

### 1/ST Group Assets

# **1/ST TECHNOLOGY**













### 1/ST Technology Overview

- Fully-integrated pari-mutuel, fixed-odds, and progressive gaming core wagering platform
- Retail Terminals and Kiosks
- Wagering and Transactional API's
- Own, host, and operate tracks across N. America via Monarch Content Management
- Headquartered in Hunt Valley, Maryland, USA
- Tote systems operating in United States, Canada, Isle of Man, South Africa, Mauritius, Uruguay, Australia, Trinidad, and Turkey





### Legacy Spectrum Technology

- Online 30+ years
- Benchmarked at 70,000 bets/second
- 2,000,000+ customer accounts
- 20,000 customer terminals
- 99.9% uptime
- 60+ runners per race, 80+ races per track, 100+ programs per customer
- Currency agnostic
- ITSP and Bet-by-Bet protocol (HKJC, UK, PMU, ATG) compliant





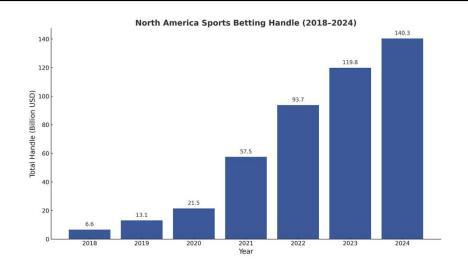
### Prism Technology

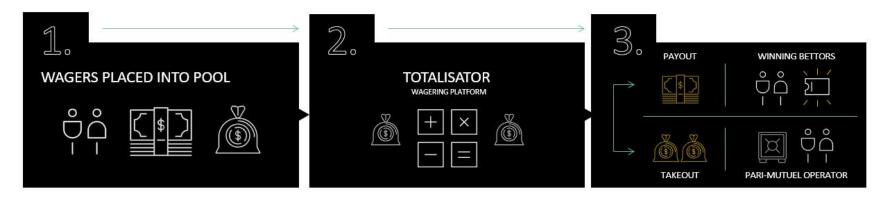
- Modern Service stack leveraging microservices, containerization, and cloud-native technologies
- Architected using cloud infrastructure designed for scaling
- Full internationalization and language support
- Increased Wagering data transparency, Pool size limits, collusion detection, and strong KYC
- API's designed for simple integration with third-parties
- Faster new feature development
- Gives more control to clients



### Parimutuel Sports Betting

- Continuing growth of sports betting worldwide
  - Rapid expansion in North American since legalization
    within United States (2018) and Canada (2021)
- Current landscape dominated by fixed odds
- Opportunity for parimutuel wagering to gain foothold
  - Benefits to both punters and operators





### Why Parimutuel for Sports?



### Simple, Exotic, Jackpot Bets

Small stakes can lead to big wins for the public, while minimizing risks and liability for operators.



#### **■** Increase Engagement With **Existing Customers**

Drive engagement with in-event betting, contests, and tournaments.



### Value Add for Operators

Introduce dynamic new markets without requiring the manual risk management of fixed odds trading.



#### **Favorable Economics**

Straight fixed odds markets typically generate ~6-7% revenue, compared to ~25% for parimutuel markets.



#### **Designed For Volatile Events With Many Participants**

Difficult for sportsbooks to manage profitable lines on events with many participants. This is where parimutuel wagering is at its best.



### Parimutuel Sports – Potential Market Types

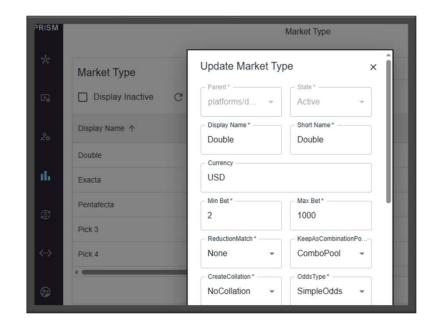
• Parimutuel sports betting will inspire new innovations in wagering formats

