

BUSINESS PLAN

Interactive Global Entertainment B.V.

[153827]

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I. COMPANY'S PROFILE

Interactive Global Entertainment B.V. (hereafter the : “Interactive” or the “Company”), was incorporated on May 15, 2020 as a limited liability company registered in Curacao with Incorporation number 153827 and having its registered address at Dr M.J Hugenholtzweg 25, Curacao.

II. BUSINESS MODEL

Interactive is a reseller for online gaming software and services, as well as outsourced software services provider, which is based in Curacao and intend to employ employees across Curacao and Ukraine. It is intend to resell of leading content providers for interactive betting industry with a global client base in Europe and Asia as well as other jurisdictions.

The Company primary business model is based on providing software to licensed operators on a revenue sharing model, a revenue share which is being taken out of the profit the operator is making on the betting software.

The Company will pay monthly commission to its reseller/s a monthly fee based on the results of the licensed operators.

II. BACKGROUND

At present, there are 1 persons holding key roles in the Company:

1. **Anna Zamp** – the Company's UBO, who will also manage all the strategic aspects of the company - business strategic direction, ongoing operational management, financial aspects concerning Company overall responsibility for the Company's operations. Anna made in the last couple of years significant connections in the gaming industry.

The scope of the services to be provided by the reseller/s to the Company allow the latter, at the first stage, to operate with minimal staff comprising only the qualified persons referred to above, who will direct, oversee and monitor the operations of the Company (each in her respective area of responsibility). The Company intend to have its Key Official located in Curacao and intends to grow its team with one more manager in the upcoming months based in Curacao and intend to recruit employees in Ukraine.

Interactive has its registered office in Curacao, where the company is currently working on establishing its infrastructure, from which it intends to provide its services.

IV. MARKETS

The Company plans to operate online globally except for Curacao licence which regulate the activity and jurisdictions that The FATF has identified with strategic deficiencies in their frameworks to combat money laundering and the financing of terrorism and proliferation.

V. FINANCIAL PROJECTIONS

The Company's forecasted financial position for the first three financial years is derived from the Forecasted Profit and Loss, Balance Sheet and Cash Flow is presented in Appendix 1 of this business plan.

The projections were based on the underlying assumptions made which are also presented in the Appendix 2, which justify each calculated amount and its respective growth rate.

In particular, the projections have been made based on three alternative scenarios:

- a) Pessimistic,
- b) Average,
- c) Optimistic.

For the preparation of the scenario analysis, the following growth rates were applied on each year's Base Case Scenario:

- Optimistic Scenario: 30%
- Pessimistic Scenario: -30%

The financial projections and financial forecast of the Base Case Scenarios have been prepared based on the following assumptions:

i. Revenues

The Company's is operating as a B2B software reseller, taking a revenue share from the profits generated by its clients as gambling operators. At the same time, the company generates revenue from outsourcing software development services for gambling services providers and operators. Thus the Company revenues depend heavily on the success of our clients and our interests are entirely aligned.

Success will be measured by different means and ways but mainly by measuring the following:

- Number of new operators acquired

- Average profit per operator

The company's strategies, work plans, and milestones will follow to the achievement of the company's financial goals/projections.

ii. Costs

The main costs the Company will be facing on a continuous basis as part of its day to day operations are as follows:

- Reseller fees
- General & Administration
- IT & Telecommunication
- Payroll
- Utilities
- Professional Fees
- Bank & PSP Charges

Key Indicators under Base Case Scenarios	Year 1 EUR	Year 2 EUR	Year 3 EUR
Revenues	600,012	1,260,000	1,512,000
Direct Costs	390,008	819,000	1,296,000
Administrative expenses	151,473	282,627	501,661
Profit Before Tax	58,531	158,373	362,339

The detailed forecasted Profit and Loss and Balance Sheet for the three alternative scenarios are presented in the Appendix 1 of this business plan.

VI. APPENDICES

APPENDIX 1: FINANCIAL PROJECTIONS

Profit and Loss Projections

Forecasted P&L for Year 1	Optimistic	Base	Pessimistic
	EUR	EUR	EUR
Turnover	13,000,260	10,000,200	7,000,140
Revenue	780,016	600,012	420,008
Resseller fees	507,010	390,008	273,005
Bank/Processor fees	7,800	6,000	4,200
Payroll	85,802	66,001	46,201
IT expenses	7,800	6,000	4,200
Utilities (Rent, Telephone, Electricity)	31,201	24,000	16,800
Professional Fees	23,400	18,000	12,600
Travelling	23,400	18,000	12,600
Depreciation	9,711	7,470	5,229
Other expenses	7,800	6,000	4,200
Costs & expenses	703,925	541,481	379,037
Profit Before Tax	76,091	58,531	40,972
Taxation	0	0	0
Profit After taxation	76,091	58,531	40,972

