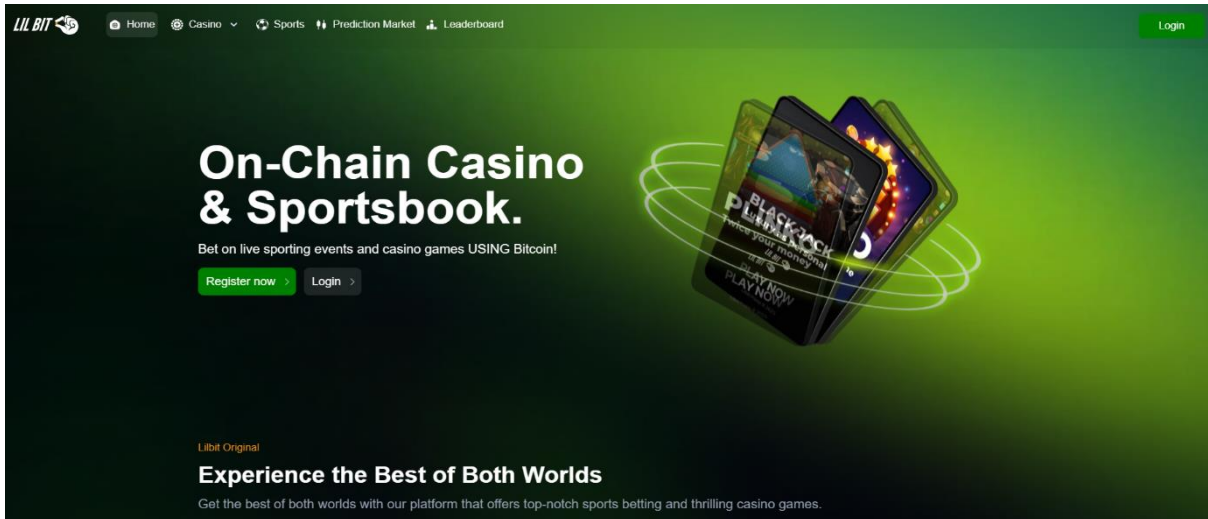




Online Casino Business Plan

LILBIT INC N.V.

LILB.IT

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Business Plan

I- Executive Summary

Our Mission

The purpose of this business plan is to apply for the Curacao Gaming licence through the Curacao Gaming Control Board.

Lil Bit (Lilb.it) will provide a platform for people to play varying casino games such as our proprietary games, Plinko, aswell as Sportsbook. This business plan will also showcase the expected financials and operations over the next three years. The Company was founded by the ultimate beneficial owner (UBO(S)s) Mr Remo Palladini and Ms Jesse Hart.

Our Key Points

- **Regulatory Excellence:** We will commit to ensuring the highest standards of regulatory compliance to provide a safe, efficient, and fair gaming environment. We will also guarantee the development and implementation of regulatory frameworks, guidelines, procedures, and policies that are effective, transparent, and in line with the needs of stakeholders.
- **Diverse Gaming Offer:** We aim to offer a wide range of online gaming services, including our casino games 'Plinko' and Sportsbook.

II- Company Description

Company Background

LILBIT INC N.V. has been operational for a couple of years as a Crypto casino offering our proprietary and in-house designed game Plinko.

Company Structure

UBO(S)

The UBO(S) holds a multifaceted and strategic role in the company. Responsible for steering the company toward success, the UBO(S) combines vision, leadership, and adaptability to navigate the complexities unique to online gaming.

Key Responsibilities:

- Vision and Strategy: The UBO(S) sets the vision and strategy for the company. This involves anticipating market trends, understanding player behaviour, and formulating plans to stay ahead in a competitive landscape.
- Leadership and Team Management: Effective leadership to foster a cohesive and motivated team. The UBO(S) will inspire innovation, creativity, and excellence among employees, recognizing that the collective talent and expertise of the team are critical assets.
- Regulatory Compliance: Navigating the global and local regulations will be a central aspect of the UBO(S)'s responsibility. Staying informed about legal frameworks, licensing requirements, and compliance standards is crucial to ensuring the company operates ethically and within legal boundaries.
- Technological Innovation: Embracing and driving technological advancements is vital in the iGaming sector, the UBO(S) will focus on innovation within the company, keeping up-to-date of emerging technologies such as blockchain, artificial intelligence, and virtual reality to enhance the gaming experience and maintain a competitive edge.
- Risk Management: The industry is characteristically dynamic, the UBO(S) and/or CEO will implement robust risk management strategies to safeguard the company's assets and ensure operational resilience.
- Stakeholder Relations: Building and maintaining positive relationships with stakeholders, including investors, regulators, and business partners, will be a key aspect of the UBO(S)'s role.

