QUARTERLY REPORT

Q3 2022

Santa
For An Emerging Crypto World

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Safe Harbor

This Quarterly Report contains forward-looking statements that involve risks and uncertainties. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Forward-looking statements can also be identified by words such as "future," "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "will," "would," "could," "can," "may," and similar terms. Forward-looking statements are not guarantees of future performance and the Company's actual results may differ significantly from the results discussed in the forward-looking statements.

The Company assumes no obligation to revise or update any forward-looking statements for any reason, except as required by law. Unless otherwise stated, all information presented herein is based on the Company's fiscal calendar, and references to particular years, quarters, months or periods refer to the Company's fiscal years ending in December and the associated quarters, months and periods of those fiscal years. Each of the terms the "Company" and "Santa" as used herein refers collectively to AD RAK Labs Ltd., DBA Santa Browser and its wholly owned subsidiaries, unless otherwise stated.

From the CEO's desk

In the beginning of 2022, we embarked on a mission to reimagine the internet. Over the following months, we brought together & coalesced a remarkably strong set of individuals under the Santa Browser banner.

Now with 26 people donning our reds, the Santa family comprises some of the world's most experienced C++ and Chromium developers. Hailing from countries like Russia, Ukraine, Poland, Germany, Belarus, Israel, India and Kenya. Including talent from companies like Yandex and Microsoft.

Post the assembly of this stellar troupe, things have been incredibly busy at the north pole. We launched our browser's public beta test on 15th August, marking the development of an un-googled version of Chromium in record time. Our pursuits resulted in a beta product that's fast, lite & user-friendly whilst ensuring privacy is significantly improved. Achieving this feat meant cleaning up and optimizing Chromium's 10GB of highly complex open-source code in an exceedingly short span of time.

Building a team and beta product of this caliber has only been possible due to highly effective hiring — a field where our CTO & COO's experience, knowledge and networks have been instrumental.

Santa Browser's official version 1.0 is all set for public release later this year in December. The full release build will introduce four new Web3 features for users. Post-release, Q1 2023 will see Santa commence a major user acquisition drive for this first full version of the browser.

As of now, both the present and future look exceptionally bright!
(An exceptionally bright shade of red to be precise)

Regards,

Raghu Alekh

Raghu Alekh

Our Marquee Investors

Owing to our clear vision and the ability to achieve the same, Santa has received an awe-inspiring welcome from the industry. For us, having not only received the support of seasoned industry veterans but also their participation in a seed fund of USD 50M, has been the most gratifying validation in itself.

ARCANUM CAPITAL

Arcanum Capital

A seed-stage VC supporting innovation in the global blockchain ecosystem.

A team of experienced investment professionals who've been on the frontiers of every emerging marketing since 2013. They have amassed powerful networks and partnerships on all operating levels, enabling entities on their portfolio to swiftly transition from idea to market on a global scale.

Alpha Wave

The only private company capable of returning a spacecraft from orbit.

Alpha Wave is an investment company with partnerships spanning the globe. Big names such as SpaceX, Dream11, Absolute, Cred, Swiggy, Alibaba, Uber, and Polygon come up when skimming through their varied asset classes. Ranging from venture/growth to public markets to credit.

ALPHA WAVE

Polygon

Polygon believes in Web3 for everyone.

A layer 2 or side chain scaling solution that runs alongside Ethereum, allowing developers to build dApps with faster transactions and lower fees. The Polygon Ecosystem Fund was conceived to help all levels of developers in the Web3, defi, blockchain infrastructure, gaming, NFT and metaverse spaces. Proudly, claiming "Built by developers, for developers."

Bitfinex

The ultimate cryptocurrency trading experience.

Founded in 2012, Bitfinex has always been at the forefront of innovation in digital asset trading, allowing them to gain invaluable experience in blockchain technology, cementing its place as a go-to for users and global liquidity providers as a state-of-the-art digital asset exchange.

Tether

Driving the future of money.

Tether is the most widely accepted stablecoin in the world. It allows businesses to use fiat currency on the blockchain, providing liquidity to tier 1 exchanges. In partnership with all the prominent names in exchanges, OTC Desks and wallets such as Bitfinex, Binance, Coinbase, Kraken, KuCoin, etc. Making it one of the most traded token by volume.

Company Background

Santa is a web 3.0 browser that seeks to disrupt the ecosystem on which a $56B industry thrives today.

Reimagining the way we use the internet - Santa will give full data ownership to all users & fair value exchange for all parties participating within its decentralized economy. Envisaging a web3 experience where users will have privacy, transparency and control unlike ever before.

In the Santa ecosystem, users will hold sovereign control over all their data. For the first time on the internet, users will be able to monetize their data & earn through browsing.

This is made possible with Santa's inbuilt ad-servers, which are designed to serve highly-relevant campaigns without ever transmitting user data out of the browser. Users can earn tokenized rewards simply by watching ADs or get cashbacks for all their spends on ecommerce & travel portals.

The company boasts a formidable team of industry veterans and the backing of forward-thinking visionaries like Paolo Ardoino (CTO, Bitfinex & Tether) & Sandeep Nailwal (CEO, Polygon), all of whom have come together to realize this vision.

