

Novisoft N.V.

Business Plan

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Executive summary

At Novisoft N.V., we take great pride in presenting our exclusive intellectual property through our B2C services, available on our websites (okb99.com, ok.fun, okbet.com, luckroyal.com). Our exceptional portfolio showcases cutting-edge technologies, innovative designs, and engaging content, distinguishing us in the gaming industry. These unique elements are not just assets; they form the foundation of our identity, crucial in delivering an unparalleled gaming experience to our customers.

In response to recent legal developments, we are actively pursuing licensing from the GCB. While our primary focus currently revolves around Live casino, online casino and sportsbetting, we have ambitious plans to expand into additional product verticals in the near future.

Business Summary and History

Novisoft N.V., headquartered in Curacao, is a dynamic player in the online gaming industry. Under the leadership of owner Mr. Daniel N. Miller, a seasoned professional with nearly a decade of experience, the company is dedicated to providing outstanding B2C services. Mr. Miller brings a wealth of expertise in customer relationship management, marketing, and team leadership to the table.

With over 16 years of experience in Gaming Technology companies, Mr. Miller is recognized as an accomplished and entrepreneurial bilingual English/German Sales Executive. He has a remarkable track record, having successfully sold and project managed eight-figure ICT proposals in Gaming, SaaS iGaming, and online Sports-Book software. Additionally, he co-founded and managed an eSports betting startup, steering it from seed investment to a triumphant exit. In 2021, the company was listed on the Vienna stock exchange after being valued at over 32 million Euros by KPMG.

Vision and Mission

Vision:

At Novisoft N.V., our vision is to revolutionize the online gaming industry by providing cutting-edge technology, immersive experiences, and unparalleled service to customers in Vietnam, Cambodia, and the Philippines. We envision a future where gaming transcends boundaries, connecting people in these regions and beyond through innovative platforms that inspire, entertain, and enrich lives. Our goal is to be at the forefront of innovation, continually pushing the boundaries of what's possible in gaming while maintaining a commitment to integrity, responsibility, and customer satisfaction.

Mission:

Our mission at Novisoft N.V. is to create exceptional gaming experiences that captivate and delight players in Vietnam, Cambodia, and the Philippines. We are committed to leveraging our expertise, creativity, and technology to develop innovative products and services that exceed customer expectations in these markets. Through strategic partnerships, continuous improvement, and a dedication to excellence, we aim to establish Novisoft N.V. as a trusted leader in the online gaming industry within these regions. We strive to foster a culture of inclusivity, transparency, and collaboration within our team, empowering each member to contribute their unique talents towards achieving our collective vision of serving the gaming needs of Vietnam, Cambodia, and the Philippines.

Why Curacao?

Novisoft N.V. is currently holding a sublicense issued by Gaming Services Provider N.V. However, we are in the process of obtaining a new license directly from the Curacao Gaming Control Board (GCB) due to new legislation, which opens pathways to new and promising business opportunities. This strategic move is bolstered by the following advantages of the Curacao license:

- **Esteemed Jurisdiction:** Curacao is renowned in the iGaming sphere for maintaining a stellar reputation, bolstered by its continual adaptation to evolving laws and steadfast commitment to player protection.
- **Pioneering Regulatory Framework:** As the inaugural regulator of iGaming, Curacao boasts a pioneering legacy, ensuring a secure gaming environment rooted in robust regulations.
- **State-of-the-Art Hosting Infrastructure:** Curacao's top-tier hosting infrastructure guarantees impeccable service delivery, facilitating seamless player experiences and bolstering operator reliability.
- **Attractive Corporate Tax Regime:** Curacao's competitive corporate tax rate provides a lucrative financial incentive for businesses operating within the iGaming sector, enhancing profitability and fiscal sustainability.

Business Growth Strategy Overview:

Marketing Strategy:

- **Targeted Market Expansion:** We will focus on expanding our presence in Vietnam, Cambodia, and the Philippines through targeted marketing campaigns tailored to each market's preferences, cultural nuances, and regulatory landscape.
- **Localized Content and Branding:** To resonate with our target audience, we will create localized content and branding strategies that align with the unique preferences and interests of players in each region. This includes language localization, culturally relevant themes, and tailored promotions.
- **Strategic Partnerships:** Collaborating with local influencers, affiliates, and strategic partners will help us increase brand awareness, expand our customer base, and drive user engagement. These partnerships will enable us to tap into existing networks and leverage their credibility and reach.
- **Customer Engagement and Retention:** Implementing robust customer engagement and retention strategies will be crucial for sustaining long-term growth. This includes personalized communication, loyalty programs, and ongoing customer support to enhance the overall gaming experience and foster customer loyalty.

