



SOUTH EAST ASIAN ENTERTAINMENT
TIMOR INVESTMENT FUND
ACCELERATING FOR SUCCESS

EXECUTIVE SUMMARY: THE OPPORTUNITY

- We are operational (4D/3D/2D Lottery) and growing rapidly in Timor Leste. We have a license to operate the Duty Free Concession on the border between East Timor and West Timor (Indonesia) (the only provider in this area). Our first store in Batugade is complete and we are waiting for our shipment of goods to arrive. We envision online gaming at the border crossings being a significant additional revenue stream and expect a license in forty days. We also have a wholesale license and envision developing that line of business along with the Duty Free
- The founders have also developed a unique electronic distribution terminal which has been used in East Timor but has distinct other features which may be utilized throughout Asia. The system can also be used for electronic payments including government social payments
- We have further opportunities in Tobacco Distribution, Franchises, Hotels, and Timor Hot Sauce
- We are looking for funding at the holding company level for projects in Timor Leste. We have invested 700K USD to date, not including travel cost and other soft cost incurred by the founders
- Opportunities: Lottery, Payment Services, Duty Free, Wholesale Distribution and Border Cafe Gaming



EXECUTIVE SUMMARY:

THE MARKET

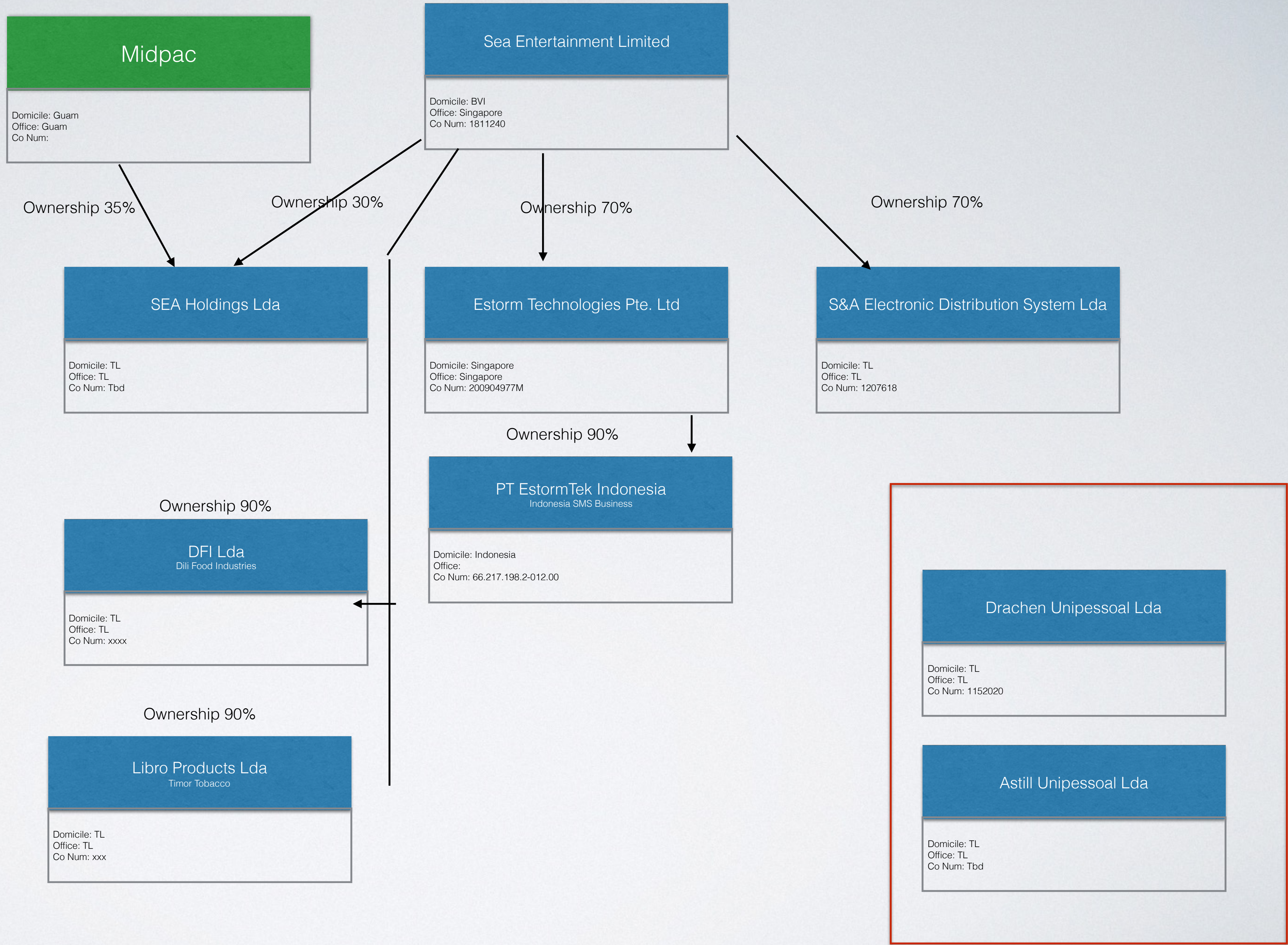
- Population base of 1.3M
- Only land border crossing with Indonesia. The Indonesia government just put a new 150% value added tax on alcohol making Indonesia one of the most expensive countries in the world to consume alcohol.
- Extensive government projects to build infrastructure. (1 Billion USD Chinese funding, major road and transportation projects) plus the government commitment to spend 5 billion USD over the next 2 years
- Special economic zone development in Oecussi an enclave in Indonesia allows further distribution/tourist opportunities.
- Timor is a difficult place to work but we have the experience to get things done. We have been doing business in Timor for over 4 years