While these goals themselves are ambitious, for Santa, the browser is just a foot in the door — that stands in front of the rabbit hole that is web3. With an average experience of 16 years in the top leadership, the team obsessively endeavors to build & expand upon everything that can be offered to users in this new age experience of Web 3.0

Human Capital

The Company believes it has a talented, motivated, and dedicated team, and is committed to supporting the development of all of its team members and to continuously build on its strong culture. As of September 22, 2022, the Company has 26 team members.

Workplace Practices and Policies

The Company is committed to providing a workplace free of harassment or discrimination based on race, color, religion, sex, sexual orientation, gender identity, national origin, disability, veteran status, caste or other legally protected characteristic. The Company is an equal opportunity employer committed to inclusion and diversity.

Engagement

The Company believes that open and honest communication among team members, managers and leadership fosters an open, collaborative work environment where everyone can participate, develop and thrive. Team members are encouraged to come to their managers with questions, feedback or concerns.

Compensation and Benefits

The Company believes that compensation should not only be competitive; it should be equitable and should enable employees to share in the Company's success as shareholders of the Company. The Company recognizes its people are most likely to thrive when they have the resources to meet their needs and the time and support to succeed in their professional and personal lives.

Health and Safety

The Company is committed to protecting its employees everywhere it operates. The Company identifies potential risks associated with workplace activities in order to develop measures to mitigate possible hazards. The Company also offers special sick leave for employees with possible COVID-19 symptoms, as well as comprehensive health coverage.

Inclusion and Diversity

The Company is committed to hiring inclusively, providing training and development opportunities, fostering an inclusive culture, and ensuring equitable pay for employees, and is continuing to focus on increasing diverse representation at every level of the Company.

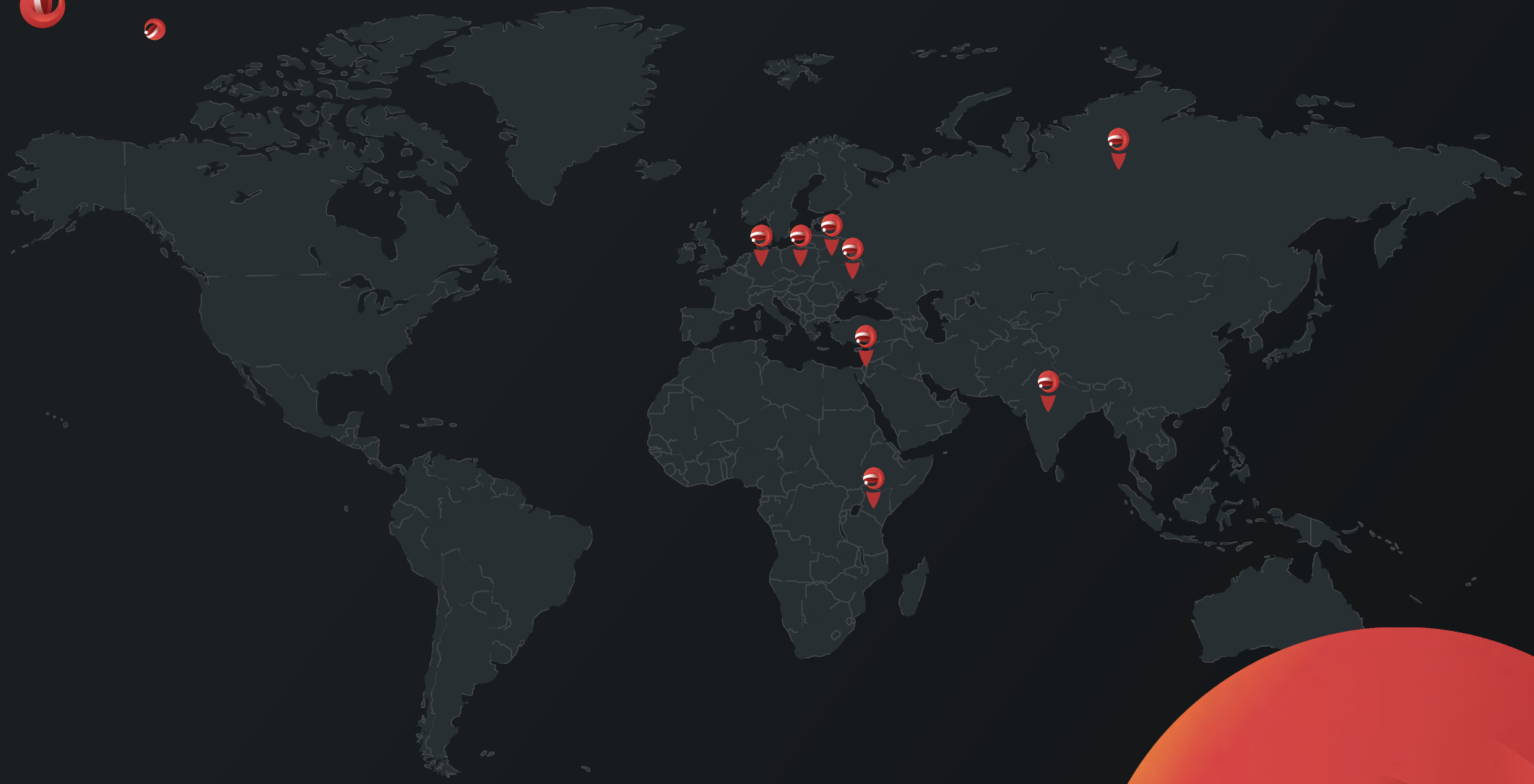
Growth and Development

The Company invests in tools and resources that support employees' individual growth and development.

