

Sports365

Whitepaper



Sports365 rewards sports activities with the Sports365 Token, the universal digital currency for sports. With Sports365, athletes can pay for their sports equipment, event participation, or club membership and, in the future, also trade the token or exchange it for classic currencies. For companies, clubs, and associations, Sports365 is a universal tool for sports promotion, beyond the boundaries of sports and regions.

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Motivation and Vision for the Sports365 Token

Sport in all its facets has countless positive effects: From the positive effect on personal health to the social component and international understanding. Therefore, in our view, not enough can be done to support and promote any kind of sport. With blockchain technology and its various options for providing tokenization and supporting broad-based, decentralized decision-making structures - also known as governance - tools are now available that make a new kind of sports promotion possible: Independent, Universal, and Participatory.

Sports365 becomes the digital currency for athletes in the form of a fungible token and thus the most comprehensive sports promotion tool that positively supports all companies, organizations, and individuals in the sports environment.

The basic idea is simple: Sports365 offers partners in the "sports ecosystem" (clubs, associations, event organizers, sponsors, sports providers, etc.) the opportunity to actively promote sports regardless of the type of sport, organizational structure, or club affiliation thus contributing to a healthy and active lifestyle. Athletes receive Sports365 tokens from sports sponsors (Sports365 Partners) for their activities. This means that active participation in sports has a direct positive impact on your wallet.

The fascination and possibilities of Sports365 reside in its openness and participation opportunities for the entire sports world. For athletes, for dealers of sports equipment, for non-sports sponsors as well as for sports organizations, the use of Sports365 creates added value.

Today, sports promotion programs are limited in time, restricted to certain sports, tied to specific organizational forms, or otherwise restricted. Sports365 completely dissolves these boundaries. Sports365 has the potential to become the link for other tokenization trends in sports, such as fan tokens of individual clubs and NFTs of various application forms.

The initiator is ESB Marketing Network AG. The company has been on the market since 1994 and has set itself the task of professionalizing and developing the sports business. This has resulted in what is now the largest German-language business network in sports, entertainment, and marketing. The portfolio of the ESB network includes more than 550 companies as well as 15 congresses per year with a total of more than 5,000 participants and various further education programs.

Sports market 2022: Ideal starting point for the Sports365 token

1.1 Current developments in the sports market

Sports and physical activity are becoming increasingly popular among the population: Almost 42 % of all Germans said in 2021 that they do sports several times a month or more. This represents an increase of 2% compared to the previous year. The underlying trend towards more sports in society is clearly evident, as only 20% of all people in Germany do not exercise at all. Although the Covid-19 pandemic was unable to interrupt the upward trend in general sports participation, organized sports participation suffered in the last two pandemic years. The Karlsruhe Institute of Technology, for example, found that organized sports participation in clubs fell by 86% from 2020 to 2021.

1.2 Target groups and their benefits

Sports365 promotes sporting activity with an innovative, digital approach. Through sustainable incentive systems, sports players are rewarded by partners (sports providers, sponsors, sports organizations, etc.). Sports365 creates added value for various players and stakeholders in the field of sports. This is not only desirable from a social and societal perspective but also of interest to numerous organizations in and outside the sports world.

The Sports365 token creates specific added value:

- **Grassroots sports:** promoting and rewarding sporting activities

Sports365 tokens are a financial incentive to engage in sporting activities thus ensuring a positive change in behavior in the short term and also in the long term through the usability of the token, thus making a contribution to a sporty, healthy lifestyle.

- **Performance and elite sports:** support tool for performance and junior athletes (especially in combination with SportsMoments NFTs)

Sports365 is perfectly suited to support elite athletes, e.g. young talents, in a targeted way. Combined with SportsMoments NFTs (see use cases in chapter **Fehler! Verweisquelle konnte nicht gefunden werden.**), this creates an innovative promotion approach that enables athletes to involve their community at any point in their career and offer added value to sponsors (private or institutional).

- **Sponsors:** Measurable and scalable tool for companies to combine sports promotion and sponsorship with a Sales approach.

Sports365 allows companies to combine sports promotion with a clear marketing benefit. The clearly regulated use of Sports365 tokens ensures that the purpose of sports promotion is always fulfilled. At the same time, numerous marketing and sales-relevant added values are created:

- Data protection-compliant access to user and transaction data
- New digital touchpoints and storytelling (wallets / social media activation)
- Individual user targeting based on data insights
- Cooperation marketing with other Sports365 Partners in the network
- Sports clubs, associations, and event organizers: strengthening customer relations

Users can "earn" tokens through their activities in clubs or with commercial sports providers and use them there (and in other sports environments). This creates a direct positive link between sporting activities and the sports provider, which is permanently present and available digitally on the smartphone.

In addition, clubs, associations, event organizers, and sports providers also benefit from insights into data and gain valuable knowledge about (purchasing) behavior and interests of their target groups. This allows them to optimize their own offerings and promote innovation.

1.3 Challenges of the market

The sports market is characterized by the fact that it is a very complex and multi-layered system. Accordingly, there are numerous players with very different functions and interests. The graphic shows a schematic representation of some of them.

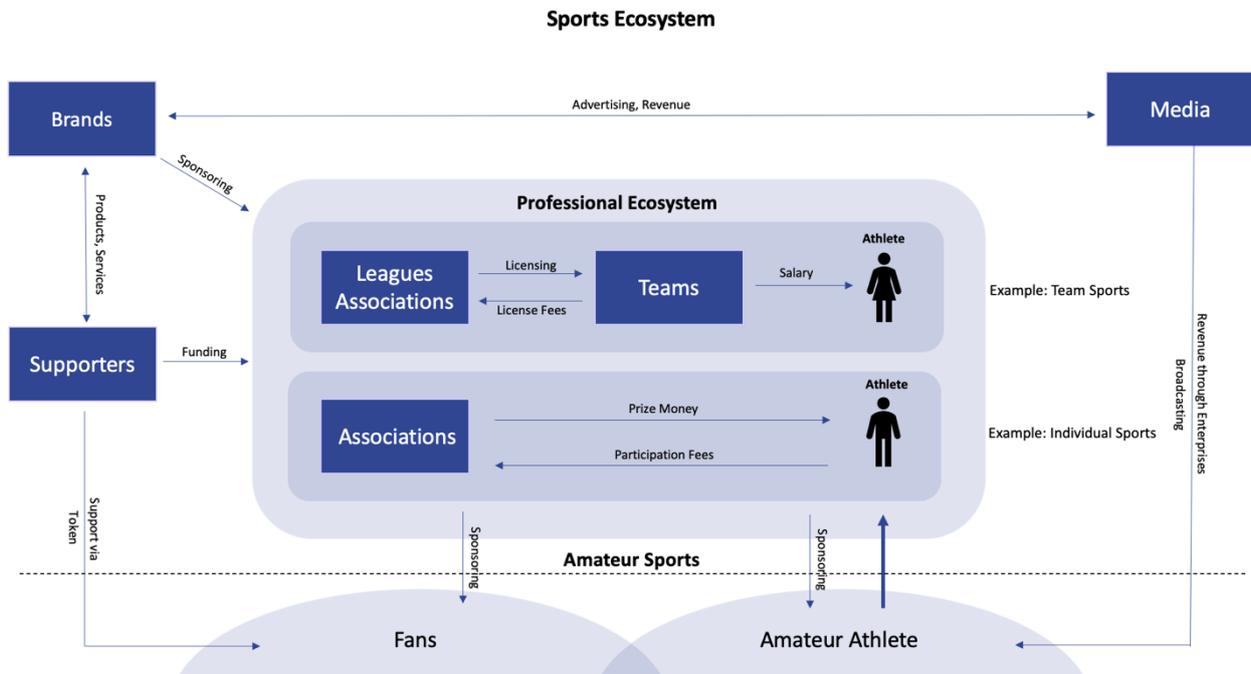


Figure 0-1 Sports-Ecosystem

Some of the challenges faced by players in the sports market are outlined below:

Amateur and Hobby Athletes:

It is common knowledge that sport generally has positive effects on physical and also mental health. The more people can be motivated to participate in sports, the better it is. This is what sports providers (clubs and also commercial providers) and sports organizations are trying to achieve with large-scale advertising campaigns (see, for example, the German Olympic Sports Confederation ((Deutscher Olympischer Sportbund - DOSB) "Finally back in the club")). Most campaigns and programs target specific types of sports or activities or organizations. There is currently hardly any general motivator (apart from the intrinsic motivation of each individual).

Performance and elite sports

In the area of elite sports, especially in fringe and niche sports, the financing of sports is often a problem area. This is particularly true in the area of young talent and the transition from young talent to the adult level. The attractiveness for sponsors is often limited from a promotional point of view and one is dependent on state support structures, the family environment, and benefactors/patrons.

Clubs

Clubs are struggling with declining membership numbers. This has been massively accelerated by the Covid-19 pandemic in particular (in Germany, approx. 800,000 members will be lost in 2020-2021, according to the German Olympic Sports Confederation (DOSB)). Commercial sports providers and digital platforms are competing with the classic club model. The importance of clubs for youth development but also for various social aspects is enormous. Clubs therefore urgently need tools to better retain members and also attract new members.

Commercial Sports Providers

Apart from clubs, the sports landscape would be inconceivable without commercial sports providers. These include commercially operated gyms and climbing centers, for example. Here, as in the area of club-related sports offerings, there is a need for tools for customer retention and new customer acquisition, as well as for the development of the sports market as a whole.

Sponsors

Companies that are active as sports sponsors pursue various marketing goals (increasing awareness, improving their image, sales goals, etc.). A key challenge is to make the impact of sponsorship measures (more) measurable. Criteria include obtaining customer and target group data and direct revenues in the sponsoring target group. In addition, digital activation options are playing an increasingly important role for sponsors (cf. Nielsen Sports).

Sports Dealers and Outfitters

Manufacturers and dealers of sports equipment find their primary target group in active athletes. Sports promotion is therefore a key interest of retailers and equipment manufacturers and has a direct impact on sales. Thus, there is an interest in actively increasing the potential target group in order to also increase the company's own market. At the same time, it is important not only to do "generic marketing", but also to tailor the measures as efficiently as possible to the company's own brand and products.

Sports organizers

The primary sources of revenue for sports event organizers are contributions from participants, sponsors, and, where applicable, spectator or visitor revenues. Customer loyalty measures, digital communication channels for event promotion, and opportunities to involve sponsors are therefore important building blocks for successful events. The Covid-19 pandemic was a major blow to the event landscape, making the above tools all the more important.

Sports associations

Sports associations are the central organizations of sports at the level of the different types of sports and at the regional level. They provide the structure and framework for each type of sport (e.g. rules and regulations, competition organization, etc.) and support the member clubs in achieving their goals.

1.4 Sports365 – Added Value for all Players in The Sports Ecosystem

Sports365 promotes sporting activities with an innovative, digital approach. Through sustainable incentive systems, sporting activities are rewarded by partners (sports providers, sponsors, sports organizations, etc.). Sports365 creates added value for various players and stakeholders in the field of sports. This is not only desirable from various social and societal aspects but also of interest to numerous organizations in and outside the sports world.

Sports365 creates added value for various stakeholders. The most important are:

- **Grassroots sports:** promoting and rewarding sporting activities.

Sports365 tokens are a financial incentive to engage in sporting activities thus ensuring a positive change in behavior in the short term and also in the long term through the usability of the token, thus making a contribution to a sporty, healthy lifestyle.

- **Performance and elite sports:** support tool for performance and junior athletes (especially in combination with SportsMoments NFTs).

Sports365 is perfectly suited to support elite athletes, e.g. young talents, in a targeted way. Combined with SportsMoments NFTs (see use cases), this creates an innovative promotion approach that enables athletes to involve their community at any point in their career and offer added value to sponsors (private or institutional).

- **Sponsors:** Measurable and scalable tool for companies to combine sports promotion and sponsorship with a Sales approach.

Sports365 allows companies to combine sports promotion with a clear marketing benefit. The clearly regulated use of Sports365 tokens ensures that the purpose of sports promotion is always fulfilled. At the same time, numerous marketing and sales-relevant added values are:

- Data protection-compliant access to user and transaction data
- New digital touchpoints and storytelling (wallets / social media activation)
- Individual user targeting based on data insights
- Cooperation marketing with other Sports365 Partners in the network

- **Strengthening customer relations for sports clubs, associations, and event organizers**

Users can "earn" tokens through their activities in clubs or with commercial sports providers and use them there (and in other sports environments). This creates a direct positive link between sporting activity and the sports provider, which is permanently present and available digitally on the smartphone.

In addition, clubs, associations, event organizers, and sports providers also benefit from insights into data and gain valuable knowledge about (purchasing) behavior and interests of their target groups. This allows them to optimize their own offerings and promote innovation.

The Sports365 Token – a Digital Currency for the World of Sports

1.5 Positioning of the Sports365 Token

Sports365 is the launch of a token that is expected to become **a commonly used payment method for services in the sports market in the long term.**

The Sports365 is designed as a **fungible token** based on the Leondrino Standard, which, after a phase of initial distribution using Leondrino Wallet (initially still off-chain), will be **gradually transferable** to a broad user base and will **become tradable** later. In the long term, when the token is transferred to the blockchain target platform, the aim is to make it tradable on many major crypto exchanges that are also approved by the relevant regulators in the respective international target markets.

The final decision for the blockchain target platform has not yet been decided upon at the time of publication of the Sports365 whitepaper. This target platform will be determined at a later date in coordination with Leondrino Germany. Currently, different blockchain platforms are still being evaluated. For the final decision, all important aspects such as performance, availability, energy consumption, costs, scalability, security, response times, general distribution, and regulatory requirements will be taken into account.

The maximum authorized number of issuable tokens of the Sports365 **Token is limited to 365 million tokens until the introduction into public trading.** The further development of the token quantity is governed by the long-term, value-oriented monetary policy of Sports365 upon introduction into public trading and is monitored by a monetary committee (Monetary Board) upon its introduction into trading. (For details on the token design, see section 1.13)

At the beginning of the rollout of the Sports365 token, its "utility" role, i.e. the use of the Sports365, is limited to the use of selected services of ESB Marketing Network AG. As the rollout continues, the utility function for the Sports365 increases via a growing number of acceptance partners resulting in a growing sports-related shopping cart. **In the long term**, the Sports365 thus has the potential to become a widely usable "payment token" (means of payment) in the sports market.

Some of the possible applications of the Sports365 are explained in the following section.

1.6 Use Cases of the Sports365 Token

Definition of Sports365 Partner

The term "Sports365 Partner" refers to companies and institutions that actively use the Sports365 Token to promote sports. These can be sponsors, clubs, event organizers, associations, etc. With the purchase of Sports365 Tokens, the sports-specific use of the Tokens is contractually guaranteed in each case. At the same time, Sports365 Partners also commit to accepting tokens for (certain) their own sports-related products and services. In addition to the direct benefits from the token economy, Sports365 Partners also benefit from network effects through ESB Marketing Network AG and its partner network (brand and marketing cooperations).

Example use case 1:

Using running as an example, this paper outlines how the Sports365 token comes to market and what use cases exist.

1. Race organizers become Sports365 Partners

Organizers of fun races, marathons, etc. purchase token quotas and reward participants with a certain number of tokens for their participation when they start. In the future, participants can also use the tokens to pay the organizer for services (starting places for other events, merchandise, etc.).

2. Sponsors of the organizers become Sports365 Partners

The organizers offer their sponsors Sports365 tokens as an activation option. In doing so, the sponsors co-finance the token quota thus offering the runners additional added value. This also results in various gamification approaches as well as opportunities for NFT integration (see digression: SportsMoments).

The sponsors, in turn, also accept Sports365 tokens as a means of payment for certain sports-related products and services (e.g. for running shoes or for starting place assurance, etc.). Thus, the Sports365 token becomes a sales channel across multiple events and their participants.

3. Online community becomes Sports365 Partner

A digital platform such as komoot or Runtastic becomes a Sports365 partner and rewards athletes who complete certain challenges with Sports365 tokens. This can be refinanced directly via sponsors and advertising partners. This offers existing Sports365 Partners such as event organizers and sponsors a new digital communication and sales channel.

For the online community, Sports365 tokens can be used to pay for a premium membership or similar.

