

SOFTCLUB N.V.

Business Plan.

Submitted by:
SOFTCLUB N.V.

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Business Summary and History

SOFTCLUB N.V. is strategically positioned to expand internationally while adhering to regulatory standards. Our focus is on entering regulated markets, initially targeting the SIC countries and South Africa, followed by jurisdictions with strong Anti-Money Laundering (AML) regulations, ensuring compliance and maintaining our licensing status with the GCB. With a diverse array of games designed for varied audiences, we embrace inclusivity without targeting any specific demographic.

Our financial projections indicate that SoftClub N.V. is on track to achieve profitability by 2024, following the acquisition of a GCB license. Operating under the domain clubdeluxe.net and the brand "clubdeluxe," we take pride in our exclusive intellectual property offerings through our B2C services. Our portfolio includes state-of-the-art technologies, innovative designs, and captivating content, positioning us as leaders in the gaming industry.

These elements are not just assets but fundamental aspects of our identity, essential for delivering an unmatched gaming experience. As legal landscapes evolve, we are actively pursuing licensing from the GCB. While our current focus includes slots, live casino, online casino, and sports betting, we plan to diversify into additional product verticals in the near future.

Vision and Mission

Vision

To be a global leader in the gaming industry, recognized for our innovative technologies, diverse game offerings, and commitment to regulatory compliance. We strive to create an inclusive and engaging gaming experience that captivates players worldwide while upholding the highest standards of integrity and responsibility.

Mission

Our mission is to expand our presence in international markets, prioritizing regulated jurisdictions to ensure compliance and maintain our licensing status with the GCB. We aim to deliver a diverse portfolio of high-quality games that appeal to a broad audience, fostering inclusivity and excitement. Through continuous innovation and adherence to evolving legal standards, we are dedicated to providing an unmatched gaming experience and achieving sustainable profitability by 2024.

Why Curacao?

- **Regulatory Framework and Compliance:** The GCB Curacao license is well-regarded for its robust regulatory framework. It provides a solid foundation for compliance, which is crucial when entering targeted markets.
- **Cost-Effective Licensing:** Curacao offers a relatively cost-effective licensing process compared to other jurisdictions. This is particularly beneficial for businesses looking to expand into multiple international markets while managing operational costs effectively.
- **Reputation and Trust:** Curacao Gaming Control Board (GCB) license is one of the oldest and most respected licenses in the online gaming industry. It carries a reputation that can help establish trust with players and partners in new markets.
- **Operational Flexibility:** The Curacao license allows operators to offer a wide range of gaming products, including slots, live casino, online casino, and sports betting, providing flexibility to diversify and expand product offerings as market demands evolve.
- **Faster Market Entry:** The application process for a Curacao license is generally faster compared

to other jurisdictions. This speed can facilitate quicker market entry, allowing the business to capitalize on emerging opportunities in the SIC countries and South Africa.

- **Global Acceptance:** The Curacao license is internationally recognized and accepted, making it easier to enter various global markets. It supports the goal of international expansion, providing a legitimate and respected licensing framework that can be leveraged in multiple jurisdictions.
- **Anti-Money Laundering (AML) Compliance:** Curacao has established AML regulations that align with international standards. This compliance is critical for entering markets with stringent AML requirements, ensuring that operations meet the necessary legal and ethical standards.
- **Reputable Licensing Body:** Curacao Gaming Control Board (GCB) is a new-established authority that provides oversight and ensures that licensees adhere to strict regulatory standards. This credibility is essential for maintaining a good standing in international markets.

Market analysis Summary

The gaming industry is experiencing rapid growth worldwide, driven by advancements in technology, increased internet penetration, and evolving consumer preferences. The SIC countries and South Africa present lucrative opportunities for expansion, given their growing gaming markets and favorable regulatory environments.