Untapped and new market



COMPANY STRUCTURE:
COMPANY
STRUCTURE
OVERVIEW

- MidPac is duty free partner



- Lottery license holding companies

PROJECTS

OUR PROJECTS

SEA Holdings

Operational now
2016 Projected Net income: 484K
Business: Duty Free sales

S&A

Operational now
2016 Net income: 574K
Payment processing system, lottery, retail and electronic distribution

Libro Products

Operational soon
2016 Net income: 440K
Wholesale distribution, tobacco, cigaretters

Current

Border Gaming

Operational 2016
2016 Net income: 175K
Gaming at the Indonesian border. (Small slots club)

Dili Food

Operational 2016
2016 Net income: 50K
Hot sauce, coffee and other local products

Hotel

Operational 2016
2016 Net income: 50K
Border hotel to support border gaming

2016

Bank

Operational yyyy
2016 Net income: 0
Real estate bank

Property Dev

Operational yyyy
2016 Net income: 0
Property development

Future

FUNDING REQUEST

FUNDING STRUCTURE

- Term sheet available for review and individual project presentations are also available
- We value SEA Entertainment at 3.6M USD. (Based primarily on TEDS, Duty Free and other pending licenses.- summary on next slide with market risk discount applied)
- We would sell up to 42% of SEA Entertainment (minimum 5% blocks at \$175K). This would allow opportunity for further investments on a project or holding company basis
- Participation at the project level is available with the ownership percentage negotiable.

FINANCES

SEA ENT FINANCIAL SUMMARY

	Ownership %		year 1	year 2	year 3
Investment Net Income before SEA ENT Opex					
Sea Holdings (Duty free)	30%		\$484,200	\$641,250	\$833,513
Libro	80%		440,900	760,500	858,390
S and A Distribution	70%		574,762	1,947,848	2,555,002
Total Net Income			1,499,862	3,349,598	4,246,904
SEA ENT Share *			900,314	2,164,269	2,725,267
Management fees			127,866	234,200	291,218
Total Sea Ent			1,028,180	2,398,469	3,016,485
SEA ENT OPEX					
Salaries and Wages			180,000	240,000	360,000
Travel			60,000	60,000	60,000
Professional Fees			60,000	60,000	60,000
Total OPEX			300,000	360,000	480,000
Net Income at SEA ENT			728,180	2,038,469	2,536,485

* SEA Entertainment share of total net income is pro rata with ownership

FUNDING REQUEST

Valuation Review

	Projected Net Income 2016	Ownership	P/E	EV
SEA Holdings (Duty Free)	484,000	0.3	5.5	798,600
TEDS (electronic distribution)	574,000	0.7	5.5	2209900
Libro Products (Wholesale)	440,000	0.8	5.5	1,936,000
Dili Food (Hot sauce, coffee)	50,000	0.8	5.5	220,000
Mgmt Fees	127866	1	1	127866
Valuation Known Projects				5,292,366
Market and Risk Discount				40%
Value at SEA ENT				3,175,420
Value of Projects in Progress				
Batugade Ent Center	175,000	0.7	8	980,000
Batugade Hotel	50,000	0.7	4	140,000
Mgmt Fees	36000	1	1	36000
Valuation of Projects in Progress				1,156,000
Market and Risk Discount				60%
Valuation of Projects in Progress				462,400
SEA ENT Valuation				3,637,820

NEXT STEPS

- Operational in Timor Leste. Immediate plans to grow the business regionally organically but need commitment to project finance to grow the business quickly.
- Individual projects available for financing subject to a small mgmt fee by Sea Entertainment (5% of net revenue with a cap of 20K/month and a floor of 2K/month) if the investor wants to target his/her investment.
- For further discussions on funding/investment please contact
- scott.sproule@sea-ent.com