



Quanta N.V.

BUSINESS PLAN



BUSINESS PLAN

Document Version

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INTRODUCTION

La Royale Gaming Investments Group (“LRGI”) is distributing this confidential Business Plan exclusively to the person/entity to whom it is addressed (the “**Recipient**”).

EXECUTIVE SUMMARY

QUANTA N.V., a company organised and existing under the laws of Curacao, with its head office located at Kaya Richard J. Beaujon ZIN Landhuis Joonchi II, PO Box 6248, Curacao, and with company registration number 161049 (0), wishes to apply for a B2B Licence from the Curacao Gaming Control Board.

Quanta N.V. (Formally Celesta Technologies N.V.) holds a sublicense with Gaming Services Provider N.V., a limited liability company, established in Curaçao, having its offices at 7 Abraham de Veerstraat, registered in the commercial register in Curaçao under number 10692, under License no 365/JAZ Sub-License GLH-OCCHKTW0710112022 (see Appendix 1)

On 1st October 2023, LRGI Europe Limited (“LRGI”) acquired 100% of the shares in QUANTA N.V. (“**QUANTA**”), a limited company organized under the laws of Curacao under registered number 161049(0)

BACKGROUND



QUANTA N.V. (the "Company") ultimate parent company, is LRGI Europe Ltd. (LRGI Europe Ltd and all subsidiaries in the Group are referred to as "LRGI"), LRGI Europe Ltd. is a company incorporated in Curacao, with its head office located at Kaya Richard J. Beaujon ZIN Landhuis Joonchi II, PO Box 6248, Curacao and with company registration number 161049 (0).

LRGI Europe Ltd., was formed in July 2023 with the aim to invest in and hold shares in companies operating in the regulated igaming and landbased casino and sportsbetting business hemisphere.

LRGI embraces the current trend of increasing regulation in the online gaming market and has embarked upon a well-defined growth strategy that has the expansion of regulated markets as the cornerstone of its future sustainable success. In this respect, LRGI's subsidiaries currently operate through the following licenses:

- **Quanta Entertainment Ltd.** a Malta-registered company, Applicant for a Type 2 B2B license with Malta Gaming Authority.
- **Quanta N.V.** is the holder of a remote gaming sub-license for software issued by Gaming Services Provider N.V.
- **SLTM Ltd.** - a Malta-registered company, holder of an Malta Gaming Authority, Type 1 B2C Licence MGA/B2C/256/2013.

LRGI is led by a strong senior management team with significant experience in building and leading high-growth companies in the technology and gaming industries. Between them, the team has led pioneering companies including B2C, B2B, and content licensing businesses, and possesses the ability to assist LRGI in meeting its strategic goals.

LRGI wishes to enhance its existing successful model in Curacao. The shareholder is committed to advancing funding to the Company, to cover its immediate funding requirements during the start-up period. However, the Company is earmarked to be a fully profitable, liquid, solvent, and self-funded business within the first twelve months after it receives the license from the Gaming Curacao Board.

LRGI will operate a purely B2B business as its customers will be just gaming operators and it will not have any direct contact with players. The Company will generate its revenues from licensing games to operators regulated by the Gaming Curacao Board.

LRGI firmly believes that the issuance of the license to the Company by the Gaming Curacao Board will be in the Public Interest as it will benefit Curacao's economy, its people, and the industry locally in general, because:



- The Company's investment in local resources will create additional job opportunities for local professionals and other local service providers;
- The Company's presence in Curacao will increase competition in the industry by providing Curacao-regulated gaming operators access to new innovative gaming products enabling them to make a more diversified and attractive offering to their players;
- The Company's forecasted income statement for the first 3 years after receiving the license is presented in section 3.

1. QUANTA PROPRIETARY PLATFORM

QUANTA by LRGI fully owns and operates its own gaming platform.

- **Quanta provides an innovative** and high-performance software environment that fully supports the development and deployment of all gambling style games, including Slots, Roulette, Blackjack, other Table Games, Video Poker, and Fixed Odds Games. The Platform benefits the service provider as it offers their business a single point of control and reporting facility across game titles, user domains, and access channels providing significant efficiency in the management and control of their services. It is built on an open architecture offering the freedom to integrate at minimal cost with proprietary software and databases, separating games provision from the business's user accounting platform. The platform is offered on an ongoing revenue share fee software license.
- **Bespoke Software Solutions.** We will leverage relationships with licensees to win contracts for the development and support of bespoke features and interfaces. For example, customers are required to pay for the launch of their own proprietary games.
- **Game Distribution.** We can support customers in the deployment of games from several producers. Supporting 3rd party game developers allows LRGI to operate as a game aggregator, supplying customers with best-of-breed games under a reseller agreement.