SIC Countries

1. **Market Size and Growth:** The gaming market in the SIC countries is expanding steadily, with increasing adoption of online and mobile gaming. Revenue projections indicate significant growth potential, driven by rising disposable incomes and enhanced digital infrastructure.
2. **Regulatory Environment:** The SIC countries are progressively implementing regulations to govern online gaming, focusing on player protection and anti-money laundering (AML) measures. The GCB Curacao license is well-aligned with these regulatory requirements, facilitating smooth market entry and compliance.
3. **Consumer Demographics:** A diverse and young population with a high affinity for digital entertainment. Growing interest in online casino games, sports betting, and interactive gaming experiences.
4. **Competitive Landscape:** The market features a mix of established operators and new entrants, creating a competitive but opportunity-rich environment. Innovation and unique gaming offerings will be key differentiators.

South Africa

1. **Market Size and Growth:** South Africa is one of the largest gaming markets in Africa, with a strong preference for online casino and sports betting. The market is poised for growth, supported by a robust regulatory framework and increasing internet access.
2. **Regulatory Environment:** South Africa has stringent regulatory standards for online gaming, focusing on licensing, AML compliance, and consumer protection. The GCB Curacao license, known for its comprehensive regulatory compliance, supports adherence to South African regulations.
3. **Consumer Demographics:** A broad demographic with a keen interest in sports and gaming, offering a substantial user base for online gaming services. High engagement in sports betting, particularly on soccer, which is a major market driver.
4. **Competitive Landscape:** The market includes both local and international operators, with competition primarily in the sports betting and online casino sectors. Success in this market will depend on localized marketing strategies and offering a diverse gaming portfolio.
5. **Regulatory Compliance:** Ensuring strict adherence to regulatory standards in both the SIC countries and South Africa is critical for building trust and long-term success.

6. **Diverse Game Offerings:** Catering to varied consumer preferences with a wide range of gaming options, including slots, live casino, and sports betting, will enhance market penetration.
7. **Technological Innovation:** Leveraging advanced technologies to deliver seamless and engaging gaming experiences will provide a competitive edge.
8. **Localized Strategies:** Tailoring marketing and product strategies to meet the unique cultural and consumer demands of each market will be essential for successful expansion.

Marketing Strategy

1. **Market Entry and Positioning**
 - **Regulated Market Focus:** Prioritize entry into regulated markets, ensuring full compliance with local regulations. This will establish trust and credibility among potential players and stakeholders.
 - **Brand Identity:** Promote "clubdeluxe" as a premium gaming brand known for its innovative technology, diverse game offerings, and commitment to fair play and responsible gaming.
 - **Local Partnerships:** Form strategic partnerships with local businesses and influencers to enhance market penetration and brand visibility.
2. **Target Audience**
 - **SIC Countries:** Focus on a young, tech-savvy demographic with a growing interest in digital entertainment.
 - **South Africa:** Target sports enthusiasts and casino players, emphasizing popular games like soccer betting and online slots.
 - **Behavioral Segmentation:** Identify and target high-value players through personalized marketing campaigns and loyalty programs.
3. **Product Strategy**
 - **Diverse Game Portfolio:** Offer a wide range of games, including slots, live casino, online casino, and sports betting, catering to varied preferences.
 - **Localized Content:** Customize game content to reflect local tastes and cultural preferences, enhancing player engagement and retention.
 - **Innovation:** Continuously update and innovate game offerings to maintain interest and attract new players.
4. **Digital Marketing and Advertising**
 - **Search Engine Optimization (SEO):** Optimize the clubdeluxe.net website for search engines to improve visibility and attract organic traffic.
 - **Social Media Marketing:** Leverage social media platforms to engage with the target audience, share promotions, and build a community around the brand.
 - **Pay-Per-Click (PPC) Advertising:** Implement targeted PPC campaigns to drive traffic and conversions, focusing on high-performing keywords and demographics.
 - **Content Marketing:** Create and distribute valuable content, such as blog posts, videos, and tutorials, to educate and entertain the audience, positioning clubdeluxe as a thought leader in the gaming industry.
5. **Customer Acquisition and Retention**
 - **Welcome Bonuses and Promotions:** Offer attractive sign-up bonuses, free spins, and promotional offers to attract new players.
 - **Loyalty Programs:** Develop a comprehensive loyalty program that rewards frequent players with exclusive benefits, enhancing retention and lifetime value.
 - **Customer Support:** Provide exceptional customer support through multiple channels, ensuring quick resolution of issues and a positive player experience.
6. **Compliance and Responsible Gaming**
 - **Regulatory Adherence:** Ensure all marketing activities comply with local regulations and advertising standards, particularly regarding responsible gaming.