4. Sports equipment suppliers become Sports365 Partners (e.g. Nike, Adidas, On, or similar).

A sports equipment supplier accepts Sports365 tokens as a means of payment for its products in direct sales. This gives the sports equipment supplier a direct, new marketing channel into a highly relevant target group that is 100% measurable and transparent. At the same time, the equipment supplier has the opportunity to reward the purchase of sports equipment with the emission of tokens thus creating customer retention and offering them added value beyond their own product portfolio.

Token Journey

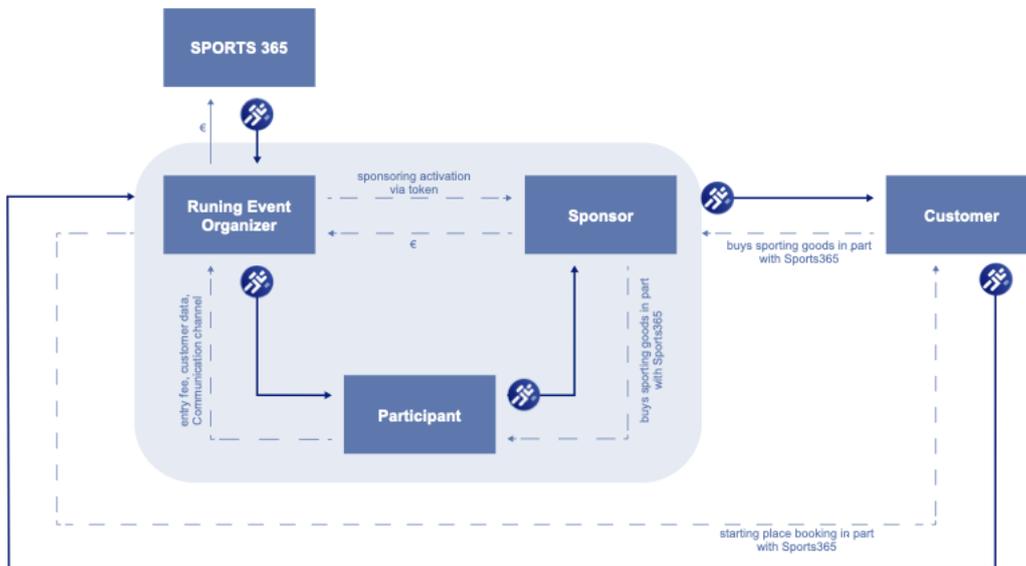


Figure 0-1 Token Journey: Once in circulation, the token promotes sports activities

Example use case 2:

Team sports (soccer, volleyball, basketball, etc.) are different from running sports and hence the usage scenarios for Sports365 are partially different. Since athletes play up to 4.5 types of sports on average (Sport Switzerland study) athletes will benefit significantly more from Sports365 than from sports-, brand- or club-specific value-added programs.

1. Regional or national associations become Sports365 Partners

Associations organize the matches in the amateur leagues. As Sports365 Partners, associations have the opportunity to involve their sponsors and provide them with a direct marketing channel to athletes.

2. Amateur clubs become Sports365 Partners

Amateur clubs can use Sports365 to reward active use of the club program, but also volunteer work, for example, with tokens. This helps clubs to increase member loyalty. The token is also suitable as an activation measure for sponsors, as described above.

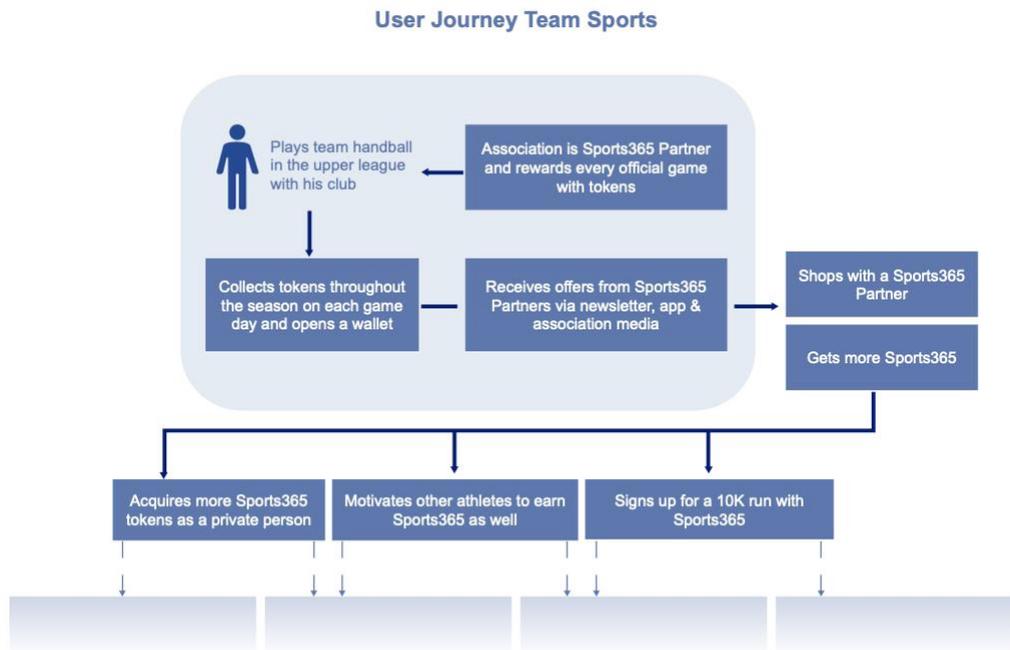


Figure 0-2 User Journey: Sports365 motivates athletes and multiplies activities

Example use case 3:

Winter sports (ski & snowboard): Tourism region becomes Sports365 partner

A winter sports destination or the operator of the mountain cable cars becomes a Sports365 partner and rewards the purchase of a ski ticket with Sports365 tokens. These tokens can then be used in the future by other Sports365 Partners from the destination, such as ski rental companies, ski schools, etc. This means that what is currently represented by complex and regionally completely restricted guest cards can also be represented sport-specifically via the token community. As a Sports365 partner, the tourism destination then gains valuable target group data even beyond the visit to the region, thus gaining a real marketing advantage. In addition, the token can also be used to steer visitor flows through incentive measures, thus ensuring balanced utilization of the infrastructure.

1.7 Sports365 Ecosystem

In a closed cycle, Sports365 promotes sports activities, encourages sports promoters, providers, and other sports-related institutions to establish cooperations, and thereby ensures added value for all parties involved.

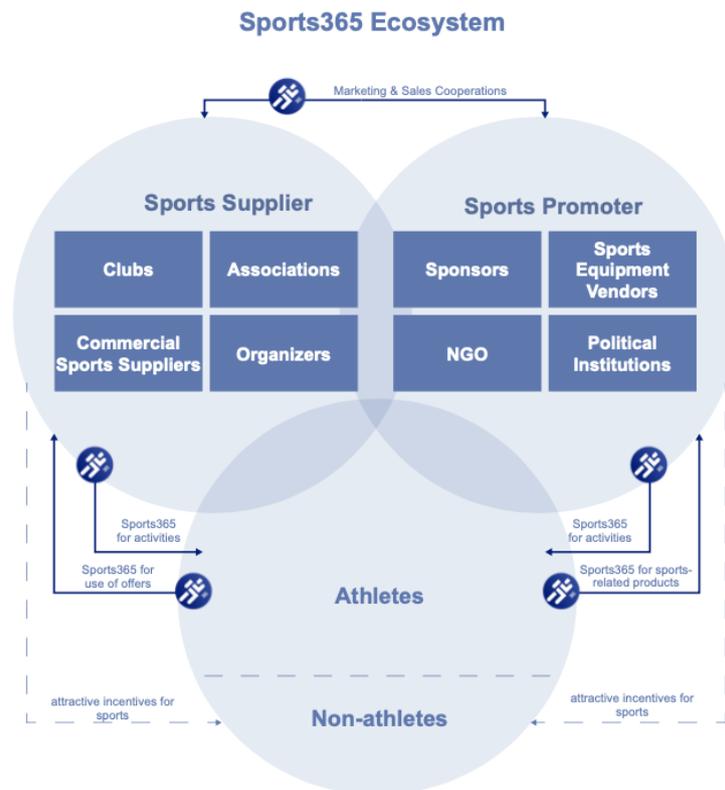


Figure 0-3 Sports365 Ecosystem

1.8 Initiators

1.8.1 ESB Marketing Network AG

The initiator of Sports365 is ESB Marketing Network Inc. ESB, based in St. Gallen, Switzerland, has been on the market since 1994 and has become the leading business platform in the sports, entertainment, and marketing sector. Today, ESB serves over 550 customers (ESB Partners) and organizes around 50 business events per year in Germany, Austria, and Switzerland with over 5,000 participants. ESB sees itself as a neutral marketplace and provides contacts, know-how, and communication services.

The team around founder and CEO Hans-Willy Brockes thus has trusted access to all decision-makers in the sports business and offers the ideal launch platform for the Sports365 token.

1.8.2 Leondrino

Based on personal contact between Hans-Willy Brockes from ESB and Peter Reuschel from Leondrino during an ESB congress in the summer of 2021, the basic idea of Sports365 was developed step by step. It quickly became clear that the Leondrino Platform was excellently suited for the publication of Sports365.

The company Leondra GmbH is a licensee for Leondrino in Germany and was founded by an already startup-experienced team under the leadership of Sandra Leonie Ritter and Peter Reuschel in Berlin

in 2013. Since its beginning, Leondra GmbH has been working on the creation of a platform for digital currencies. The concept was originally started in the context of music bands and has been developed further for companies in general. A standardized lifecycle model was developed in line with the parallel regulatory initiatives, starting with voucher-comparable utility tokens and ending with freely tradable payment tokens.

In the meantime, the first companies in the context of the metaverse, hospitality, and energy have already launched the issuance of their own digital currencies via the Leondrino Platform, and by using the services of Leondra GmbH, they are gradually expanding their user base and their offerings that can be purchased in tokens as well as the acceptance points required for this. Based on these pilots and experiences, the Sports365 can serve as a foundation and can also be deployed very quickly for specific use cases in the sports context, such as payments for catering and other services in stadiums or the purchase of NFTs, e.g. in the form of medals or bib numbers.

As early as 2014, the Leondrino trademark and the emerging rights to the growing platform were outsourced by the founders of Leondra GmbH to a US company with offices in New York. The New York company Leondrino Inc, through which the previous software developments were also primarily financed, is also managed by Sandra Leonie Ritter and Peter Reuschel. Through this company structure, the later planned internationalization of Sports365 can also be supported by additional Leondrino Licensees planned in other target markets.

1.9 Governance

1.9.1 The Management of ESB Marketing Network AG

Hans-Willy Brockes, lic.oec.HSG

Hans-Willy Brockes, born in 1966, initially worked as an assistant at the Institute for Banking and Finance after studying business administration in St. Gallen, Switzerland. He then joined the management consulting company Team Informations Center AG, St. Gallen, Switzerland, as a consultant and marketing lecturer. In 1993 he was appointed managing director and developed the ESB-European Sponsoring Exchange (Europäische Sponsoring-Börse), the first "marketplace for sponsors and seekers". Since the beginning of 1995, the ESB has been operated by ESB Marketing Network AG, with Hans-Willy Brockes as managing director and co-owner. Publications include "Guidelines for Sponsoring and Event Marketing" (Leitfaden Sponsoring und Event-Marketing) as well as "Event Planner" (Event-Planer) and "Practical Guide to Finding Sponsors" (Praxisleitfaden Sponsorensuche).

Patrick Seitter

His journey in sports marketing began at the age of 15: In a part-time job at the endurance sports agency multisport network, Patrick Seitter learned event management, sponsorship, and sports marketing from scratch. This was followed by sports management studies at the University of Tübingen, Germany, and a career start at the ESB European Sponsoring Exchange (Europäische Sponsoring-Börse) in St. Gallen, Switzerland in 2007.

In various management positions, he gained leadership experience in a growing company, sales know-how, and comprehensive industry knowledge. Today, Patrick Seitter is a partner and member of the management board of ESB Marketing Network AG and is responsible for the corporate division's Events and Academy.

At the same time, in 2013 he took the step into entrepreneurship and founded the consulting company "Seitter & Partner", with which he has supported numerous companies in the areas of brand development, positioning, and sales optimization.

Board of Directors of ESB Marketing Network AG

The Board of Directors of ESB Marketing Network AG includes well-known personalities with an impressive track record in the fields of sports & management.

Florian Kurz, Vice President of the Board of Directors

Florian Kurz is an internationally experienced manager with expertise in general management, marketing, communications, and sales. He has held a variety of executive and management positions for diverse brands and companies in the automotive, media, entertainment, and sports industries. For more than 20 years he has been involved in building and managing organizations, leading and marketing brands, and developing business models and platforms both online and offline.

His positions include: Head of Marketing & Communications for an Olympic bidding company, General Manager MercedesCup/ATP, Managing Director Team T-Mobile MTB, Head of Business Relations Porsche AG, Managing Director & Secretary General of the German Ski Association (DSV), Managing Director of the digital media companies sport media group and Auto News Medien for the global media and technology group MSN, as well as various agency and consulting roles.

The Master of Business Administration graduated from the Senior Management Program of the HSG, the University of St. Gallen, and is a Certified Business Coach.

Peter Rohlmann, Board of Directors

Dr. Rohlmann is the sole managing partner of PR MARKETING, which deals with strategic marketing issues in business, society, and sports. In addition to consulting topics, PR MARKETING's range of tasks also includes market research and basic conceptual questions. In sports marketing, the focus is on the conceptual-scientific treatment of brand policy and its exploitation rights (esp. merchandising). Dr. Rohlmann is known for numerous publications, lectures, and his work as a lecturer in sports marketing.

Heiko Dehning, Board of Directors

Heiko Dehning is the CEO and Senior Partner of INCOVIS AG Under his leadership, INCOVIS AG has developed into a recognized and implementation-focused management and business consultancy based on the philosophy "Method Guarantees Success", which combines the essential management success factors of strategy, project, process, and change management, expanded to include the methodical qualification and certification of employees, towards an integrative consulting system.

Sports365 Advisory Board

For Sports365, it is planned to install an advisory board to support the management in an advisory capacity. Personalities from the worlds of sports and business with relevant expertise and a valuable network of contacts are on the shortlist.

1.9.2 Leondrino Germany - Service Provider for Emissions and Currency Management

As part of the Sports365 token set-up, a Leondrino Master Agreement is signed between Leondrino Germany (Leondra GmbH) and ESB-Marketing Network AG. This contract contains all essential definitions of the brand-specific token economy (also called token design) and the agreement regarding services for the implementation and administration of the digital corporate currency Sports365. In addition, the main Leondrino agreement sets out the brand-specific monetary policy (rules for managing a currency according to certain criteria). In addition, the amount of reserves after the launch of Sports365 into public trading (the Initial public Leondrino Offering, or ILO) is defined, which will be used for active supply management (volume management).

1.9.3 Currency Committee for the Sports365 Token

A Currency Committee, a so-called Monetary Board, will be established for the Sports365 Token as soon as the Sports365 reaches Leondrino Token Class A and is made publicly tradable via an ILO. This Monetary Board defines and controls the long-term strategy of the Sports365's monetary policy. The minimum number of members of the Monetary Board is 3 members with the following roles/qualifications:

- Representative of ESB Marketing Netzwerk AG
- Expert in economics
- Representative of Leondrino Germany (Leondra GmbH)

Decisions are made by a qualified majority. The selection of the macroeconomics expert is made through a public process. A single person can only serve on a maximum of 10 of such boards. Further details on the appointments of members of a Monetary Board for Sports365 are set out in the Standard Terms and Conditions/Guidelines of Leondrino Germany, which are also annexed to the Leondrino Main Agreement.

1.9.4 Long-term Governance Strategy for Sports365

Due to the objective of the Sports365 Token to become a broadly accepted fungible token for athletes, an open governance structure is envisaged, which enables the influence on key strategic decisions regarding the Sports365 - in particular also via utility functions by athletes of all sports disciplines and the key players of the sports business. Furthermore, within the framework of this governance structure, the appointment rules for the Monetary Committee and other important personnel decisions are to be placed on a broadly accepted basis.

ESB Marketing Network plans in coordination with Leondrino and the other implementation partners to create a new company or foundation (hereinafter NewCo) outside of ESB Marketing Network AG in which this modern governance structure will be established after final discussion and consensus building with a broad number of participating stakeholders from the sports business.

ESB Marketing is responsible for managing the process of establishing this NewCo in collaboration with the (future) Sports365 Partners.

