

Dynamik Marketing

BUSINESS PLAN

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1. Business Description

Dynamik Marketing (ES) is intended as an e-zone entity incorporated and licenced in Curacao to offer real money remote gambling activities with cost-effective corporate structures and gambling duties. The business has engaged XCM Group with Curcao eGaming to incorporate the company and obtain a gaming licence for all the activities described in this document.

Mr Orru and Ms Tang, the board of Sharp Klick Limited (SK) which owns DM, have been senior executives in remote gambling operations licensed in a variety of jurisdictions including Curacao, Montenegro, the Isle of Man and the UK for many years. During their business venture and exposure to the remote gaming industry in emerging markets, they have developed an appetite for launching a new brand, bfb247.

The capital to back the business will come from SK's funds, generated by its subsidiaries' profits. The strategy is to pursue activities that do not require a high initial investment and reach profitability quickly. All the contracts with suppliers will be based on a revenue share model with low minimum guaranteed amounts, and the owner will leverage the services of Mr Orru as Manager of DM and Managing Director of its key suppliers of technology, Neon Eight Technologies Limited (NETL), and services, SK, to run the day to day operations of the business and insure continuity of the business.

2. Company Background

SK will be funding the setup of the company and licence in Curacao. The day to day operations will be provided by SK through its contracts with other group companies which employ customer service, finance and trading staff. DM will also have a B2B agreement with NETL, licenced in Curacao, for the use of its full-service platform integrated with proprietary and third-party content providers.

SK will provide customer services and fraud analysis, accounting and finance, payments, marketing and product, back office and front-end software services under a service agreement with quarterly invoices issued by SK to DM. NETL will provide the software under a revenue share agreement with a minimum guaranteed amount paid monthly.

In addition, payment is due from DM to SK or NETL for any extraordinary expenses incurred in the course of business to be agreed between DM's owner and the board of SK and NETL.

The choice of Curacao as a jurisdiction is motivated by the inclusive licence, the favourable taxation on profits for Ezone businesses, and the lack of restriction on servers and technology location.

3. Products/Services

The activities listed below will be operated under the brand bfb247 (www.BFB247.com and www.bet-football.com):

- A. Casino - accepting wagers on random-number generator and live dealer-based games.
- B. Sportsbook - accepting fixed odds bets on sporting events from customers.
- C. Betting Exchange - Accepting bets on sporting events onto a shared-liquidity peer-to-peer betting mechanism.

4. Technologies/Special Know-How

The software that powers the customer-facing website and back-office system has been developed and is owned by NETL. It is hosted on AWS cloud facilities with hourly back up and disaster recovery procedures being executed. DM will not have any other technology suppliers.

5. Markets

The target markets for the services listed above are detailed below with percentage of volumes expected in Year 1 of licence being granted:

- A. Casino - India (100%)
- B. Sportsbook - India (100%)
- C. Betting Exchange - India (100%)

The company does not intend to acquire players, either directly or through agents, from the United States of America, Netherlands, Australia or the United Kingdom, due to the regulatory framework in those countries.

6. Distribution Channels

We aim to distribute all our services via two main channels.

6.1 B2B

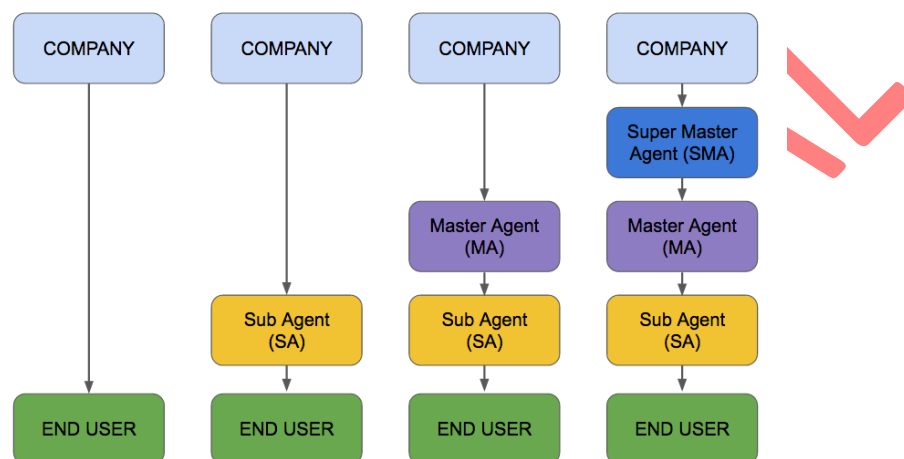
We will provide agent accounts to a network of partners which will promote our exchange, spread betting product or other bookmakers on our behalf to their network of punters. Such partners ("sub-agents") will be responsible for:

- account creation and management for their referred customers
- handling money transaction from and to their referred customers on our behalf
- settling any amounts due to us based on regular statements being sent to them within agreed timeframes

The relationship will be defined and terms stipulated by an agreement including terms specifically in relation to:

- customer access and KYC
- payment terms and commissions
- relationship with the entity ultimately being promoted
- any credit being granted to the sub-agent

We will allow for several tiers where the company deals with the top agent who may have a network of sub-agents who in turn have a network of more sub-agents who then deal with end users. A schematic is presented below for clarity:



6.2 B2C

Search Marketing.