- Responsible Gaming Initiatives: Promote responsible gaming practices through awareness campaigns and tools that allow players to manage their gaming habits.
7. Monitoring and Analytics
 - Performance Tracking: Use advanced analytics to monitor the performance of marketing campaigns, identifying successful strategies and areas for improvement.
 - Customer Feedback: Collect and analyze player feedback to refine marketing tactics and enhance the overall gaming experience.
 - Market Trends: Stay informed about industry trends and competitor activities to adapt marketing strategies and maintain a competitive edge.

Financial Strategy

1. Revenue Generation
 - Diverse Revenue Streams: Generate revenue from multiple sources, including slots, live casino, online casino, and sports betting. This diversification reduces dependency on any single product line and mitigates risks.
 - B2C Services: Maximize revenue through direct-to-consumer (B2C) services, leveraging the exclusive intellectual property of the "clubdeluxe" brand to attract and retain players.
 - Subscription Models: Explore subscription-based models for premium content and exclusive game features, providing a steady and predictable revenue stream.
2. Cost Management
 - Operational Efficiency: Streamline operations to reduce costs, focusing on automation and technology to enhance efficiency.
 - Vendor Negotiations: Negotiate favorable terms with game developers and technology providers to minimize expenses while ensuring access to high-quality content.
 - Scalability: Invest in scalable infrastructure that supports growth without proportional increases in costs, ensuring that the business can expand efficiently.
3. Regulatory Compliance
 - Licensing Costs: Budget for the costs associated with obtaining and maintaining licenses from the GCB and other regulatory bodies.
 - Compliance Monitoring: Allocate resources for continuous compliance monitoring and auditing to avoid fines and ensure adherence to all regulatory requirements.
4. Capital Investment
 - Initial Investment: Secure sufficient capital to cover initial setup costs, including licensing fees, technology infrastructure, marketing, and staffing.
 - Growth Capital: Plan for additional funding rounds to support expansion into new markets and product verticals. This could include equity financing, debt financing, or reinvestment of profits.
5. Profitability and ROI
 - Break-even Analysis: Conduct a thorough break-even analysis to determine the point at which revenues will cover all expenses. This helps in setting realistic financial goals and timelines.
 - ROI Metrics: Use key performance indicators (KPIs) such as customer acquisition cost (CAC), lifetime value (LTV), and return on investment (ROI) to measure financial performance and make informed decisions.
6. Risk Management
 - Diversification: Diversify revenue streams and market presence to mitigate risks associated with dependency on a single market or product.
 - Insurance: Obtain appropriate insurance coverage to protect against operational risks, cyber threats, and other potential liabilities.
 - Contingency Planning: Develop contingency plans for potential financial setbacks, including market downturns or regulatory changes.

7. Financial Planning and Analysis
 - Budgeting: Create detailed budgets that align with strategic goals, ensuring that all departments operate within their allocated resources.
 - Forecasting: Implement robust financial forecasting models to predict future revenue, expenses, and cash flow. This aids in making proactive adjustments to the financial strategy.
 - Performance Reviews: Conduct regular financial performance reviews to assess progress against goals, identify areas for improvement, and adjust strategies as needed.
8. Profit Retention and Reinvestment
 - Profit Retention: Retain a portion of profits to build reserves for future investments, ensuring the company has the financial stability to weather market fluctuations.
 - Reinvestment: Reinvest profits into key areas such as technology upgrades, game development, and market expansion to drive continuous growth and innovation.
9. Tax Optimization
 - Tax Compliance: Ensure compliance with all tax regulations in each operating jurisdiction to avoid penalties and legal issues.
 - Tax Planning: Implement tax-efficient strategies, such as utilizing available tax credits and deductions, to minimize tax liabilities and enhance profitability.