ORGANIZATIONAL VERTICALS

Legend
Hired | Yet to Hire
Principal Product Manager
Product Manager - Browser
Product Manager - Mobile
UI/UX Product Designer
Chief Product Officer
Product
Human Resources
Chief Operating Officer
Accounting & Payroll
Chief Financial Officer
Administration
Head of Infrastructure
Site Reliability Engineer
Dev Ops Engineer
Data Engineer
Chief of Staff
Marketing
Head of Content
Copywriter
Digital Marketer
Graphic Designer
Rewards & Distribution
On ramp/off ramp team
On ramp/off ramp team
Engineering
Chief Technology Officer
Senior Chromium Engineer
Senior Chromium Engineer
CI/CD Dev Ops Engineer
Chromium Engineer
Chromium Engineer
Chromium Engineer
Software Engineer
Software Engineer
Software Engineer
Software Engineer
Quality Engineer
Quality Engineer
Quality Engineer
Quality Engineer
Full Stack Developer
Full Stack Developer
C++ Devloper
C++ Devloper
Blockchain Engineer
Blockchain Engineer
dApp Store
dApp Store Lead
Pre Sales
Pre Sales
Business Development Manager
Growth & Partnerships
Browse2Earn
Work Store
Senior Manager - Strategy
Business Development Manager
Lead Monetization
Pre Sales
Pre Sales
Business Development Manager

THE SANTA FAMILY ACROSS THE WORLD



PRODUCTS AND SERVICES

Santa
For An Emerging Crypto World

Products and Services

Browser

Santa is a fast, secure & lite client that's hosted and distributed by us for end users to install on their devices and browse the internet. The browser is built on top of the open-source Chromium project and allows complex web pages to be rendered in a quick, stable and safe manner. Users have absolute control over their participation in advertising through our Consent Control frameworks and the browser by default blocks all tracking scripts by harnessing the tracking protection lists provided by projects such as uBlock. User interests are studied in-browser, based on browsing history and any supporting machine-learning models and advertising campaigns are imported into the browser and never transmitted out of the browser.

Browser Core | Campaigns | Rewards | Cohorts Component

Platform

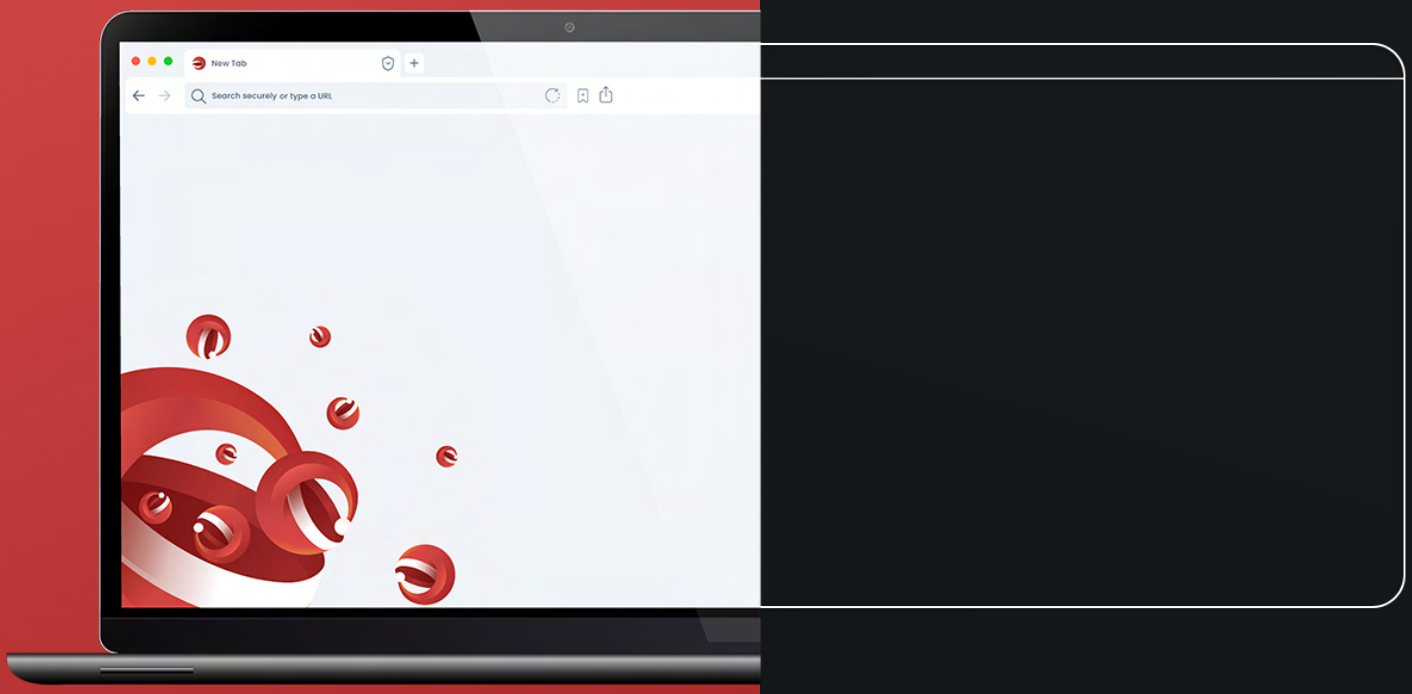
A web-based backend component that allows Advertisers to book and manage their campaigns whilst Santabrowser administrators manage the entire platform operations. The Browser and the backend Platform use encrypted communication extensively and follow a zero-knowledge protocol to interchange just enough information required for proving the interaction. Advertisers create Campaigns using the Campaign Manager feature of the Platform.

