

BetMax Entertain Business Plan

BetMax Entertain N.V.
Zuikertuintjeweg Z/N (Zuikertuin Tower)
Curacao
www.betmaxentertain.com



Index

1. Executive Summary
2. Operations Plan
3. Financial Plan
4. Legal and Governance Framework

1. EXECUTIVE SUMMARY

BetMax Entertain N.V. is a private limited liability company incorporated in Curacao, with company registration number 163731 and registered office of Zuikertuintjeweg Z/N (Zuikertuin Tower), Curacao (the “Company”). Its primary activity is the operation of a Curacao licensed online casino and sports betting brand called Bombastic. The Company holds a sub-license with Gaming Curacao under licence no 365/JAZ sub-licence which is valid until 18 August 2024 and the Company commenced its gaming operations from January 2024.

Its flagship online casino brand offers a diverse range of over 1,000 games, encompassing classic slots, table games, and immersive live dealer experiences, and will shortly also offer sports betting. The company constantly prioritises in updating its game library, ensuring the players always have access to the latest and most engaging titles.

1.1 Mission Statement

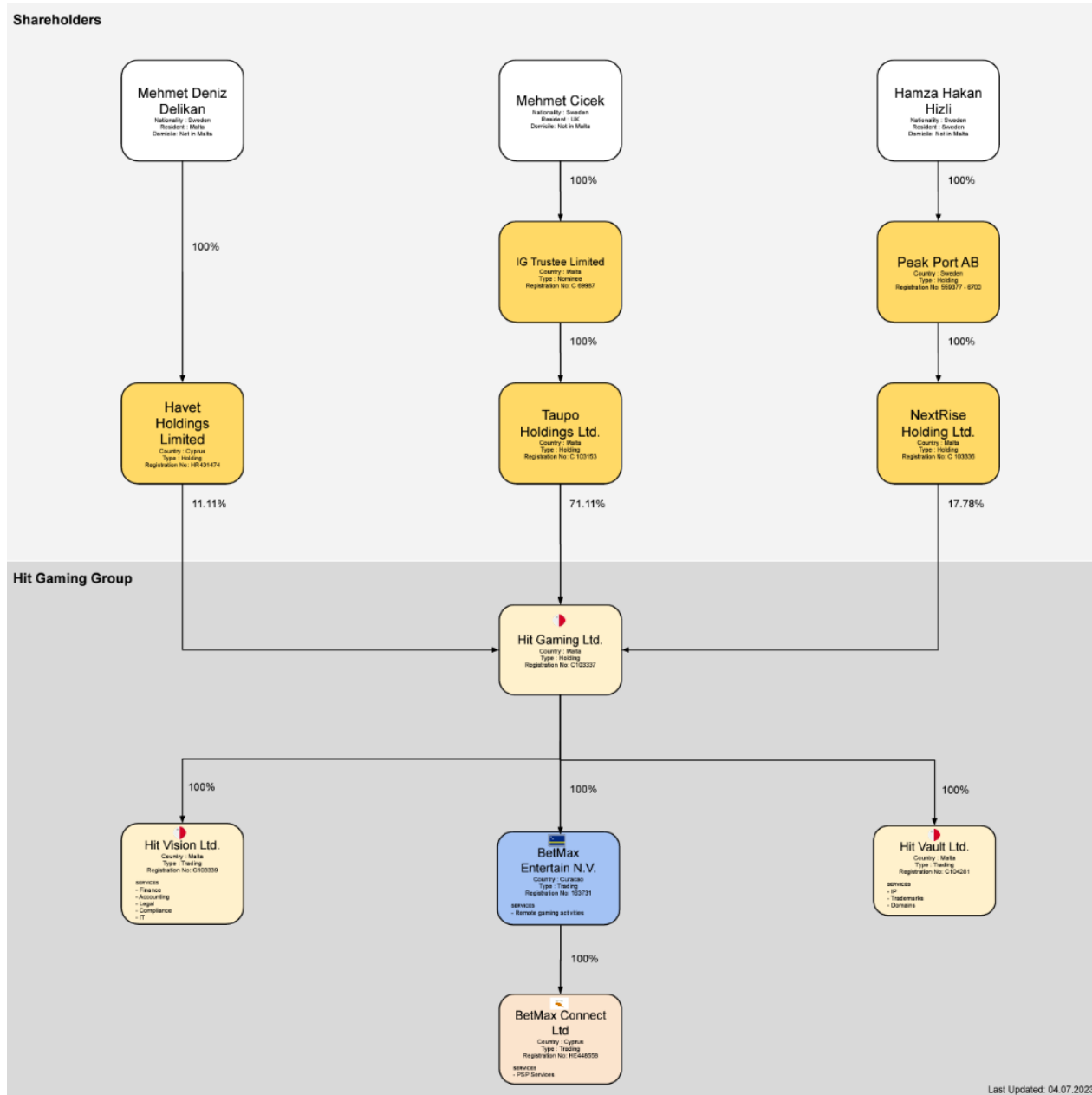
To redefine online gaming experiences by setting industry benchmarks, promoting responsible gaming, and ensuring unparalleled entertainment for our players.

