

F12 Gaming N.V.

Business Plan

Forecast 2024 - 2028

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1. Business Overview

F12 Gaming N.V. has an exciting sports entertainment betting portal where players can also enjoy unique original content and score big prizes, with the communication strategy focused on Sportsbook, prioritizing the most popular sports in Brazil such as Football, Tennis, Basketball and Volleyball.

F12 Gaming N.V. is currently sublicensed by Antillephone N.V. under the number 8048/JAZ2022-022 since 09 March 2022, using Belloa Technologies B.V..

The operational domains are:

- F12.bet
- Luva.bet

The company UBO is:

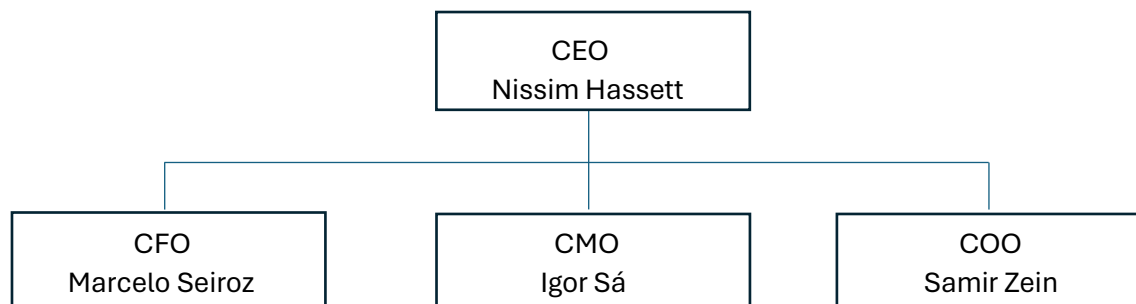
- **Nissim Hassett** – Share holder, Director and CEO of F12 Gaming N.V. In this dual capacity, assumes the crucial role of orchestrating the formulation, execution, and determination of the company's strategic and financial objectives.

The company's main partners are:

- Belloa Technologies B.V.
- EGS Digital Limited - Consultants
- Pragmatic
- WAC Technology Group Ltd

2. Company's Management Structure

The company's organogram is presented below:



- **Nissim Hassett** - Strategic leader driving unprecedented growth through innovative business strategies, while maintaining a sharp focus on customer experience and regulatory compliance. Proficient in devising and implementing strategies for process enhancement, cost optimization, and performance elevation.

- **Marcelo Seiroz** - Business Professional with over 10 years of experience in Sales Management, International Business Development & Operations. Ample experience in developing new business and gaming operations in emerging markets.

- **Igor Sá** – Marketing professional with approximately 10 years of experience in managing marketing department for sports betting operation in the Brazilian market.
- **Samir Zein** – Business professional with 10 years of experience in operational management for betting websites such as “Esportes da Sorte” and Brazilian Poker Championship. Responsible for monitoring of AML alerts and responsible gaming department.

3. Business Forecast 2024 - 2029

F12.bet has a strong budget for marketing investment that will be used in the execution of offline and, mainly, online marketing campaigns in order to acquire new players and branding awareness.

P&L	YEAR 1		YEAR 2		YEAR 3		YEAR 4		YEAR 5	
Turnover	€	297,000,000	€	445,500,000	€	623,700,000	€	748,440,000	€	823,284,000
Payout	-€	279,180,000	-€	418,770,000	-€	586,278,000	-€	703,533,600	-€	773,886,960
Gross Gaming Revenue	€	17,820,000	€	26,730,000	€	37,422,000	€	44,906,400	€	49,397,040
Bonus Cost	-€	5,940,000	-€	8,910,000	-€	12,474,000	-€	14,968,800	-€	16,465,680
Net Gaming Revenue	€	11,880,000	€	17,820,000	€	24,948,000	€	29,937,600	€	32,931,360
Gaming Platform	-€	534,600	-€	801,900	-€	1,122,660	-€	1,347,192	-€	1,481,911
Payment Providers	-€	891,000	-€	1,336,500	-€	1,871,100	-€	2,245,320	-€	2,469,852
Gross Profit	€	10,454,400	€	15,681,600	€	21,954,240	€	26,345,088	€	28,979,597
Marketing	-€	2,475,000	-€	3,110,000	-€	4,520,000	-€	5,950,000	-€	6,150,000
Company Structure	-€	1,700,000	-€	2,300,000	-€	2,970,000	-€	3,210,000	-€	3,650,000
Human Resource	-€	2,550,000	-€	2,645,000	-€	3,274,000	-€	3,315,000	-€	3,894,000
Others	-€	1,450,000	-€	1,650,000	-€	1,750,000	-€	1,770,000	-€	1,950,000
Total Cost	-€	8,175,000	-€	9,705,000	-€	12,514,000	-€	14,245,000	-€	15,644,000
NET PROFIT	€	2,279,400	€	5,976,600	€	9,440,240	€	12,100,088	€	13,335,597