AML Department

The AML Department shall be a team of reliable and positive individuals with a passion for operations, specializing in risk and fraud, AML and RG procedures. They will also have experience in most instances related to the field, such as Chargebacks, lost transactions, KYC's, but with a real passion within the AML and RG fields. The AML Officer in charge shall be a senior officer of the company, with direct reporting lines to the UBP/CEO.

The responsibilities include, but are not limited to:

- Prepare and maintain sound AML procedures.
- Conduct risk assessments.
- Conduct Enhanced due diligence.
- File Suspicious Activity Reports (SARs) and/or Suspicious Transaction Reports (STRs)
- Ensuring that the staff is properly trained to detect money laundering.
- Carry out activities to detect placement (physically placing bulk cash proceeds), layering (separating the proceeds of criminal activity from their origins through layers of complex financial transactions), and integration (providing an apparently legitimate explanation for the illicit proceeds).
- Following and implementing company policies in relation to anti-money laundering
- Reporting to the Board and following up on matters with the FIAU.

Overview of the Industry and Positioning

The online gaming industry in Curacao is thriving with players seeking diverse, safe, and engaging gaming experiences. The market is characterized by a growing interest in online gaming across all demographics.

Comparing to the current operators in market our solution will be very similar to the competition but at the same time unique due to our way to work and emphasise Responsible Gaming and promote the best RTP to players as well as the speed of payouts and overall services. We believe this is a big market and it keeps growing rapidly so we have a chance to grow with it and, in the future, be a relevant operator and play a role in the market.

Crypto casinos are an emerging business model with increasing popularity in this industry and we see ourselves as pioneers in this field.

Target Markets

The targeted customers will be from 18 – 30 as they are the main users of social media and thus our advertisement will be directed to these users. The targeted group will have a medium-income type from 1,500€ - 3,000€ monthly and will be standard balances individuals who have a stable working and personal life.

The main markets in which will be targeted are Canada, Portugal and Brazil.

Competitors

Direct competitors would be the existing brands that have been live for many years and already have an established reputation. As the industry moves fast, it is difficult to identify a direct competitor, but the market of online gaming is wide and a healthy and encouraging growth, meaning that there is an increase in potential customers which gives us a good chance to build a base and keep our brand growing.

We believe that our solution should be equal to or better than what the offer currently is today, and this is based on our expertise to offer players the services they like with quick transactions – deposits and withdrawals of winnings – and an attractive Welcome Offer.

SWOT Analysis

Our company's strengths would be that we have a deep understanding and valuable experience of the industry. As a concrete example, we can negotiate the best deals with our network of affiliates and get the most profitable deal per player which contribute to have a great profit, which will be re-invested in the company to ensure a continuous growth.

Our weakness is the fact that we are new to this industry which is already competitive, and despite our experience, we will need to make our brand reputable.

Threats are any sudden regulatory changes surrounding the impending LOK regulations that may impact our operation within the first months of being live. We are ensuring that we keep up to date with all regulation changes.

Our main intent is to push for quick growth and be able to re-invest profit in the company to ensure good stability and be able to overcome any change coming our way.

III- Overview of the Platform

LILBIT INC N.V. has developed our own software in which we offer to clients in the form of the game 'Plinko'. We also offer Sportsbook. Our main selling point is that we are a 100% Crypto casino – attracting a wide range of users in this new and emerging field.

IV- Marketing Plan

Online Advertising

We intend to promote our casinos through PPC campaigns and social media promotions depending on the regulation and country's legislation.

Affiliate Marketing

We will use our wide affiliate network using rev share and CPA deals by partnering with gaming affiliates to promote our brand(s).

Customer Acquisition

We will employ targeted marketing campaigns and loyalty programs to attract and retain players, fostering a growing player community.

Customer Support

A dedicated and experienced Customer Support team will be available 24/7 in multiple languages to assist the players with the inquiries, complaints, and issues. We want to ensure a swift and effective problem resolution.

V- Legal

Regulatory Compliance

- **Understanding regulations:** LILBIT INC N.V. has a comprehensive understanding of the iGaming regulations in Curacao, as outlined in the Curacao Gaming Control Board's guidelines. We are dedicated to strict compliance and transparency in our operations.
- **Licensing Process:** We have initiated the application process for the Curacao iGaming license. This license is essential for legal and legitimate operation within the jurisdiction.