Finance Strategy:

- **Optimized Revenue Streams:** Diversifying our revenue streams beyond traditional gaming offerings, such as introducing premium memberships, virtual goods, and in-game purchases, will help maximize revenue generation and profitability.
- **Cost Optimization:** Implementing cost optimization measures across operations, technology infrastructure, and marketing expenses will ensure efficient resource allocation and improved financial performance.
- **Capital Investment:** Strategic capital investment in technology infrastructure, product development, and customer acquisition initiatives will enable us to scale our operations effectively and capture market opportunities.
- **Financial Risk Management:** Proactive risk management strategies, including hedging against currency fluctuations and regulatory changes, will mitigate financial risks and safeguard our profitability and sustainability in volatile market conditions.

By integrating these marketing and finance strategies, Novisoft N.V. aims to achieve sustainable growth, establish market leadership in Vietnam, Cambodia, and the Philippines, and deliver exceptional value to our customers and stakeholders.

SWOT Analysis of Novisoft N.V.

Strengths:

- **Experienced Leadership:** Led by Mr. Daniel N. Miller, an experienced professional with nearly a decade of industry experience, Novisoft N.V. benefits from strong leadership and strategic direction.
- **Innovative Technology:** The company offers cutting-edge technology and state-of-the-art gaming platforms, providing a competitive edge in the online gaming industry.
- **Diverse Product Portfolio:** Novisoft N.V. boasts a diverse portfolio of gaming products and services, catering to various preferences and interests of players in Vietnam, Cambodia, and the Philippines.
- **Strategic Partnerships:** Strategic partnerships with local influencers, affiliates, and gaming providers enhance the company's market reach and brand visibility.

Weaknesses:

- **Regulatory Dependencies:** The company's operations are subject to regulatory changes and compliance requirements, which could pose challenges and limitations to expansion in certain markets.
- **Limited Market Presence:** Novisoft N.V. may face challenges in establishing a strong presence in highly competitive markets due to the dominance of established players and brands.
- **Resource Constraints:** Limited financial resources and human capital may hinder the company's ability to scale operations and pursue growth opportunities effectively.

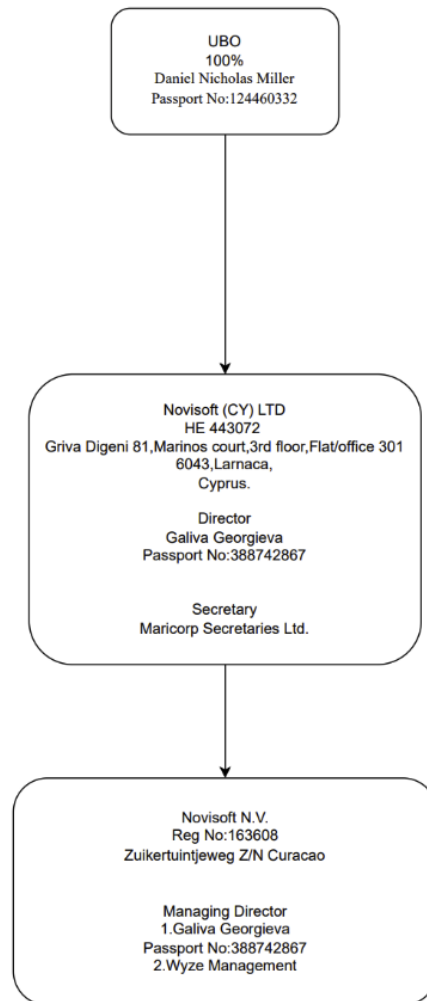
Opportunities:

- **Market Expansion:** Emerging markets in Vietnam, Cambodia, and the Philippines present significant growth opportunities for Novisoft N.V. to expand its customer base and market share.
- **Technological Advancements:** Ongoing technological advancements in the gaming industry, such as virtual reality (VR) and augmented reality (AR), provide opportunities for Novisoft N.V. to innovate and differentiate its offerings.
- **Strategic Partnerships:** Collaborating with local gaming operators, regulatory authorities, and technology partners can facilitate market entry and regulatory compliance in new markets.