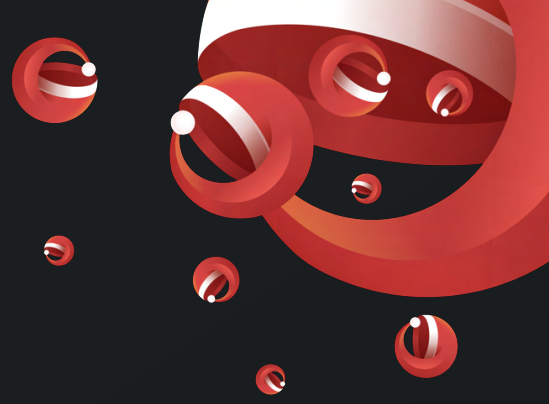
Advertiser Portal | Administration Portal | Categorization Pipeline | Reporting Engine | Billing

BETA

LIVE SINCE

15TH AUG





Release Notes: BETA VERSION 1.18 (15th Aug 22)

Features Overview

1. UNGOOGLED CHROMIUM BROWSER

Chromium is the most popular platform for browsers since it offers a great combination of speed, functionality and intuitiveness. However, Chromium is Google owned and thus relies on their services which may raise some concerns.

This is why we chose to build our browser upon ungoogled-chromium's work which, in essence, removes all Google web services from Chromium. We have achieved 90% of un-googling and are working towards a complete independence from Google web services.

2. PRIVACY AND SECURITY

Using a few integrated browser extensions, Santa offers a high level of ad blocking, tracking attempt prevention and security without making the user go through any trouble achieving such a browsing experience.

3. AUTO UPDATES

To make sure you're protected by the latest updates, Santa automatically updates when a new version of the browser is available on your device. Updates happen seamlessly in the background when you close and reopen Santa.

Minor Enhancements

We also put effort into minor customizations we felt would enhance users' browsing experience. We are open to any and all user suggestions in the future.

Downloads

The latest version for macOS and Windows 10 can be found on our website **santabrowser.com**

U S E R
I N C E N T I V E S

Paradigm shifts arise when the dominant paradigm under which normal science operates is rendered incompatible with new phenomena, facilitating the adoption of a new theory or paradigm

~ Thomas Kuhn

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User Incentives

"What's in it for me as a USER?"

With the evolution of technology, we strongly believe that Santa will make a paradigm shift in the way the World uses web browsers today. Albeit, one user at a time. We also understand that in order to facilitate such an enormous change, there needs to be an equivalent recompence associated with it. Hence, we'll be integrating the following inducements in to our browser for users who are willing to embark on this journey with us:

Autocomplete Recommendation: A feature where we'll be saving users money while paying them to shop online by finding discounts & cashback offers for desired products from a range of retailers.

Search Feed: Being search syndication partners, we will help monetize search intent traffic with the right feed. The earnings from search monetization will be passed back to the users in the form of USDT Tether Tokens.

eCommerce: Our plugins on major platforms have been built with the task of getting the best deals for users. Furthermore, commissions on conversions will also be passed back to the users in the form of USDT Tokens.

Ad monetization: Our Direct Advertiser Relationships, Programmatic Partnerships and the Agency Trading Desk Relationships help us get the best value per user eyeball. The benefits gained through these relationships will be passed directly back to users. Awarding them with USDT whenever they interact with Ads.

Usage Rewards: Users will gain progressive rewards for repeat spends & interactions with their favorite brands & creators.

Referrals: Like any referral program, Santa will reward those who bring in new users into the ecosystem. The only exception would be that their rewards would be directly deposited into their wallet, in the form of USDT Tokens.

