

# **Audeo NV – Business Plan**

## **Executive Summary**

Audeo NV (“Audeo” is an online casino gaming company, with Curacao registration number 127564. Audeo was incorporated on the 27<sup>th</sup> of October 2012 and is licensed in Curacao, specializing in providing premium gaming experiences to players throughout the globe including various markets in Europe and the African region. Our focus on these markets stems from the growing demand for online entertainment and favorable regulatory environments. With a diverse portfolio of games, cutting-edge technology, and a commitment to responsible gaming, Audeo aims to become a leading player in the industry. Over the next three years, we project significant growth in revenue and market share as we expand our customer base and enhance our offerings.

## **Company Overview**

Audeo was founded by a team of industry experts with extensive experience in online gaming, software development, and business management. We operate under a license from the Curacao Gaming Authority (licence number 8048/JAZ) ensuring compliance with regulatory standards and providing a trustworthy platform for players.

## **Market Analysis**

The online casino gaming market in our targeted markets is experiencing rapid growth, driven by factors such as increasing internet penetration, rising disposable incomes, and shifting consumer preferences towards digital entertainment. These markets boast a large population of potential players who are eager to experience the thrill of online gaming. Furthermore, favorable regulatory frameworks in these countries create opportunities for expansion and innovation within the industry.

## **Products and Services**

Audeo operates under the brand name of Malibu Club Casino (“Malibu”) and customers can register and sign up with such brand on [www.malibuclubcasino.com](http://www.malibuclubcasino.com). Malibu offers a diverse range of casino games, including slots, table games, live dealer games, and specialty games, sourced from top-tier gaming providers. Our platform provides players with a seamless and immersive gaming experience across desktop and mobile devices, ensuring accessibility and convenience. Additionally, we prioritize responsible gaming practices, offering features such as self-exclusion and deposit limits to promote a safe and enjoyable environment for all players.

## **Marketing and Sales Strategy**

Our marketing strategy focuses on targeted digital campaigns, leveraging channels such as social media, search engine optimization (SEO), and affiliate partnerships to reach our desired audience. We will also engage in strategic partnerships with popular

influencers and media outlets to increase brand visibility and attract new players. Furthermore, we will offer competitive promotions, bonuses, and loyalty programs to incentivize player retention and drive revenue growth.

## **Financial Projections**

| <b>Malibu Club Casino Financial Projections</b> |               |               |               |
|-------------------------------------------------|---------------|---------------|---------------|
| <b>Description</b>                              | <b>Year 1</b> | <b>Year 2</b> | <b>Year 3</b> |
| Gross Gaming Revenue for the year               | € 1,500,000   | € 1,800,000   | € 2,160,000   |
| Less: Customer Bonuses for the year             | € (300,000)   | € (360,000)   | € (432,000)   |
| = Net Gaming Revenue for the year               | € 1,200,000   | € 1,440,000   | € 1,728,000   |
| Less: Royalties                                 | € (225,000)   | € (270,000)   | € (324,000)   |
| Less: Processing fees                           | € (120,000)   | € (144,000)   | € (172,800)   |
| Less: Affiliate Marketing                       | € (300,000)   | € (360,000)   | € (432,000)   |
| = Net Profit before expenses                    | € 555,000     | € 666,000     | € 799,200     |
| <b>Expenses</b>                                 | € (398,500)   | € (469,300)   | € (553,930)   |
| Accounting Fees                                 | € (10,000)    | € (12,000)    | € (14,400)    |
| Promotions / Retention Marketing                | € (100,000)   | € (120,000)   | € (144,000)   |
| Telecomms                                       | € (12,000)    | € (14,400)    | € (17,280)    |
| Salaries & Employee Tax (Paye)                  | € (250,000)   | € (287,500)   | € (330,625)   |
| Office Expenses                                 | € (8,000)     | € (12,000)    | € (18,000)    |
| Bank Charges                                    | € (500)       | € (600)       | € (720)       |
| Domains / Hosting                               | € (3,000)     | € (4,050)     | € (5,468)     |
| Other                                           | € (15,000)    | € (18,750)    | € (23,438)    |
| =Projected Net Profit for year                  | € 156,500     | € 196,700     | € 245,270     |

## **Target Key performance indicators (“KPI’s”) and objectives**

Audeo has quantifiable metrics used to track progress toward objectives. The following KPI’s will be set up to track the success of the business-:

### **Revenue KPIs**

Total Revenue: The overall revenue generated by the casino is expected to achieve a year on year growth of around 10% of revenue in each year

Average Revenue per User: The average revenue generated per active user is a key performance indicator, which is difficult to set as an overall KPI across the business as the customer database must be itemized and segmented and analysed to achieve the best success.

Customer Lifetime Value: The estimated revenue generated by a customer over their lifetime is expected to increase by a minimum of 3% year on year.

### **Customer Acquisition and Retention KPIs**

Customer Acquisition Cost: is the cost to acquire a new customer and it is imperative to ensure that there is a significant drop in overall customer acquisition cost each year. It is also crucial that each segment of acquisition is constantly improving and becoming more cost-effective year on year.

Customer Retention Rate: is the percentage of customers who continue to use the casino over a given period. Our target KPI's in the first month of returning new customers would be 35%, with the target retention rate after 12 months being 8%.

Churn Rate: is the percentage of customers who stop using the casino, for various different reasons. Whereas, we understand that this is part of the life cycle of customers as there are many different competitors options available at any given time, it is our aim to keep this churn to an absolute minimum. Intelligent "reactivation" campaigns are put in place to combat such potential churn.