BetMax Entertain N.V.
Zuikertuintjeweg Z/N (Zuikertuin Tower)
Curacao
www.betmaxentertain.com



1.2 Corporate Structure and Organisation

The attached diagram shows the organisation structure of the Company's corporate structure.



1.3 The UBO Founder

The UBO is Mr. Mehmet Cicek, a UK resident with Swedish passport number 94829696. Mr. Cicek is a respected professional and acts as a managing director of Property Ventures Ltd. since 2021.

IG Trustee Limited holds 100% of shares as mandatory on behalf of Mehmet Cicek. IG Trustee Limited holds 100% in Taupo Holdings Ltd. and Taupo Holdings Ltd. holds 71.11% in Hit Gaming Ltd. Hit Gaming Ltd. holds 100% ownership in BetMax Entertain N.V.

1.4 Objectives

The primary objectives of the Company are as follows:

- **Market Expansion:** Increase our global footprint by entering new markets and jurisdictions, ensuring compliance with local regulations.
- **Customer Experience:** Achieve industry-leading customer satisfaction rates by improving user interfaces, streamlining processes, and offering 24/7 customer support.
- **Responsible Gaming:** Strengthen our commitment to responsible gaming by implementing advanced tools and resources to promote player well-being and prevent addictive behaviors.
- **Brand Recognition:** Elevate the Bombastic.com brand through strategic marketing campaigns, partnerships, and sponsorships to become a top-of-mind brand in the iGaming industry.
- **Revenue Growth:** Achieve a consistent annual growth rate in revenue, driven by user acquisition and retention strategies.
- **Sustainability:** Implement eco-friendly practices in our operations and contribute to community development initiatives in regions where we operate.

1.5 Company management structure

The Company's management structure entails the following key roles and responsibilities:

- a. Group CEO: responsible for high level decisions about policy and strategy, develop and implement operational policies and a strategy plan
- b. Group CFO: reporting to the CEO and responsible for the day to day administration of the Company and the administration of the finance and legal teams and set standards and goals for the team and ensure consistent execution, processing and accountability.
- c. Group CRO: reporting to the CEO and advising the Company regarding customer and market trends and recommending strategies for market expansion.
- d. Group Operations Director: reporting to the CEO and leads the CRM, customer experience, casino/sports betting and VIP teams and sets clear performance targets and KPIs and monitors progress towards achieving organisational objectives whilst encouraging collaboration across all departments to ensure brand consistency and customer satisfaction.
- e. Group Head of Legal and Compliance: reporting to the CFO and providing legal advice and support on a range of legal activities including commercial, corporate, data protection, gaming and betting competition and social and responsible gaming. Also, obtains and maintains gaming licences in several countries by managing licence applications and ensuring compliance with licence conditions and requirements.

2. OPERATIONS PLAN

BetMax Entertain operates in synergy with the group's headquarters, 'Hit Vision', located in Malta, and actively collaborates with sister companies under Hit Gaming Ltd.

2.1 Inter-Group Functions

Intra group services will involve:

- Finance: Overseeing financial transactions, budgeting, forecasting, and financial compliance.
- Legal and Compliance: Ensuring that BetMax and its brand Bombastic operates within the legal frameworks of its jurisdictions and adheres to industry standards.
- Human Resources (HR): Talent acquisition, training, and employee welfare initiatives.
- Customer Relationship Management (CRM): Managing player databases, loyalty programs, and customer engagement strategies.
- Customer Support : Ensure 24/7 support availability via multiple channels: chat, email, and social messaging channels.
- Marketing - SEO : Collaborate with an SEO agency to optimize website visibility and organic traffic.
- Marketing - Affiliate Management : Partner with a firm specializing in managing and optimizing affiliate partnerships.
- Information Technology (IT): Infrastructure management, software updates, and cybersecurity.

2.2 Outsourced Functions:

Customer due diligence procedure and vetting will be undertaken in accordance with industry standard and utmost care will be taken to ensure that any transfer of data between companies will be entirely secure.