SK will provide the service of a contractor working exclusively for DM on SEO and PPC campaigns.

Digital Marketing.

We have concluded a contract with a marketing agency to create and distribute digital marketing assets through a variety of networks and channels, including media buys, programmatic display, sponsorships, and social media.

Affiliates.

We hold relationships with affiliates who introduce customers in our target markets in exchange for a percentage of the commission we make from other bookmakers and exchanges, or for a percentage of the net revenue we generate from customers betting on our services.

7. Competition

We deem our competition to be substantially different in their proposition to not present a significant risk to the bottom line. Le Club will only provide for a restricted number of punters who are known to the owner and whom he has worked with for several years in his employment as well. Mainstream propositions would not cater for the bespoke services these punters need and that's where the owner sees a gap in the market to be exploited.

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8. Financial Projections

Year	1	1	1	1	1	1	1	1	1	1	1	1	1	2	3
Month	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL	TOTAL	TOTAL
Revenues HKD ,000															
Casino Wagers	15,000.00	15,000.00	20,000.00	25,000.00	30,000.00	35,000.00	40,000.00	45,000.00	50,000.00	55,000.00	60,000.00	65,000.00	455,000.00	568,750.00	710,937.50
Casino Gross Win (ES)	450.00	450.00	600.00	750.00	900.00	1,050.00	1,200.00	1,350.00	1,500.00	1,650.00	1,800.00	1,950.00	13,650.00	17,062.50	21,328.13
Sportsbook Turnover	10,000.00	10,000.00	15,000.00	15,000.00	20,000.00	20,000.00	25,000.00	25,000.00	30,000.00	30,000.00	35,000.00	35,000.00	270,000.00	337,500.00	421,875.00
Sportsbook Gross Win (ES)	800.00	800.00	1,200.00	1,200.00	1,600.00	1,600.00	2,000.00	2,000.00	2,400.00	2,400.00	2,800.00	2,800.00	21,600.00	27,000.00	33,750.00
Betting Exchange Turnover	100,000.00	100,000.00	120,000.00	120,000.00	130,000.00	130,000.00	150,000.00	150,000.00	170,000.00	180,000.00	190,000.00	200,000.00	1,740,000.00	2,175,000.00	2,718,750.00
Betting Exchange Gross Win (ES)	1,000.00	1,000.00	1,200.00	1,200.00	1,300.00	1,300.00	1,500.00	1,500.00	1,700.00	1,800.00	1,900.00	2,000.00	17,400.00	21,750.00	27,187.50
GGY	2,250.00	2,250.00	3,000.00	3,150.00	3,800.00	3,950.00	4,700.00	4,850.00	5,600.00	5,850.00	6,500.00	6,750.00	52,650.00	65,812.50	82,265.63
Costs HKD ,000															
Staff	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	6,000.00	6,420.00	6,869.40
Marketing	1,500.00	1,500.00	2,000.00	2,000.00	2,500.00	2,500.00	3,000.00	3,000.00	3,000.00	3,500.00	3,500.00	3,500.00	31,500.00	36,225.00	41,658.75
IT	225.00	225.00	300.00	315.00	380.00	395.00	470.00	485.00	560.00	585.00	650.00	675.00	5,265.00	6,581.25	8,226.56
Corporate	250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.00	250.00	250.00
Setup Fees	500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00		
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	2,975.00	2,225.00	2,800.00	2,815.00	3,380.00	3,395.00	3,970.00	3,985.00	4,060.00	4,585.00	4,650.00	4,675.00	43,515.00	49,476.25	57,004.71
EBITDA	-725.00	25.00	200.00	335.00	420.00	555.00	730.00	865.00	1,540.00	1,265.00	1,850.00	2,075.00	9,135.00	16,336.25	25,260.91

These conservative forecasts are based on:

- Figures presented in HKD ,000
- Licence being granted by 30th June 2024.
- A conservative revenue growth of 25% in year 2 and 25% in year 3. We expect to be able to introduce many more new customers but have preferred to be conservative and only include the initial set of customers that have shown an interest in the proposition.