QUARTERLY UPDATES

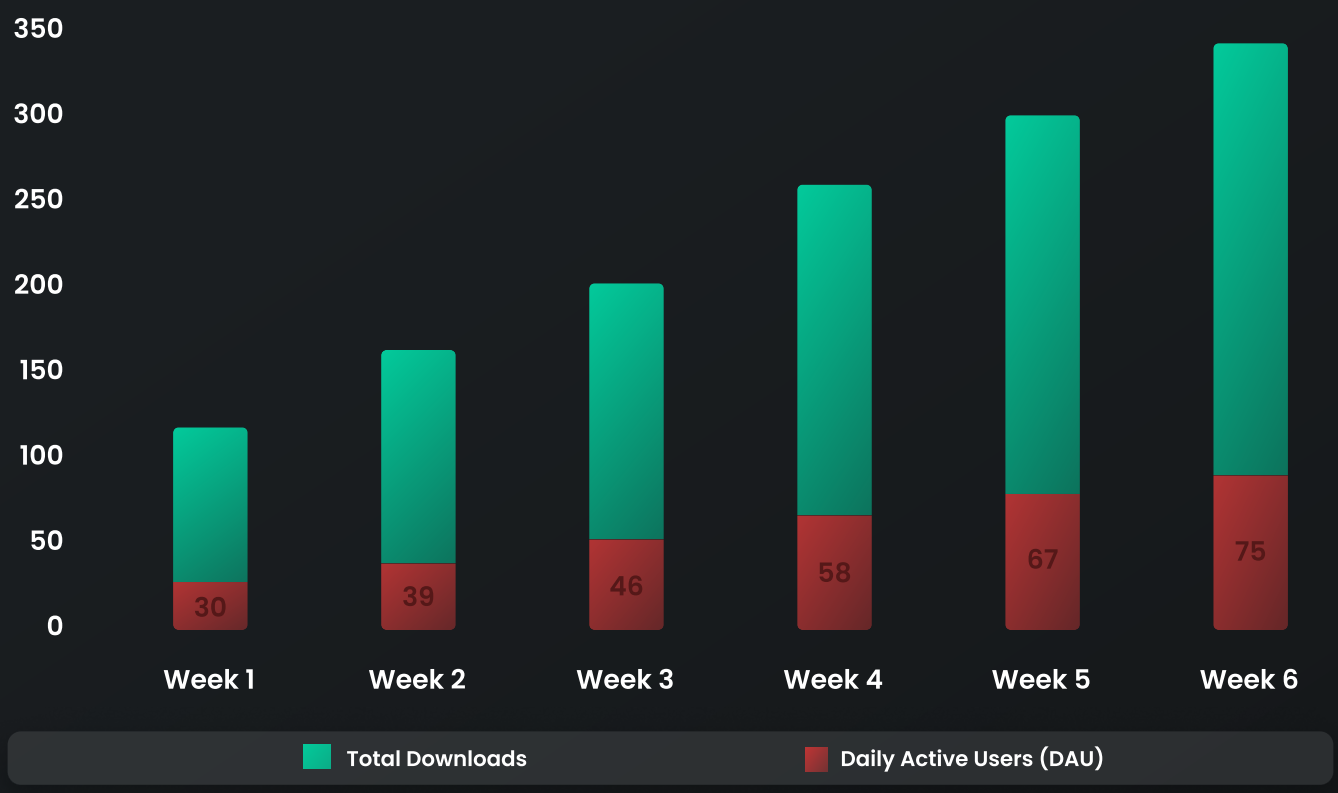
Key Milestones

- Achieved
- In Progress

- Pitch Deck
- Legal & Financial Structuring
- Company Formation
- Wallet Creation
- PR Plan
- Fund Raising
- Beta Launch
- Community Development
- Social Media Promotions
- Brand Partnerships
- v1.0 Goes Live!

- Beta launch completed on 15th August 2022
- Community Development and Social Media Promotions in progress
- Brand Partnerships are work in progress
- v1 launch is scheduled for December 2022