BetMax Entertain N.V.
Zuikertuintjeweg Z/N (Zuikertuin Tower)
Curacao
www.betmaxentertain.com



Payment Operations: Payment processing is being handled through BetMax Entertain and its payment agents are outsourced. As part of the payment operations function, the Company:

- Regular audits to ensure transactional transparency and security.
- Streamlined and efficient processing of withdrawal requests to ensure quick turnaround times and customer satisfaction.
- conduct thorough Know Your Customer (KYC) and Anti-Money Laundering (AML) checks, ensuring compliance and player authenticity.

Marketing & Branding:

- Programmatic Marketing: Engage experts to automate the purchase of targeted advertising.
- Social Media Management: Outsource to a specialized agency to handle content creation, engagement, and brand presence across social media platforms.

Platform: The platform provider shall assist BetMax Entertain with the following:

- Accessing the gaming software via the back office environment to view and retrieve essential regulatory data
- To operate the gaming software through Bombastic website so that the players may be able to register through Bombastic and open a gaming account
- Providing hosting services and ancillary services.

Casino game providers:

- Provision of casino games

3. FINANCIAL PLAN

Liquidity is fundamental to every business in relation to being able to trade and meet obligations. Management monitors the risks in liquidity by tracking cash movements with a Cash Flow Forecast ensuring adequate cash or facilities to raise money to carry out the business.

The Company's set up and incorporation costs were funded by the UBO.

Extraordinary expenses, which the Company may not initially have the required financial reserve to settle, are being funded by the UBO via loan through Hit Gaming Ltd.

3.2 Financial Projections

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	2025	2026	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Turnover	3,634	16,156	89,249	100,416	202,810	205,808	346,027	334,186	542,274	521,504	807,179	754,222	7,846,930	11,770,395	23,540,790
Inflows:															
Loan from parent company - Hit Gaming	1,000,000		1,000,000					1,000,000				500,000			3,500,000
Total inflows	1,003,634	16,156	1,089,249	100,416	202,810	205,808	346,027	1,334,186	542,274	521,504	807,179	1,254,222	7,846,930	11,770,395	27,040,790
Outflows:															
Platform fees	-5,648	-6,141	-8,733	-9,238	-12,627	-12,949	-17,556	-17,406	-24,339	-24,016	-29,862	-28,820	-183,704	-242,556	-623,595
Licence fees (casino and sportsbook)	-460	-1,994	-10,049	-11,618	-22,149	-23,152	-37,469	-37,005	-58,549	-57,546	-86,534	-82,832	-941,632	-1,412,447	-2,783,436
Marketing costs	-58,553	-108,291	-215,124	-238,528	-270,439	-324,060	-347,753	-378,607	-438,415	-462,712	-484,842	-580,731	-4,885,069	-6,106,336	-14,899,460
Other expenses	-158	-683	-3,441	-3,978	-7,584	-7,928	-12,830	-12,671	-20,048	-19,704	-29,630	-28,362	-294,034	-441,051	-882,102
Overheads	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-50,000	-720,000	-840,000	-2,160,000
Payments to Hit Vault Ltd.				-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-15,000	-240,000	-240,000	-615,000
Payments to Hit Vision Ltd.	-83,333	-83,333	-83,333	-83,333	-83,333	-83,333	-83,333	-83,333	-83,333	-83,333	-83,333	-83,333	-1,200,000	-1,200,000	-3,400,000
Total outflows	-198,152	-250,442	-370,680	-411,695	-461,132	-516,422	-563,941	-594,022	-689,684	-712,311	-779,201	-869,078	-8,464,438	-10,482,390	-25,363,593
NET INFLOW/OUTFLOW	805,482	-234,286	718,569	-311,279	-258,322	-310,614	-217,914	740,164	-147,410	-190,807	27,978	385,144	-617,508	1,288,005	1,677,197

3.3 Market, Long term Growth and Marketing Strategy

The budget plan for BetMax Entertain is designed to ensure efficient allocation of resources, optimize operational costs, and achieve financial sustainability. The Company is funded primarily through loans from its parent company, Hit Gaming Ltd.

The budget is structured to prioritize growth while maintaining fiscal responsibility. Regular reviews will be conducted to adjust the budget based on actual performance and changing business needs.

3.3.1 Market Strategy

Bombastic.com is primarily targeting Southeast and East Asian markets with localised content. The secondary focus is on RoW (Rest of the world) with social media marketing.

