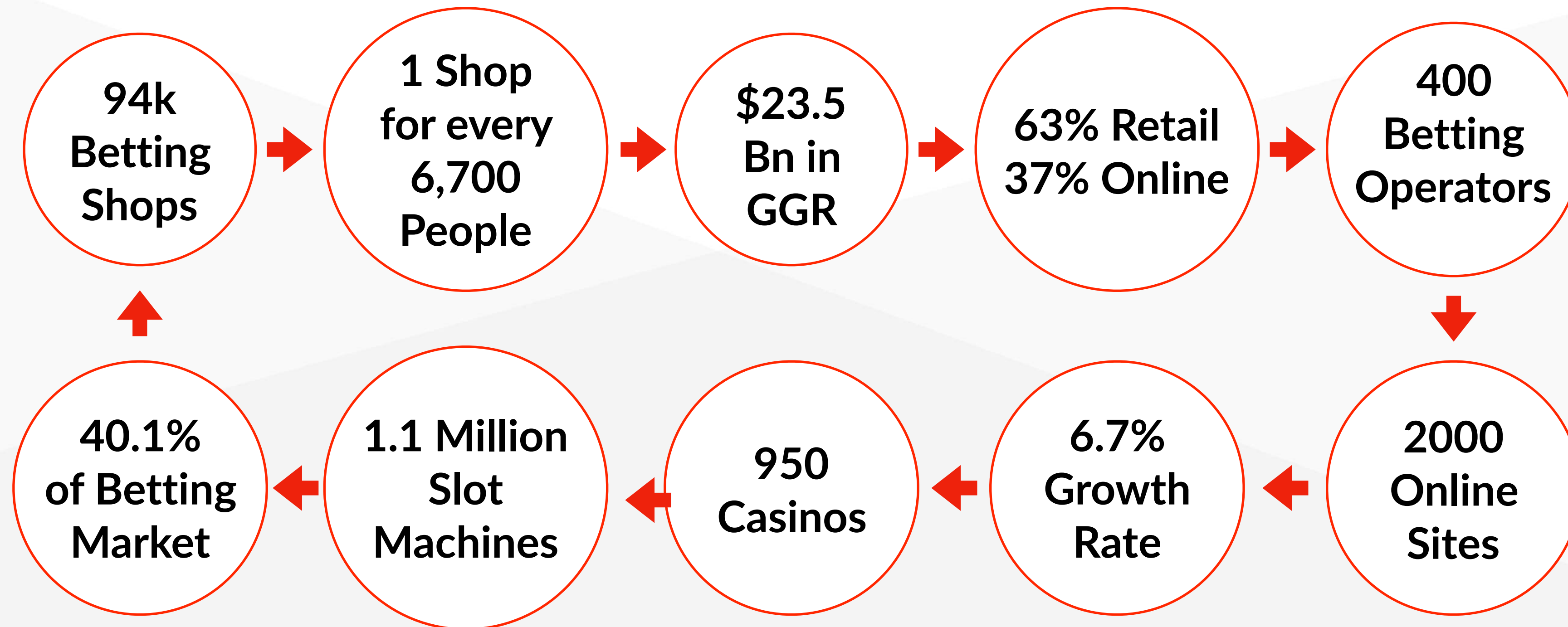


INTRODUCTION

THE EXPANSION OF SPORTS BETTING

- Sports Betting is a form of entertainment and social activity that has expanded significantly over the past decade
- Sports Betting is now regulated in over 100 countries (In 2000 - 15 countries)
- Europe is now fully regulated and Africa's expansion started in 2010, LATAM started in the last few years and the USA is opening more and more states to Sports Betting since 2018