As a founding member of the future Sports365 NewCo, ESB Marketing will be the champion of the ecosystem, making the Sports365 Token available to millions of athletes along with the Sports365 Partners. Over time, the NewCo will actively promote sports in various forms. The Sports365 Token will

support the transition from a competitive model to a collaborative model in sports, where all participants benefit from their shared success, as part of an open innovation strategy.

The future legal form of the NewCo is to support the planned governance structure. ESB Marketing Network AG in coordination with Leondrino is responsible for the creation of this NewCo including the necessary articles of association and accompanying documents.

Launch Strategy for the Sports365 Token

1.10 Framework Conditions

The Sports365 token is to become the leading token for sports promotion and, in the long term, the extensively used means of payment in the sports context - initially in the DACH region (Germany, Austria, and Switzerland) and later globally. In order to achieve this goal, the major sports communities will be acquired via a multi-stage approach, taking into account their respective, specific market conditions.

As part of the Sports365 token launch, the token will be distributed via a combination of experienced partners, such as sports associations or sports equipment suppliers (Sports365 Partners), as well as directly to athletes (classic B2C strategy) based on proof of their sports activity. The distribution via B2B partners is carried out at preferential conditions, whereby a guideline is also set with regard to the amount of distribution per user in the end customer area. With the specification of the barriers regarding the distribution rules of Sports365 tokens, the broadest possible initial distribution of the token in the market is to be achieved.

To finance the Sports365 rollout and also to create a reserve for long-term currency management, Sports365 tokens will be sold directly to investors. For both larger investors and small investors, guidelines are set regarding the maximum number of tokens that can be purchased; in the case of investors for the purpose of avoiding a strong concentration of tokens on a few investors, and in the case of small investors and athletes for the purpose of limiting the risk in the initial phase of the creation of the Sports365 ecosystem.

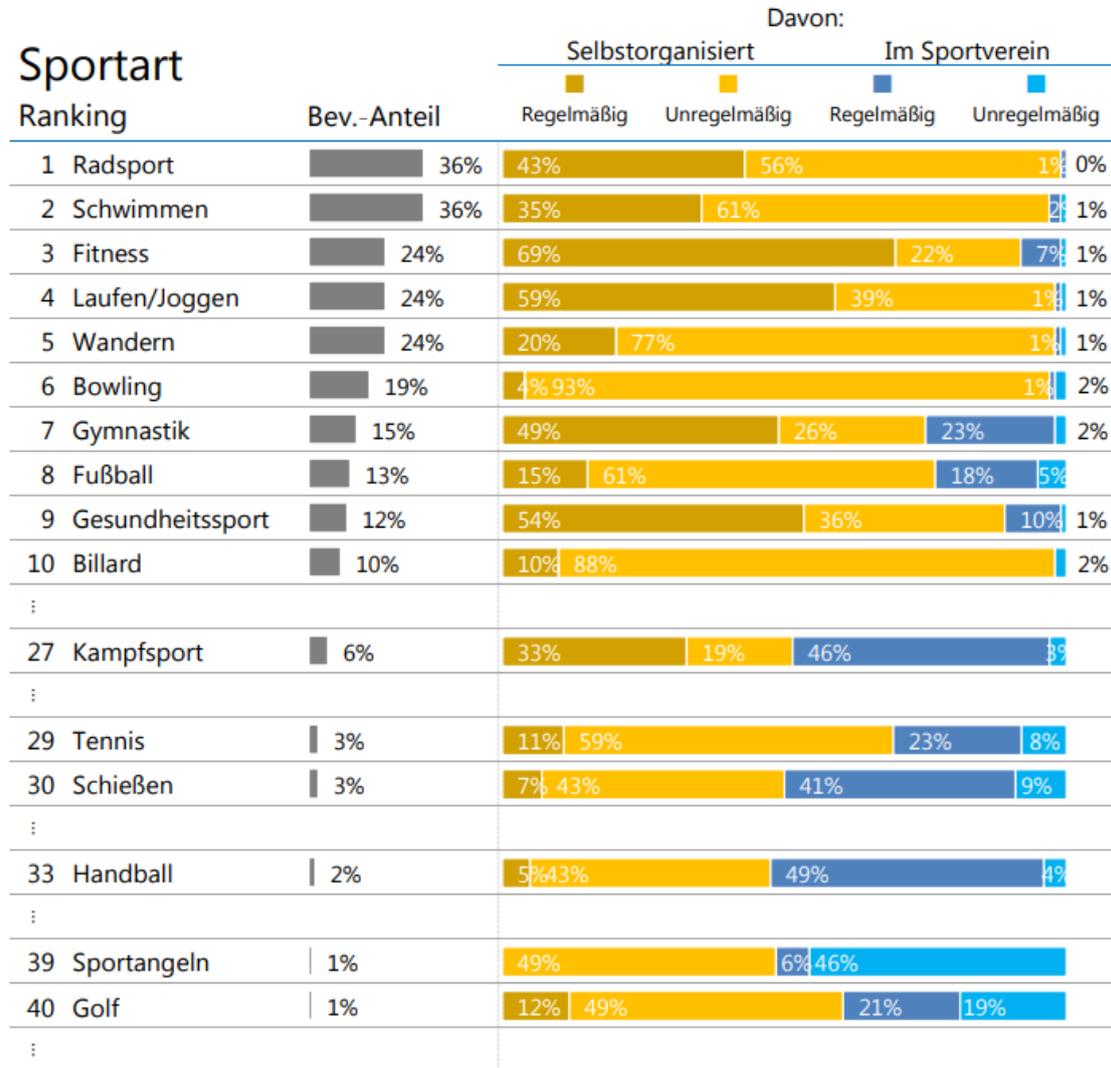
1.11 Launch Philosophy: Usage before Tradability

For the Sports365 token to be successful as a universal sports token, it is important to make the token "usable" for users relatively quickly. This is best achieved if the token is widespread and applicable in the environment of the respective user. This means that it makes sense to consider certain sports communities (e.g., runners/cyclists/skiers/soccer players, etc.) as a whole and to make the token usable for each community at different points.

1.11.1 Prioritization of Sports Communities

We are geared towards the types of sports that are practiced particularly frequently. Initially, the focus will be on the individual sports of running, cycling, and physical fitness. The goal is to then create use cases for the Sports365 token in the environment of the respective type of sports as quickly as possible. In doing so, it is crucial to cooperate with the relevant organizations in the environment of the respective sports. While clubs and associations will play a pivotal role in team sports, for example, event organizers, online communities, and the individual athletes themselves will be the key success factors in individual types of sports.

The following types of sports are practiced particularly frequently in the DACH region (Germany, Austria, and Switzerland):



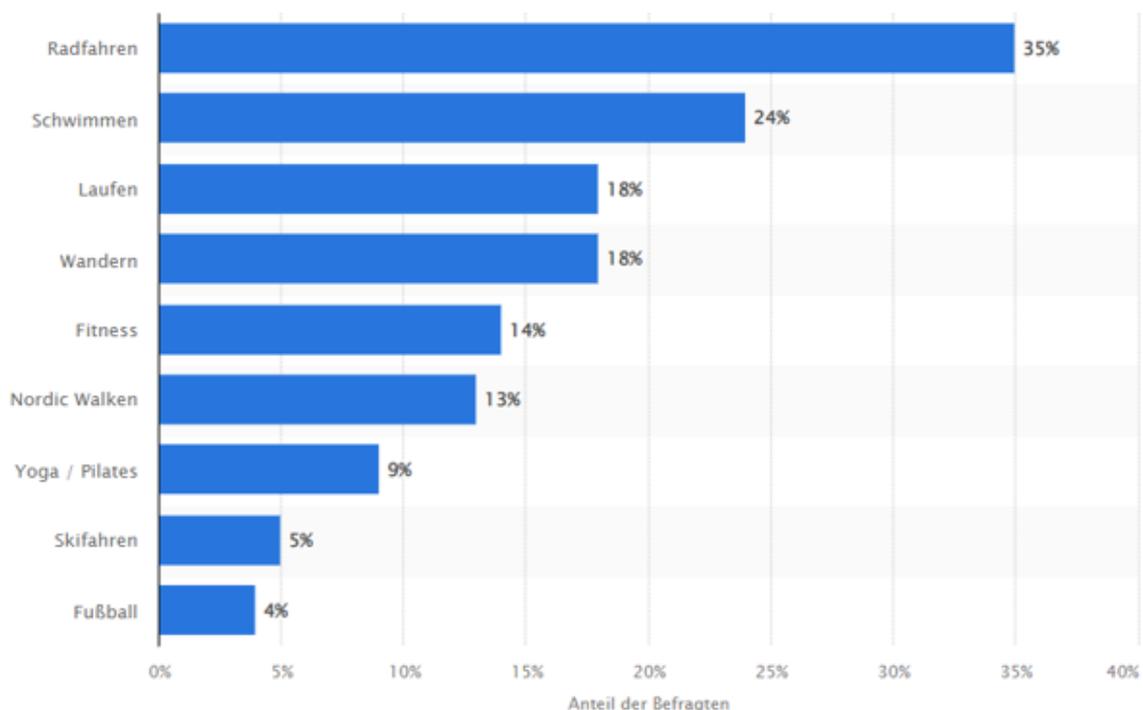
Quelle: ZHMforum. Eigene Darstellung und Berechnung. Erhebung im Rahmen des SSK. Deutsche Bevölkerung 2015, 2017 (Repräsentative Stichprobe N=2.417, ab 16 Jahren).

Figure 0-1 Top 10 sports (individual and club) in Germany

Sportart			Aktive				
Ranking 2020 (2017) (2010)			in % der erwachsenen Bevölkerung				
nach Aktiven in der erwachsenen Bevölkerung (16+ Jahre)			(16+ Jahre) 2020 (2017) (2010)				
1	➡ 1	1	Radsport	42%	➡ +6% -Pkte.	36%	34%
2	➡ 4	4	Laufen/Joggen	34%	➡ +10% -Pkte.	24%	25%
3	➡ 5	3	Wandern	33%	➡ +9% -Pkte.	24%	27%
4	⬇ 3	5	Fitness	31%	➡ +7% -Pkte.	24%	17%
5	⬇ 2	2	Schwimmen	29%	⬇ -7% -Pkte.	36%	31%
6	➡ 9	9	Gesundheitssport	14%	➡ +2% -Pkte.	12%	14%
7	➡ 8	11	Fußball	14%	➡ +1% -Pkte.	13%	11%
8	⬇ 7	8	Gymnastik	13%	➡ -2% -Pkte.	15%	14%
9	➡ 12	23	Pilates, Yoga etc.	13%	➡ +4% -Pkte.	9%	5%
10	⬇ 6	6	Bowling/Kegeln	10%	⬇ -9% -Pkte.	19%	16%

Quelle: Sportsatellitenkonto (SSK) des Bundesministeriums für Wirtschaft und Energie (BMWi) und des Bundesinstituts für Sportwissenschaft (BISp); Berechnungen und Darstellung: ZHMforum. Berichtsjahr: 2020.

Figure 0-2 Top 10 sports played by the population of adults (aged 16-84) over time in Germany



© Statista 2022

Figure 0-3 Top 10 sports (individual and club sports) in Austria

	Nennung	Veränderung 2014-2020	Häufigkeit der Ausübung	Durchschnittsalter	Frauenanteil	als Haupt-sportart ausgeübt
	(in % der Bevölkerung)	(in Prozentpunkten)	(mittlere Anzahl Tage pro Jahr)	(in Jahren)	(in %)	(in % der Bevölkerung)
Wandern, Bergwandern	56.9	12.6	15	50	53	10.8
Radfahren (ohne MTB)	42.0	2.9	40	47	50	6.9
Schwimmen	38.6	2.7	20	46	55	2.9
Skifahren (ohne Skitouren)	34.9	-0.5	8	44	44	1.7
Jogging, Laufen	27.0	3.2	50	41	49	10.0
Fitnessstraining, Group Fitness	17.2	-1.2	80	44	54	7.7
Krafttraining, Muskelaufbau	13.3	8.3	90	39	49	5.2
Yoga, Pilates, Body Mind	12.9	5.7	50	49	80	4.8
Tanzen	11.4	3.5	10	46	72	1.3
Turnen, Gymnastik	8.7	-1.0	52	58	68	3.8
Mountainbiken	7.9	1.6	25	45	24	2.0
Fussball	7.7	-0.2	30	33	11	3.2
Ski-/Snowboardtouren, Schneeschuhlaufen	6.5	2.6	5	48	45	0.2
Schlitteln, Bob	5.8	2.5	2	41	63	0.0
Tennis	5.4	0.2	25	45	30	1.7
Skilanglauf	5.3	1.2	6	51	50	0.2
Snowboarden (ohne Snowboardtouren)	5.3	0.3	6	31	40	0.1
Walking, Nordic Walking	5.1	-2.4	50	56	76	1.8
Klettern, Bergsteigen	3.5	1.3	10	35	42	0.7
Badminton	3.1	-0.1	10	37	43	0.5
Volleyball, Beachvolleyball	2.8	0.0	20	34	51	0.8
Kampfsport, Selbstverteidigung	2.5	0.0	61	32	33	1.4
Tischtennis	2.3	1.4	5	40	33	0.1
Golf	2.3	0.4	30	56	34	1.1
Windsurfen, Kitesurfen	2.1	1.6	7	37	41	0.1
Eislaufen	2.1	0.8	2	39	61	0.1
Reiten, Pferdesport	2.0	0.2	80	39	73	1.0
Aqua-Fitness	2.0	0.1	40	59	89	1.0
Inline-Skating, Rollschuhlaufen	2.0	-1.0	5	38	52	0.1
Basketball	1.8	0.2	20	29	18	0.4
Unihockey	1.7	0.1	30	31	18	0.6
Squash	1.6	0.2	10	36	26	0.2
Schiessen	1.3	0.2	20	43	19	0.4
Segeln	1.1	0.0	10	49	20	0.1
Eishockey	1.1	-0.1	15	34	7	0.3
Rudern	0.9	0.3	35	46	27	0.3
Tauchen	0.9	0.1	8	46	33	0.0
Kanu, Wildwasserfahren	0.7	0.5	4	41	33	0.1
Leichtathletik	0.6	0.0	50	28	41	0.2
Handball	0.4	0.1	40	27	30	0.2
andere Mannschafts- und Sportarten	2.0	1.1	35	43	20	0.7
andere Erlebnissportarten	2.2	1.0	15	34	28	0.2
andere Ausdauersportarten	1.3	0.7	24	41	38	0.3
sonstige Sportarten	3.5	1.8	28	42	25	0.8

Anmerkung: Anzahl Befragte: 12 120. Neben den Nennungen der Sporttreibenden wurden auch die Angaben der Nichtsportler mitgerechnet, falls diese eine der aufgeführten Sportarten als eine von ihnen ausgeübte Bewegungsaktivität nannten (vgl. Abschnitt 9). Die aufgeführten Sportarten sind mehrheitlich Zusammenfassungen von einzeln genannten Disziplinen. Die Zusammenfassung der Sportarten wurde in der Befragung «Sport Schweiz 2020» leicht angepasst. Beim Vergleich mit 2014 muss beachtet werden, dass 2020 auch Personen enthalten sind, die älter als 74 Jahre sind. Die Ergebnisse verändern sich aber nicht nennenswert, wenn man die Personen über 74 Jahre für den Vergleich ausschliesst. Unterschiede, die nicht statistisch signifikant sind, wurden grau eingefärbt.