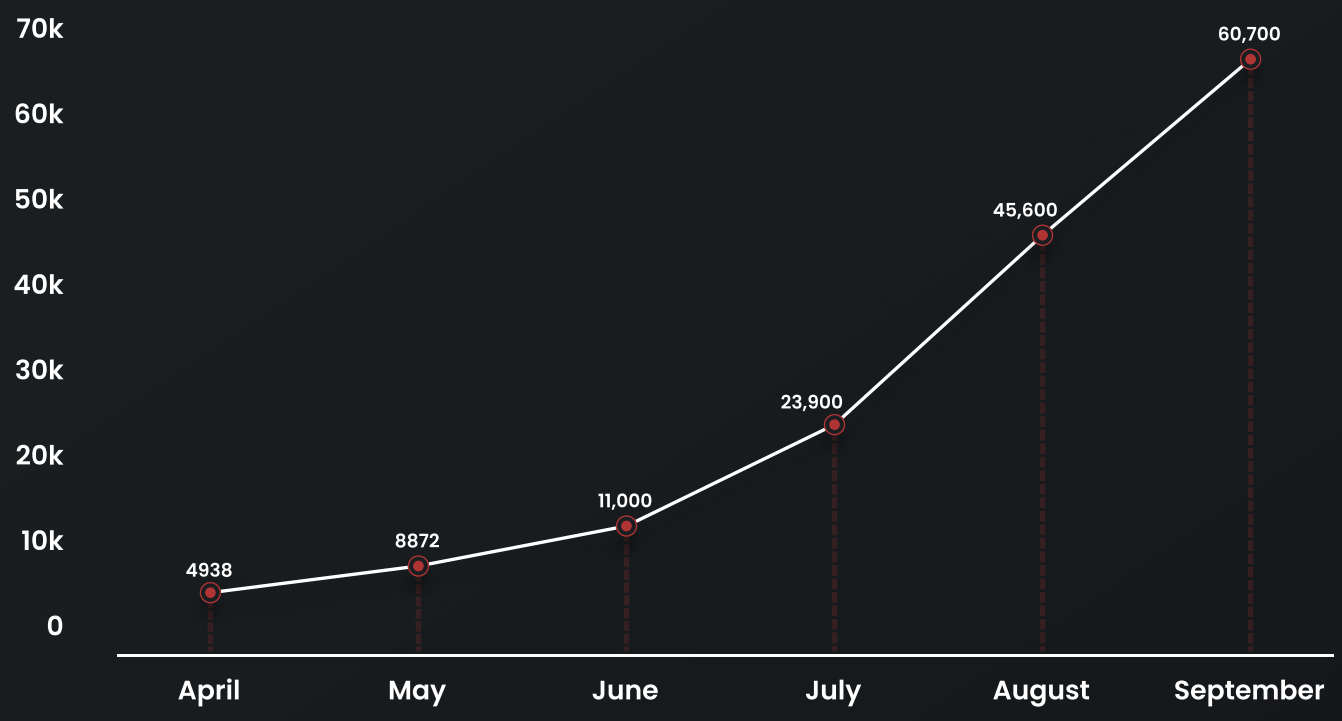
Browser Installations - BETA



The graph above depicts the Browser installations since our BETA launch on 15th August 2022. It also represents the number of Daily Active Users (DAU), who are more actively engaged in helping us with BETA testing.

Social Media

TOTAL GROWTH IN FOLLOWERS

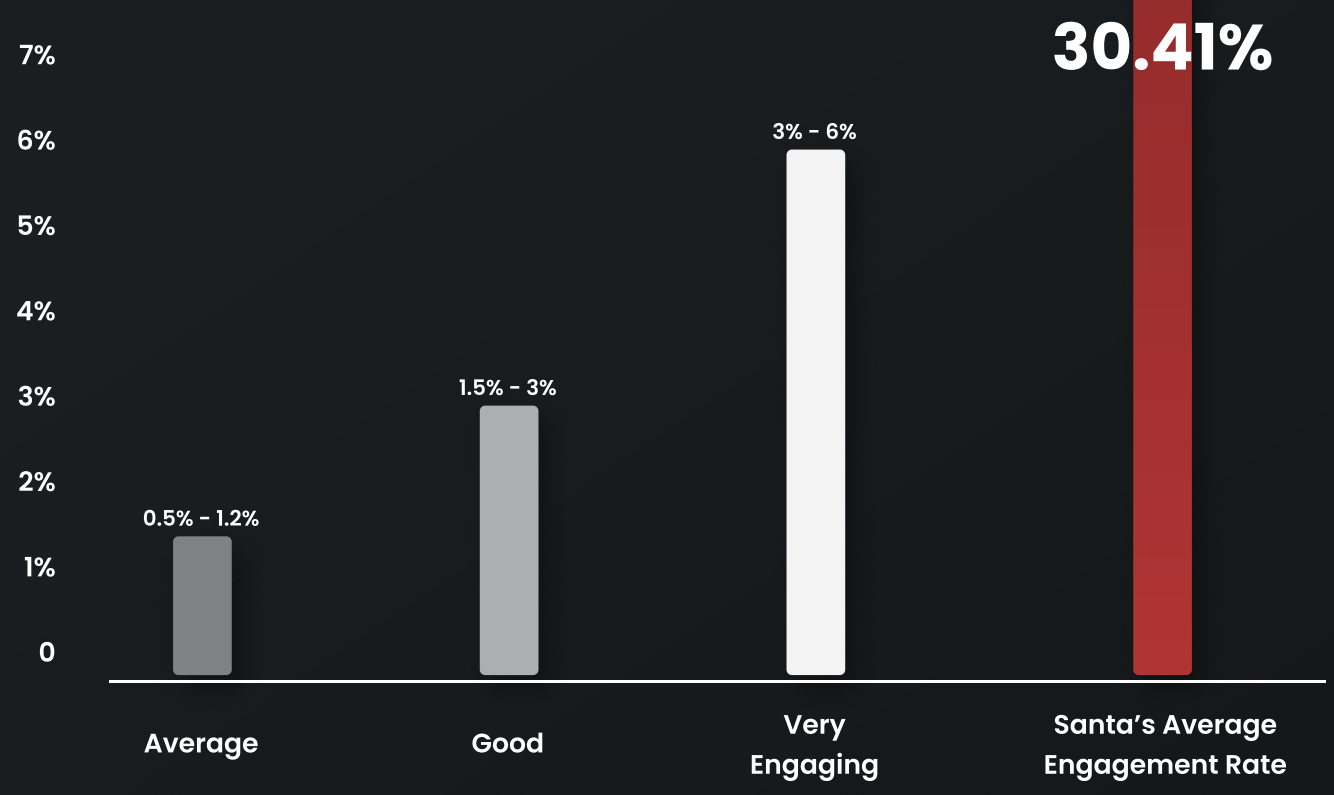


The graph above depicts the total number of followers on the official Santa Browser Twitter Page.

- We ended last quarter with 11,000 followers.
- Since then, we've seen an upsurge of 450% in the number of new followers this quarter.
- The data above ranges between April 1st to Sept 20th. As of 31st September, Santa's total follower count now rests a little above 67,000.