EUROPEAN STATS

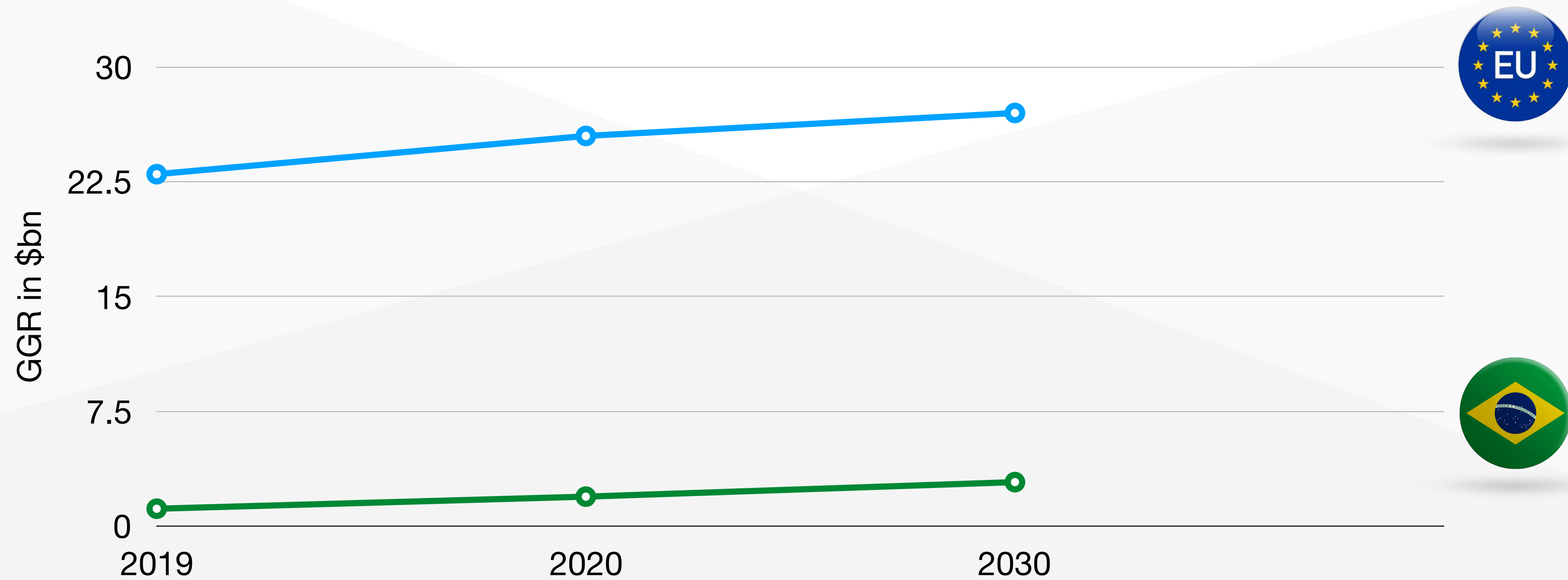


WHAT MAKES A SAFE & SUCCESSFULL BETTING ENVIRONMENT

- State Regulation and Licensing
- Fit and proper
- System testing and certification
- Operator Bank Guarantees
- Gaming Tax based on Gross Gaming Revenue (GGR)
- Competitive market
- Operator flexibility re offering and payment solutions
- Customers must be able to make cash deposits in-store for online

EUROPE vs. BRAZIL

Current and projected revenue comparison between Europe and Brazil



USA Market estimated at \$14bn when all states approve sports betting

BRAZIL FORECAST - NEXT 10 YEARS

- Thousands of jobs created
- Millions of US Dollars in Taxes for Brazil
- **20,000** betting shops
- **38 to 50** million active betting customers
- **50,000** terminals
- **2** MultiBillion US Dollar Companies
- **30** MultiMillion US Dollar Companies



