



SPORTS BETTING ALLIANCE

bet365

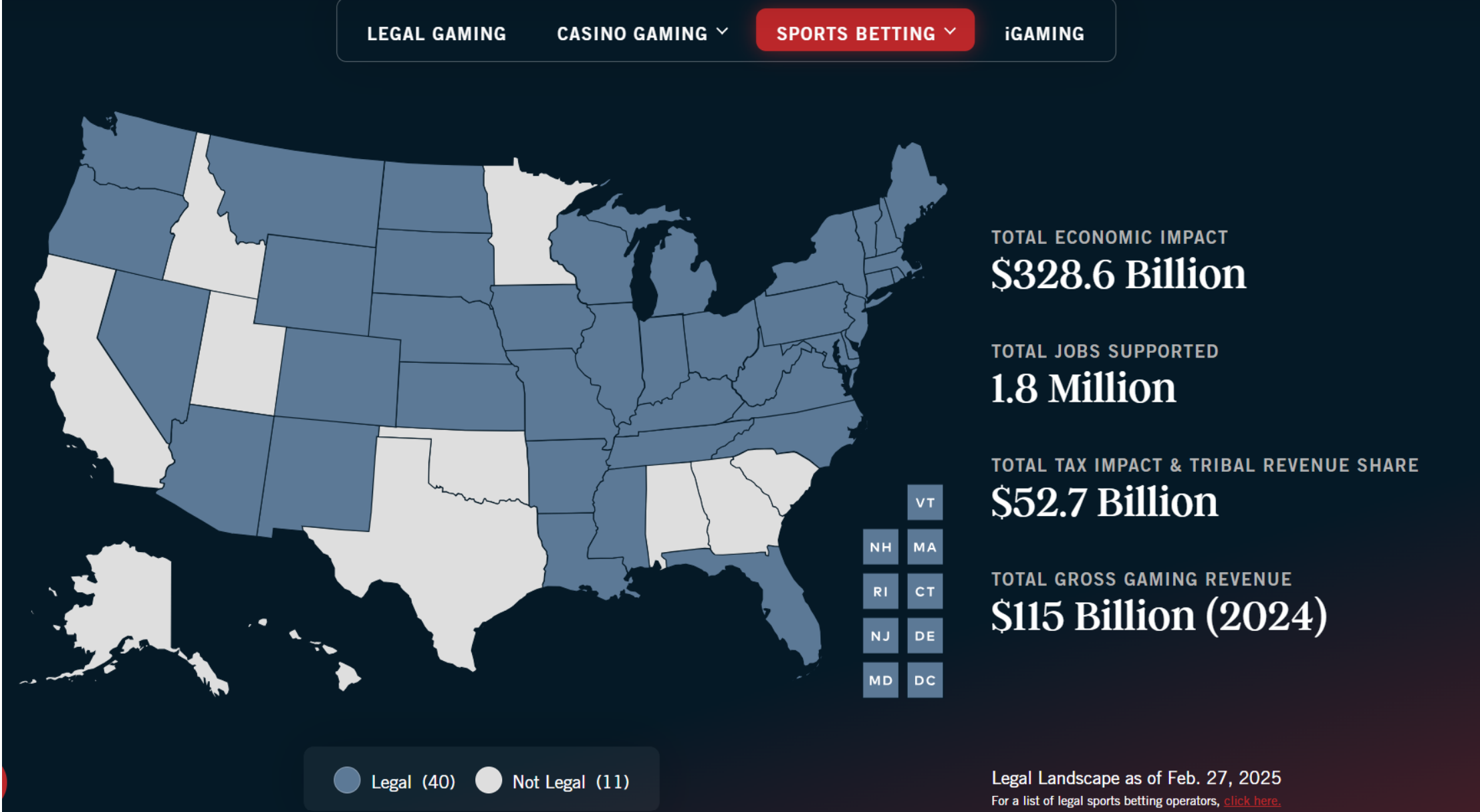


Sports Betting Legalization Overview

- May 2018: The Supreme Court overturned PASPA, which allowed states to determine whether to legalize sports betting
- Since that time, 39 states and the District of Columbia have legalized sports betting in some form
- Most states offer both retail and online sports betting
- There are a few states that offer only retail sports betting
- The main reasons for states to legalize sports betting are:
 - Tax revenues
 - Eradication of the illegal market, which offers little to no consumer protections