- **Compliance measures:** Our compliance framework includes regular audits to ensure fairness and transparency, solid player verification procedures to prevent underage gaming and a dedicated experienced compliance team responsible for ongoing adherence to regulations.

Terms & Conditions

Legal will be described on the site as Terms & Conditions accessible from any page of the website. Additionally, the player will be asked to read and agree to those Terms when registering an account on the website(s). The Terms & Conditions will outline the agreement between the customer and LILBIT INC N.V. Failing to accept the mentioned terms will result in the cancellation of the registration of the user's account with immediate effect.

Risk Evaluation

Within the framework of our unwavering commitment to the highest standards of integrity, security, and transparency, (- -) has instituted a comprehensive Anti-Money Laundering (AML) policy. This policy is meticulously designed to fortify our operational framework against the infiltration of illicit financial activities and to ensure unwavering compliance with global regulatory mandates.

Principal Aims of Our AML Policy:

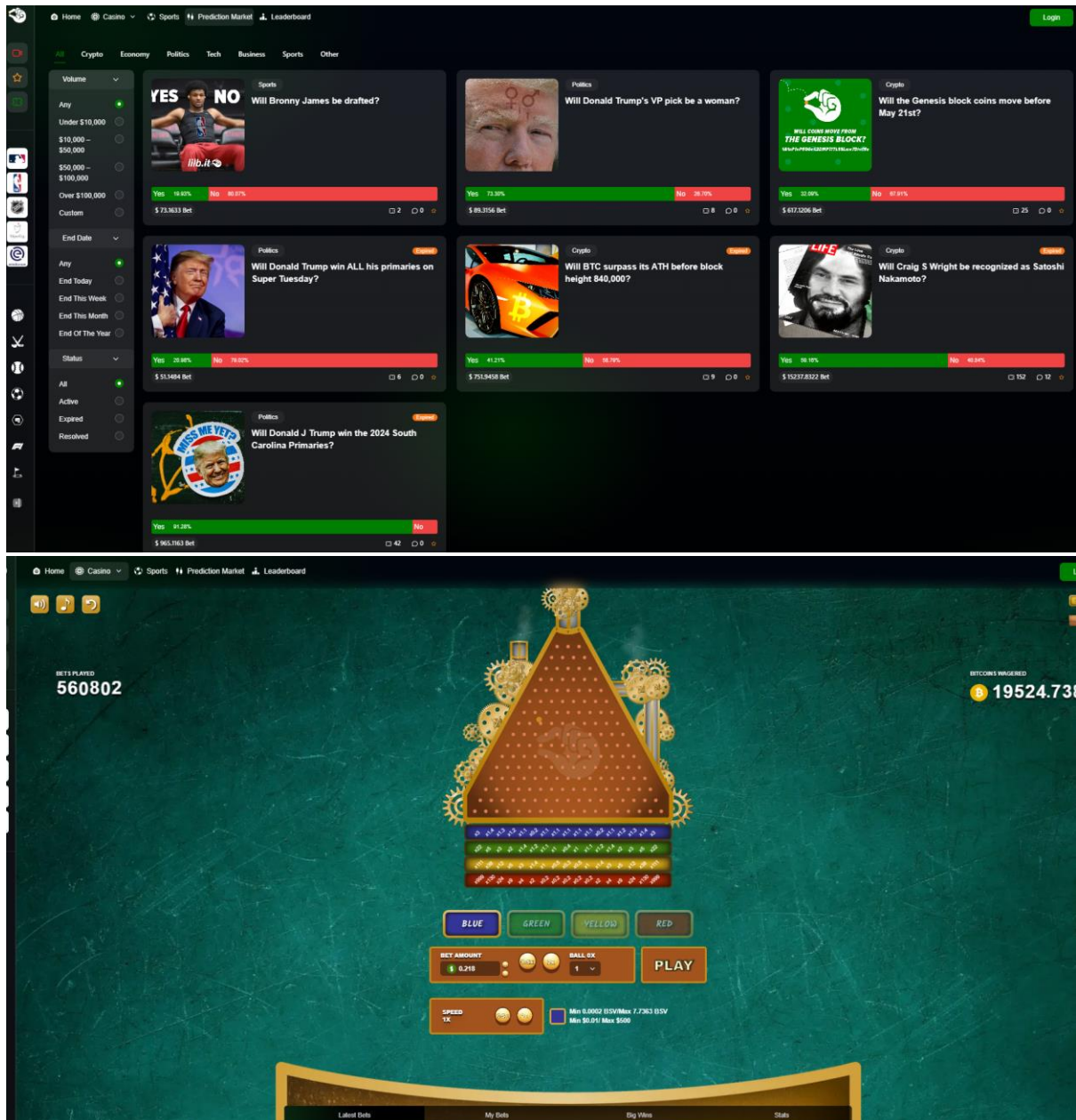
- **Prevention of Money Laundering:** (- -) maintains an unequivocal commitment to thwarting any attempts at utilizing our platform for money laundering. Rigorous procedures are in place to detect and deter transactions displaying indicators of potential money laundering activities.
- **Adherence to Regulatory Norms:** We pledge strict adherence to all pertinent laws and regulations governing AML and Counter-Terrorist Financing (CTF). Our policies undergo regular scrutiny and refinement to stay in consonance with the dynamic regulatory milieu, thereby guaranteeing full compliance.
- **Customer Due Diligence (CDD):** (- -) conducts exhaustive Customer Due Diligence, delving into understanding our users, their financial transactions, and the intrinsic nature of these dealings. This encompasses the verification of customer identities, ongoing account activity monitoring, and comprehensive risk assessments.
- **Continuous Surveillance and Reporting:** Our systems are fortified with robust monitoring mechanisms to perpetually assess transactional patterns and discern any aberrant or suspicious behaviour. In instances of detecting such activities, we undertake expeditious reporting to the pertinent authorities.
- **Employee Training and Awareness:** (- -) invests significantly in exhaustive training initiatives, ensuring that our personnel are well-versed in the intricacies of money laundering risks. Employees play a pivotal role in recognizing and promptly reporting any activities that raise suspicion.

