

# BetIndex Compliance assessment


Meeting start time: 26 February 2020 10:05:53

Organizer: [REDACTED]

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- ☑ [REDACTED] - extensive experience of regulated industries
- ☑ [REDACTED] – FTSE 250 and AIM listed CFO
- ☑ Accountants and Auditors – Sam Rogoff & Company
- ☑ All surplus cash used to develop the product
- ☑ No Dividends have been distributed to Bet Index shareholders
- ☑ £6m in general betting duty paid to HMRC in 2019

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- ☑ Experienced Investors
  - ☑ [REDACTED] Founder and CEO of [REDACTED] on line operator 2000.
  - ☑ [REDACTED] founder and owner of [REDACTED]
- ☑ Bankers
  - ☑ Barclays, NatWest and Nedbank
- ☑ No debt or leasing
- ☑ No long term capital commitments
- ☑ No long term marketing commitments

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P&L Actual Dec 2018 to Dec 2019 Quarter	2018	2018	2018	2018	2019	2019	2019	2019
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Shares bought by users Gross	£13,402,450	£15,929,079	£35,536,666	£38,477,137	£60,117,236	£82,957,292	£100,818,404	£100,662,434
Sell Queue	£4,515,085	£6,066,750	£12,822,950	£15,871,068	£24,545,317	£37,311,024	£46,926,442	£51,754,912
Shares bought by users Net	£8,887,364	£9,862,329	£22,713,716	£22,606,070	£35,571,919	£45,646,268	£53,891,962	£48,907,522
Instant Sell	£6,179,522	£7,696,323	£12,968,460	£18,494,621	£19,798,755	£33,391,997	£43,017,371	£40,784,786
% instant sell	58%	56%	50%	54%	45%	47%	48%	44%
Net Buys	£2,707,842	£2,166,006	£9,745,256	£4,111,449	£15,773,163	£12,254,271	£10,874,591	£8,122,736
Net buys @30% instant Sell	£5,678,982	£5,733,407	£14,976,293	£12,296,363	£22,268,697	£24,435,362	£26,908,818	£21,145,613
Capital adequacy reserve	£533,694	£513,119	£2,034,212	£917,392	£3,119,552	£3,021,279	£2,978,802	£2,348,177
Churn (1)	88%	91%	81%	92%	70%	85%	86%	77%

[1] Churn = shares sold in Quarter/ Market cap at end of Quarter

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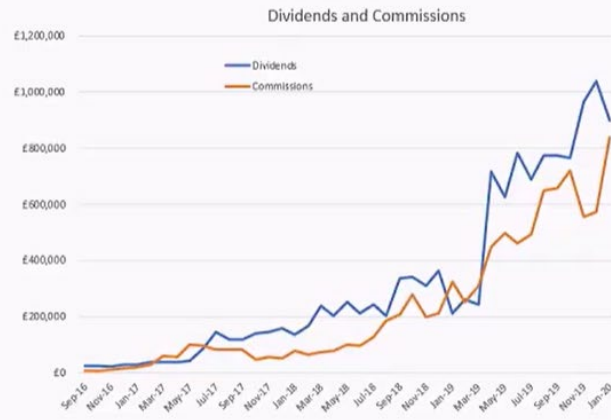


- ☑ Three types of dividend
  - ☑ Media
  - ☑ Matchday
  - ☑ Inplay - 30 day time stamp
- ☑ Dividends expensed in the period they are paid
- ☑ No requirement under UK GAAP to accrue for future dividends
- ☑ We do accrue for future dividends and include within the capital adequacy(CAR) reserve
- ☑ CAR = £16.5m at 31 December 2019
- ☑ Additional £8.5m of surplus cash
- ☑ Total cash at 31 December 2019 = £25m
- ☑ Equivalent to 40x December 2019 dividends on a 2.5% per month amortisation

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# Financial Model Dividends



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# Financial Model Instant Sell



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