### **Risk Analysis**

While Audeo is poised for success, we recognize that the online gaming industry is not without its risks. Regulatory changes, cybersecurity threats, and market competition are among the key challenges we may face. To mitigate these risks, we will maintain compliance with relevant regulations, invest in robust security measures, and continuously innovate to stay ahead of the competition.

An oversight committee will ensure proper governance and risk management. A team of executives and risk professionals will be responsible for overseeing risk assessment, monitoring risk trends, and recommending risk mitigation strategies.

A compliance Committee will ensure compliance with relevant laws and regulations, focusing on AML, data protection, and gaming regulations.

A risk register will be kept to document identified risks, assessments, and controls, including such details such as-:

Risk Description: A brief description of each risk.

Risk Category: The type of risk (operational, compliance, financial, etc.).

Risk Assessment: The severity and likelihood of each risk.

Mitigation Strategies: Measures taken to control and mitigate the risk.

### **Server Setup in Curacao**

Audeo recognizes the importance of robust infrastructure to support our online gaming platform. To ensure reliability, security, and compliance with regulatory requirements, we will establish server facilities in Curacao, where we are licensed to operate. These servers will host our gaming software, databases, and other critical components of our platform.

The server setup process will involve:

### **Infrastructure Planning**

We will work with experienced IT professionals to design a scalable and resilient server infrastructure that meets our current needs and allows for future growth. This will include determining hardware specifications, network configurations, and data storage solutions.

### **Server Deployment**

Our technical team will oversee the deployment of servers in secure data centers in Curacao. This process will involve installing and configuring hardware, setting up network connectivity, and implementing security protocols to safeguard against unauthorized access and data breaches.

### **Testing and Optimization**

Upon launching our platform, we conducted rigorous testing to ensure that our servers perform optimally under various conditions. This involved serious load testing, security testing, and performance monitoring to identify and address any potential issues or bottlenecks.

### **Continual Maintenance**

Our platform has been operating for many years and our IT team is responsible for the ongoing maintenance and monitoring of our servers. This includes applying software updates, optimizing performance, and implementing security patches to mitigate risks and ensure uninterrupted service for our players.

### **Management Structure**

Audeo operates under a hierarchical management structure consisting of different levels of leadership and specialized teams.

### **Legal Governance**

Licensing Authority: Audeo will operate fully license in the jurisdiction of Curacao.

Regulatory Compliance: Audeo is fully committed to comply with a wide range of regulations, including anti-money laundering (AML), know your customer (KYC), responsible gambling, data protection, and advertising rules.

## **Corporate Governance**

Board of Directors: Audeo will have a governing body responsible for overseeing the casino's operations, making strategic decisions, and ensuring compliance with legal and regulatory requirements. The board will consist of individuals with relevant expertise, not only in online gaming, finance, law, and risk management.

Corporate Policies: All of Audeo's policies that govern the casino's operations, including codes of conduct, financial controls, compliance protocols, and risk management processes, will be strictly aligned with the licencing regulatory requirements and best practices.

Audit and Compliance Committees: Audeo's audit and compliance committee will be responsible for conducting regular audits, ensuring compliance with laws and regulations, and monitoring risk management practices. They will regularly report to the board of directors and play a key role in maintaining the casino's integrity.

Financial Regulations: Audeo will comply with all relevant financial regulations to ensure transparency and prevent fraud. Key components include:

Anti-Money Laundering (AML): Compliance with AML regulations involves implementing customer identification, transaction monitoring, and reporting suspicious activities to relevant authorities.

Financial Audits: Regular financial audits are required to ensure accuracy in financial reporting and detect any irregularities. All financial and taxation reports will be done timeously and accurately.

Data Protection and Security: Data protection and security are extremely important to Audeo due to the sensitive nature of customer information and financial transactions. Audeo's policies will strongly focus on:

- Data Protection Laws
- Cybersecurity Measures
- Incident Response and Reporting

Responsible Gambling: Audeo will ensure that it is always promoting responsible gambling and that it is always on the pulse of such policies, which would include:-

Responsible Gambling Policies:

- Self-exclusion programs

- Setting customer deposit limits
- Providing resources for players with gambling issues

Age Verification: Audeo will ensure that all players are of legal gambling age through robust age verification processes.

### **Executive Management**

CEO: Responsible for overall strategic direction and decision-making.

CFO: Manages financial operations and ensures fiscal responsibility.

CTO: Oversees technology development and infrastructure.

COO: Handles day-to-day operations and business development.

CS Manager: Handles and manages customer service on a daily basis

### **Platform and content providers**

The platform for operations will be supplied by Reevo Gaming, which is licenced in the Maltese jurisdiction. Reevo provides fast tracked access to a list of different, reputable game providers and the initial offering would include game content from the likes of Betsoft, Playson and Reevo.

### **Key Suppliers**

Audeo will make use of highly trusted suppliers for various areas in it's business including, marketing, fraud, KYC, finance and other.

Marketing will be done through SEO and affiliates and such market tools used would include SEM Rush and Google Analytics.

For KYC and customer verification, Audeo would be setting up with a company called Hooyu

Audeo would be using an sms marketing supplier by the name of Mobivate Limited  
Fraud tools include Ethoca

### **Banking**

Audeo NV holds its main trading bank accounts under the institution namely Payment Execution s.r.o.

### **Conclusion**

With a solid foundation and strong management, sufficient funding, a compelling product offering, and a strategic approach to marketing and operations, Audeo is well-positioned to capitalize on the lucrative opportunities presented by the online casino gaming market in some of the most exciting markets across the globe. By focusing on delivering exceptional gaming experiences and prioritizing player satisfaction, we aim to achieve sustainable growth and establish ourselves as a leader in the industry.