Social Media

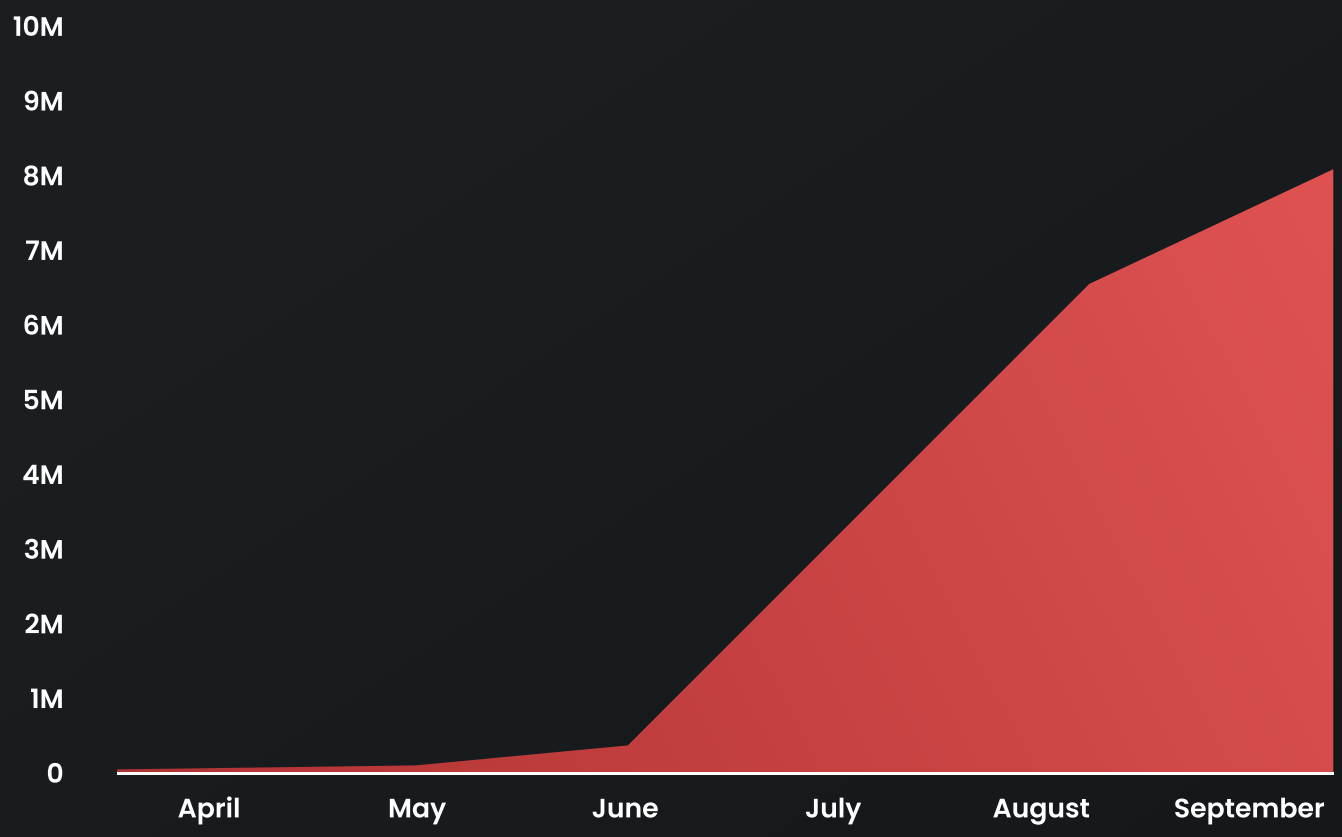
AVERAGE ENGAGEMENT SCORE BENCHMARKING



As per industry estimates, for any content to be considered highly engaging it must have an engagement rate above 6%. The graph above juxtaposes our recent social media performance over the last 6 months against accepted global benchmarks.