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GAMING

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MERIDIAN GAMING

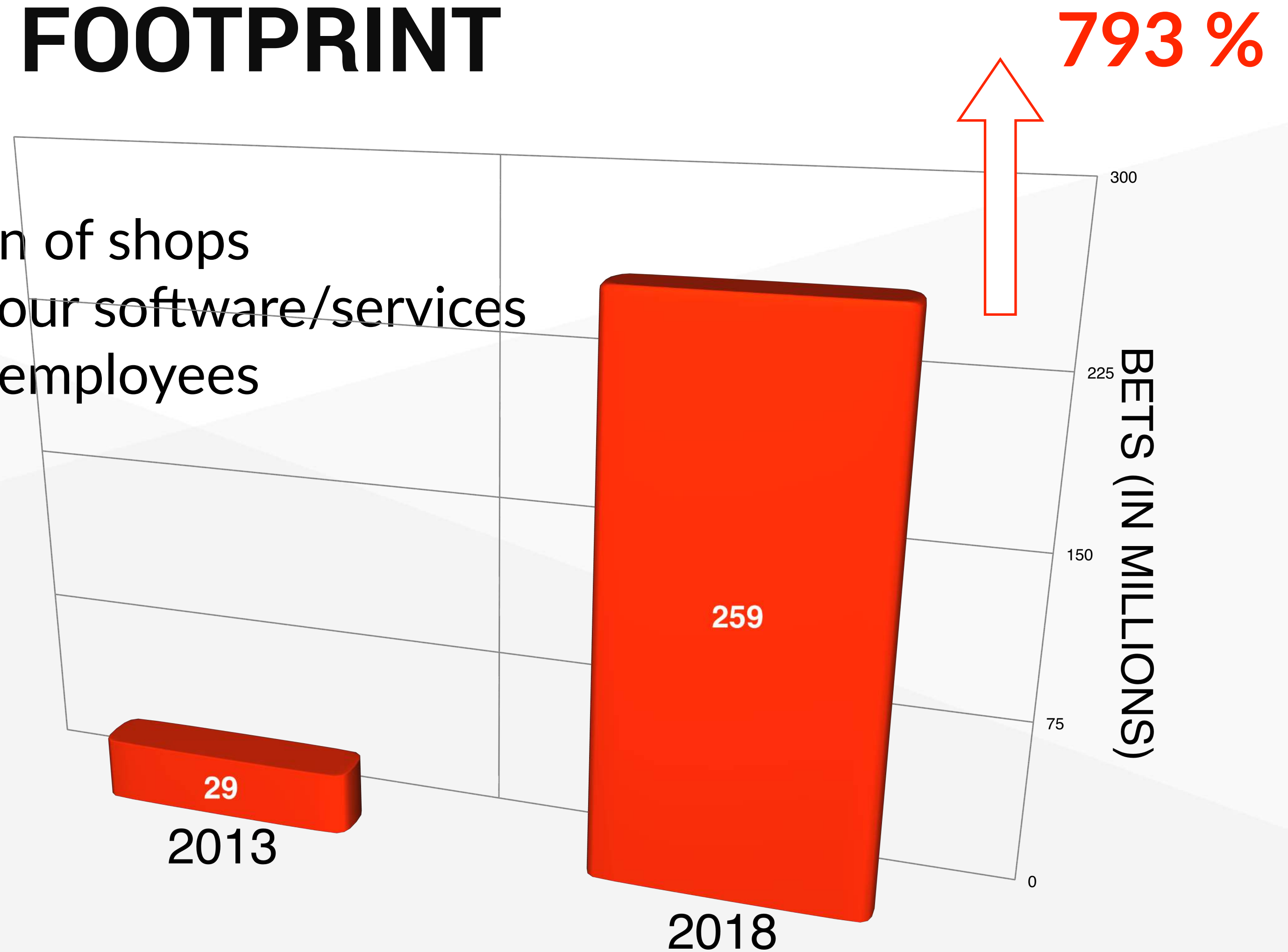
- Meridian is a global Sports Betting Company and our Goal is to provide Best Sports Betting Entertainment in the World.
- Operating for nearly 20 years in regulated markets only with a unique organizational structure.
- Strong in both developed and emerging markets.
- We own all of our own Proprietary software.
- Main purpose of Betting Shops is the Social Component (like coffee shops, restaurants).



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MERIDIAN GLOBAL FOOTPRINT

- Largest Worldwide Distribution of shops
- Over 1100 shops globally use our software/services
- Over 2500 direct and indirect employees
- 36 countries
- 35 Web/Mobile Sites



MERIDIAN GLOBAL FOOTPRINT

- **Peru:** 100+ shops
- **Columbia:** 300+ shops in 3 months, target of 1000 shops in 18 months
- **Mexico:** 4 shops
- **Guatemala:** 15 shops
- **Argentina:** planned for 2019



MERIDIAN PLATFORMS



RETAIL



SELF-SERVICE
TERMINALS



ONLINE &
MOBILE APP



USSD
(GSM MOBILE)