	Qualifying Pole Position	Intra-Race Contests	Final Race Order	Multi Races, Days, & Contests	Pit Crew Contests	Racing Team Contests	Season Contests & Futures Bets	Gimmicks & Prop Bets	Progressive Jackpot Bet Ability
1st, 2nd, or 3rd Place	<b>⊘</b>	0	<b>⊘</b>		<b>⊘</b>	<b>⊘</b>	0	<b>⊘</b>	
Top-N Finishers	<b>⊘</b>	$\odot$	<b>⊘</b>		$\odot$	$\odot$	$\odot$	$\odot$	⊘
Pick-N Parlay Cards	<b>⊘</b>	$\odot$	<b>⊘</b>	$\odot$	⊘	$\odot$			⊘
Pick-N with Position-X	<b>⊘</b>	$\odot$	<b>⊘</b>	0	$\odot$	$\odot$			⊘
Exchange Bets	<b>⊘</b>	$\odot$	<b>⊘</b>	<b>②</b>	$\odot$	$\odot$			⊘
Head-to-head	<b>⊘</b>	<b>⊘</b>	<b>⊘</b>		⊘	⊘	0	⊘	

- Different sports will lend themselves to different wagering structures and market types
- Trial-and-error approach while identifying which wager types resonate most strongly with players

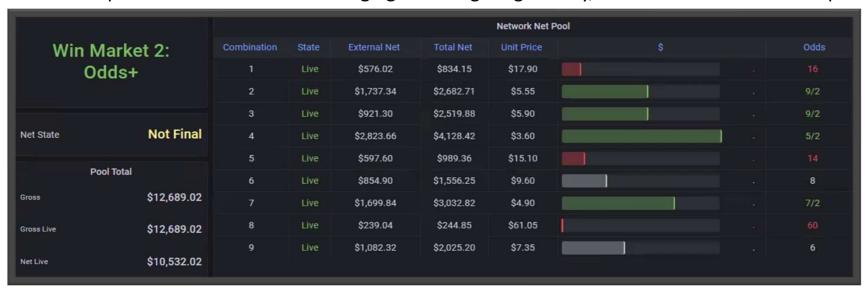
## Parimutuel Sports - Market Type Development

- Rethinking Traditional Model
  - High cost and complexity of development
  - Longer delivery timelines
  - Barriers to innovation
- A Faster Path Forward
  - Focus on rapid delivery and streamlined implementation
  - · Simplified pricing configurations
  - Intuitive UI/UX to allow direct configuration by operator

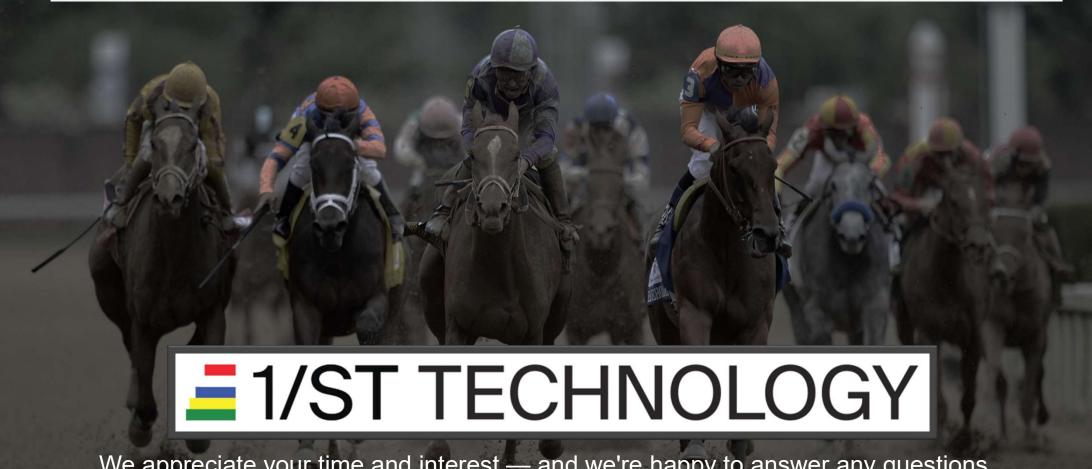


### Parimutuel Betting – Pool Latency

- Reduced latency of pool updates using Prism architecture
  - Faster availability of information for betting public
- Specific focus on faster odds updates
  - Provide current odds in near real-time, instead of traditional 30-45 second network updates
  - More frequent odds calculations leveraging local wagering activity, between slower network updates



### Thank You



We appreciate your time and interest — and we're happy to answer any questions.