

BUSINESS PLAN

NET CURAÇÃO N.V.

meritonline.com

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1. Overview of Business

- The core business of the Net Curaçao N.V. is to supply online/interactive gaming and sports betting services to the end consumer.
- We set a goal to create a reputable, valuable brand well known in Europe. To achieve this, we will strive to hire world-class high-tech professionals and, at the same time, partner with several online casino, sports betting data and payment providers.
- We believe that our company is going to become the number one betting destination for all sports lovers in Europe. Also we will be able to get all necessary documents to make our business legal and formal. We will apply and obtain licenses and permissions from the local authorities besides the Curaçao license.

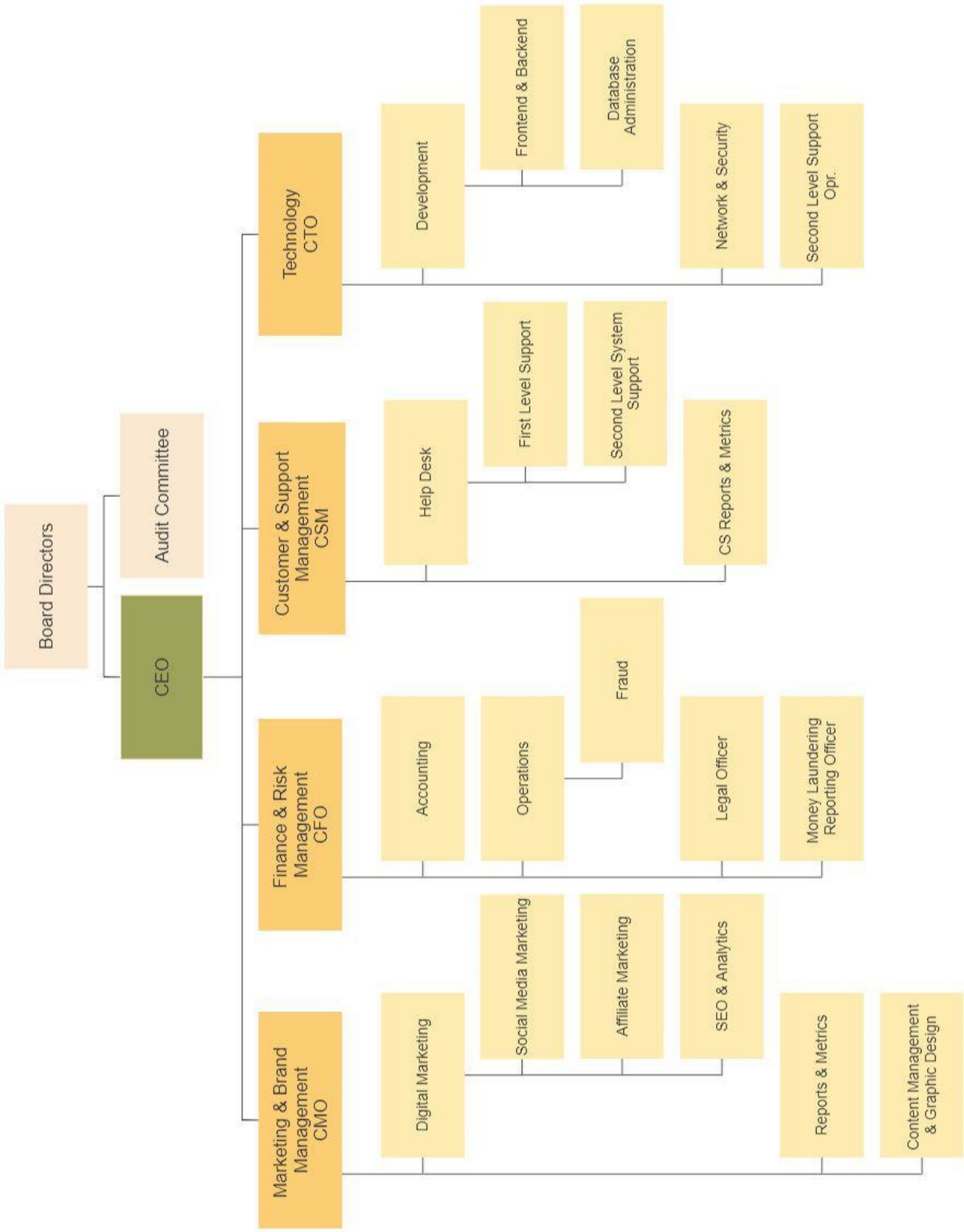
These are the services and amenities that will be made available to our clients;