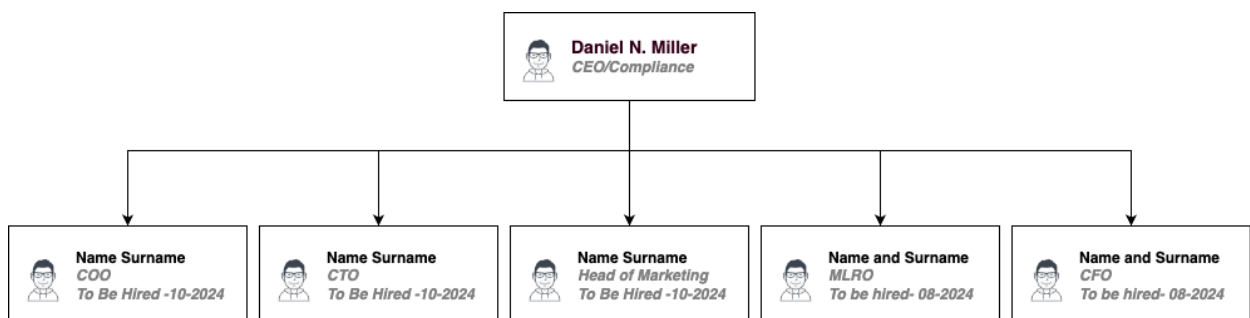
Threats:

- **Regulatory Risks:** Evolving regulatory landscape and compliance requirements pose risks to Novisoft N.V.'s operations, including potential fines, restrictions, or legal challenges.
- **Competition:** Intense competition from established gaming companies and new market entrants could impact Novisoft N.V.'s market share and profitability.
- **Cybersecurity Risks:** With the increasing prevalence of cyber threats and data breaches, cybersecurity vulnerabilities pose risks to the company's reputation, customer trust, and financial stability.

Company shareholding structure



Company organization structure



Key personnel and key functions' competence

CEO / Compliance: Daniel N. Miller

Responsible for:

- Ensuring that the gaming company operates within the legal framework established by regulatory authorities. This includes obtaining and maintaining licenses, permits, and approvals necessary for operating in various jurisdictions.
- Monitoring gaming operations to detect and prevent any violations of laws or regulations. This may involve conducting internal audits, reviewing transactions, and analyzing data for suspicious activities. Compliance professionals are also responsible for reporting any irregularities to regulatory authorities as required.
- Developing and implementing programs to promote responsible gaming and minimize the risk of gambling-related harm. This includes providing resources and support for problem gamblers and implementing measures to prevent underage gambling.
- Keeping abreast of changes in laws, regulations, and industry standards that may impact the gaming industry. Compliance professionals must stay informed about emerging trends and developments to effectively fulfill their duties.
- Cooperation with the supervisory authority
- To act as the contact point for the supervisory authority on the issues relating to processing and to consult were, appropriate, with regard to any other matter
- To provide advice were requested as regards the data protection impact assessment and monitor its performance pursuant to laws
- Inform the organization of any failure to comply with applicable data protection rules

CFO to be hired

Responsible for:

- ✎ Developing financial forecasts and strategic plans, analyzing financial data, and providing insights to support decision-making.
- ✎ Ensuring accurate and timely financial reporting to stakeholders, including the preparation of financial statements, regulatory filings, and management reports.
- ✎ Leading the budgeting process, monitoring performance against budgets, and providing variance analysis.
- ✎ Ensuring compliance with accounting standards, tax regulations, and other financial regulations, as well as internal controls and corporate governance best practices.
- ✎ Overseeing the selection, implementation, and optimization of financial systems and technologies to improve efficiency and effectiveness.

COO- to be hired

Responsible for:

- Providing leadership and guidance to the operational teams within the company, ensuring alignment with the overall strategic objectives.
- Collaborating with the CEO and other executive team members, the COO participates in strategic planning initiatives to develop long-term growth strategies, identify opportunities for operational improvement, and mitigate risks.
- Ensuring that operational activities are aligned with the company's objectives and timelines.
- Identifying areas for process improvement and efficiency enhancement across various departments, the COO implements measures to streamline operations, reduce costs, and optimize resource utilization.