2. EXECUTIVE MANAGEMENT

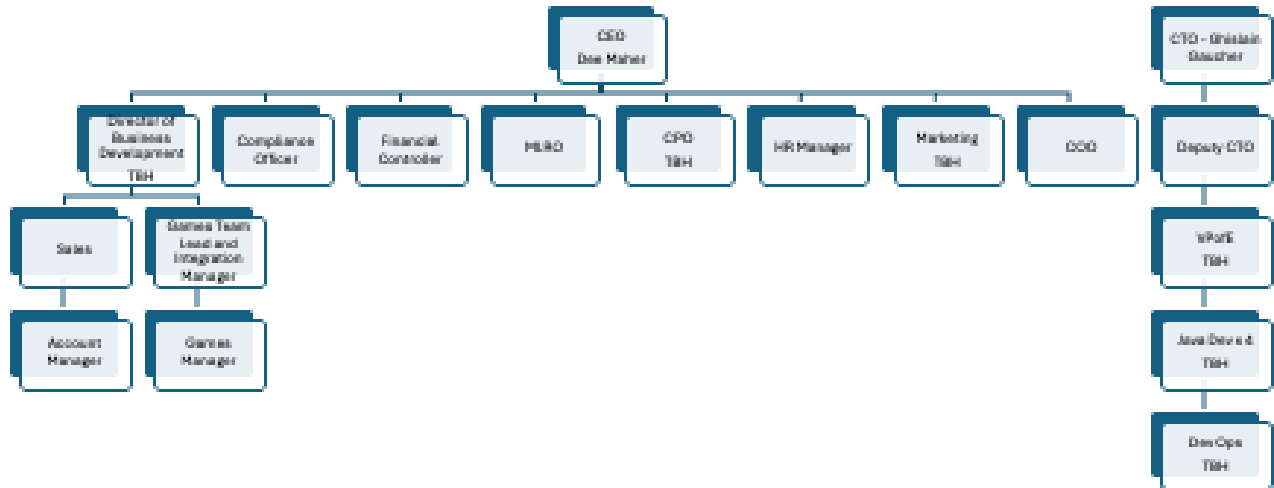
- **Dee Maher – CEO.** The management of the day-to-day gaming operations, including but not limited to, the strategic management of the business, vision and mission of the company, game strategy, the culture and well-being of the employees, and of the overall obligations of the licensee.

- An experienced lawyer with over 2 decades of post-qualification legal experience. Holder of qualifications in Ireland, the UK, and Malta and awarded her MBA in 2015. Experienced in iGaming business on the B2B and B2C side for over a decade and has been the main point of contact with the regulators across a multitude of jurisdictions. Dee has been approved by the MGA, and the UKGC.
- **Luis Feliz –Financial Controller.** Luis is tasked with overseeing the day-to-day operations of the finance department, managing cash flow, financial planning, and budgeting. Luis is working towards creating an effective and efficient controlled environment, continuously supplying the business with key data which is essential for good decision-making, and achieving cost efficiencies in various areas within the Group.
- **Ghislain Gaucher – CTO.** As the Chief Technology Officer (CTO) in the gambling industry, Ghislain spearheads the development and implementation of advanced technology solutions, overseeing a control system holding essential regulatory data. The CTO's responsibilities include managing network infrastructure, ensuring robust information security measures, and leading software development, infrastructure, and IT governance initiatives. The CTO worked for a casino operator to launch the operations and uphold the highest standards of security and performance in this fast-paced environment. The CTO joined LRGI in November 2023 as CTO, DPO.
- **Rosa Mendy – Compliance Officer.** Responsible for ensuring the Company remains compliant with its licenses and monitoring regulatory developments in all markets the Company operates in.
Ms Mendy is an experienced Compliance Officer with over 4 years working in the iGaming industry. She is skilled in regulatory compliance, project management, AML and Fraud Investigations. She has helped companies secure licenses in different regulated jurisdictions. She has deepened her knowledge of the industry by successfully obtaining the ICA International Diploma in Financial Crime Prevention and the ICA Specialist Certificate in Money Laundering Risk in Betting and Gaming focused in Anti- Money Laundering.

Staff

QUANTA brings together a highly experienced group of complementary professionals with recognised experts in the fields of: IT, mobile computing solutions, games development, and emerging technologies.

The Operational Management and Games Team have critical expertise in platform development, product engineering and software sales.