Social Media

IMPRESSIONS



OTHER METRICS

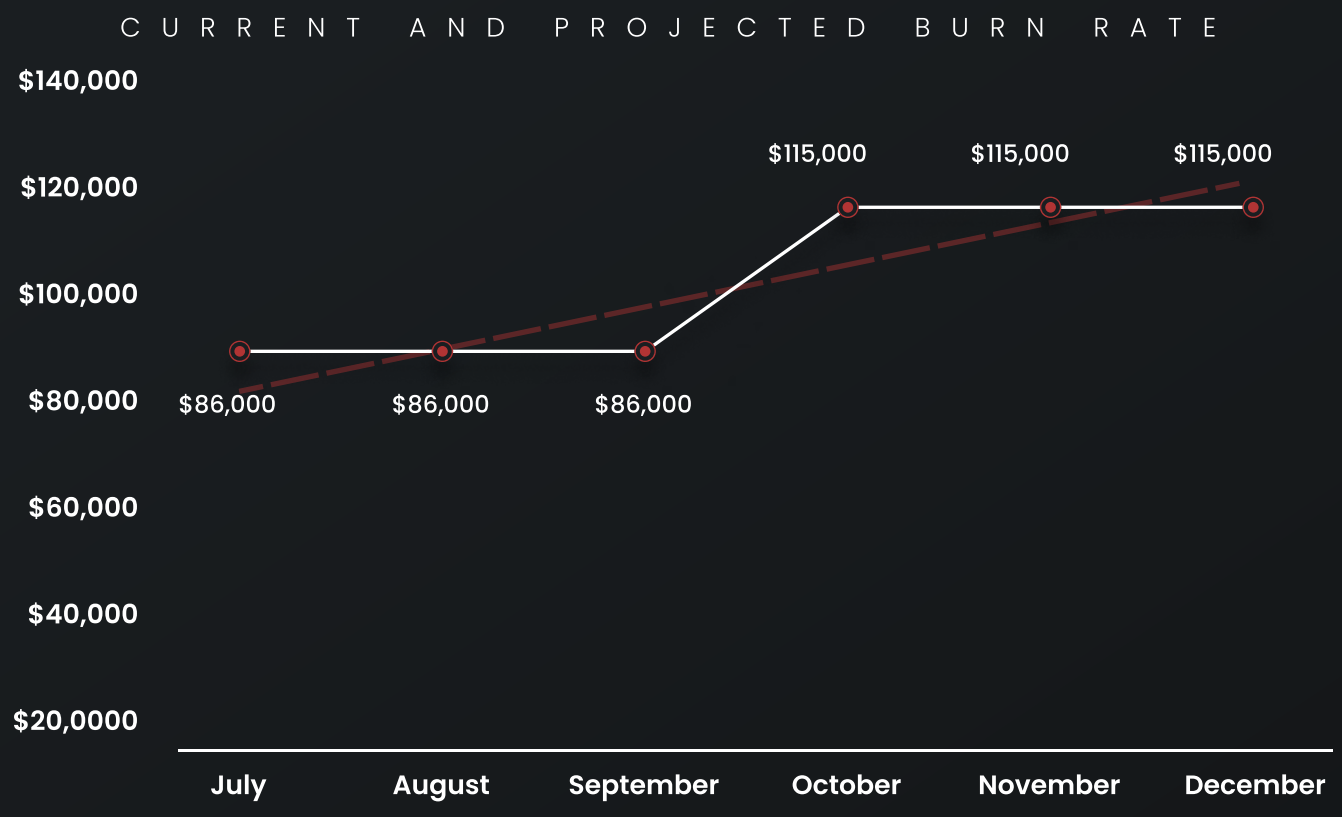
	Profile Visits	Mentions
June	16,000	22
July	153,000	789
August	175,000	1453
September	118,000	361
TOTAL	**462,000**	**2625**

Akin to our other Social Media KPIs, we see a similar upsurge in our impressions, profile visits & mentions.

Please Note:
All data in this report ranges between April 1st to Sept 20th

Cash Flow

We were valued at $50M during the seed round and post valuation we have till date spent ~ $600k which includes infrastructure costs and salaries. The average burn in Q3 was $86k a month and with the increase in our planned headcount the same is projected to be at ~ $115k a month in Q4.



We started with

15

As of Q3 2022, we grew to

26

And in Q4, we plan to take the total headcount of our ever-growing family to

35

Next Quarter – Q4

We have set some aggressive targets for ourselves and we plan to launch the v1 of Santa Browser in December 2022. The v1 will comprise of the following features at the time of release,

- Onboarding Experience
- Browse to Earn (B2E) – Ad monetization, Search, Content, Ad unit
- Native Ad Blocker
- VPN
- Video Conferencing – p2p
- Wallet
- Rewards Dashboard

Counting down to Christmas

Devesh Sreenivasan
Co-founder, CRO

In 1996, Steve Jobs said "the web will be the ultimate D2C distribution channel". Have the past 2.5 decades proven him right? I would say, it depends on how our efforts over the next couple years go.

But while our D2C store is still a ways down the pipeline, our Dec v1.0 Release will finally see the public introduction of Browse2Earn. Allowing users to earn $USDT rewards on their own searches, online shopping, display ad interactions and more. All things people already do on the internet and without making any compromises on their privacy.

At a surface level, it's very easy to look at our rewards as simple incentives for users. But to us, their possibilities reach out much farther beyond. B2E is our primary vehicle in establishing a new relationship between the internet & its users. A relationship that's far more conscious of & beneficial for all parties involved. Not just the platforms or entities in control.

With this in mind, we're obsessive about finding new ways to reward users. One could call our v1.0 launch "a very humble beginning", when compared to all that's planned for future builds. Whether it's playing their favorite video game, shopping for their most-loved brands, learning a new skill on the side — doesn't matter. Our goal is to transform every online interaction, from micro to macro, into a win-win for everybody. We want users to receive a fair share for everything they do on the internet.

To achieve this, we're pouring in all our energies to further perfect our product & strategies. Being a brand serving anyone and everyone using the internet, we're facing a problem that's best described with an age-old maxim — "If you're selling to everyone, you're selling to no one".

Our solution to this obstacle is a multi-pronged approach.

From Dec going well into 2023, we'll be launching simultaneous campaigns individually targeting a diverse range of geographies & online audiences. To maintain brand cohesion, it will all be carried under the umbrella of one unified brand message (the creative expression of which is still under discussion). Additionally, we're looking at partnering up with many tier 2/tier 3 OEMs, major software developers for bundled downloads, ramping up referral programmes and much more.

The internet truly is an exciting place, especially if you're on our side of the pole.

And like a snowball rolling down a hill, our excitement only grows larger with the approach of December.

We have a hunch...

Christmas this year will be different.

Yours Truly,

Devesh Sreenivasan

THANK YOU!