SWOT Analysis

Strengths

- Holding a GCB Curacao license, which is well-respected and supports entry into regulated markets.
- Offering a wide range of games including slots, live casino, online casino, and sports betting, catering to varied player preferences.
- Utilization of state-of-the-art technologies and innovative designs, positioning the company as a leader in the gaming industry.
- Strong branding under "clubdeluxe," known for exclusive intellectual property and high-quality gaming experiences.
- Clear strategy for entering new international markets, starting with the SIC countries and South Africa, and expanding into jurisdictions with strong AML regulations.

Weaknesses

- Heavy reliance on maintaining and securing regulatory licenses, which can be a lengthy and costly process.
- Entering new markets requires significant investment in marketing and partnerships to build brand recognition and trust.
- Initial setup and ongoing operational costs, including technology infrastructure, compliance monitoring, and customer support, can be high.
- Facing competition from both established operators and new entrants in the gaming industry, which can impact market share.

Opportunities

- Expansion into emerging and regulated gaming markets like the SIC countries and South Africa offers substantial growth potential.
- Leveraging advancements in technology to enhance gaming experiences, attract new players, and differentiate from competitors.
- Benefiting from evolving regulatory frameworks that support the legalization and regulation of online gaming in new markets.

- Opportunities to form strategic partnerships with local businesses, influencers, and technology providers to enhance market entry and growth.
- Potential to diversify into additional product verticals, such as esports betting or virtual reality gaming, to attract new audiences and revenue streams.

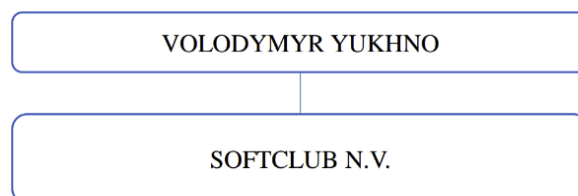
Threats

- Changes in regulatory environments or stricter compliance requirements could impact operations and profitability.
- The risk of cyber-attacks and data breaches, which can lead to financial loss, legal issues, and damage to the company's reputation.
- Increasing competition in the gaming industry could lead to market saturation, making it challenging to acquire and retain players.
- Economic instability or downturns in target markets can reduce consumer spending on entertainment, impacting revenue.
- Rapid changes in technology could render existing platforms and solutions obsolete, requiring continuous investment in innovation and upgrades.

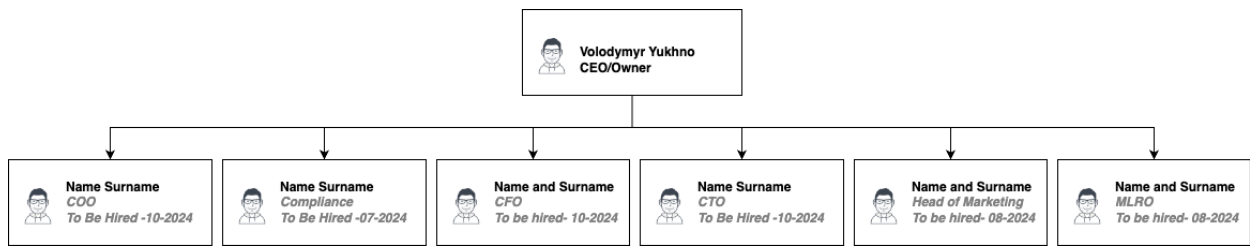
Summary

By leveraging its strengths in regulatory compliance, diverse game offerings, innovative technology, and strong branding, SOFTCLUB N.V. is well-positioned to capitalize on the growth opportunities in the SIC countries and South Africa. However, the company must address its weaknesses in market penetration, operational costs, and competitive pressures. Proactively managing threats related to regulatory changes, cybersecurity, and economic conditions will be crucial for sustaining growth and achieving long-term success.

SoftClub N.V. shareholding structure



Organizational plan



Key personnel and key functions' competence

Owner/CEO: Volodymyr Yuhhno

Mr. Volodymyr Yuhhno is the CEO and owner of Softclubs, a leading B2C gaming company. With a background spanning project management, business development, and entrepreneurship, Mr. Yuhhno brings extensive expertise to driving strategic growth and innovation within the gaming industry. His leadership at Softclubs is characterized by a strong emphasis on enhancing product offerings, expanding market reach, and fostering customer engagement.