Figure 0-4 Practicing various sports in Switzerland (resident population aged 15 and older)

	Alle Ausübenden		Kerngruppe	
	Ausübende in % der CH-Bevölkerung	Veränderung 2014-2020 in %	Ausübende in % der CH-Bevölkerung	Veränderung 2014-2020 in %
Wandern	56.9	12.6	17.8	1.8
Radfahren	42.0	2.9	14.5	1.1
Schwimmen	38.6	2.7	6.4	-0.8
Skifahren	34.9	-0.5	9.4	-2.2
Jogging, Laufen	27.0	3.2	14.7	0.7
Fitnessstraining	17.2	-1.2	11.9	-2.7
Krafttraining	13.3	8.3	8.9	5.8
Yoga, Pilates, Body Mind	12.9	5.7	7.6	6.2
Tanzen	11.4	3.5	3.1	-0.6
Turnen, Gymnastik	8.7	-1.0	5.2	-1.1
MTB	7.9	1.6	2.6	0.2
Fussball	7.7	-0.2	3.5	-0.7

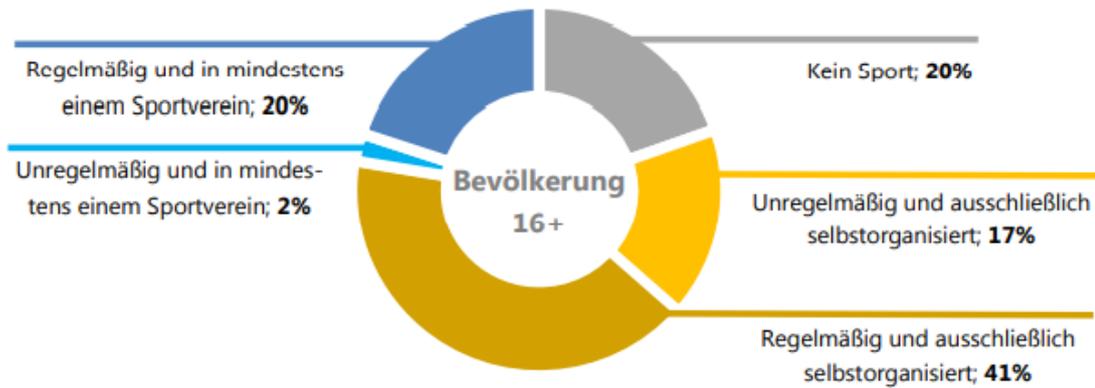
Figure 0-5 The 12 most popular sports in Switzerland

Basis: Aktive Sportlerinnen und Sportler		Anzahl ausgeübter Sportarten				
Zeitpunkt	Organisationsform	Eine Sportart	2-3	4-5	6+	Ø
			Sportarten	Sportarten	Sportarten	Sportarten
In der Kindheit/ Jugend	Ausschließlich selbstorganisiert*	20%	40%	23%	17%	3,6
	In mindestens einem Sportverein*	18%	34%	22%	26%	4,1
Aktuell (zum Befragungszeitpunkt)	Ausschließlich Selbstorganisiert	21%	37%	23%	19%	3,7
	In mindestens einem Sportverein	8%	27%	25%	40%	5,3

Quelle: ZHMforum. Eigene Darstellung und Berechnung. Erhebung im Rahmen des SSK. Deutsche Bevölkerung 2017 (Repräsentative Stichprobe N=1.222).

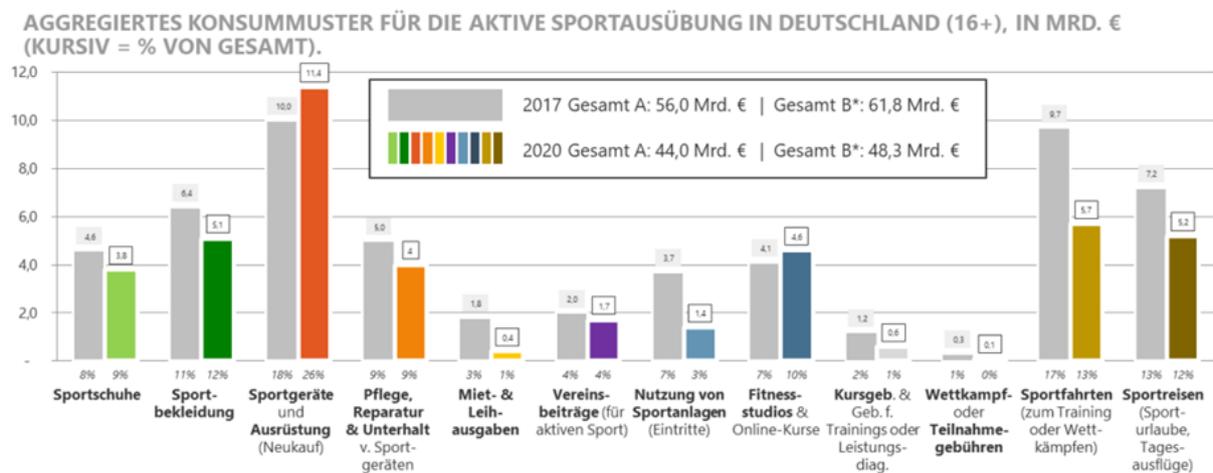
* Zur Bestimmung der retrospektiven Unterschiede wurden hier ausschließlich Personen über 30 Jahre in die Analyse einbezogen. Dass in dieser Gruppe nicht enthaltene junge Personen bis 30 Jahren generell mehr verschiedene Sportarten betreiben, erklärt die Unterschiede in der Anzahl der ausgeübten Sportarten im Vergleich zu den unteren Zeilen der Tabelle.

Figure 0-6 Number of sports practiced by type of organization in Germany



Quelle: ZHMforum. Eigene Darstellung und Berechnung. Erhebung im Rahmen des SSK. Deutsche Bevölkerung 2015, 2017 (Repräsentative Stichprobe N=2.417, ab 16 Jahren).

Figure 0-7 Sports behavior of the population aged 16 and over by intensity and type of organization



*Gesamt B: Zzgl. Ausgaben für Sonstiges, u. a. Sportnahrungsmittel, Medizinische Dienstleistungen, Produkte zur Prävention, Bücher und Zeitschriften, Computer, Spielesoftware, Video/Audiomaterial, Haftpflichtversicherung, Geräteversicherung, Unfallversicherung, Vereinsheim- oder Gaststättenbesuche.

Quelle: Sportsatellitenkonto (SSK) des Bundesministeriums für Wirtschaft und Energie (BMWi) und des Bundesinstituts für Sportwissenschaft (BISp); Berechnungen und Darstellung: ZHMforum. Berichtsjahr: 2020.

Figure 0-8 Consumption patterns for active sports (16+)

1.11.2 Target markets & Communities

Sports365 will initially be launched in Germany, Austria, and Switzerland via the market access points of the ESB Marketing Network. The procedure for this is as follows:

Phase 1: Pilot projects

Using the direct market access of the ESB Marketing Network, a few pilot projects will first be initiated in a sports community. These ensure an initial distribution of Sports365 tokens in the market and

have a low risk for the partners. In addition, the pilot projects create references and credibility for the token. In parallel, the first offers for the purchase of Sports365 tokens are directly created in the B2C area.

Phase 2: Rollout via Sports Communities

After the pilot phase (the token is known and tested in the scene, and there is a user base), the broad rollout starts in the respective community. This involves acquiring Sports365 Partners who purchase token budgets and use them for specific purposes to promote sports. In addition, the Sports365 Partners also become acceptance points for the token. ESB Marketing Network coordinates synergies and joint marketing potentials of the Sports365 Partners.

Internationalization

In the medium term, Sports365 is envisaged as a global sports token. It will always be crucial to find appropriate distribution and acceptance in a sports community via Sports365 Partners. Especially in the area of individual athletes, internationalization represents a huge potential. For example, athletes from 139 nations participated in the 2021 Berlin Marathon. The applicability of Sports365 tokens, which are distributed as part of event participation, in the home markets of the respective athletes gives an idea of the possibilities.

1.11.3 SportsMoments NFT as a catalyst for Sports365

NFTs experienced enormous hype in 2021/2022 and diverse use cases (especially for sports fans) have also emerged in sports. Sports365 is being built as an interoperable platform in order to be able to map sports-specific NFTs in the future and thereby take advantage of the opportunities in this market as well.

"SportsMoments" will be launched in mid-2022 as a related product to Sports365. SportsMoments are NFTs that digitally capture "sports moments": The marathon finish with personal bib number, finishing time and ranking, the bike tour with friends, or even the first World Cup start of a young ski talent.

These NFTs create a high emotional value for the owner and thus become a "collectible". SportsMoments are an ideal complement and catalyst for Sports365 in various use cases. Some examples:

- Marathon runner receives his finish as SportsMoments NFT. In such an NFT, the time, the personal bib number, the finish photo, the GPS file, etc. are stored. The athlete can either buy the NFT himself (as an add-on to the starting place) or the NFT is sponsored and thus creates a communication occasion for a company. In both cases, this creates additional business for the organizer and added value for the athlete.
- A young professional athlete creates SportsMoments from his training sessions and competitions. This is free of charge for the athlete. The athlete can sell the NFTs to his community (fans, family, supporters, sponsors) and thus refinance his sport. The supporters of the athlete collect memories and take part in the success and development of the athlete.

With each SportsMoments NFT, the buyer also receives a Sports365 token, as the purchase of the NFT also promotes sports. This makes the NFTs the accelerator of token distribution in the market. It is planned that Sports365 and SportsMoments can be held and displayed in the same wallet.

1.12 ESB Marketing Network & Leondrino - Ideal Starting Point

1.12.1 ESB Network in GER, AUT, and SUI: Initial Application Space of Sports365

Fast market access is ensured through the existing customer relationships of ESB Marketing Network AG. ESB partners currently include over 550 companies from the sports, entertainment, and marketing industries. Some of these companies that could potentially also become Sports365 Partners are:

Organizers

- SCC Events (Organizer of the Berlin-Marathon and many more)
- Jungfrau-Marathon
- SwissCityMarathon
- Amaury Sports Organisation (organizer of the Tour de France and many others)
- (...)

Sponsors

- Swisscom
- UBS
- Würth
- Volkswagen
- Credit Suisse
- Veltins
- Zurich Insurance
- (...)

Sports Equipment Suppliers

- Garmin
- Polar
- Tennis Warehouse
- Pure Encapsulations
- (...)

Clubs & Associations

- German Golf Sport
- Tennis Germany
- Swiss-Ski
- Swiss Triathlon
- German Sports Aid Foundation
- Austrian Sports Aid

- Sports Union Austria
- (...)

Miscellaneous

- Datasport
- Race Result AG
- komoot
- Ticketmaster
- CTS Eventim
- Reservix
- (...)

1.12.2 Leondrino Standard for Trusted Corporate Currencies

Leondrino is a standard for corporate digital currencies that contains rules regarding its lifecycle, token design, governance, and legal and tax interpretations. Within the framework of these rules, there are possibilities for adaptation and individualization to the respective customer situation - also called customizing.

In addition, Leondrino offers APIs (interfaces) for various services of its platform, which are constantly being expanded. This allows to flexibly address specific requirements of the respective corporate currencies and their integration needs.

Leondrino are digital corporate currencies (tokens) that follow the Leondrino Standard. Leondrino combine the advantages of money supply management comparable to central banks and the technological advantages of digital currencies based on Distributed Ledger Technology (DLT) and avoid the disadvantages as much as possible. Leondrino are backed by the acceptance obligation for products and services of the respective brand company.

Leondrino are designed as stable currencies, with stability based on the underlying basket of products and services that can be purchased in the respective corporate currency. The control of the money supply per currency is purely based on the brand-specific, fixed token design rules in the launch phase until public trading, and in the long term on the monetary policy that is agreed with a brand and clearly communicated to all participants in the brand currency space.

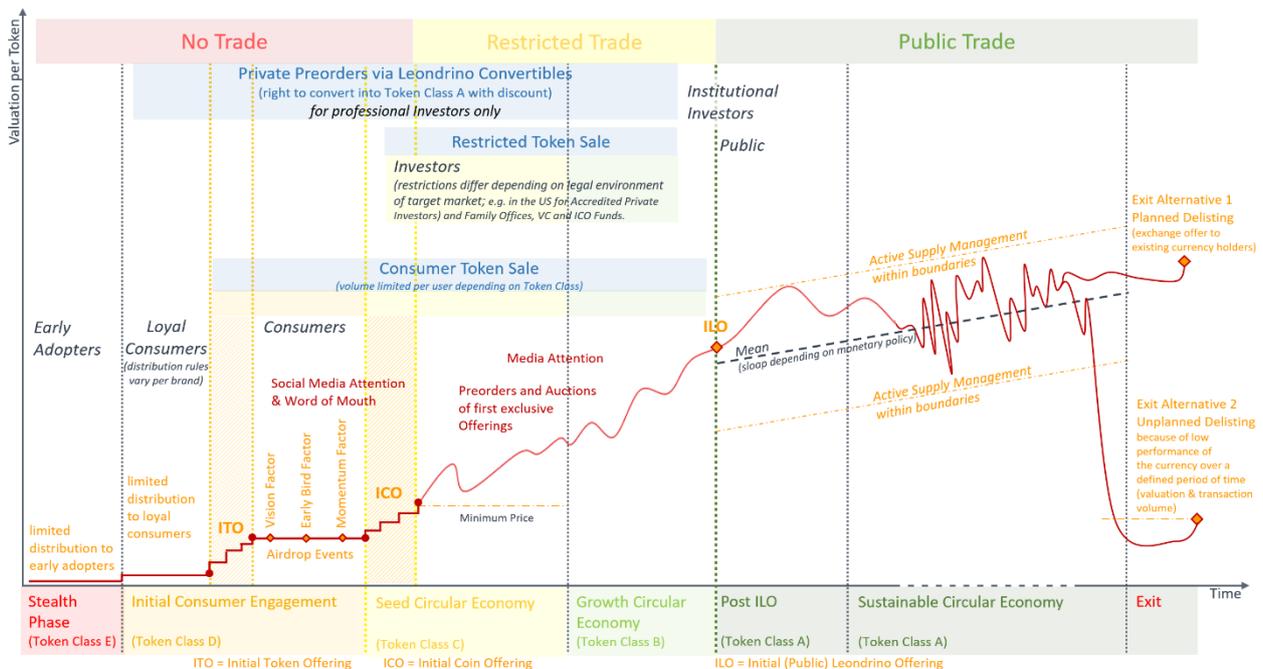
Both the implementation of the token design rules and the long-term monetary policy are governed by the binding currency management guidelines of the respective Leondrino Licensee, such as Leondra GmbH (Leondrino Germany). For digital corporate currencies in the advanced lifecycle whose supply is actively managed via the Leondrino Algorithm upon entry into public trading, the Leondrino guideline states that a Monetary Board (currency committee) must be appointed. The composition of this board is also regulated by the guideline in order to ensure a balanced representation of interests. This board is responsible for long-term strategic monetary matters and for responding to crises and exceptional events. These measures are intended to create currencies that have manageable volatility and can be used globally for products under one brand umbrella.

1.12.2.1 Leondrino Standard Lifecycle

The Leondrino Standard Lifecycle is a lifecycle standardized by Leondrino for corporate currencies and describes the steps that gradually evolve the token from a simple token in the form of a multi-purpose voucher with limited utility and very restrictive rules to a currency that is tradable offering more utility features than in early stages of the lifecycle.

The underlying business objective is to organize processes in synchronization with regulatory requirements to improve customer loyalty through customized, dynamic pricing based on transactional data and loyal customer behavior, and to finance the business. The idea of building an ecosystem for a branded company's own digital currency, which can be used for payments across a branded company's ecosystem and combined with a capital raising, in addition to contributing to the development of a rich customer data stream, makes Leondrino corporate currencies an intriguing opportunity across many industries.

The standard lifecycle of a Leondrino currency includes certain phases and events that are common to all Leondrino currencies but may vary in duration or over time depending on the performance and success of the associated brand.



Leondrino Standard Lifecycle - © Leondrino, Inc. – Q4,2016 / Q1, 2017 – Update Q4, 2017 – Update Q1/Q3, 2018 – Update Q1, 2019 – Update Q1, 2021

Figure 0-9 Leondrino Standard Lifecycle without Follow-on Leondrino Offerings

In addition, large established brand companies can migrate their existing loyalty point system to a Leondrino Token Class D or C to make these tokens a tradable asset when moving to the highest token classes and expand their potential usability.

The following sections explain the timing of the phases and events of the Leondrino Standard Lifecycle in detail:

Stealth Phase

The first phase of the Leondrino Standard Lifecycle, the Stealth Phase, is used as a market test phase. First-time users (Early Adopters) can express their interest in a corporate currency of their favorite

brand by creating a currency account of the desired brand in their Leondrino Wallet. Users can earn a limited number of Leondrino Token Class E tokens by inviting their friends to sign up for a Leondrino Wallet and express their interest in branded currencies. Leondrino Token Class E tokens only gain value if the associated brand company decides to issue its own branded currency through Leondrino. If Leondrino is tasked by the brand company with issuing the branded currency, Leondrino will also ensure that early adopters have the right to exchange the tokens they already own for Leondrino Token Class D tokens. During the stealth phase, there is no collateral, neither from the brand company nor from Leondrino, and the distribution of such tokens per user is very limited.