- Online Casino
- Online Live Casino
- Pre-match Sports Betting
- Live Sports Betting
- Virtual Sports Betting

2. Our Mission and Vision Statement

- Our vision is to build an Internet enabled international betting and gaming business. This means using technology to distribute our products, service our customers and gain access to new territories and distribution channels. It also means leveraging the tremendous power of the Merit brand to drive us forward in a multi-channel marketplace. To serve and support the well established, easily identifiable casino and sports lovers in the world.
- Our mission is to provide the highly brand conscious and affiliation of loyal individuals and organizations whose members live and breathe the world of sports, a platform to earn from their hobbies.

3. Corporate Structure



4. Funding

Funding will be through Net Holding group companies, capital raised from personal wealth and other professional activities.

5. Company's Business Structure

Listed below are the key positions we wish to start with:

- CEO;
- Audit Committee;
- Marketing and Brand Manager - CMO;
- Finance & Risk Manager - CFO;
- Customer and Support Manager - CSM;
- Technology - CTO.

Roles and Responsibilities

CEO:

- will be in charge of overseeing all other executives and staff within the organization;
- will be tasked with board of directors to determine if the Company is in accordance with its goals and policies;
- will be charged with encouraging business investment;
- will promote economic development within communities;
- will be in charge of directing the Company's financial goals, objectives and budgets;
- will implement the organization's guidelines on a day-to-day basis;
- will preside over quality control;
- will be in charge of hiring, training, and terminating employees;
- will be in charge of developing and implementing strategies and set the overall direction of a certain area of the Company;
- will provide visionary and strategic leadership for the Company;
- will collaborate with the board of directors to develop the policies and direction of the Company;
- will make sure that the members of the board of directors have the information necessary to perform their fiduciary duties and other governance responsibilities;
- will provide adequate and timely information to the board of directors to enable it to effectively execute its oversight role;
- will direct staff, including organizational structure, professional development, motivation, performance evaluation, discipline, compensation, personnel policies and procedures.

Audit Committee:

- Composed of managers of Net Holding's other group companies;
- Conducts all internal audits and controls on behalf of the Board of Directors.

Marketing and Brand Manager - CMO:

- will be in charge of meeting the sales targets of the Company through effective planning and budgeting;
- will be in charge of deciding strategies and techniques necessary for achieving the sales targets. He will be the one who will decide the future course of action for his team members;
- will be in charge of mapping potential customers and generate leads for the Company as well as generating new opportunities;
- will be in charge of brand promotion;
- will be tasked with motivating team members;
- will be in charge of maintaining and improving relationships with the clients;
- will be in charge of keeping the necessary data and records for future reference.

Finance & Risk Manager - CFO:

- will be in charge of providing leadership, direction and management of the finance and accounting team;
- will be in charge of identifying financial, safety or security risks that the organization may face;
- will be in charge of preparing action plans to decrease risk factors;
- will be responsible for providing operational back office services such as accounts payable and receivable, provider settlement;
- will be in charge of monitoring cash flow;
- will be responsible for conducting all tax reporting functions;
- will be in charge of managing the processes for financial forecasting and budgets, and overseeing the preparation of all financial reporting
- will be responsible for knowing finance laws, regulations and rules;
- will be responsible for developing and maintaining the company's anti-money laundering policy in line with evolving statutory and regulatory obligations.

Customer and Support Manager - CSM:

- will be in charge of managing customers' accounts;
- will be in charge of keeping the records of customer interactions and details of actions taken;
- will be in charge of delivering a comprehensive service to inquiring customers;
- will be in charge of possibly delegating certain customer inquiries to specific teams;
- will be in charge of managing a large number of incoming tickets and emails;
- will be in charge of reporting back on results;
- will be in charge of communicating with internal teams to discuss targets;
- will be tasked with motivating team members.