COO to be hired

Responsibilities:

- Collaborating with the CEO and executive team to develop and execute operational strategies that align with the company's overall vision, mission, and objectives.
- Identifying opportunities for operational improvement, cost optimization, and efficiency enhancement to drive sustainable growth and profitability.
- Leading business development initiatives, including market research, strategic partnerships, and expansion efforts to penetrate new markets and diversify revenue streams.
- Identifying and pursuing new business opportunities, products, and services that align with the company's strategic goals and customer needs.
- Streamlining and optimizing business processes, workflows, and systems to improve operational efficiency, productivity, and quality of service delivery.
- Implementing best practices, performance metrics, and KPIs to measure and track operational performance and identify areas for improvement.
- Providing leadership, direction, and guidance to operational teams, including department heads and managers, to ensure alignment with organizational goals and objectives.
- Fostering a culture of collaboration, accountability, and continuous improvement within the operations department and across the organization.
- Managing human, financial, and technological resources effectively to support operational activities and achieve business objectives.
- Allocating resources efficiently, prioritizing projects and initiatives, and optimizing resource utilization to maximize ROI and achieve cost targets.
- Identifying, assessing, and mitigating operational risks and challenges that may impact business performance, compliance, or reputation.
- Developing and implementing risk management strategies, contingency plans, and crisis response protocols to minimize potential disruptions and ensure business continuity.
- Building and maintaining relationships with internal and external stakeholders, including employees, clients, partners, vendors, and regulatory authorities, to foster trust, collaboration, and alignment of interests.
- Representing the company in external engagements, industry events, and partnership negotiations to promote the company's interests and reputation.
- Ensuring compliance with relevant laws, regulations, and industry standards governing the company's operations, including licensing requirements, data protection laws, and industry-

specific regulations.

- Establishing and maintaining robust compliance programs, policies, and procedures to uphold regulatory standards and mitigate compliance risks.

Compliance to be hired

Responsibilities:

- Ensure the company complies with all Curacao Gaming Control Board (GCB) regulations and other relevant legal requirements.
- Stay updated on changes in gaming laws and regulations and implement necessary adjustments to company policies.
- Develop, implement, and monitor compliance policies and procedures to ensure they align with regulatory requirements. Conduct regular reviews and updates of compliance policies and procedures.
- Conduct regular audits to assess the effectiveness of compliance procedures. Monitor daily operations to ensure compliance with internal policies and external regulations. Prepare and submit all required regulatory reports in a timely manner.
- Identify potential areas of compliance vulnerability and risk. Develop and implement corrective action plans to resolve problematic issues.
- Provide compliance training to employees to ensure they understand their responsibilities under the regulations.
- Act as the primary point of contact with GCB and other regulatory authorities.
- Facilitate and manage all communications with regulatory bodies.
- Lead investigations into compliance issues and breaches. Develop and oversee a system for handling compliance violations.
- Promote a culture of integrity and ethical behavior within the organization. Ensure that all business activities are conducted ethically and in compliance with applicable laws.

CFO to be hired

Responsibilities:

- 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.

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 to be hired

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 to be hired

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.

Game providers

1. Amatic Industries

- a. Introduction: Amatic Industries is an Austrian company established in 1993. Known for its high-quality craftsmanship, Amatic focuses on creating innovative and reliable gaming solutions for both land-based and online casinos.
- b. Products:
 - Online Casino: Amatic offers a wide range of online slot games with engaging themes, high-quality graphics, and unique gameplay features. Popular titles include "Book of Aztec," "Diamond Cats," and "Eye of Ra." Amatic's online casino offerings include not only slots but also table games like roulette and blackjack, all designed with user-friendly interfaces.
 - Live Casino: Amatic does not specialize in live casino games, but their technology can integrate with live casino platforms.