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MERIDIAN PRODUCTS



Live In-Play



Pre-Match



Live Greyhound & Horse Racing



Pre-Recorded Greyhound & Horse Racing



Virtual Greyhound & Horse Racing



Virtual Sports



Virtual KENO



Online Betting



Online Casino



Affiliate System



Casper-Slot Management System®



Lotto

REGULATION

FACTORS CONTRIBUTING TO GROWTH OF REGULATION

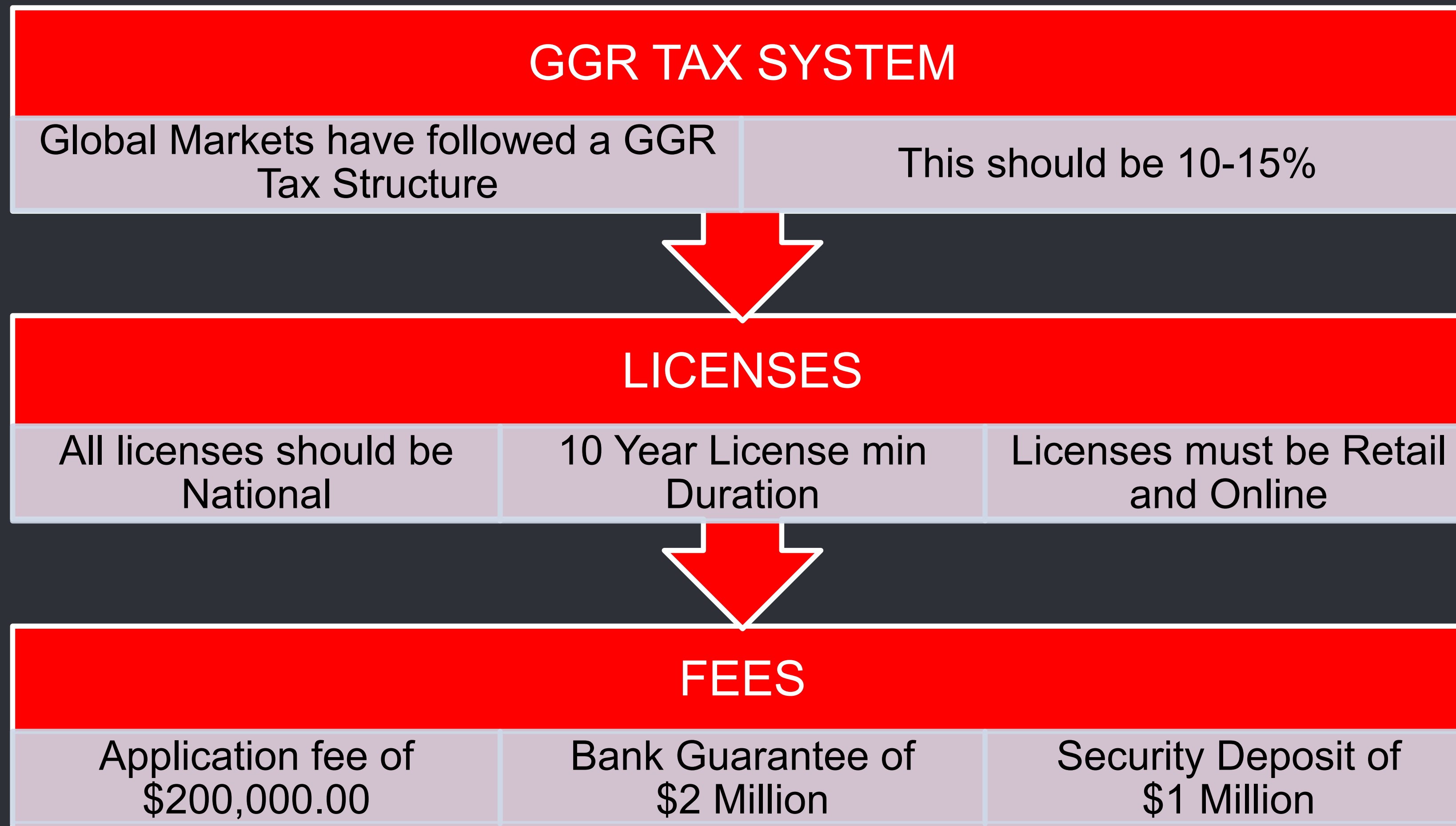
- State budget deficits
- Increased player protection
- Increase in the availability of illegal offshore operators
- The recent USA Supreme Court decision
- Cable TV and sports broadcast of sports competitions
- Broadband Internet access
- Development of payment solutions

WHY SPANISH REGULATION IS THE BEST?

- It is GGR based Taxation system
- Licenses are for 10 years and renewed for 10 years
- Each approved Operator must have a registered office in Spain
- The main activity of the Operator must be Betting
- Companies need to submit operational plans
- Companies are required to provide procedures for Anti Money Laundering (AML), fraud prevention etc.
- Large Guarantees are required
- 3 years Financial statements are required
- All systems need global certification

TAXATION

TAXATION



BENEFITS OF THIS TAXATION

- Only credible Operators will be able to enter the market
- Guarantees a healthy business environment
- Security of players
- Local presence, maximum transparency, tax compliance and constructive cooperation with state authorities
- Minimum black market betting
- Anti-money laundering compliance (AML) and Know Your Customer (KYC)

ILLEGAL AND ONLINE ONLY OPERATORS

ILLEGAL AND ONLINE ONLY OPERATORS

ILLEGAL

- It is vital that all Licenses issued require significant Retail shops.
- No Online only Operators as they will offer little direct investment or employment in Brazil.
- Current Offshore illegal companies operating in Brazil should be excluded from licenses for the first 3-5 years.

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THANK YOU