Excluded markets are: Afghanistan, Alderney, America Samoa, Angola, Australia, Belarus, Belgium, Bosnia and Herzegovina, Burundi, Cambodia, Central African Republic, Croatia, Czech Republic, Democratic People's Republic of Korea, Denmark, Ethiopia, Hong Kong, Hungary, Iraq, Iran, Israel, Italy, Lao's People's Democratic Republic, Latvia, Lithuania, Lebanon, Libya, Mali, Malta, Myanmar, Nicaragua, Portugal, Romania, Serbia, Singapore, Somalia, Spain, Sweden, Switzerland, South Sudan, Syria, Uganda, Venezuela, Vanatu, Yemen, Zimbabwe, United States of America and its territories, France and its territories, Netherlands and its territories and countries that form the Kingdom of Netherlands, including Bonaire, Sint Eustatius, Saba, Statia, Aruba, Curaçao and Sint Maarten, Austria, United Kingdom of Great Britain, any other jurisdiction that the Central Government of Curacao (formerly the Netherlands Antilles) deems online gambling illegal.

3.3.2 Growth Strategy and KPIS

Betmax Entertain measures the brand performance with KPIS generally accepted by the iGaming industry. For the first year of the operation customer activity and Marketing KPIs are highly prioritized to assure the site has correct user and product experience, and the market channels are working as planned.

The customer activity KPIs that are monitored are NRC, FTD, conversion rate, and Turnover. Whereas the Marketing KPIs are CPA, ARPU, NGR.

Long-term KPI Projection

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	2025	2026
NRC	400	1580	4960	6740	8680	11280	13560	16180	20520	24400	28380	33700	227173	204456
FTD	20	79	248	337	434	564	678	809	1,026	1,220	1,419	1,685	17038	25557
Conversion	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	7.50%	12.50%
CPA	€2,928	€1,371	€867	€708	€623	€575	€513	€468	€427	€379	€342	€345	€287	€239
NGR	€1,917	€8,820	€54,211	€59,220	€127,112	€125,135	€218,709	€206,557	€343,718	€323,480	€515,148	€470,078	€4,908,210	€7,362,315
ARPU	€96	€112	€219	€176	€293	€222	€323	€255	€335	€265	€363	€279	€288	€288

3.3.3 Marketing Strategy Overview

Marketing Spend Projection

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	2025	2026
Affiliation	€7,883	€15,898	€49,374	€58,278	€65,939	€82,060	€92,253	€104,607	€118,415	€134,212	€152,842	€174,731	€1,320,615	€1,650,769
Display	€25,300	€49,460	€74,750	€80,250	€94,500	€126,000	€128,500	€146,000	€181,000	€188,500	€191,000	€221,000	€1,000,000	€1,000,000
Social Media	€16,600	€32,000	€61,000	€62,000	€69,000	€77,000	€83,000	€84,000	€95,000	€96,000	€97,000	€101,000	€1,092,000	€1,365,000
Branding	€15,770	€17,933	€51,000	€60,000	€65,000	€65,000	€70,000	€70,000	€70,000	€70,000	€70,000	€110,000	€1,801,204	€2,501,505

The brand marketing plan utilises a balanced mix of all marketing channels in the first year. Thereafter it is planned to reduce the display/programmatic marketing budget to shift branding and sponsorship investments.

3.4 Banking

The Company opened an account with the following:

- Narvi Payments Oy Ab. (trading under the name 'Narvi'), which is licensed by the Finnish Financial Supervisory Authority (FIN FSA).
- FinXP Ltd. which is licensed by the Malta Financial Services Authority (MFSA)
- One is authorised and regulated in the UK by the Financial Conduct Authority (FRN 913478) as an Authorised Payment Institution under the Payment Services Regulation 2017
- Bilderlings is registered as an electronic money issuer (No.900637) and is certified by the UK Financial Regulatory Authority (FCA)
- BVNK is registered as a virtual asset services provider on the Bank of Spain's register

3.4.1 Control Procedures

Ensuring the financial integrity and security of the company is paramount. To this end, the board of directors has established rigorous control procedures to manage and oversee bank accounts and payments. These procedures are designed to prevent unauthorized access, ensure transparency, and maintain a clear record of all financial transactions.

3.4.1.1 Access Control:

- Only the designated official directors will have the authority to access the company's bank accounts.
- This restricted access ensures that only those with the highest level of clearance can view and manage the company's funds.

3.4.1.2. Payment Approval:

- Routine bank payments and fund transfers will not be processed without the explicit approval of the designated official. For added security and as mandated by the company's statute, at least two directors must approve any bank payment or fund transfer.
- This dual-approval system minimizes the risk of errors or unauthorized transactions.