3. Business forecasts for 3 years

Quanta N.V. Projected Balance Sheet

Quanta Projected Balance Sheet

FY2024

FY 2025

FY 2026



ASSETS	-		
Current assets	-		
Trade and other receivables	3557490	4268988	5122785.6
Cash and cash equivalents	-	-	-
Total current assets	3,557,490.00 00	4,268,988.0	5,122,785.6
TOTAL ASSETS	3,557,490.00 00	4,268,988.0	5,122,785.6

EQUITY AND LIABILITIES

Equity	94	94	94
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Share Capital	-		
Retained earnings	-6500	-6500	-6500
Total equity	-6406	-6406	-6406
Current Liabilities	-6406	-6406	-6406
Trade and other payables	(3,487,735)	(4,185,282)	(5,022,339)
Total liabilities	(3,494,141)	(4,191,688)	(5,028,745)



TOTAL EQUITY AND LIABILITIES	3,557,490.00 00	4,268,988.0	5,122,785.6
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4. QUANTA PRODUCTS AND SERVICES

The Company's mission is to become the recognized leader in the provision of B2B Remote Gambling offerings to Curacao-regulated gaming operators.

The Company will offer its customers, Quanta's comprehensive 3rd party Games Library, that are available through most distribution channels.

The Company will generate revenues in the form of monthly royalty and service fees from licensing the Quanta game aggregator platform to gaming operators based in Curacao and regulated by the Gaming Curacao Board.

The Company will operate a purely B2B business as its customers will be just gaming operators and it will not have any direct contact with players.

Games Aggregator Platform – Quanta – Count your Bets

The Company aims to develop core software and games that enable licensed online gambling operators (“**Operators**”) to offer their players gambling games on desktop computers, tablets, and mobile phones in a regulated environment.



Products and Services

- **Licensing of 3rd Party Games.** distribution of third party games to Operators, acting as an aggregator / reseller.
- **Game Distribution.** We can support customers in the deployment of games from several producers. Supporting 3rd party game developers allows Quanta to operate as a game aggregator, supplying customers with best-of-breed games under a reseller agreement.
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Other products and services include:

- **Licensing of In-house Games.** Proprietary games development will be licensed to Operators for their use in accepting bets. All games will be delivered in a range of languages (including non-European character sets) and all ISO currencies. Games are licensed on the basis of an ongoing revenue share.
- **Production of Bespoke Games. Development of** games that are derived from licensed-in branded IP, localized, or bespoke to a specific customer requirement. For the latter, we undertake such development under an ongoing revenue share, the customer is given a period of exclusivity after which the game format can be licensed to other clients.
- **Licensing Gaming Platform.** Our Platform uniquely provides an innovative and high-performance software environment that fully supports the development and deployment of all gambling style games, including Slots, Roulette, Blackjack, other Table Games, Video Poker, and Fixed Odds Games. The Platform benefits the service provider as it offers their business a single point of control and reporting facility across game titles, user domains, and access channels providing significant efficiency in the management and control of their services. It is built on an open architecture offering the freedom to integrate at minimal cost with proprietary software and databases, separating games provision from the business's user accounting platform. The platform is offered on an ongoing revenue share fee software license.
- **Bespoke Software Solutions.** We will leverage relationships with licensees to win contracts for the development and support of bespoke features and interfaces. For example, customers are required to pay for the launch of their own proprietary games.

5. LRGI'S GOVERNANCE AND RISK MANAGEMENT PROCESS



The Company will establish a governance and risk strategy, managed by the CEO to ensure that it operates in a sustainable and responsible manner while maximizing opportunities and minimizing potential negative impacts. Some key elements of the Company's governance and risk strategy:

1. Clear governance framework: Establish a clear governance framework that defines roles, responsibilities, and decision-making processes. This includes establishing policies, procedures, and guidelines for risk management, compliance, and ethical behavior.
2. Risk management framework: Develop a comprehensive risk management framework that identifies, assesses, and manages risks across the organization. This involves conducting risk assessments, establishing risk tolerances, and implementing controls to mitigate risks.
3. Compliance monitoring: Monitor and report on compliance with applicable laws, regulations, and industry standards. Establish mechanisms to ensure that policies and procedures are regularly reviewed and updated to reflect changes in the regulatory environment.
4. Stakeholder engagement: Engagement with stakeholders to understand their expectations, concerns, and feedback. This includes B2B partners, the workforce, investors, regulators, and other external parties.
5. Training and awareness: Provide training and awareness programs for employees to promote a culture of risk management and ethical behavior. This includes training on compliance requirements, risk identification and mitigation, and ethical decision-making.
6. Continuous improvement: Continuously monitor and evaluate the effectiveness of the governance and risk strategy and make adjustments as needed. This includes conducting regular audits, reviewing metrics, and seeking feedback from stakeholders.

6. RESPONSIBLE GAMING AND PREVENTION OF UNDERAGE GAMBLING

QUANTA distributes its games and software only to operators that are already licensed and who are already fully aware of and compliant with the legislative requirements and guidelines on responsible gaming and the prevention of underage gambling.