- Ensuring high-quality standards in product development, service delivery, and customer support, the COO establishes and monitors quality assurance processes and performance metrics.
- Collaborating with the CFO, the COO oversees budgeting, financial forecasting, and cost management initiatives to optimize financial performance and resource allocation.
- Allocating human, financial, and technological resources effectively to support operational objectives and meet business requirements.
- Facilitating collaboration and communication between different departments and functional areas to promote synergy, alignment, and effective decision-making.
- Identifying potential risks to operations and business continuity, the COO implements risk mitigation strategies and contingency plans to minimize negative impacts on the company.
- Monitoring key performance indicators (KPIs), operational metrics, and performance benchmarks, the COO provides regular updates and reports to the executive team and stakeholders.
- Ensuring compliance with relevant laws, regulations, and industry standards, the COO oversees regulatory compliance initiatives and risk management protocols.
- Attracting, retaining, and developing top talent within the organization, the COO promotes a culture of excellence, accountability, and continuous learning.

CTO to be hired

Responsibilities:

- Develop and implement the overall technology strategy aligned with the company's goals, focusing on innovation, scalability, and efficiency.
- Product Development: Oversee the development of gaming products, ensuring they meet quality standards, deadlines, and market demands.
- Manage the technical infrastructure, including servers, networks, and databases, to ensure smooth operations and minimal downtime.
- Implement robust security measures to protect user data and prevent cyber threats. Ensure compliance with relevant regulations and standards.
- Build and lead a high-performing technology team, providing mentorship, guidance, and professional development opportunities.
- Stay updated on emerging technologies and industry trends, exploring their potential applications to improve gaming experiences and operations.
- Develop and manage the technology budget, allocating resources effectively to maximize ROI and support business objectives.

Head of Marketing:

Responsibilities:

- Conduct market research to understand gaming trends, player preferences, and competitor strategies.
- Develop and maintain the company's brand identity within the gaming industry, ensuring consistency across all marketing channels.
- Plan and execute marketing campaigns to promote gaming products, events, and initiatives, utilizing various channels such as social media, email, and influencers.
- Implement strategies to acquire new customers and retain existing ones, including loyalty programs, special offers, and targeted promotions.
- Develop engaging content, including blog posts, videos, and graphics, to attract and engage gaming audiences.
- Analyze the performance of marketing campaigns using metrics such as ROI, conversion rates,

and customer engagement, and adjust strategies accordingly.

- Identify and forge partnerships with gaming influencers, content creators, and organizations to expand the company's reach and credibility within the gaming community.

MLRO:

Responsibilities:

- Ensure compliance with anti-money laundering (AML) and Know Your Customer (KYC) regulations within the gaming industry.
- Conduct risk assessments to identify and mitigate potential money laundering risks associated with gaming operations.
- Develop and implement policies and procedures to prevent money laundering activities, including customer due diligence measures and suspicious activity reporting.
- Provide training and awareness programs to employees on AML/KYC regulations and procedures, ensuring they understand their roles and responsibilities.
- Monitor gaming transactions and customer activities for suspicious patterns or behaviors, and report any findings to relevant authorities as required by law.
- Serve as the primary point of contact for regulatory authorities and law enforcement agencies regarding AML/KYC matters, responding to inquiries and providing necessary documentation.
- Coordinate and facilitate internal and external audits and compliance reviews to assess the effectiveness of AML/KYC controls and processes.

Services provider and payment provider

HUB88, a dynamic game provider revolutionizing the online gaming industry with its innovative platform. At HUB88, we are committed to delivering exceptional gaming experiences that captivate players worldwide. Our cutting-edge technology, diverse portfolio of games, and seamless integration solutions make us a preferred partner for operators seeking to enhance their gaming offerings.

In tandem with our gaming platform, we proudly introduce Praxis, a leading payment platform seamlessly integrated with HUB88's ecosystem. Praxis offers secure, efficient, and user-friendly payment solutions tailored to the unique needs of the online gaming industry. Together, HUB88 and Praxis provide operators with a comprehensive gaming and payment solution, empowering them to succeed in the competitive online gaming market.

With HUB88's unparalleled gaming platform and Praxis's robust payment solutions, operators can elevate their gaming experience, maximize revenue opportunities, and build lasting relationships with players. Join us in shaping the future of online gaming with HUB88 and Praxis.

Risk evaluation and management.

NOVISOF N.V. operates with a closed liquidity system exclusive to our players, as our RYOPS product does not share players between clients. We prioritize risk evaluation and management, which is entrusted to a third-party service provider, demonstrating our commitment to leveraging external expertise in identifying and mitigating potential risks.

At NOVISOF N.V., effective risk management is paramount, as outlined in our specialized Risk Management Policy document. The Board of Directors and C-level Management hold primary responsibility for overseeing and approving changes to this policy, ensuring its ongoing relevance and effectiveness through annual reviews.