Sports Betting Nationwide Snapshot



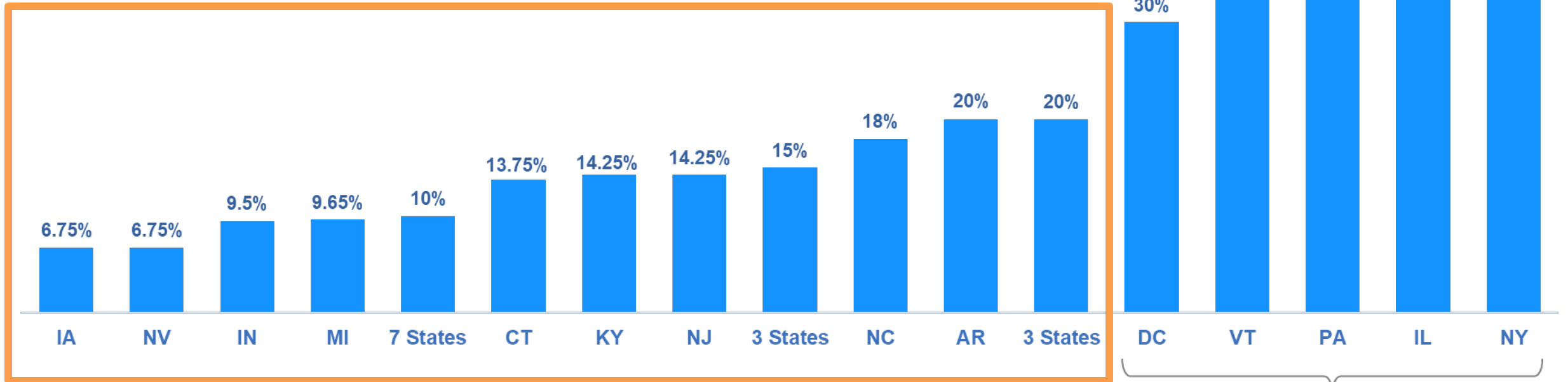
Oklahoma → Potential Market Size

- There are ~3 million adults (21+) in Oklahoma
- If OK were to legalize Online Sports Betting (OSB), we estimate the market size at maturity would be between **\$200 - \$400MM**
 - Estimates are based on per capita betting (adult population)
 - Assumes a commercially competitive market
- By legalizing OSB, Oklahoma can generate additional tax revenues and provide legal, regulated platforms for its citizens



Sports Betting Taxes

**Most states have tax rates
in the 10-20% range**



**5 States:
Greater than 20%
Max Tax Rates**



Breakdown of a \$100 Bet



\$91
Paid to
Winning Bettors



\$2.⁰⁷
State Tax



\$0.²⁵
Federal
Excise Tax



\$6.⁵⁸
Operating
Costs

56¢
LABOR

\$5.32
BUSINESS OPERATIONS,
REGULATORY COSTS
& MARKETING

70¢
TECHNOLOGY AND DATA



\$0.¹⁰ to Sportsbook



The Risk of Higher Taxes: Growth at Stake

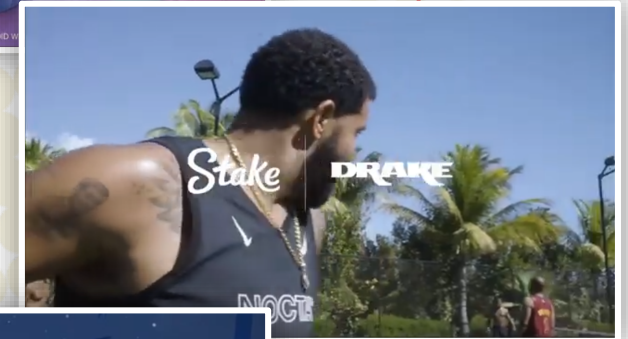
- Sports betting operates on razor-thin margins
- Higher taxes force operators to reduce promotions, worsen odds, and cut investment
- Illustrative example: Odds at -110 (neighboring states) vs -120 (Kansas under higher taxes) Outcome: players pay more, enjoy fewer promotions, and face fewer operator choices
- Risk: shrinking legal market and forcing bettors to the illegal market



Illegal Market: The Real Threat

BetOnline
BetWhale
BetUS
BetWhale
Black Lotus Casino
Chumba Casino
CoinPoker
Crown Coins Casino
Ding Ding Ding
Fortune Coins Casino
FunzCity
Hello Millions
High 5 Casino

Ignition
LuckyBird
LuckyCreek
Lucky Red
Luckyland Slots
McLuck
Play Fame
Pulsz
Raging Bull Slots
RealPrize
Stake
Wild Casino
Wow Vegas



Illegal Market: The Real Threat

- Offshore websites and local bookies face no regulation, no taxes, and no accountability
- Illegal operators lure players with better odds and bigger bonuses
- No safeguards: no consumer protections, no age verification, no responsible gaming, no recourse for players
- States that enforced against illegal operators saw:
 - 10% faster growth in legal players
 - 39% more new accounts year-over-year
- Weakening the legal market strengthens the illegal one



Protecting Player Data Every Day

- Personal data (names, emails, account IDs) + sensitive data (IDs, biometrics, bank details) fully protected
- Safeguards include encryption, firewalls, and access controls
- Strict vendor contracts enforce confidentiality and data handling standards
- Compliance with privacy requirements in 20+ states and Ontario
- Dedicated legal, compliance, and cybersecurity teams ensure daily protection



Responsible Gaming: Proven Safeguards That Work

- Tools embedded into every platform: deposit limits, time-outs, permanent self-exclusion
- Continuous monitoring for risky play and outreach to players as needed
- Educational resources and responsible gaming hotlines promoted in-app
- National data: gambling addiction has remained steady at ~1% of adults



Did You Know?

Legal online gaming operators use the same technologies as banks to ensure that only authorized persons can access their platforms.





**SPORTS
BETTING**
ALLIANCE