2. Novomatic

- a. Introduction: Novomatic, founded in 1980 in Austria, is one of the largest and most well-established gaming technology companies globally. The company is renowned for its innovation, extensive experience, and commitment to responsible gaming.
- b. Products:
 - Online Casino: Novomatic provides a comprehensive suite of online casino games, including slots, table games, and video poker, all designed to deliver high-quality entertainment. Novomatic's slot games are highly popular, featuring advanced graphics, immersive sound effects, and engaging gameplay. Notable titles include "Book of Ra," "Lucky Lady's Charm," and "Sizzling Hot."
 - Live Casino: Novomatic offers a range of live casino games, including live roulette, blackjack, and baccarat, providing an authentic casino experience online.
 - Sports Betting: Novomatic's sports betting solutions are integrated through its subsidiary, Greentube, offering a full range of sports betting products and services.

3. GlobalSlots

- a. Introduction: GlobalSlots is a modern gaming provider focused on developing innovative and engaging gaming solutions. The company is known for its creative approach to game design and commitment to delivering captivating gaming experiences.
- b. Products:
 - Online Casino: Their online casino offerings primarily focus on slots, with plans to expand into other casino game categories. GlobalSlots specializes in creating online slot games with vibrant graphics, interactive themes, and exciting bonus features. Popular titles include "Treasure of the Deep," "Magic Forest," and "Pirate's Gold."

4. Superomatic

- a. Introduction: Superomatic is a gaming provider dedicated to delivering high-quality gaming content and solutions. The company aims to create games that are entertaining and rewarding for players.
- b. Products:
 - Slots: Superomatic's slot games are known for their creative themes, high-quality visuals, and innovative features. Popular games from Superomatic include "Jungle Adventure," "Wild West," and "Mystic Forest."

Risk Evaluation Process

The risk evaluation process for checking players in the gaming industry involves assessing various

factors to determine the level of risk associated with each player. This process is crucial for ensuring compliance with regulatory requirements, preventing fraud, and maintaining a safe and responsible gaming environment. Here's an outline of the risk evaluation process:

1. Identification: Collect relevant information about the player, including personal details, contact information, and gaming history.
2. Verification: Verify the player's identity using reliable methods such as government-issued identification documents, proof of address, and biometric verification if available.
3. Risk Categorization:
 - Assign a risk category to the player based on factors such as:
 - Age: Younger players may be considered higher risk due to potential vulnerability.
 - Gaming history: Players with a history of problem gambling or fraud may pose a higher risk.
 - Financial status: Players with a high net worth or large transaction volumes may pose a higher risk of money laundering.
 - Geographic location: Players from regions with higher levels of fraud or regulatory scrutiny may be considered higher risk.
 - Behavior: Unusual or suspicious behavior, such as frequent large bets or erratic gameplay patterns, may indicate higher risk.
4. Enhanced Due Diligence (EDD):
 - Conduct enhanced due diligence on high-risk players to gather additional information and mitigate potential risks.
 - This may include conducting background checks, verifying the source of funds, and monitoring transactions more closely.
5. Continuous Monitoring:
 - Implement systems for continuous monitoring of player activity to detect any changes in risk level over time.
 - This may involve analyzing transaction patterns, monitoring changes in behavior, and conducting periodic reviews of player profiles.
6. Regulatory Compliance:
 - Ensure compliance with relevant regulatory requirements, such as anti-money laundering (AML) regulations and responsible gaming guidelines.
 - Maintain detailed records of the risk evaluation process and any actions taken to mitigate identified risks.
7. Decision Making:
 - Based on the results of the risk evaluation process, make informed decisions about whether to accept, monitor, or reject players.
 - Implement appropriate risk mitigation measures for high-risk players, such as setting deposit limits, implementing self-exclusion options, or suspending accounts if necessary.
8. Training and Education:
 - Provide training and education to staff involved in the risk evaluation process to ensure they understand regulatory requirements and best practices for identifying and mitigating risks.
 - Stay updated on industry trends, regulatory changes, and emerging risks to continuously improve the risk evaluation process.
 - By following a comprehensive risk evaluation process, gaming operators can effectively identify and mitigate potential risks associated with their players, ensuring a safe and responsible gaming environment while maintaining compliance with regulatory requirements.