Our model for risk governance encourages open communication, transparency, and active engagement from all stakeholders, particularly within our B2C operations. This fosters an environment conducive to constructive challenges to model-related processes, including risk analysis, validation, testing, development, and governance.

In assessing risks associated with gaming players, we employ thorough risk assessment methodologies to identify potential issues such as problem gambling, underage gambling, and fraudulent activities. By analyzing player behavior patterns, transaction histories, and other relevant data points, we aim to proactively address and mitigate these risks to safeguard both our players and our business integrity. Change management processes are pivotal in our model governance, particularly during the implementation or modification of models and related technologies in a B2C setting. These processes encompass various aspects such as model development, personnel, policies, testing and validation, IT systems, regulatory requirements, and internal controls. We may engage specialized third-party experts to ensure the effective management of third-party risks in the dynamic landscape of the B2C gaming industry.

Legal and governance framework

- **Boards in Curacao:** Boards in Curacao play a vital role in guiding the daily decision-making processes of companies, ensuring robust governance and strategic alignment.
- **Board Composition and Authority:** Curacao boards consist of directors elected by shareholders and hold sway over critical decisions, including financial affairs, major contracts, and corporate alterations.
- **Addressing Deadlock Possibilities:** In instances of equal shareholder influence, mechanisms such as arbitration and buy-sell agreements are in place to resolve potential stalemates.
- **Legal Support and Advisory Role:** External law firms specializing in local and international law offer legal assistance, while internal legal teams advise on compliance matters.
- **Conducting Board Meetings:** Board meetings in Curacao address both strategic and operational concerns, with input from key executives, legal advisors, and external consultants as necessary.

Policies and Procedures

- **Internal vs. External Development for Responsible Gaming Policies:**
 - **Policy Implementation Strategy:** In crafting our Responsible Gaming policies, we adhere to an internally developed approach.
 - **Rationale:** Choosing to internally develop our Responsible Gaming policies allows us to harness our existing expertise, optimize resource allocation, tailor policies to meet organizational requirements, ensure adaptability, and prioritize confidentiality and security. This approach facilitates a strategic and customized development process that reflects the distinctive characteristics of our business.
- **Timelines and Communication with the GCB (Gambling Control Board):**
 - Completion of Responsible Gaming policy development within 6 months.
 - Thorough internal stakeholder review within 1 month. Legal review for compliance assessment within 1 month.
 - Review and feedback from the GCB within 1 month.
 - Phased implementation of Responsible Gaming policies within 1 month.
 - Full integration and enforcement of policies across all relevant operations within 1 month.

- GCB Appraisal:
 - Monthly progress updates submitted to the GCB during the development phase.
 - Quarterly updates during the review phase to communicate progress and address any GCB inquiries. Immediate communication of changes or adjustments based on GCB feedback within 1 week.
 - Prompt responses to queries and requests for additional information from the GCB.
 - Formal submission of finalized Responsible Gaming policies to the GCB for approval within 6 months, accompanied by comprehensive documentation supporting regulatory compliance.

- Reporting Mechanism:
 - Monthly progress reports provided to the GCB during the development and review phases.
 - Quarterly reports on implementation status and any modifications based on feedback received. Immediate notification of significant policy changes within 1 week of implementation.
 - Regular updates on minor adjustments or enhancements included in the monthly or quarterly reports.

- Qualifications and Competency of Developers:
 - Selection Criteria: Clearly define the criteria used to select individuals or entities responsible for developing our Responsible Gaming policies.
 - Expertise Assessment: Outline the specific qualifications, expertise, and experience required for the selected individuals or entities in developing each Responsible Gaming policy.
 - Conflict of Interest Assurance: Provide a statement affirming the board's belief, based on a reasonable assessment, that the chosen individuals or entities for each Responsible Gaming policy are qualified, competent, and free from conflicts of interest.
 - Due Diligence: Describe the due diligence process undertaken to assess the qualifications and competence of the individuals or entities entrusted with developing each Responsible Gaming policy.