Initial Consumer Engagement Phase

The second phase, called the Initial Consumer Engagement Phase, is used to inform a brand company's consumers about the planned launch of the company's currency and to gain their support. During this phase, brand companies distribute a limited number of their Leondrino Token Class D tokens to their loyal consumers as an incentive. Leondrino Token Class D tokens are secured during this period only by a contractual promise made by the associated brand company for future benefits based on the loyal behavior of their consumers. These benefits are defined individually by each brand company. In order to purchase Leondrino Token Class D tokens, consumers and token holders must identify themselves through a so-called KYC Check (Know-Your-Customer Check) by disclosing personal data to the brand company. Leondrino Token Class D tokens are neither transferable nor tradable to another person or company, but entitle the holder to exchange them for Leondrino Token Class C tokens if this token class is reached.

During this phase, the brand company and its tokens receive attention in media channels and through word-of-mouth, which is generated by subsequent events during the Initial Consumer Engagement Phase:

Initial Token Offering (ITO)

An ITO initiates the sales launch of brand-specific Leondrino tokens of Leondrino Token Class D. The acquisition of such Leondrino tokens from brand companies is always a bet on the future and has a limited volume per user and transaction (e.g. a maximum of 100 tokens per transaction and a maximum equivalent value of 1000 euros per year and user) and therefore does not yet fall under any financial services regulation. With the ITO, non-regulated private investors can also join the token ecosystem by signing so-called Leondrino SAFT contracts or Leondrino Convertibles (special convertible loans with conversion rights into tokens).

Airdrops / Factor Events

Factor Events – also known as Airdrops – are special marketing events during the Initial Consumer Engagement Phase where brand companies reward consumers for their early support of a successful brand. The factors are achieved when the associated threshold is reached (e.g., 10,000 tokens for threshold 1, 100,000 tokens for threshold 2, and 1,000,000 tokens for threshold 3). Other trigger points are also possible. A beneficiary or buyer of Leondrino Token Class D tokens can increase the number of own tokens only by:

1. successfully acquiring new customers through his recommendations,
2. receiving sponsored tokens from brand companies due to his loyal behavior, and

3. utilizing the purchase opportunities limited in volume per transaction for consumers and small investors.

Fast-growing brands or brand companies with an existing large customer base (consumers/fans) have the best prerequisites to successfully navigate the Consumer Engagement Phase, even if they define high thresholds for factor events.

To help brand companies attract users, Leondrino offers three standardized airdrop events at standard terms and conditions, described hereafter, which are strongly supported by Leondrino Wallet features as well as parallel marketing communications.

As an early support contribution has more value than a later support, the factor value decreases over time.

Vision Factor Event

After the ITO, the Vision Factor Event is the first airdrop event where the number of Leondrino tokens owned by a user is multiplied by the Vision Factor (e.g. 2). The event is triggered when the previously defined "Vision Threshold" is reached for the respective token.

Early Bird Factor Event

The Early Bird Factor event is the second airdrop event where the number of Leondrino tokens owned by a user is multiplied by the Early Bird Factor (e.g. 1.5). The event is triggered when the previously defined "Early Bird Threshold" is reached for the respective token.

Momentum Factor Event

The Momentum Factor Event is the third airdrop event where the number of Leondrino tokens owned by a user is multiplied by the Momentum Factor (e.g. 1.25). The event is triggered when the previously defined "Momentum Threshold" for the respective token is reached.

The exact value of each factor is determined during the preparation phase when the economics of the token (Token Economics) are developed. For example, an already well-known, large brand, does not need to offer as high a factor compared to brands with a still small customer base or fan base.

Seed Circular Economy Phase

The third phase of the Leondrino Standard Lifecycle is called Seed Circular Economy. It starts with the Initial Coin Offering (ICO), where Leondrino Tokens are converted into Leondrino Coins. This phase is characterized by the fact that after the ICO, limited trading is possible within the Leondrino Ecosystem.

The purchase of brand-specific Leondrino Coins with national currencies is allowed, but the volume per person and the volume per transaction are limited. Prior to token purchases, KYC rules are applied and enforced based on the number of coins per person and the potential exclusion of purchasers. Leondrino Coins can be used to purchase an initially restricted range of goods and services from the associated brand.

Selling tokens that a user has previously purchased or received as an airdrop during an ITO or ICO is only possible after a successfully passed KYC check, which unlocks the user for the Restricted Trade

features during this Seed Circular Economy Phase. Users cannot offer their tokens for sale below the last valid ICO price of this token.

In addition, the sale of tokens is also limited in terms of volume per user and volume per transaction. Reselling the tokens purchased via a buy order is not possible for tokens of Token Class C.

Initial Coin Offering (ICO)

An ICO in the Leondrino context is the launch of Leondrino Token Class C; this means that Leondrino Tokens change from Leondrino Token Class D to Leondrino Token Class C and are henceforth called Leondrino Coins. Brand-specific Leondrino Coins can be used to purchase an initially restricted range of goods and services from the associated brand company. After the ICO, restricted trading will be unlocked within the Leondrino Ecosystem.

Growth Circular Economy Phase

The Growth Circular Economy is the fourth phase and differs from the previous phase mainly in

- the reduction of trade restrictions, such as raising the transaction volume and removing the minimum price limit,
- the increase of the allowed volume limit of Leondrino Coins per person,
- the integration of external wallet and exchange providers, provided they are approved based on a certification process by Leondrino (providers must be able to comply with trading restrictions and reporting rules set by Leondrino).

The brand-specific Leondrino Coins will be transferred to Leondrino Token Class B. In this phase, both market makers and initial institutional investors can participate. Brand-specific Leondrino Coins can be exchanged for national currencies according to the exchange rate within the Leondrino Ecosystem (internal as well as accredited external exchanges), but trading is still subject to restrictions in order to test and promote the emerging market for the coins and to be able to protect against overpricing. Leondrino Coins can be used to purchase a wider range of goods and services from the associated brand company.

Initial Leondrino Offering (ILO)

The Initial (public) Leondrino Offering – ILO for short – heralds the launch of Leondrino Token Class A and with it the public issuance of the token as branded Leondrino Currency. The sale of branded Leondrino Currencies and public trading will begin. Trading mechanisms and rules are similar to what is currently known in foreign exchange trading.

In terms of its process, an ILO is similar to a traditional IPO and is used to make the token attractive to additional as well as more conservative investors.

Post ILO Phase

The fifth phase follows directly after the ILO and is therefore called the Post ILO Phase. This phase is characterized by the fact that the previous Leondrino Coins can now be publicly traded as Leondrino Currencies. The money supply of each Leondrino Currency is actively managed by the Leondrino Algorithm and the competent Monetary Board according to the monetary policy previously agreed between Leondrino and the brand company. Each Leondrino Currency is exchangeable into national

currencies at a market-based exchange rate and can be used to purchase all products, goods, and services of the related brand company.

During the post-ILO phase, there is still a certain degree of restriction on the volume of transactions for large investors (e.g. rules for market makers) and a higher degree of intervention possibilities for Leondrino (responsible Autonomia as well as Monetary Board). These rules are necessary tools for money supply management to avoid extreme volatility.

Sustainable Circular Economy Phase

The final phase is the steady state of a publicly traded Leondrino Currency with active money supply management and is called the Sustainable Circular Economy Phase. Now highly regulated institutional investors such as insurance companies and pension funds can invest.

Exit

In the event that a branded company becomes bankrupt causing the brand ceases to exist, the associated branded Leondrino Currency will be delisted from the market. However, this delisting will only occur after all potentially granted collateral has been liquidated and all reserves for this branded currency have been returned to the token holders. Delisting of a branded currency may also occur if both the reference value on the corresponding fiat currency of the Leondrino Licensee and the trading volume of this branded currency fall below a defined minimum value for an extended period of time (as predefined in the general Leondrino rules).

1.12.2.2 Leondrino Token Class Concept

All Leondrino corporate currencies are classified with a token class within the Leondrino Lifecycle. Token classes range from Leondrino Token Class E (highly speculative; limited functionality) to Leondrino Token Class A (low risk; fully publicly tradable alternative assets). The following is a brief overview and chronology of these token classes:

Leondrino Token Class E

Class E tokens are tokens in which Leondrino Wallet users have shown interest, but the associated brand has not yet made a decision whether or not to actually launch its currency on the market. The change of a token to the next higher token class, which is Token Class D, takes place as soon as the associated brand company has decided to issue its own branded currency via Leondrino.

Class E tokens are not available for purchase. However, interested users can earn them. Leondrino users receive such bonus tokens for, for example, opening a token account in their Leondrino Wallet, for successfully inviting friends, or even as soon as a token suggested by the user is listed with its token in the Leondrino Wallet.

Token class E tokens are neither transferable nor tradable to other persons or companies. Users cannot resell them and thus cannot buy goods and services of the associated token. Users only show their interest in this branded currency and receive the right to exchange their earned tokens of Token Class E for tokens of Token Class D on a one-for-one basis, provided that the brand company decides to issue its own brand currency and the token thus reaches Token Class D.

Leondrino Token Class D

As soon as a brand company seriously considers issuing its own currency and initiates a market test phase, the corresponding tokens change from Token Class E to Token Class D. During this test phase, users can actively support the brand in communicating and planning the launch of the brand currency and thereby earn further tokens as airdrops by participating in surveys and marketing campaigns, for example.

During the ITO Phase, such tokens can also be purchased to a limited extent; at an equivalent of 100 euros per transaction and 1,000 euros per month and person.

Class D tokens are neither transferable nor tradable to another person or company, but entitle the holder to exchange them for tokens of Token Class C, provided that this Token Class is reached. Tokens purchased by users during an ITO or received as an airdrop cannot be resold, but can only be used to purchase goods and services of the associated brand.

Leondrino Token Class C

Token Class C tokens are eligible for Restricted Trade. Restricted Trade means that users have the following restrictions when trading due to regulatory limitations: The maximum amount per transaction may not exceed the equivalent of 250 euros and the volume limit per month is the equivalent of 10,000 euros per user.

Tokens that users have previously purchased during an ITO or ICO or received as an airdrop can only be sold once at a time to other Leondrino Wallet users by placing a sell order when restricted trading starts. It should be taken into account that users are not allowed to offer their tokens below the ultimate valid ICO token price.

Users can therefore buy Token Class C tokens from other Leondrino users by placing a buy order. It should be taken into account that users can then use these purchased tokens exclusively for the purchase of goods and services of the associated brand. A resale of the tokens purchased via a buy order is not possible for Token Class C tokens. This restriction will be removed with the later switch to a higher token class.

Class C tokens also include the right for a user to exchange such tokens for Class B tokens, provided the token reaches Token Class B.

Leondrino Token Class B

With the switch to Token Class B, the shift to the Token Target Platform is completed. Class B tokens can be exchanged (like Class C tokens before) for goods and services of the respective brand company, but with an extended range of products and services. Likewise, tokens of this token class can already be used for restricted trade on the trading platforms approved for this purpose. This means that users can sell tokens that they previously purchased during an ITO or ICO or received as an airdrop to other Leondrino Wallet users by placing a sell order.

Users can buy Token Class B tokens from other Leondrino users by placing a buy order. The resale of Token Class B Tokens purchased via a buy order is only possible to a limited extent. These restrictions are specified by the respective competent regulator and may not be infringed. Furthermore, Token Class B Tokens include the right to exchange them for Token Class A Tokens, provided that the Token reaches Token Class A.

Leondrino Token Class A

Token Class A is the highest token class in the Leondrino Lifecycle that a digital branded currency can achieve.

Tokens of this token class are tradable on all authorized trading platforms without restrictions (cf. foreign exchange trading) and can be used for the purchase of the entire product and/or service range of a brand company as well as at all acceptance points of this branded currency.

Potential temporary restrictions on the tradability of Token Class A, such as delay of the trading speed or renewed limitation of volumes per transaction or user, are only to be expected if trading is disrupted due to extraordinary events. Such measures are monitored via the Monetary Board of the respective branded currency and are only applied in extreme cases.

1.12.2.3 Leondrino Algorithm

The Leondrino Algorithm forms the core for the stability of brand-specific tokens that follow the Leondrino Standard and achieve Token Class A; it is used with the transition to active supply management in Token Class A.

Typically, with the signing of the Leondrino Main Contract, but at the latest before reaching Token Class A, the trademark owner, in collaboration with Leondrino, defines the details of the monetary policy for the new corporate currency by setting a target for the degree of stability that the brand company envisions for its currency and also for the criteria for how this stability will be quantified. Some examples of these criteria might be the minimum value a currency unit should have; the degree by which value fluctuations (volatility) should be reduced; or a range of values within which the currency should spend a high percentage of its life.

At later stages of a currency's lifecycle, the Leondrino Algorithm dynamically modifies the corporate currency's limit order book to achieve the specified stability target. It also calculates the amount of reserves that the brand company must provide Leondrino to meet the stability targets. This works in both directions of the current market price, upward and downward. The downside of the current market price is met with the reserve of fiat currencies and XLEO (the bridge and reserve currency of the Leondrino Ecosystem), effectively reducing the amount of issued brand-specific Leondrino Currency. The upside is countered with XLEO and the respective brand-specific Leondrino Currency

itself. This alternation, which is based on the limit order book, serves to stabilize Leondrino Corporate Currencies and seeks to make arbitrage opportunities unattractive to other market participants beyond a certain target corridor.

1.12.2.4 Reserves and Investment Policy for Corporate Currencies

As part of the risk management process, a Leondrino Licensee, in its role as currency manager, is required to hold a certain amount of the funds raised during the relevant ILO as a reserve, the reserve being composed of any fiat currency(ies), XLEO and the brand-specific Leondrino currency itself. The exact amount of this Supply Management Reserve held by the Leondrino Licensee is part of an internal algorithm that is also influenced by potential additional collateral that a brand company might offer to keep this amount as low as possible.

This supply management reserve must be invested appropriately to ensure that it complies with the risk management function and serves as a compensation asset in the event of a currency default. Due to the nature of digital corporate currencies, some factors must be considered when investing the reserve:

1. The Supply Management Reserve does not belong to the Leondrino Licensee, but is only managed by the licensee. Therefore, during times when the Reserve is not being used for active supply management, this money should not be invested in assets with unreasonably high risk. In addition, Leondrino adheres to ethical standards and does not wish to invest in securities that reasonable people would find objectionable or unethical.
2. Leondrino does not intend to make a high profit on the reserves, but rather safeguard their value. This means that Leondrino pays attention to cost efficiency in the management of these reserves.
3. The maturity of the respective currency. The penetration of a currency and the trust in a currency depends on the associated brand company and the maturity and quality of its products and/or services.
4. Liquidity and margin considerations. When a currency is withdrawn from the market, the entire amount must be available in the short term. In particular, there should be no need for distress sales when selling the assets held. The same is true if the external token amount is reduced. If the currency is actively used for trading against the market basket, this will lead to a minor reduction of the token volume. Therefore, the assets held (at least a significant portion of them) should be fairly liquid and divisible into small amounts. In addition, the withdrawal of the currency from the market should occur at the end of a currency's life or after a significant reduction in volume without much disruption.

For the reasons stated above, a significant portion of the reserves of a corporate currency for all branded currencies of a licensee will be invested centrally through a specialized team. Such investment is the case when the corresponding reserves of the corporate currency are not used for active management of the token quantity for a period of three months. In that case, the corporate currency is hedged by the safe and accountable investment policy.

Sports365 Token Emission

1.13 Sports365 Token Economics

The Sports365 Token will be gradually launched in the market via distribution of the tokens through Sports365 Partners, direct distribution to athletes triggered via sports activity, and sales of the Sports365 Token to athletes and professional investors related to sports.

Within the planned launch and sales phases of the Sports365 Token, a maximum of 365 million tokens will be generated in the DACH region (Germany, Austria, and Switzerland) by the ILO, with a possible change in the number of outstanding tokens after the ILO depending on business development and expansion of the token space to further target markets and in accordance with the agreed monetary policy and under the supervision of the Monetary Board.

Professional investors, such as token and ICO funds, venture capital companies, and family offices, as well as private investors with sufficient assets or income based on the definition limits of accredited investors in the U.S., have the opportunity to acquire larger contingents of Sports365 tokens at a discounted entry price compared to retail customers via Leondrino SAFT contracts or Leondrino Convertible contracts (convertible loans on tokens) before and during the retail sale phases ITO (Initial Token Offering) and ICO (Initial Coin Offering). The proceeds generated from this will be used specifically in the initial phase to attract additional Sports365 Partners to accelerate the number of Sports365 users and increase the number of Sports365 acceptance points.