The Company designates a Compliance Officer to hold responsibility for ensuring that the Company's responsible gaming policies are relevant, up-to-date, and effectively communicated to all employees.



7. RESPONSIBLE MARKETING

The marketing effort of the Company is carried out through a select number of targeted initiatives, rather than utilizing mass media methods. Moreover, the Company's marketing strategy will not target directly individual players as it will be restricted to promoting its games to Curacao-licensed operators, within the context of the B2B business model.

8. COMPLIANCE AND TESTING OF THE GAMES

Players playing QUANTA's 3rd party games can rest assured that the games meet set requirements, are random and that wins are possible. At the same time, players should also be aware that it is possible to lose. LRGI believes firmly that operators that satisfy players and regulators that their games are fair, secure, and transparent will enjoy greater success than others.

All the games and software are regularly tested for fairness and randomness by independent accredited testing agencies, which is one of the requirements set, not just by QUANTA, but also by the Gaming Authorities where QUANTA and its subsidiaries operate.

Therefore, QUANTA is in a position to fully comply with the best practice standards in respect of system security and game reliability.

9. REGULATIONS AND COMPLIANCE

The Company has established and will maintain a permanent and effective compliance function that will operate independently. The Company's CEO is a lawyer and compliance executive and has held Chief Legal & Compliance roles in Tier 1 B2B and B2C gaming companies. The CEO has all the necessary experience, knowledge, and expertise in order to perform the duties in a professional and efficient manner.

The Compliance Officer has more than 4 year's experience in the iGaming industry. She is skilled in regulatory compliance, project management, AML and Fraud Investigations. She has helped companies secure licenses in different regulated jurisdictions. She has deepened her knowledge of the industry by successfully obtaining the ICA International Diploma in Financial Crime



Prevention and the ICA Specialist Certificate in Money Laundering Risk in Betting and Gaming focused in Anti-Money Laundering. The Compliance Officer directly reports to the CEO of LRGI and the Board of Directors, who will receive on a frequent basis, written reports indicating in particular and specifically whether appropriate remedial measures have been taken in the event of any identified deficiencies of the Company.

The responsibilities assigned to the CEO and CO which have been approved by the Board, are the following:

- To monitor and assess the adequacy and effectiveness of the measures and procedures put in place and designed to detect any risk of failure by the Company to comply with legislative requirements as well as the associated risks;
- To ensure that the adequate processes, policies, and procedures required for compliance are established, implemented, and maintained to minimize such risks;
- To advise, train and assist LRGI staff members to comply with the Company's legal obligations;
- To have the responsibility and authority to report on compliance with Malta's gambling laws and codes of practice to the Company's Senior Management;

10. KEYS TO SUCCESS

We consider there to be a number of critical success criteria for the growth of our business:

- To license, develop and distribute QUANTA-innovative 3rd party game ideas
- To innovate and patent new ideas and products
- To expand our business to regulated markets and operators
- Identify, develop, and launch games specifically designed for a localized experience in each market
- Grow our technical and commercial partner program to deliver high-quality games from third-party developers
- Excel in platform integration and support
- Be responsive to customer requirements and new technologies.

From a Product vision perspective, QUANTA embraces three main pillars:



1. **Innovation:** To create products that stand out, are exceptional and can never be the exception – it must be the rule. We always add that extra smartness and jaw-dropping quality in everything we do.
2. **Simplicity:** Using the acronym KISS (Keep-it-Simple-Sunshine) and to quote Mark Twain, “I didn’t have time to write a short letter, so I wrote a long one instead” and therein lies the effort - simple is hard but simple succeeds. That’s why we put in the extra effort to make our products easy to understand and so simple to use that we minimise learning curve to play.
3. **Entertainment:** We see ourselves as entertainment providers delighting players across the world. We believe that having fun results in products that are entertaining, sticky and offer surprises with every play.

From a People perspective, we believe in:

- Supporting each other, creating a flat and open environment where mistakes are allowed, voices are heard, and employees aren’t afraid to take calculated risks. Playing office politics is absolutely not allowed and we focus always on doing the right thing and supporting and giving shout-outs to individuals for their contributions to the success of QUANTA.

11. POLICIES AND PROCEDURES

QUANTA's policies and procedures are formulated internally by skilled individuals with expertise acquired through conference participation, ongoing training, and collaboration with external consultants specializing in the relevant field.

These guidelines undergo at least annual review or more frequent updates as necessitated by changes in business operations or legal frameworks within our jurisdiction.

Any noteworthy modifications to QUANTA's policies and procedures shall be communicated to the GCB before they are formally adopted and implemented by QUANTA.