This introductory elucidation serves as a testament to our steadfast commitment to upholding the most elevated standards of security and compliance. It lays the groundwork for the ensuing exhaustive AML policy, delineating intricate procedures, protocols, and mechanisms instituted to fortify our platform. We invite all concerned parties to acquaint themselves with our AML policy, thereby gaining profound insights into our dedication to a secure, trustworthy, and legally sound operational environment.

NB: The full AML Policy can be found as addendum.

VI- Overview of the products and Financial Forecast

Our main attraction is our Plinko casino game whereby users can connect their crypto wallet and place a wager. We also offer Sportsbook and a Prediction Market which we believe sets us apart from our competition, given the diverse range of games/software that we have on offer.



3-Year Financial Projection Template in €

Year (1st)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year
FTDs	600	610	724	838	854	972	988	1,027	1,099	1,476	1,567	1,789	12,544
Active Players (including FTDs)	600	612	624	637	649	662	676	689	703	717	731	746	8,047
Total Deposits (€)	600,000	612,000	624,240	636,725	649,459	662,448	675,697	689,211	702,996	717,056	731,397	746,025	8,047,254
Total Withdrawals (€)	400,000	408,000	416,160	424,483	432,973	441,632	450,465	459,474	468,664	478,037	487,598	497,350	5,364,836
Total Bets (€)	600,000	630,000	661,500	694,575	729,304	765,769	804,057	844,260	886,473	930,797	977,337	1,026,204	9,550,276
Total Wins (€)	385,000	472,500	496,125	520,931	546,978	574,327	603,043	633,195	664,855	698,098	733,003	769,653	7,097,707
GGR (€)	160,000	157,500	165,375	173,644	182,326	191,442	201,014	211,065	221,618	232,699	244,334	256,551	2,397,569
Margin (%)	40%	27%	27%	28%	30%	31%	33%	34%	35%	29%	30%	31%	31%
Bonuses (€)	32,000	31,500	33,075	34,729	36,465	38,288	40,203	42,213	44,324	46,540	48,867	51,310	479,514
Bonuses (%)	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Game Provider Fee (€)	2,400	360	2,481	2,605	2,735	2,872	3,015	3,166	3,324	18,616	19,547	20,524	81,644
Game Provider Fee (%)	5%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Payment Processor Fee (€)	30,000	51,000	52,020	53,060	54,122	55,204	56,308	57,434	58,583	59,755	60,950	62,169	650,604
Platform Fee (€)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Affiliate Payments / User Acquisition (€)	6,000	6,100	7,240	8,380	8,540	9,720	9,880	10,270	10,990	14,760	15,670	17,890	125,440
Other Expenses (€)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
Net Monthly Result (€)	63,600	42,540	44,559	48,870	54,464	59,358	65,608	71,982	78,397	67,029	73,301	78,658	748,367
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Year (2nd)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year
FTDs	1,825	1,861	1,899	1,936	1,975	2,015	2,055	2,096	2,138	2,181	2,224	2,269	24,474
Active Players (including FTDs)	761	776	792	808	824	840	857	874	892	909	928	946	10,206
Total Deposits (€)	600,000	612,000	624,240	636,725	649,459	662,448	675,697	689,211	702,996	717,056	731,397	746,025	8,047,254
Total Withdrawals (€)	350,000	357,000	364,140	371,423	378,851	386,428	394,157	402,040	410,081	418,282	426,648	435,181	4,694,231