In addition to collecting tokens during sports activities, athletes can also purchase Sports365 tokens during the ITO and ICO phases. As an incentive for an early entry, retail prices increase gradually during the sales phase - from 24 cents to 30 cents in the ITO phase and from 40 cents to 50 cents in the ICO phase. The maximum number of purchasable tokens for retail investors is limited per phase and increases over time as the risk decreases.

Price per Token end of ITO Phase	0.30 €
Price per Token end of ICO Phase	0.50 €
Maximum supply for Initial Issuance (incl. ILO Phase)	365 M
Target price at start of public trading	1 – 1.40 €
Targeted purchase power per token during introduction phase	1 €

Figure 0-1 Essential parameters of the Sports365 Token Design

1.14 Sports365 Token Distribution, Timing, and Prices

Up to 182,500,000 Sports365 Tokens (50% of the overall amount) are reserved for distribution to athletes via Sports365 Partners, for direct airdrops to athletes and other key ecosystem partners. These tokens will be deployed in a targeted manner through Sports365 Partners to ensure accelerated ecosystem growth, resulting in broad token distribution to athletes and acceptance partners. An additional 182,500,000 Sports365 tokens (50%) are earmarked for sale to investors as well as additional sales to athletes during the ITO, ICO, and ILO phases. Investors will also be required to demonstrate a sports sponsorship use. If tokens are not sold in full during the ITO phase, the remaining amount will be sold during the ICO phase or to private investors. If tokens remain for sale after the ICO phase, they will be sold on to private investors in the ILO phase or for business development priority to further attract athletes and Sports365 Partners.



Figure 0-2 Token Sale Phases and Prices

85% of all Sports365 tokens will be issued exclusively to athletes and other sports-related audiences, with the remaining 15% earmarked for the ESB team and Sports365 founding/implementation partners and for market making.

While, for example, convertible loans, SAFT contracts, and club deals (private pre-sales and budget for qualified investors) can only be concluded through direct negotiations with ESB Marketing Network AG, athletes as well as consumers and small investors with a connection to sports have the opportunity to acquire the Sports365 token via the Leondrino Platform as part of the three defined sales phases ICO-, ITO and ILO.

Token Sale Details

Phase	Price in €	Period	Duration
ITO Phase			
- Phase 1	0.24	May 01, 2022 – Aug 16, 2022	3,5 months
- Phase 2	0.26	Aug 16, 2022 – Sep 13, 2022	4 weeks
- Phase 3	0.28	Sep 13, 2022 – Oct 04, 2022	3 weeks
- Phase 4	0.30	Oct 04, 2022 – Oct 04, 2022	2 weeks
ICO Phase			
- Phase 1	0.40	Apr 01, 2023 – May 01, 2023	4 weeks
- Phase 2	0.43	May 01, 2023 – Jul 01, 2023	8 weeks
- Phase 3	0.47	Jul 01, 2023 – Aug 01, 2023	4 weeks
- Phase 4	0.50	Aug 01, 2023 – Aug 31, 2023	4 weeks

Figure 0-3 Token Sale Phases and Prices

The initial sales phase will start on 01 May 2022 at 12:00 UTC (the start of ITO). However, recognized early-stage investors can invest and profit before that via the conclusion of convertible loans and SAFT contracts. From 01 May 2022, prospective buyers will be able to purchase Sports365 tokens via their Leondrino Wallet (wallet.leondrino.com).

After an entry price of EUR 0.24 per token at the beginning of the ITO phase, the price per token increases gradually. A target price between 1.00 EUR and 1.40 EUR per token is targeted for the ILO phase. During the ITO phase, Sports365 will sell a maximum of 1% (3,650,000 tokens) of the total original amount to early adopters and supporters (sports supporters). The capital raised during this phase will be used for organizational development for the continued release of Sports365 and to support the initial participants of the Sports365 network. Token purchases can be made in euros (EUR), Swiss francs (CHF), U.S. dollars (USD), and several "alt-coins" as well as Bitcoin (BTC) and Ether (ETH).

However, the volume per transaction per person is limited, as shown below:

ITO-Phase

Minimum number of tokens per person and transaction equivalent to	EUR 20
Maximum number of tokens per person and transaction equivalent to	EUR 100
Maximum number of tokens per person per month equivalent to	EUR 1,000

ICO-Phase

Minimum number of tokens per person and transaction equivalent to	EUR 20
Maximum number of tokens per person and transaction equivalent to	EUR 250
Maximum number of tokens per person per month equivalent to	EUR 10,000

A few months after the ITO phase, the start of the ICO phase is planned. The entry price for the ICO phase is EUR 0.40 for Sports365 tokens, gradually increasing and being set at EUR 0.50 at the end of the ICO phase. In this phase, a maximum share of 15% of the total original amount (54,750,000 tokens) will be offered.

At the start of public trading, the Initial (public) Leondrino Offering (ILO), a further 20% (73,000,000 tokens) of the authorized token amount will be issued via different partner exchanges. This amount may increase if not all tokens earmarked for the ICO phase have been sold by then. At this stage, the price per token is expected to be between EUR 1.00 and EUR 1.40. At this stage, a broad acceptance of Sports365 in the DACH region (Germany, Austria, and Switzerland) should already have been achieved. Further internationalization is to start with the support of the revenues from the ILO.

Token-specific Airdrops

In addition to the factor events (airdrops) as per the Leondrino Standard, there will be other special marketing events for the Sports365 Token during the Initial Consumer Engagement Phase, where ESB Marketing Network AG will reward sports players and Sports365 Partners for their early support of a successful Sports365 ecosystem.

1.15 Expected Long-Term Distribution of Sports365

The goal of Sports365 is to become the leading fungible token in sports. The amount of Sports365 tokens issued depends on the growth of the token ecosystem. Until the Sports365 is launched into public trading, a focus on the DACH region (Germany, Austria, and Switzerland) is planned in the acquisition of Sports365 Partners and the nationwide build-up of the ecosystem. Due to the international nature of sports events in the DACH region, athletes from other countries will also receive or purchase Sports365 already in this initial phase.

According to internal estimates, the maximum amount of 365 million Sports365 tokens authorized until ILO will be sufficient until the launch into public trading and the immediate post-ILO phase. Only after the launch into public trading, this quantity can be changed, taking into account the monetary policy and under the supervision of the Sports365 Monetary Committee. As soon as more Sports365 are required after the ILO to strengthen its role as a broadly accepted sports currency, especially as a used means of payment, new batches of Sports365 tokens will be issued to match the market situation.

It is expected that this point in time will be reached with the expansion to the major international sports markets already a few months after the ILO. Due to the size of these international markets, it is likely that there will be a multiplication of the issued token amount in the long run.

1.16 Use of Funds from Sports365 Sales Proceeds

Initial Sports365 sales proceeds will be used primarily to fund the development of the Sports365 ecosystem; specifically, consulting, sales & marketing, legal and operating costs for the token rollout.

The long-term use of funds from sales proceeds is earmarked for the following core areas:



Figure 0-4 Use of Funds

Token Launch Costs

The establishment and development of the Sports365 ecosystem will be undertaken by ESB together with a team of experts from external partners and suppliers. Simultaneously, ESB will gradually recruit new employees to complement the core team, who will become part of the aforementioned NewCo in the medium term. The costs for the token launch include all marketing and sales costs, as well as other consulting and operating costs for the token launch and token management, and account management.

Reserve for Active Supply Management

The Active Supply Management reserve is used to ensure relatively low volatility and thus a stable price of the sport365 after its launch into public trading (i.e., after ILO).

Co-Financing for the Development of a Payment Network

This budget is used to provide operational support for the implementation of the establishment of a network of acceptance points. In addition, this budget is intended to cover the costs of approvals and licenses related to payment (e.g., e-money license) that will be required in the course of the rollout.

Funding/Promoting Sports Projects

The budget for financing sports projects is intended to finance sustainable investments in sports facilities and other sports projects with an acceptable return for the business area in order to generate a contribution margin for NewCo. A small part of this budget is to be channeled into sports development projects.

Proceeds in excess of €5 million will flow to and be managed by the planned NewCo. Surplus funds will be held in an escrow account managed by ESB Marketing Network AG until the NewCo is established.

Due to the different timing of use of the budgets, the initial distribution and use of the funds raised may differ significantly from the long-term distribution mentioned above. ESB and also the yet to be founded NewCo reserve the right to modify the distribution of the raised funds in the sense of the successful rollout.

1.17 Official Sources of Information of ESB Marketing Network AG Concerning Sports365

- Sports365 Landing-Page ([SPORTS-365.io](https://sports-365.io))
- This Sports365 whitepaper and future supplements/annexes (available via the Sports365 landing page).

Legal Notice and Risk Warning

1.18 Legal Notices

PLEASE READ THROUGH THIS WHITEPAPER CAREFULLY BEFORE YOU DECIDE ON THE PURCHASE OF SPORTS365 TOKEN – PARTICULARLY THE IMPORTANT TIPS BELOW, INCLUDING FURTHER INFORMATION ABOUT RISKS.

IF YOU HAVE QUESTIONS ABOUT THE ESB MARKETING NETZWERK AG (THE “COMPANY”), ITS BUSINESS PROJECTS, THE SPORTS365 TOKEN OR OTHER FACTS IN THIS CONNECTION, GET ADVICE FROM A COMPETENT BUSINESS, LEGAL, TAX OR OTHER CONSULTANT. IF YOU HAVE DOUBTS OR IF FACTS REMAIN THAT YOU DO NOT UNDERSTAND, YOU SHOULD STAND BACK FROM THE PURCHASE OF SPORTS365 TOKEN.

No Prospect and no Offer to Purchase a Security or Financial Instrument

The Sports365 token is designed as pure utility token and should not therefore represent the structure according to any security or financial instrument. This Whitepaper does not therefore represent any prospect or offer document for securities or financial instrument, nor is it intended to represent a prospect or an offer document for securities or financial instruments in any jurisdiction. This Whitepaper merely serves as a project description but represents neither an invitation to purchase nor requests to issue an invitation to bid for purchase of the Sports365 token. In this respect, this Whitepaper also does not represent any investment recommendation for purchase of the Sports365 token or for disinvestment of other securities, financial instruments, or other assets.

No Official Check or Approval

This Whitepaper has not been checked or approved by any authorities. Neither has it been submitted to any authority for checking or approval. There are no express legal requirements for the content of this Whitepaper, the structure of this Whitepaper and the information contained therein are based solely on the decisions of Company’s management. Any legal relationships between a Purchaser of the Sports365 token and the Company are not substantiated by this Whitepaper, but by separate contracts, documents, or conditions in which the rights and obligations of a Purchaser and the Company are regulated. In this respect, in the event of any ambiguity in the presentation in this Whitepaper, the regulations of the said contracts, documents or conditions take precedence over the presentation in this Whitepaper.

Excluded Buyers

The Token Sale (including any pre-sale) is not intended for buyers who are resident, tax resident or ordinarily resident, or who initiate the purchase of tokens from or through a country where the sale or purchase of cryptocurrencies is forbidden or only permitted under certain conditions (such as an official permit); that have been classified by the Financial Action Task Force (FATF) with regard to money laundering and the financing of terrorism as high-risk countries or countries under observation or against whom embargoes or sanctions have been imposed, especially by the United States of America or the EU (“excluded third parties”): Albania, Barbados, Burkina Faso, Cambodia, Cayman Islands, Democratic People's Republic of Korea, Haiti, Iran, Jamaica, Jordan, Mali, Malta, Morocco, Myanmar, Nicaragua, Pakistan, Panama, Philippines, Senegal, South Sudan, Syria, Turkey, Uganda, United Arab Emirates and Yemen (“Excluded Countries”).

There are also restrictions for citizens of the United States of America, Canada, Brazil, Israel, Australia, New Zealand and Singapore. They may only participate in a token sale if they can provide proof of being a so-called "Accredited Private Investor" or a "Qualified Investor". It is sufficient for the proof to truthfully complete the form provided in the KYC process called ACCREDITED INVESTOR CERTIFICATION (see also chapter 7 Annex A to G), sign the same and finally get the details supplied therein confirmed by their own tax consultant.

Should it transpire during the KYC process that an interested participant cannot successfully complete the KYC process because of having previously given false details or because of his or her citizenship or residency or other inconsistencies, participation in the Sports365 Token Sale is denied to him or her. In the event of denial, a potentially already completed transaction of the investment sum is reversed, and the refused participant must bear the full costs of this reversal him- or herself.

This Whitepaper as well as the Sports365 Token Sale Terms may not be reproduced in whole or in part, regardless of the manner, and may not be passed to third parties without this required legal information and without the information about risk listed in section Risk Warning below. This Whitepaper may also not be passed to excluded third parties in whole or in part, regardless of the manner.

High-risk of Loss

Purchasing Sports365 tokens entails significant risks. Buyers should not therefore use a substantial portion of their assets to purchase Sports365 tokens and should be able to cope economically with a total loss of the money spent. Buyers should also have gained experience already with cryptocurrencies from young companies, understand the economic and technical interdependencies of the Company's business activity and its Sports365 token and be able to assess its effects on the value of the Sports365. If a buyer does not have the relevant experience, this nevertheless is not cause for any increased information obligation on the part of the company.

Loan Financing Not Recommended

Financing the purchase of Sports365 tokens with a loan is strongly advised against. Because the obligations to repay interest and principal remain, even if the Sports365 tokens purchased become worthless. Even the buyer's private insolvency would not be excluded in such a case.

This Whitepaper Does Not Replace Competent Advice

The buyer is hereby advised that this Whitepaper merely gives an overview of the planned investment and business activity of the Company and the Sports365. This Whitepaper cannot however replace any economic, legal, tax, or other advice. Every buyer should therefore check the concomitant opportunities and risks independently and where necessary with the aid of external consultants prior to purchase. Buyers are particularly recommended to get advice on the legal, regulatory, and tax consequences of a purchase.

The company accepts no liability for the personal financial objectives set by buyers with the purchase of Sports365 tokens.

Calculations, Projections, and Statements About the Future

All calculations or projections presented in this Whitepaper are essentially based on the experiences or assessments of the company's management. In this respect, this Whitepaper also contains statements about the future – particularly subjective objectives for the future business development of the company, which are however associated with uncertainty and risk. These statements reflect the

current assessments and expectations of the company with regard to future events. These assessments and expectations may contain errors of perception or evaluation and thus be proved incorrect.

Calculations have been prepared with care and commercial foresight. Nevertheless, the possibility cannot be excluded that events or developments not considered in the calculations or projections may lead to significant deviations in the actual results for the company and thus, also where applicable to deterioration in the value of the SPORTS365 from that calculated or projected.

There can therefore be no guarantee that the developments and results described in this Whitepaper are actually achieved. The buyer bears the risk of diverging developments and results.

1.19 Risk Warning

Regulatory and Other Risks

The Company assumes that the issuance of Sports365 by the Company, purchase of Sports365 tokens, and payment for services provided by the Company with Sports365 tokens (pure utility token) – in each case by non-excluded third parties – are not subject to any separate regulation. However, the regulatory and broadly legal framework for cryptocurrencies, blockchain and distributed ledger technology, smart contracts, and their applications nationally and internationally are nowhere near fully developed and secure. The possibility cannot be excluded therefore that, because of national or international official or statutory measures or because of jurisprudence, the issue, purchase, and administration (including trading) of, or payment for, products or services with cryptocurrencies will be wholly or partly prohibited or only possible subject to certain conditions.

This may lead to significant negative effects on the Company's business model (e. g. in the case of an official or statutory decree for the reversal of issued Sports365 tokens or the cessation of business operations) and on the benefits or value of the Sports365 through to the insolvency of the company or the complete uselessness or worthlessness of the Sports365.

Likewise, the possibility is not excluded that companies providing the trading opportunity of cryptocurrencies such as the Sports365 as third parties are prohibited, without an appropriate official permit to further maintain the trading platform it operates, so that there may be no trading platforms to exchange Sports365 tokens for other cryptocurrencies or fiat currencies (thus legal national currencies such as Euro or US Dollar). This could also result in issued Sports365 tokens becoming useless or worthless for their buyers.