Technology - CTO:

- will be charge of developing technical aspects of the company's strategy for alignment with its business goals;
- will be responsible for providing all technological practices adhere to regulatory standards and compliance;
- will be in charge of managing IT teams, big data, and the product life-cycle;
- will be in charge of making executive decisions on behalf of the company's technological requirements;
- will be responsible for building quality assurance and data protection processes;
- will be responsible for supervising system and network infrastructure to ensure functionality and efficiency;
- will be charge of identifying and implement innovative technologies that yield competitive advantage

6. Software

In order to get maximum income from this long-term project, investments started long ago and established a separate software company (BGPulse) to support MeritOnline and the similar projects of Net Holding. The software platform was developed by this company.

The software platform is for core business and is designed for integration with licensed professional providers for all other needs. The software company does not have its own games and all games (Casino & Sports Betting) on the platform are offered by these licensed providers.

- Live & Prematch Sports Betting Provider : Betradar
- Online Casino and Live Casino Provider : Gamingtec

For software compatibility and reliability, pre-integrations have been made with both providers and the software platform has been approved by them.

Betradar in the MeritOnline project not only gives sports odds and data services, all bookmaking, risk and other trading activities are managed by Betradar's MTS - Managed Trading Services.

7. Business Strategy

Company's mission is to offer sports betting and online casino services to global customers.

The strategic goal of the Company is to develop a technologically advanced infrastructure to provide reliable casino services and to acquire an extensive number of members to benefit from these services.

8. Target Markets

Merit is a trustworthy and reputable brand in the East Mediterrean and Balkans. Players who already know the Merit brand are natural customers for our online business. Due to the Covid-19 pandemic, the casino players are also shifting to digital rapidly and demand for online services is increasing. Merit Online aims to meet the needs of these new customers' needs with a high quality online casino.

9. SWOT Analysis

Strengths:

- Land based casino business experience in North Cyprus and Europe for decades.
- Having an internationally recognised, reputable and trustworthy brand (Merit)
- Experienced managers and staff
- Being part of an expanding and financially strong group of companies (Net Holding)

Weaknesses:

- Lack of previous experience on online services.

Opportunities:

- Rise of online businesses due to Covid19 pandemic.

Threats:

- Extremely competitive market due to existing strong online companies
- High marketing and promotion costs due to competition.
- Increasing local and global regulations on online gambling business.

10. Marketing

To ensure acquisition of new members that will generate the income, marketing management and team will focus on the online marketing channels. Social media presence and marketing, search engine organic traffic and paid advertisement, building affiliate networks, cooperation between industry trendsetters and social media influencers to promote the brand are the main approaches to follow. Existing members will also be encouraged to stay with the brand with strong promotion campaigns to increase loyalty. Offline campaigns will be neglected for the first two years to generate a strong budget for online marketing.

11. Financial Plan

Source of Capital

Source of capital will be provided by Net Holding and group companies.

Financial Estimations

The estimated turnover for the 1st/2nd/3rd year is as follows:

				Expenses							
	Num of Players	Players' Cash In	Turnover	Hold	Gaming Providers	Payment Providers	Marketing Expenses	Opr. Expenses & Salaries	Unexpected Expenses	Total Expense	Revenue
1	2000	€2,450,000	€36,750,000	€1,470,000	-€220,500	-€257,250	-€294,000	-€192,500	-€29,400	-€993,650	€476,350
2	4000	€8,400,000	€126,000,000	€5,040,000	-€756,000	-€882,000	-€1,008,000	-€480,000	-€75,600	-€3,201,600	€1,838,400
3	8000	€19,200,000	€288,000,000	€11,520,000	-€1,728,000	-€2,016,000	-€2,304,000	-€780,000	-€115,200	-€6,943,200	€4,576,800

- 1st year - EUR 476,350 ;
- 2nd year - EUR 1,838,400 ;
- 3rd year - EUR 4,576,800 .

Company's forecasted revenue and expense for the first business year is EUR 993,650 (expenses), EUR 476,350 (revenue).

Pricing Strategy

We will keep our odds at average market rate to attract customers and provide a loyalty promotion system to keep engaged members.

Payment

Options

- Payment via cards (credit cards, debit cards, smart cards etc.)
- E-banking
- Mobile banking
- Other electronic payment procedures