Total Bets (€)	820,000	861,000	904,050	949,253	996,715	1,046,551	1,098,878	1,153,822	1,211,513	1,272,089	1,335,694	1,402,478	13,052,044
Total Wins (€)	615,000	645,750	678,038	711,939	747,536	784,913	824,159	865,367	908,635	954,067	1,001,770	1,051,859	9,789,033
GGR (€)	205,000	215,250	226,013	237,313	249,179	261,638	274,720	288,456	302,878	318,022	333,923	350,620	3,263,011
Margin (%)	18%	19%	21%	23%	24%	25%	27%	28%	29%	31%	32%	33%	26%
Bonuses (€)	41,000	43,050	45,203	47,463	49,836	52,328	54,944	57,691	60,576	63,604	66,785	70,124	652,602
Bonuses (%)	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Game Provider Fee (€)	30,750	32,288	33,902	35,597	37,377	39,246	41,208	43,268	45,432	47,703	50,089	52,593	489,452
Game Provider Fee (%)	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Payment Processor Fee (€)	47,500	48,450	49,419	50,407	51,416	52,444	53,493	54,563	55,654	56,767	57,902	59,060	637,074
Platform Fee (€)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Affiliate Payments / User Acquisition (€)	18,248	18,613	18,985	19,365	19,752	20,147	20,550	20,961	21,380	21,808	22,244	22,689	244,741
Other Expenses (€)	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	360,000
Net Monthly Result (€)	36,502	41,850	47,504	53,481	59,799	66,474	73,525	80,973	88,837	97,140	105,904	115,154	867,142
Year (3rd)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total Year
FTDs	2,314	2,361	2,408	2,456	2,505	2,555	2,606	2,658	2,712	2,766	2,821	2,877	31,039
Active Players (including FTDs)	946	965	984	1,004	1,024	1,045	1,066	1,087	1,109	1,131	1,153	1,176	12,690
Total Deposits (€)	700,000	714,000	728,280	742,846	757,703	772,857	788,314	804,080	820,162	836,565	853,296	870,362	9,388,463
Total Withdrawals (€)	400,000	408,000	416,160	424,483	432,973	441,632	450,465	459,474	468,664	478,037	487,598	497,350	5,364,836
Total Bets (€)	900,000	945,000	992,250	1,041,863	1,093,956	1,148,653	1,206,086	1,266,390	1,329,710	1,396,195	1,466,005	1,539,305	14,325,414
Total Wins (€)	675,000	708,750	744,188	781,397	820,467	861,490	904,565	949,793	997,282	1,047,147	1,099,504	1,154,479	10,744,060
GGR (€)	225,000	236,250	248,063	260,466	273,489	287,163	301,522	316,598	332,427	349,049	366,501	384,826	3,581,353
Margin (%)	14%	16%	18%	19%	21%	22%	24%	25%	27%	28%	29%	30%	23%
Bonuses (€)	45,000	47,250	49,613	52,093	54,698	57,433	60,304	63,320	66,485	69,810	73,300	76,965	716,271
Bonuses (%)	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Game Provider Fee (€)	33,750	35,438	37,209	39,070	41,023	43,075	45,228	47,490	49,864	52,357	54,975	57,724	537,203
Game Provider Fee (%)	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Payment Processor Fee (€)	55,000	56,100	57,222	58,366	59,534	60,724	61,939	63,178	64,441	65,730	67,045	68,386	737,665
Platform Fee (€)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Affiliate Payments / User Acquisition (€)	23,143	23,605	24,078	24,559	25,050	25,551	26,062	26,584	27,115	27,658	28,211	28,775	310,391
Other Expenses (€)	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	420,000
Net Monthly Result (€)	32,107	37,857	43,941	50,377	57,184	64,380	71,988	80,027	88,521	97,494	106,970	116,977	847,824