3.4.1.3. Documentation Requirement:

- Every payment or fund transfer must be substantiated with relevant documentation. This could be in the form of invoices for goods or services, agreements for partnerships or collaborations, or any other pertinent documentation that justifies the transaction.
- This ensures that every financial transaction is accountable and can be traced back to a legitimate business need or activity.

3.4.1.4. Record Keeping:

- All supporting documentation for payments and fund transfers will be meticulously recorded and stored. This not only ensures transparency but also aids in audits, reviews, and any potential financial investigations.
- The record will include details of the transaction, approval signatures, and any other relevant information to provide a comprehensive view of the company's financial activities.

3.5 Risk evaluation and management

The below are the processes used to assess and mitigate, audit and overseas risks for the Company:

3.5.1 Risk assessment

- Assessing risks related to regulatory compliance such as licensing requirements and anti-money laundering (AML) regulations;
- Assessing risks associated with financial stability such as liquidity risk, credit risk, currency risk and market risk.

3.5.2 Risk mitigation

- Conducting regular training for employees on regulatory requirements and establish monitoring systems to detect and prevent violations;
- Implementing controls to ensure game fairness, secure IT systems against cyber threats and employ secure payment processing systems;
- Establishing financial risk management strategies and maintaining adequate cash reserves.

3.5.3 Auditing

- Performing external audits to provide assurance to stakeholders, including regulators and investors, regarding the accuracy and reliability of financial reporting.

3.5.4 Risk registers

- A risk register for a gaming operator would include specific risks relevant to the industry such as regulatory fines, reputational damage from non-compliance and fraud amongst others.
- Each risk has to be assessed in terms of its likelihood, potential impact, existing controls and mitigation strategies. Regular updates to the risk register would reflect changes in the risk landscape and the effectiveness of mitigation efforts.

The above processes are essential to safeguard the integrity of operations, protect stakeholders' interest and esquire long-term sustainability in a highly regulated and dynamic industry.

4. LEGAL AND GOVERNANCE FRAMEWORK

4.1 Governance

Responsibilities of the Nominee Directors

- **Alignment with Stakeholder Interests:** Nominee directors ensure that the company's strategic direction and operations align with their appointors' interests while also balancing the needs of the company and other stakeholders.
- **Communication Bridge:** They act as a communication bridge between the appointing stakeholders, providing insights into stakeholder perspectives and expectations.
- **Interaction Between Nominee Directors and Senior Management**
- **Representation of Interests:** Nominee directors ensure that the strategic decisions and policies are in line with their appointors' interests, potentially requiring more detailed reporting and communication mechanisms.
- **Strategic Alignment Meetings:** To ensure all stakeholders' interests are aligned with the company's strategic direction, additional alignment meetings between nominee directors, other board members, and senior management might be necessary.

- **Enhanced Reporting:** Nominee directors may require more comprehensive and frequent reporting on financial performance, strategic initiatives, and risk management to relay back to their appointors.
- **Advisory Role:** While they may not be involved in daily operations, nominee directors can provide valuable insights and advice to senior management based on their appointors' perspectives and expectations.

4.2 Legal and Compliance

Responsibilities of the Legal and Compliance Team

To ensure compliance with legal standards, ethical norms, and to navigate the complexities of corporate governance, especially in a structure involving nominee directors, the company benefits from the support and advice provided by the company group's legal team. This internal legal support is designed to facilitate informed decision-making, mitigate risks, and uphold the integrity of the company's operations.

Role of the Legal Support Team

The company group's legal support team plays a crucial role in the governance structure by offering:

- **Guidance on Compliance:** Ensuring that the company adheres to all relevant laws and regulations, including those specific to its industry, and international laws applicable due to its operations or partnerships.
- **Contractual and Transactional Support:** Assisting with the drafting, review, and negotiation of contracts and overseeing transactions to ensure they are legally sound and align with the company's interests.
- **Advice on Governance Issues:** Providing guidance on best practices in corporate governance, especially in managing the unique dynamics introduced by nominee directors, to ensure that all board activities are compliant with legal standards and the company's bylaws.

- **Risk Management:** Identifying legal risks associated with business operations, strategic decisions, and external partnerships, and advising on risk mitigation strategies.
- **Litigation Support:** Managing any legal disputes or litigation the company may face, including coordination with external legal counsel as necessary.
- **Awareness:** Offering regular updates to the board, senior management, and employees on relevant legal issues, changes in law, and compliance requirements.

Interaction with Nominee Directors and Senior Management

- **Regular Updates and Briefings:** The legal support team provides regular updates and briefings to senior management on legal matters affecting the company or its industry.
- **Accessible Advice:** Ensuring that legal advice is readily accessible to senior management for any queries or concerns related to their roles, decisions, or the interests they represent.