Legal Framework

Curacao Jurisdiction:

- Curacao stands as a preferred jurisdiction for online gaming operations, offering a comprehensive legal framework that facilitates the establishment and conduct of gaming entities. Companies incorporating in Curacao are bound by the nation's laws and regulations, covering corporate governance, taxation, and regulatory compliance.
- The regulatory structure for Curacao entities encompasses the entire lifecycle of a company, from formation and registration to ongoing governance. This involves strict adherence to pertinent laws and regulations governing business activities, including the Commercial Code and Corporate Governance Code.
- Additionally, entities in Curacao are subject to industry-specific regulations, particularly in sectors such as online gaming, which falls under the oversight of the Curacao Gaming Control Board (GCB). Complying with these regulations is imperative for acquiring and retaining a gaming license from the GCB.

Curacao Gaming Control Board (GCB):

- The Curacao Gaming Control Board (GCB) serves as the primary regulatory body governing the online gaming sector in Curacao. Operating under the purview of the Ministry of Justice, its mandate includes upholding the integrity, fairness, and legality of gaming operations within the jurisdiction.
- The government of Curaçao is currently in the process of realizing a complete reform and modernization of its (online) gambling legislation through a new law that will be named the Landsverordening op de kansspelen (Lok). In anticipation of the entry into force of the Lok, the Minister of Finance of Curaçao has decided to resume issuing licenses under the current law, the National Ordinance on Offshore Games of Hazard (Landsverordening buitengaats hazardspelen, P.B. 1993, no. 63) (NOOGH).
- Key responsibilities of the GCB include issuing gaming licenses, monitoring compliance with regulatory standards, conducting audits and inspections, and imposing sanctions for non-compliance.
- Prospective licensees must satisfy rigorous criteria concerning financial stability, integrity, transparency, responsible gaming practices, and anti-money laundering measures.
- In collaboration with government agencies, law enforcement, and international regulatory bodies, the GCB combats illicit gambling, safeguards consumers, and upholds Curacao's standing as a reputable gaming jurisdiction.

Policies and Procedures

At SOFTCLUB N.V., our unwavering dedication to regulatory compliance and transparent operations is paramount. In alignment with this commitment, we pledge to promptly furnish all requisite policies and procedures to the appropriate regulatory bodies within a stringent six-month timeframe following the issuance of our gaming license. This timeline underscores our firm dedication to presenting a comprehensive framework to the Curacao Gaming Control Board (GCB) for meticulous scrutiny and evaluation.

Our adherence to this six-month schedule serves as a testament to our governance principles and steadfast determination to fulfill all regulatory obligations promptly. Recognizing the pivotal significance of aligning with industry standards and regulatory protocols, we stress the timely submission of our complete suite of policies and procedures as evidence of our unwavering commitment to regulatory compliance.

We acknowledge the critical importance of key policies, including those governing responsible gaming, Anti-Money Laundering (AML) measures, privacy protection, and terms and conditions. Hence, our

policies are meticulously crafted to encompass robust provisions in these vital areas. Our objective is not only to meet regulatory mandates but also to safeguard sensitive data, combat illicit financial activities, and foster fair and responsible gaming practices effectively.

We understand that the timely provision of these policies and procedures is foundational in establishing a robust framework for operational excellence. Therefore, SOFTCLUB N.V. diligently focuses on refining and finalizing our framework to seamlessly align with industry expectations, uphold the highest standards of corporate governance, and integrate stringent measures for responsible gaming, AML compliance, data privacy protection, and transparent terms and conditions.

Submitting our policies and procedures within the stipulated six-month timeframe enables regulatory authorities to conduct a comprehensive assessment, affirming our commitment to compliance and alignment with industry best practices. This proactive approach is pivotal in cultivating trust, enhancing transparency, and ensuring full compliance with regulatory mandates prescribed by gaming authorities.