The Sports365 Grants no Property or Administrative Rights in the Company

The Sports365 is intended and structured as a pure utility token to pay for services provided by the Company and within the Sports365 Ecosystem. The Sports365 grants no property or administrative rights in the Company, i. e. they in no way grant participation in the gain or loss and asset development of the company or any voting rights in resolutions of the company, participation rights at shareholder meetings of the company or other shareholder rights. As a pure utility token, the Sports365 is not suitable as an investment or asset in the business development of the Company.

Exclusion of Refund

As a pure utility token, a refund of the purchase price for issued Sports365 tokens against the return of Sports365 tokens issued is excluded. Buyers of Sports365 tokens must therefore take into account that the money used by them to buy Sports365 tokens is tied up in these and at best can be changed

back into fiat currencies via third-party trading systems, if these are available. If no third party can be found who is prepared to exchange purchased Sports365 tokens for fiat currencies, the buyer runs the risk of his or her purchased Sports365 tokens being useless or worthless.

Tradability and Fluctuations in Value of the Sports365 Token

Tradability of the Sports365 cannot be assured. Although the Company aspires to have the Sports365 listed for trade with one or more trading systems, the possibility cannot be excluded that the Company is not successful in finding one or more appropriate trading systems that are prepared or in a position to list the Sports365 for trade. Even if it is successful in getting the Sports365 listed for trade on one or more trading platforms, the possibility cannot be excluded that trading does not take place through lack of buyer or seller interest.

Even if and to the extent that it is successful in getting the Sports365 listed for trade on one or more trading facilities, it should be borne in mind that the exchange rate set and thus the value of purchased Sports365 tokens is subject to quite significant, if short-term, fluctuations. The possibility can also not be excluded that exchange rates or values of the Sports365 develop quite differently in different trading systems. The performance of the Sports365 in trading systems can be massively influenced by the performance of other cryptocurrencies, such as Bitcoin or Ether, even if the operational activities of the business offer no reason or starting point for any change in value.

The Company does not guarantee that trading systems on which the Sports365 is listed for trade set prices or exchange rates transparently or are able to meet any statutory or official requirements.

A buyer must further consider that trading purchased Sports365 tokens is likely to have costs associated that the buyer must also finance and that places a further burden on the intrinsic value of purchased or traded Sports365 tokens.

Dependency on Computer Infrastructure

Both functionality and availability of the Sports365 are to a great extent dependent on the presence and permanent availability of a functioning computer infrastructure. In particular, this applies to the company, its token infrastructure partner Leondrino Germany (Leondra GmbH) for operation, and its Sports365 Partners regarding the use of the token infrastructure, as well as for purchasers and users of Sports365 tokens. Any faults or stresses in a functioning computer infrastructure (including the internet with appropriate capacities) would put a strain on development and expansion and operational activities, but also on the opportunity to use Sports365 tokens until they became useless or valueless. Inadequate functionality of the necessary infrastructure could also significantly slow down the processing speed of transactions with the Sports365 and thus, have a lasting negative influence on the usability or intrinsic value of the Sports365.

Operational Risks of the Company

Like any company, the Company is exposed to operational risk. So, the development of the planned products and services or the Sports365 partner network can be significantly retarded or turn out to be wholly or partly impossible. Also, the possibility cannot be excluded that the company is not successful in establishing itself on the market with the planned products or services for the Sports365 token. Furthermore, it cannot be excluded that the company is not successful in obtaining and maintaining sufficient licenses and approvals that are necessary for business operations; equally, licenses and approvals granted could be queried by third parties, which can regularly lead to the high costs of legal defense or law enforcement. Significant strains on operational activities can also arise nationally and internationally from competitors, the development of new products and techniques, or

the regulation of the operative business of the company in relation to Sports365, both nationally and internationally. Operational risks, particularly those referred to above, can lead to the insolvency of the company or the planned NewCo. At the same time, operational risk can put a lasting negative strain on the Sports365 token up to uselessness or worthlessness.

Lack of Financing of the Company and the planned NewCo

The company is dependent on generating sufficient funding for the development and expansion of the Sports365 partner network (including the maintenance of an infrastructure for using the Sports365 token). The income from issuing the Sports365 token is initially designated for this. Should the Company not be successful in generating sufficient funding, e. g. in the event of failure of the Sports365 Token Sale, there is a risk that the Company or the planned NewCo cannot develop and expand its Sports365 token business as planned, and as the case may be, has to wholly or partly discontinue its business operations for the Sports365 token or even file for insolvency. Such a development could have a lasting negative effect on the usability or intrinsic value of the Sports365 token up to uselessness or worthlessness.

Technical Risks

The Sports365 token is inherently technology-based. Its usability and its intrinsic value are thus like all technology-based products or services exposed to many technical risks, which the Company cannot exclude. These include particularly system faults, code failures, programming errors, hardware failures, data loss or theft, hacking or hacker access, or technical strains on processing speed. Technical risks can lead to lasting negative effects on the usability or intrinsic value of the Sports365 until they become useless or worthless.

Risks in the Personal Handling and Management of Purchased Tokens

Like any token and cryptocurrency, Sports365 tokens are also exposed to risks in personal handling and management. Particular risks in personal handling and management are failure or theft of the hardware used for the safeguarding of purchased Sports365 tokens, loss of access codes, usernames, passwords, or private keys for access to infrastructure, by which purchased Sports365 tokens are safeguarded (e. g. wallets), so that purchased Sports365 tokens can no longer be disposed of, and they are thus lost to the purchaser.

Risks of identification may arise if a buyer decides to transfer your Sports365 token to another wallet provider or exchange as soon as this opportunity is offered. The risk would be that your wallet ID and corresponding transaction data would be published in a blockchain environment outside the future Leondrino MainNet. An identification of users is unlikely but cannot be completely excluded since your data might be pseudonymized in the blockchain. There is also the risk that wrongly initiated transactions because of the way blockchain technology works can no longer be reversed and transferred Sports365 tokens are irrevocably lost. It should also be borne in mind that, because of the technology used for the Sports365 token on the one hand and the undeveloped or little-developed legal framework on the other hand, the use of inherited Sports365 tokens is not actually possible.

Tax Risks

Just as the legal framework in connection with different types of tokens based on cryptocurrencies is not explicit and clear, the national and international tax qualification of transactions with cryptocurrencies (in the Leondrino context currently applicable for Token Classes B and A) both for the Company and for buyers of cryptocurrencies are not conclusively resolved. Therefore, the possibility should not be excluded that those transactions with cryptocurrencies both with the

Company and with buyers lead to tax burdens that put a strain on the operational activities of the Company or the usability or intrinsic value of purchased Sports365 tokens up to uselessness or worthlessness.

Disclosure of Personal Data in Response to Official Orders/Measures

Buyers are obliged to identify themselves prior to purchasing Sports365 tokens in accordance with the anti-money laundering regulations and regulations on combating the financing of terrorism and on tax evasion and to this end to disclose their personal data to the company. Buyers of Sports365 tokens should anticipate that the Company may be compelled to disclose such personal data collected to competent authorities, because of national or international official or statutory orders or measures.

Risk Interaction and Risk Accumulation

Each of the risks represented can have lasting negative effects on the usability and intrinsic value of the Sports365 token. It cannot be excluded that several risks materialize simultaneously, mutually trigger, or reinforce each other and thus further increasing the lasting negative effects. Both the materialization of individual risks and the materialization of cumulative risks can lead to the complete uselessness or worthlessness of the Sports365 token.

Annexes

Annex A

INDIVIDUAL ACCREDITED INVESTOR CERTIFICATION (FOR US CITIZENS OR RESIDENTS)

I hereby certify that I am familiar with the definition of the term “accredited investor” as defined in Rule 501 of Regulation D issued pursuant to the Securities Act of 1933, as amended, and that I meet the criteria to qualify as an accredited investor, in the category or categories indicated by my initials below.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

1. I am a director, executive officer, or general partner of the issuer of the tokens being offered or sold, or a director, executive officer, or general partner of a general partner of that issuer.
2. I am a natural person whose individual net worth, or joint net worth with that of my spouse, is at least \$1,000,000, excluding the value of my primary residence, but including indebtedness secured by such residence in excess of the value of such residence, and calculated in accordance with the below-described rules.
3. I am a natural person who had individual income in excess of \$200,000 in each of the two most recent years or joint income with my spouse in excess of \$300,000 in each of those years and I have a reasonable expectation of reaching the same income level in the current year.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Issuer prior to the Closing Time.

Rules Regarding Primary Residences:

In calculating my net worth, I have (i) excluded my primary residence as an asset, (ii) excluded debt secured by such residence, up to the estimated fair market value of the residence; (iii) included the amount of any increase on the debt secured by the primary residence incurred within 60 days prior to the purchase of the tokens (unless related to the acquisition of the primary residence); and (iv) included debt in excess of the fair market value of the primary residence.

Risk Acknowledgement

I acknowledge that investments in corporate tokens are risky investments. I am investing entirely at my own risk. No securities regulatory authority or regulator has evaluated or endorsed the merits of any of the tokens purchased by me or the information disclosed by any issuer relating to any of these tokens, by way of offering memorandum or otherwise the person selling me these tokens, if applicable, is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me. I will not be able to sell these tokens except in very limited circumstances. I may never be able to sell these tokens. I may be limited and not able to sell these tokens for prescribed periods of time.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Place, Date

Signature Investor

Address: _____

Print name Investor

Passport Number: _____

Confirmation by Financial Advisor/Tax Consultant/Chartered Accountant/Lawyer:

Place, Date

Print Name
Financial Advisor/Tax Consultant/Chartered Accountant/Lawyer

Firm

Address

Signature
Financial Advisor/Tax Consultant/Chartered Accountant/Lawyer

Official

Stamp

Annex B**INDIVIDUAL ACCREDITED INVESTOR CERTIFICATION**
(FOR CANADIAN CITIZENS OR RESIDENTS)

I hereby certify that I am familiar with the definition of the term “accredited investor” within the meaning of NI 45-106 on the basis that the undersigned fits within the category of an “accredited investor” reproduced below beside which the undersigned has indicated the undersigned belongs to such category.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

1. I am a Canadian financial institution or a Schedule III bank;
2. the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada);
3. a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;
4. I am a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the Securities Act (Ontario) or the Securities Act (Newfoundland and Labrador);
5. I am an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
6. the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency, or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
7. a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;
8. any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
9. I am a pension Issuer that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;
10. I am an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000;
11. I am an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;
12. I am an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;
13. I am a person, other than an individual or investment Issuer, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements and that has not

been created or used solely to purchase or hold securities as an accredited investor as defined in this paragraph (m);

14. [] I am an investment Issuer that distributes or has distributed its securities only to (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [Minimum amount investment] and 2.19 [Additional investment in investment funds] of NI 45-106, or (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [Investment Issuer reinvestment] of NI 45-106;
15. [] I am an investment Issuer that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;
16. [] a trust company or trust corporation registered or authorized to carry on business under the Trust and Loan Companies Act (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;
17. [] I am a person acting on behalf of a fully managed account managed by that person if that person (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and (ii) in Ontario, is purchasing a security that is not a security of an investment Issuer;
18. [] a registered charity under the Income Tax Act (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
19. [] an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;
20. [] I am a person in respect of which all of the owners of interests, direct, indirect, or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
21. [] I am an investment Issuer that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser, or
22. [] I am a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as (i) an accredited investor, or (ii) an exempt purchaser in Alberta or British Columbia after NI 45-106 came into force.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Issuer prior to the Closing Time.

Risk Acknowledgement

I acknowledge that investments in corporate tokens are risky investments. I am investing entirely at my own risk. No securities regulatory authority or regulator has evaluated or endorsed the merits of any of the securities purchased by me or the information disclosed by any issuer relating to any of these securities, by way of offering memorandum or otherwise the person selling me these securities, if applicable, is not registered with a securities regulatory authority or regulator and has no duty to tell

Annex C**INDIVIDUAL ACCREDITED INVESTOR CERTIFICATION**
(FOR BRASILIAN CITIZENS OR RESIDENTS)

I hereby certify that I am familiar with the definition of the term “accredited investor” within the meaning of “professional investor” (*investidor profissional*) and/or “qualified investor” (*investidor qualificado*) as defined by the Board of the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários – CVM*) in CVM Instruction No. 554 of December 17, 2014 (CVM Instr. 554/2014) and will come into full force and effect on July 1st, 2015.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

I am ...

1. a professional investor that:
 - (a) is an institutional investor (financial institution, insurance company, pension funds, investment funds, portfolio manager, or the like);
2. a qualified investor, holding financial investments exceeding R\$1 million and attesting in writing their qualified investor condition

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Issuer prior to the Closing Time.

General Warning

Accredited investors are assumed to be better informed, and better able to access resources to protect their own interests, and therefore require less regulatory protection. Investors who agree to be treated as accredited investors, therefore, forgo the benefit of certain regulatory safeguards. For example, issuers of tokens are exempted from issuing a full prospectus registered with the supervisory authority in Brazil in respect of offers that are made only to accredited investors, and intermediaries are exempted from a number of business conduct requirements when dealing with accredited investors. Investors should consult a professional adviser if they do not understand any consequences of being treated as an accredited investor.

Risk Acknowledgement

I acknowledge that investments in corporate tokens are risky investments. I am investing entirely at my own risk. No securities regulatory authority or regulator has evaluated or endorsed the merits of any of the securities purchased by me or the information disclosed by any issuer relating to any of these securities, by way of offering memorandum or otherwise the person selling me these securities, if applicable, is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me. I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities. I may be limited and not able to sell these securities for prescribed periods of time.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Place, Date

Signature Investor

Address: _____

Print name Investor

NRIC/Passport Number: _____

Confirmation by Financial Advisor/Tax Consultant/Chartered Accountant/Lawyer:

Place, Date

Print Name
Financial Advisor/Tax Consultant/Chartered Accountant/Lawyer

Firm

Address

Signature
Financial Advisor/Tax Consultant/Chartered Accountant/Lawyer

Official Stamp

Annex D**INDIVIDUAL ACCREDITED INVESTOR CERTIFICATION**
(FOR ISRAELI CITIZENS OR RESIDENTS)

I hereby certify that I am familiar with the definition of the term “accredited investor” within the meaning of Section 15A(b)(1) to the Securities Law 5728-1968 and that I meet the criteria to qualify as an accredited investor, in the category or categories that I marked below.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

I am ...

1. a sophisticated individual investor that:
 - (a) holds liquid assets (cash, deposits, financial assets, and securities) of at least ILS 8 million; or
 - (b) has received personal income of at least ILS 1.2 million in each of the two most recent years (or ILS 1.8 million in joint family income); or
 - (c) holds liquid assets of at least ILS 5 million and receive personal annual income of at least ILS 600,000 (or ILS 900,000 in joint family income).
2. an owner of a large company with equity exceeding ILS 50 million; or
3. an institutional investor (pension funds, insurance company, mutual funds, bank, portfolio manager, or the like);

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Issuer prior to the Closing Time.

General Warning

Accredited investors are assumed to be better informed, and better able to access resources to protect their own interests, and therefore require less regulatory protection. Investors who agree to be treated as accredited investors, therefore, forgo the benefit of certain regulatory safeguards. For example, issuers of tokens are exempted from issuing a full prospectus registered with the supervisory authority in Israel in respect of offers that are made only to accredited investors, and intermediaries are exempted from a number of business conduct requirements when dealing with accredited investors. Investors should consult a professional adviser if they do not understand any consequences of being treated as an accredited investor.

Risk Acknowledgement

I acknowledge that investments in corporate tokens are risky investments. I am investing entirely at my own risk. No securities regulatory authority or regulator has evaluated or endorsed the merits of any of the securities purchased by me or the information disclosed by any issuer relating to any of these securities, by way of offering memorandum or otherwise the person selling me these securities, if applicable, is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me. I will not be able to sell these securities except in very

Annex E**INDIVIDUAL ACCREDITED INVESTOR CERTIFICATION
(FOR AUSTRALIAN CITIZENS OR RESIDENTS)**

I hereby certify that I am familiar with the definition of the terms “accredited investor”, “sophisticated investor” and “professional investor” within the meaning of Reg 6D.2.03 to the Corporations Regulations of 2001 and within the meaning of Section 9 to the Australian Corporations Act of 2001, as currently amended, and that I meet the criteria to qualify as an accredited investor, in the category or categories that I marked below.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

I am an accredited investor in the meaning of a ...