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Balance Sheet as at CALENDAR YEAR END

	Year 1	Year 2	Year 3
	€	€	€
Fixed Assets Assets	140,693.33	144,986.67	140,613.33
Tangible Assets	140,693.33	144,986.67	140,613.33
Current Assets	1,027,636.00	1,659,562.00	2,551,400.00
Trade Debtors	300,000.00	350,000.00	500,000.00
Other Debtors	0.00	0.00	0.00
Prepayments	200,000.00	230,000.00	450,000.00
Bank Accounts	527,636.00	1,079,562.00	1,601,400.00
Current Liabilities	-85,000.00	-135,000.00	-170,000.00
Trade Creditors	-75,000.00	-120,000.00	-150,000.00
Accruals	-10,000.00	-15,000.00	-20,000.00
Shareholder's loan			
Total Assets and Liabilities	<u>1,083,329.33</u>	<u>1,669,548.67</u>	<u>2,522,013.33</u>
Capital & Reserves	859,330.00	871,926.00	921,838.00
Share Capital	100,000.00	100,000.00	100,000.00
Retained Earnings	559,330.00	551,926.00	521,838.00
Dividends	200,000.00	220,000.00	300,000.00
Total Capital and Reserves	<u>859,330.00</u>	<u>871,926.00</u>	<u>921,838.00</u>

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Cash Flow

	Year 1	Year 2	Year 3
	€	€	€
Net income	759,330	771,926	821,838
Adjustment for change in:			
Depreciation	- 14,507	- 35,707	- 44,373
Accrued expenses (non-cash)	- 210,000	- 35,000	- 225,000
CF from income	534,823	701,219	552,465
Working Capital (+/-)	942,636	1,524,562	2,381,400
CF operational	<u>1,477,459</u>	<u>2,225,781</u>	<u>2,933,865</u>
 CF Investment	 100,000	 -	 -
CF Fixed Assets	- 50,000	- 30,000	- 30,000
Dividends	- 200,000	- 220,000	- 300,000
CF Shareholder	-	-	-
 Change of Liquidity	 <u>1,327,459</u>	 <u>1,975,781</u>	 <u>2,603,865</u>
 Liquidity beginning of period	 -	 1,327,459	 3,303,241
 Liquidity end of period	 <u>1,327,459</u>	 <u>3,303,241</u>	 <u>5,907,105</u>

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Profit and Loss Account for the Period Ending

	Y1 €	Y2 €	Y3 €
Income (GGR)	1,800,000.00	2,160,000.00	-535,400.00
Setup and Fees	-93,600.00	-4,500.00	-5,000.00
Hosting & Bandwidth	-117,000.00	-140,400.00	-156,000.00
Royalty Fees	-93,600.00	-112,320.00	-124,800.00
Aggregator	-144,000.00	-224,640.00	-249,600.00
Operating Expenses	-384,600.00	-481,860.00	-535,400.00
Markeing	-93,600.00	-112,320.00	-124,800.00
IT Services	-351,000.00	-421,200.00	-468,000.00
Development	-324,000.00	-505,440.00	-561,600.00
Annual GCB Licence Fee	-47,150.00	-47,150.00	-47,150.00
Application GCB Fee	0.00	0.00	0.00
System Review	-3,500.00	-3,500.00	-3,500.00
Compliance & Audit	-6,000.00	-6,000.00	-6,000.00
Gross Profit / (Loss)	1,130,150.00	1,230,530.00	1,373,550.00
Administrative Expenses	-370,820.00	-458,604.00	-551,712.00
Accountancy Fees	23,400.00	28,080.00	31,200.00
Audit Fees	-6,500.00	-8,500.00	-10,000.00
Office Expenses	-25,740.00	-30,888.00	-34,320.00
Other expenses	-28,080.00	-33,696.00	-67,392.00
Professional Fees	-35,100.00	-42,120.00	-46,800.00
Office Rent	-23,400.00	-28,080.00	-31,200.00
Salaries & Outsourcing	-187,200.00	-224,640.00	-249,600.00
Business Relation Other Costs	-46,800.00	-56,160.00	-62,400.00
Training/Team Expenses	-9,000.00	-13,950.00	-20,925.00
Telecommunication Expenses	-2,400.00	-2,400.00	-2,400.00
Travelling & Accomodation	-8,000.00	-16,000.00	-16,000.00
Depreciation	-14,506.67	-35,706.67	-44,373.33
Bank Fees	-15,000.00	-23,250.00	-34,875.00
Net Profit / (Loss) Before Taxation	759,330.00	771,926.00	821,838.00
Corporate Taxation	0.00	0.00	0.00
Dividend.	200000.00	220,000.00	300,000.00
Net Profit / (Loss)	559,330.00	551,926.00	521,838.00