Forecasted P&L for Year 2	Optimistic	Base	Pessimistic
	EUR	EUR	EUR
Turnover	27,300,000	21,000,000	14,700,000
Revenue	1,638,000	1,260,000	882,000
Resseller fees	1,064,700	819,000	573,300
Bank/Processor fees	16,380	12,600	8,820
Payroll	114,660	88,200	61,740
IT expenses	16,380	12,600	8,820
Utilities (Rent, Telephone, Electricity)	65,520	50,400	35,280
Professional Fees	49,140	37,800	26,460
Travelling	49,140	37,800	26,460
Depreciation	39,815	30,627	21,439
Other expenses	16,380	12,600	8,820
Costs & expenses	1,432,115	1,101,627	771,139
Profit Before Tax	205,885	158,373	110,861
Taxation	0	0	0
Profit After taxation	205,885	158,373	110,861

Forecasted P&L for Year 3	Optimistic	Base	Pessimistic
	EUR	EUR	EUR
Turnover	46,800,000	36,000,000	25,200,000
Revenue	2,808,000	2,160,000	1,512,000
Resseller fees	1,684,800	1,296,000	907,200
Bank/Processor fees	28,080	21,600	15,120
Payroll	196,560	151,200	105,840
IT expenses	28,080	21,600	15,120
Utilities (Rent, Telephone, Electricity)	112,320	86,400	60,480
Professional Fees	84,240	64,800	45,360
Travelling	84,240	64,800	45,360
Depreciation	90,559	69,661	48,762
Other expenses	28,080	21,600	15,120
Costs & expenses	2,336,959	1,797,661	1,258,362
Profit Before Tax	471,041	362,339	253,638
Taxation	0	0	0
Profit After taxation	471,041	362,339	253,638

Balance Sheet Projections

Forecasted Balance Sheet for Year 1	Optimistic	Base	Pessimistic
	EUR	EUR	EUR
Non Current Assets			
Furniture and equipment	23,400	18,000	12,600
Computers & Software	54,601	42,001	29,401
Depreciation	-9,711	-7,470	-5,229
Total non-current assets	68,290	52,531	36,772
Current Assets			
Cash and cash equivalents	11,089	8,530	5,971
Total Current Assets	11,089	8,530	5,971
Total Assets	79,379	61,061	42,743
Equity			
Share capital	100	100	100
Retained Earnings	66,279	50,961	35,643
Total equity	66,379	51,061	35,743
Liabilities	13,000	10,000	7,000
Total equity and liabilities	79,379	61,061	42,743

Forecasted Balance Sheet for Year 2	Optimistic	Base	Pessimistic
	EUR	EUR	EUR
Non Current Assets			
Furniture and equipment	72,540	55,800	39,060
Computers & Software	169,261	130,201	91,141
Depreciation	-49,527	-38,097	-26,668
Total non-current assets	192,275	147,904	103,533
Current Assets			
Cash and cash equivalents	70,073	53,903	37,732
Total Current Assets	70,073	53,903	37,732
Total Assets	262,348	201,806	141,264
Equity			
Share capital	100	100	100
Retained Earnings	245,348	188,706	132,064
Total equity	245,448	188,806	132,164
Long term Liabilities	16,900	13,000	9,100
Total equity and liabilities	262,348	201,806	141,264

Forecasted Balance Sheet for Year 3			
	Optimistic	Base	Pessimistic
	EUR	EUR	EUR
Non Current Assets			
Furniture and equipment	128,700	99,000	69,300
Computers & Software	337,741	259,801	181,861
Depreciation	-140,086	-107,758	-75,431
Total non-current assets	326,356	251,043	175,730
Current Assets			
Cash and cash equivalents	336,755	259,042	181,329
Total Current Assets	336,755	259,042	181,329
Total Assets	663,111	510,085	357,060
Equity			
Share capital	100	100	100
Retained Earnings	642,731	494,385	346,040
Total equity	642,831	494,485	346,140
Long term Liabilities	20,280	15,600	10,920
Total equity and liabilities	663,111	510,085	357,060

APPENDIX 2: ASSUMPTIONS

Assumptions used in Profit and Loss, Balance Sheet and Cash Flow projections for the calculation of the Base Case scenario.

- Overall activity is expected to increase by 110% in Year 2 and 71% in Year 3
- Reseller fees are estimated at a rate between 60% and 65% of the revenue.
- Bank/Processor cost will increase in line with trading volume and therefore revenue.
- Depreciation of Computers and Equipment is anticipated at 33% while, Depreciation of is anticipated at 6% Furniture annually at its historical cost.
- Payroll is expected to increase by 34% in Year 2 and 71% in Year 3. Remaining administrative expenses will be fixed.
- For simplicity purposes all trades, purchases and expenses are settled through bank as incurred. Therefore, there are no receivable and payable balances at each year end.
- Income tax rate is 0%.
- The only injection by the Company's shareholder is EUR 100 during Year 1.