Balance Sheet as at CALENDAR YEAR END

	Year 1	Year 2	Year 3
	€	€	€
Fixed Assets Assets	39,917.33	66,674.67	84,765.33
Tangible Assets	39,917.33	66,674.67	84,765.33
Current Assets	497,562.57	2,845,892.59	7,356,116.15
Trade Debtors	0.00	526,698.74	546,698.74
Prepayments			50,000.00
Bank Accounts	497,562.57	2,319,193.85	6,759,417.41
Current Liabilities	-25,000.00	-62,172.82	-95,400.95
Trade Creditors	-20,000.00	-50,000.00	-76,768.00
Accruals	-5,000.00	-12,172.82	-18,632.95
Total Assets and Liabilities	512,479.90	2,850,394.43	7,345,480.53
Capital & Reserves	317,479.90	2,448,394.66	6,943,480.76
Share Capital	5,000.00	5,000.00	5,000.00
Profit & Loss Current Year	312,479.90	2,443,394.66	6,938,480.76
Total Capital and Reserves	317,479.90	2,448,394.66	6,943,480.76

SoftClub N.V.

Cash Flow

	Year 1	Year 2	Year 3
	€	€	€
Net income	312,480	2,130,915	4,495,086
Adjustment for change in:			
Accrued expenses (non-cash)	5,000	7,173	6,460
CF from income	317,480	2,138,088	4,501,546
Working Capital (+/-)	20,000	30,000	- 23,232
CF operational	337,480	2,168,088	4,478,314
CF Investment	- 39,917	- 26,757	- 18,091
CF Shareholder	-		
Change of Liquidity	297,563	2,141,330	4,460,224
Issue of Share Capital	5,000		
Change of Financing	5,000		
Liquidity beginning of period	-	302,563	2,443,893
Liquidity end of period	302,563	2,443,893	6,904,116

SoftClub N.V.

Profit and Loss Account for the Period Ending

	Y1 €	Y2 €	Y3 €
Income	1,075,200.07	5,159,419.72	11,504,815.40
GGR	1,075,200.07	5,159,419.72	11,504,815.40
Cost	-263,520.01	-944,941.97	-1,622,381.54
Promotions	-53,760.00	-257,970.99	-575,240.77
Affiliates	-53,760.00	-257,970.99	-575,240.77
Gross Contribution	811,680.07	4,214,477.75	9,882,433.86
Operating Expenses	-303,059.60	-1,275,087.43	-3,688,402.82
Marketing	-33,500.00	-139,500.00	-810,000.00
IT Services	-5,360.00	-22,320.00	-129,600.00
Development	-21,440.00	-89,280.00	-518,400.00
Platform Fees	18,428.41	23,502.32	28,212.11
Processing Fees	-43,008.00	-206,376.79	-460,192.62
Supplier Cost	-161,280.01	-773,912.96	-1,725,722.31
Annual GCB Licence Fee	-24,600.00	-42,600.00	-42,600.00
GCB Fees	-24,600.00	-24,600.00	-24,600.00
Application Fee	-5,000.00	0.00	0.00
System Audit	-2,700.00	0.00	0.00
Compliance Audit	0.00	0.00	-5,500.00
Gross Profit / (Loss)	508,620.46	2,939,390.32	6,194,031.04
Administrative Expenses	-108,005.20	-207,448.32	-431,100.14
Accountancy Fees	-6,901.20	-24,844.32	-104,346.14
Audit Fees	-6,500.00	-6,500.00	-6,500.00
Office Expenses	-9,000.00	-40,500.00	-141,750.00
Professional Fees	-23,004.00	-23,004.00	-23,004.00
Rent	-6,000.00	-12,000.00	-14,400.00
Salaries	-45,000.00	-81,000.00	-121,500.00
Telecommunication Expenses	-2,400.00	-2,400.00	-2,400.00
Travelling & Accomodation	-8,000.00	-16,000.00	-16,000.00
Other	-1,200.00	-1,200.00	-1,200.00
Net Profit / (Loss) Before Taxation	400,615.26	2,731,942.00	5,762,930.90
Net Profit / (Loss) After Taxation	-88,135.36	-601,027.24	-1,267,844.80
Net Profit / (Loss)	312,479.90	2,130,914.76	4,495,086.10