1. sophisticated individual investor that:
 - (a) has net assets of at least A\$2.5 million; or
 - (b) has a gross income of A\$250,000 for each of the last two financial years.
2. professional investor, satisfying one of the following provisions:
 - (a) The person is a financial services licensee; or
 - (b) The person is a body regulated by APRA; or
 - (c) The person is a body registered under the *Financial Corporations Act 1974*; or
 - (d) The person is a trustee within the meaning of the *Superannuation Industry (Supervision) Act 1993* and fund, trust, or scheme has assets of at least \$10m; or
 - (e) The person controls at least \$10m in assets; or
 - (f) The person is a listed entity; or
 - (g) The person is an exempt public authority; or
 - (h) The person is a body corporate that:
 - (i) Carries on a business of investment in financial products; or
 - (j) Invests fund received (directly or indirectly) following an offer or invitation to the public; or
 - (k) Is a foreign entity, either established or incorporated in Australia, and is covered by one of the preceding items.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Issuer prior to the Closing Time.

General Warning

Accredited investors are assumed to be better informed, and better able to access resources to protect their own interests, and therefore require less regulatory protection. Investors who agree to be treated as accredited investors, therefore, forgo the benefit of certain regulatory safeguards. For example, issuers of tokens are exempted from issuing a full prospectus registered with the Australian

supervisory authority in respect of offers that are made only to accredited investors, and intermediaries are exempted from a number of business conduct requirements when dealing with accredited investors. Investors should consult a professional adviser if they do not understand any consequences of being treated as an accredited investor.

Risk Acknowledgement:

I acknowledge that investments in corporate tokens are risky investments. I am investing entirely at my own risk. No securities regulatory authority or regulator has evaluated or endorsed the merits of any of the securities purchased by me or the information disclosed by any issuer relating to any of these securities, by way of offering memorandum or otherwise the person selling me these securities, if applicable, is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me. I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities. I may be limited and not able to sell these securities for prescribed periods of time.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Place, Date

Signature Investor

Address: _____

Print name Investor

NRIC/Passport Number: _____

Confirmation by Financial Advisor/Tax Consultant/Chartered Accountant/Lawyer:

Place, Date

Print Name

Firm

Financial Advisor/Tax Consultant/Chartered Accountant/Lawyer

Address

Signature
Financial Advisor/Tax Consultant/Chartered Accountant/Lawyer

Official

Stamp

Annex F

INDIVIDUAL ACCREDITED INVESTOR CERTIFICATION (FOR NEW ZEALAND CITIZENS OR RESIDENTS)

I hereby certify that I am familiar with the definition of the term “accredited investor” within the meaning of the term “wholesale investor” and/or “eligible investor”, as defined in clause 3(2) or clauses 3(3)(a) and 41 of Schedule 1 of the Financial Markets Conduct Act, as currently amended, and that I meet the criteria to qualify as an accredited investor, in the category or categories that I marked below.

(Please mark the relevant wholesale investor category that you fall into. If more than one category applies, please tick each relevant category)

1. I am an investment business by reason of being an investment business, as defined in clauses 3(2)(a) and 37 of Schedule 1 to the Act on the grounds that:
 - (a) My principal business consists of 1 or more of the following:
 - (i) investing in financial products
 - (ii) acting as an underwriter
 - (iii) providing a financial advice service (as defined in the Act)
 - (iv) providing a client money or property service (as defined in the Act, or
 - (v) trading in financial products on behalf of other persons
 - (b) I am a registered bank (as defined in the Act)
 - (c) I am a NBDT (as defined in section 5 of the Non-bank Deposit Takers Act 2013)
 - (d) I am a licensed insurer (as defined in section 6(1) of the Insurance (Prudential Supervision) Act 2010)
 - (e) I am a manager of a registered scheme (as defined in the Act), or a discretionary investment management service (as defined in the Act), that holds a market services license issued under Part 6 of the Act
 - (f) I am a derivatives issuer (as defined in the Act) that holds a market services license issued under Part 6 of the Act, or
 - (g) I am a financial adviser (as defined in the Act).
2. I meet the investment activity criteria set out in clauses 3(2)(b) and 38 of Schedule 1 to the Act on the grounds that:
 - (a) I own, or at any time during the two-year period ending on the date of this certificate, have owned, a portfolio of specified financial products of a value of at least \$1 million in aggregate (specified financial products owned by an entity controlled by me may be treated as being owned by me)
 - (b) I have, during the two-year period ending on the date of this certificate, carried out one or more transactions to acquire specified financial products where the amount payable under those transactions (in aggregate) is at least \$1 million and the other

parties to the transactions are not associated persons (as defined in the Act) (transactions carried out by an entity controlled by me may be treated as being carried out by me), or

- (c) I am an individual who has, within the last 10 years before the date of this certificate, been employed or engaged in an investment business and have, for at least two years during that 10-year period, participated to a material extent in the investment decisions made by the investment business.
3. I am large as defined in clauses 3(2)(c) and 39 of Schedule 1 to the Act) on the grounds that:
- (a) as at the last day of each of the two most recently completed financial years before the date I give this certification, my net assets and those of the entities controlled by me exceeded NZ\$5 million, or
- (b) in each of the two most recently completed financial years before the date I give this certification, my total consolidated turnover and that of the entities controlled by me exceeded NZ\$5 million.
4. I am a government agency as defined in clauses 3(2)(d) and 40 of Schedule 1 to the Act) on the grounds that I am:
- (a) a public service agency as defined in section 5 of the Public Service Act 2020
- (b) a Crown entity (as defined in section 7 of the Crown Entities Act 2004)
- (c) a local authority (as defined in section 5(1) of the Local Government Act 2002)
- (d) a State enterprise (as defined in section 2 of the State-Owned Enterprises Act 1986)
- (e) the Reserve Bank of New Zealand, or
- (f) the Board of Trustees of the National Provident Fund continued under the National Provident Fund Restructuring Act 1990 (and a company appointed under clause 3(1)(b) of Schedule 4 to that Act)
5. I am an eligible investor as defined in clauses 3(3)(a) and 41 of Schedule 1 to the Act) on the grounds that:
- (a) I have previous experience in acquiring and/or disposing of financial products that allows me to assess:
- (b) the merits of the Transaction (including assessing the value and the risks of the financial products involved in the Transaction)
- (c) I own information needs in relation to the Transaction, including the amount of information, and the level of detail, you require about the Transaction, and
- (d) the adequacy of the information provided to me by any person involved in the Transaction
- (e) I understand the consequences of certifying yourself to be an eligible investor for the purposes of the Act, and
- (f) the grounds for my certification that you have previous experience in acquiring or disposing of financial products are as set out in the Appendix to this certificate.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Place, Date

Signature Investor

Address: _____

Print name Investor

Passport Number: _____

Confirmation by Tax Consultant/Financial Advisor/Chartered Accountant/Lawyer:

Warning

The law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors make an informed decision. If you give this certificate, the usual rules do not apply to offers of financial products made to you. As a result, you may not receive a complete and balanced set of information. You will also have fewer other legal protections for these investments. Make sure you understand these consequences. Ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

Offence

It is an offence to give a certificate knowing that it is false or misleading in a material particular. The offence has a penalty of a fine not exceeding \$50,000.

1. I confirm that:
 - (a) I am:
 - (i) an authorized financial adviser under the Financial Advisers Act 2008; or
 - (ii) a chartered accountant under section 19 of the New Zealand Institute of Chartered Accountants Act 1996; or
 - (iii) a lawyer under section 6 of the Lawyers and Conveyancers Act 2006.

- (b) I am not an associated person (as defined in the Financial Markets Conduct Act 2013) of Enterprise Angels Incorporated or other relevant person or any related body corporate of Enterprise Angels Incorporated or other relevant person (the “Relevant Persons”).
 - (c) If I am an authorized financial adviser or chartered accountant, I have not, within the 2 years immediately before the date of this confirmation, provided professional services to any Relevant Person.
2. Having considered the Eligible Investor’s grounds for the certification in the attached certificate:
- (a) I am satisfied that the Eligible Investor has been sufficiently advised of the consequences of the certification; and
 - (b) I have no reason to believe that the certification is incorrect or that further information or investigation is required as to whether or not the certification is correct.

Date of Investor's Eligible Investor Certification:

Print Name of Financial Advisor/Chartered Accountant/Lawyer

Firm

Address

Signature Financial Advisor/Chartered Accountant/Lawyer

Official Stamp

Annex G**INDIVIDUAL ACCREDITED INVESTOR CERTIFICATION
(FOR SINGAPORE CITIZENS OR RESIDENTS)**

It is required under Singapore law to provide you with certain information before you make a decision on whether you wish to be treated as an accredited investor as defined in section 4A of the Securities and Futures Act (Cap. 289) (the “SFA”).

Accordingly, we hereby inform you that:

1. we have assessed you to be an “accredited investor” as defined in section 4A of the SFA based on the information you have provided to us;
2. you may, but are not obliged to, consent to being treated by us as an accredited investor for the purposes of the statutory provisions set out in regulation 3(9) of the Securities and Futures (Classes of Investors) Regulations 2018; and
3. if you consent to the treatment outlined in paragraph (b) above, you may withdraw your consent at any time, upon which we will cease to treat you as an accredited investor.

Please note that being treated as an accredited investor means, among other things, that you will be deemed to have more knowledge and the ability to understand and manage the risks of the financial products that you choose to invest in. This means that we are allowed to assume that you have a certain level of understanding of financial products, including collective investment schemes, and are not obliged to determine your precise level of understanding of such products. We are also allowed to assume that you have sought independent advice prior to purchasing or participating in any financial instrument or investment. In addition, when you hold certain financial instruments or participate in certain activities, you will be afforded fewer statutory protections and remedies than retail investors.

Where you are purchasing capital markets products offered pursuant to section 275 or 305 of the SFA, you should be aware that the restrictions and prohibitions on subsequent transfers of those products will apply to you. Pursuant to regulations 33 and 34 of the Financial Advisers Regulations, you acknowledge that we have no obligation to disclose all material information relating to designated investment products nor have a duty to determine the suitability of the recommendations provided to you.

General Warning

Accredited investors are assumed to be better informed, and better able to access resources to protect their own interests, and therefore require less regulatory protection. Investors who agree to be treated as accredited investors, therefore, forgo the benefit of certain regulatory safeguards. For example, issuers of securities or tokens are exempted from issuing a full prospectus registered with the Monetary Authority of Singapore in respect of offers that are made only to accredited investors, and intermediaries are exempted from a number of business conduct requirements when dealing with accredited investors. Investors should consult a professional adviser if they do not understand any consequences of being treated as an accredited investor.

Declaration

I confirm that I have read the above in full and that I know and understand the consequences of consenting to be treated by you as an accredited investor.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

I herewith confirm that I am an individual whose

1. [] net personal assets exceed \$2 million in value
(or its equivalent in a foreign currency)
2. [] financial assets (net of any related liabilities) exceed in value \$1
(or its equivalent in a foreign currency)
3. [] income in the preceding 12 months is not less than \$300,000
(or its equivalent in foreign currency)

In completing, signing, and returning this form to you, I represent and warrant that the information and confirmations I have provided in this form, and all information contained in this document and any other documentation that I provide to you, are complete, true, and accurate. If there is any change in circumstances relating to my (i) net personal or financial asset holdings or income that may affect any of my declarations and representations set out above or (ii) status as an accredited investor under Singapore law such that I cease to be an accredited investor at any time, I undertake to inform you within 30 working days of such change in circumstances. If such changes cannot be rectified, I acknowledge and accept that you have full discretion to decide to refrain from treating me as an accredited investor.

Risk Acknowledgement

I acknowledge that investments in corporate tokens are risky investments. I am investing entirely at my own risk. No securities regulatory authority or regulator has evaluated or endorsed the merits of any of the securities purchased by me or the information disclosed by any issuer relating to any of these securities, by way of offering memorandum or otherwise the person selling me these securities, if applicable, is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me. I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities. I may be limited and not able to sell these securities for prescribed periods of time.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Place, Date

Signature Investor

Address: _____

Print name Investor

NRIC/Passport Number: _____

Confirmation by Tax Consultant/Financial Advisor:

Place, Date

Signature Tax Consultant/Financial Advisor

Print Name Tax Consultant/Financial Advisor

Official Stamp Tax Consultant/Financial Advisor

Annex H

Status update as of 30.03.2023: At present, the initiators of Sports365 are in the acquisition phase for an initial partner for the project from the sports retail sector. There is interest in the Sports365 idea in the market, but finding a suitable initial partner takes time due to the current market environment. Therefore, it has been decided to postpone the ICO by 3 months to 01.07.2023.

Annex I

Status update as of June 30, 2023: The initiators of Sports365 are still in the acquisition phase of initial partners for the project in the sports retailer sector. The Sports365 idea is generating strategic interest; however, finding a suitable initial partner will take a bit more time. Therefore, it has been decided to postpone the ICO to the first quarter of the year 2024.

Glossary

- Acceptance Partners** are points of sale (brick-and-mortar retail and eCommerce) that accept the Sports365 Token as a means of payment.**35**
- Alt-Coins** is the term for Alternative Coins. All cryptocurrencies that are traded as an alternative to Bitcoin fall under the term Altcoins. These are often also referred to as "alternative currency".**37**
- Acceptance Obligation** in this context means that the acceptance point or the token issuer delivers the products and services offered by him/her against payment with Sports365 Tokens.**24**
- Autonomia** is the name of the Leondrino operational unit responsible for money supply management and adherence to the respective specified token design of a Leondrino currency.**30**
- Club-Deals** are large-volume token purchase agreements that professional investors such as multi-family offices or large wealth management companies conclude on attractive terms.**36**
- Customizing** is the name given to a customer-specific adaptation of a software product or a good.**24**
- DACH-Region** stands for the region of the German-speaking countries Germany, Austria, and Switzerland.**17**
- Distributed Ledger Technology (DLT)** is the technical term for a special form of electronic data processing and data storage on a "distributed ledger" (decentralized database), which allows the participants of a network to share write and read authorization. No central instance is required for the entry of a new data record, since after an entry has been made by a network participant, a subsequent update process ensures that all participants have the current status of the database.**24**
- Downside** in this context refers to the potential loss of value of an investment.**32**
- Fungible Token** refers to a type of cryptographic token that is identical or at least similar in type and functionality and thus interchangeable. Two different fungible tokens serve the same purpose, even if they are shared or exchanged, or replaced with other fungible tokens of the same type. Common cryptocurrencies (BTC, ETH, XRP, etc.) are good examples of fungible tokens, as is the Sports365 token.**4**
- Governance** in this context refers to the legal and factual regulatory framework for the control and monitoring of a token or a token design, which takes into account the different interests and has the fundamental task of limiting the scope and motivations of the actors for opportunistic behavior.**24**
- KYC Check** or Know-Your-Customer Check means "know your customer" and refers to the identification and verification of new and existing customers on the basis of money laundering requirements.**27**
- Limit Order Book** is a record of outstanding limit orders, which is kept by a specialist working on the stock exchange. A limit order is an order to buy or sell a security or tokens at a certain price or at a better price.**33**
- NFT** is the abbreviation of Non-Fungible Token and refers to a non-fungible digitally protected object or collectible. ...**3, 5, 10, 34**
- Payment** is the technical term for payment transactions or payment processing.**39**
- SAFT-Contract** is the abbreviation for "Simple Agreement for Future Tokens" and refers to a purchase agreement for the acquisition of tokens.**36**
- Sports365 Partners** are companies and institutions that actively use the Sports365 Token to promote sports. These can be sponsors, clubs, event organizers, associations, etc., who also commit to accepting Sports365 Tokens for (certain) their own sports-related products and services.**4**
- Supply-Management** in this context refers to money supply control or control of the token quantity.**32**
- Token Design** or tokenomics refers to the design of the token in terms of use and incentive system.**24**
- Track-Record** refers to a record of past performance, often used as an indicator of a prospective future performance.**15**
- Upside** refers to the monetary or percentage increase in the value of an asset or token.**32**
- Utility** or "availability". A utility token describes a type of token that grants its users certain clearly defined rights. Anyone who has utility tokens is entitled to use certain services or

functions. Voting rights or profit sharing are not provided for with this form of token. Utility tokens are always associated with one or more benefits. **9**

Wallet is a virtual wallet for cryptocurrencies or tokens and thus central element for transactions with these tokens.. **5**

Convertible loan in this context is a loan with the option to convert to tokens after they are available for public trading (also called Leondrino Convertible). **36**

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