4. Strategy for Business Growth and Marketing Plan

F12.bet will focus its mainly on communication through social media, focused on Sportsbook, taking advantage of the visibility of relevant sports influencers and the endorsement of the former soccer player Falcão, who is known worldwide for his successful career.

- Create the most Powerful Brand Identity on the market
- Define an Attractive Welcome Bonus
- Provide PIX, the most Popular Payment Method
- Define an attractive Promotional Calendar
- Create an aggressive Affiliate Program
- Strong investment in soccer team sponsorship
- Advertising in large circulation newspapers and magazines
- Focus on content creation for Social Media

- Buying qualified online traffic to capture new players
- Sponsorship of relevant sporting events to promote the brand

5. Main Suppliers

5.1. Platform

Belloa Technologies B.V.

5.2. Providers

EGS Digital Limited -Consultats

Intuition Software Solutions Ltd. ("Pragmatic")

WAC Technology Group Ltd

5.3. PSPs

OPP Serviços Financeiros e Cobranças Ltda (StarsPay)

Anspace Intermediação e Agenciamento de Negócios Ltda

6. Risk Evaluation

Operating in the dynamic realm of B2C iGaming, our sportsbook venture is poised for success, yet mindful of inherent risks. From regulatory compliance to technological vulnerabilities, our strategy encompasses comprehensive risk evaluation to ensure resilience and sustained growth.

- **Regulatory Compliance:** Adherence to constantly evolving gaming regulations and licensing requirements poses a significant risk, particularly in regions where laws may be ambiguous or subject to change.
- **Brand Reputation:** Dependency on an influencer exposes the company to reputation risks, such as negative publicity stemming from the influencer's actions or controversies that may damage the brand image.
- **Financial Volatility:** Fluctuations in sports outcomes and betting patterns can lead to financial volatility, impacting revenue streams and profitability, especially if bets heavily favour one side or if unexpected events occur.
- **Technological Risks:** Reliance on digital platforms for betting services exposes the company to technological risks such as cybersecurity threats, system outages, and disruptions, which can compromise data integrity and disrupt operations.
- **Competitive Landscape:** Intense competition within the sports betting industry presents challenges in acquiring and retaining customers, as well as maintaining market share amidst rival offerings and aggressive marketing strategies.

- **Legal Liability:** Engaging in sports betting activities involves legal risks, including potential lawsuits from customers, regulatory fines for non-compliance, and legal disputes with competitors or partners, necessitating thorough legal oversight and risk management practices.
- **Market Volatility:** Economic fluctuations, changes in consumer behaviour, and unforeseen events such as global pandemics or geopolitical tensions can impact sports betting activities and consumer spending patterns, posing risks to revenue and growth projections.
- **Fraud and Money Laundering:** The nature of online betting makes the company vulnerable to fraud and money laundering activities, necessitating robust fraud detection and prevention measures, as well as compliance with anti-money laundering regulations.
- **Operational Risks:** Operational inefficiencies, staffing issues, logistical challenges, and infrastructure failures can disrupt business operations and impact customer experience, highlighting the need for effective operational risk management strategies.

7. Legal and Governance Framework

F12 Gaming operates within a robust legal and governance framework, meticulously adhering to local and international gaming regulations to ensure compliance and mitigate legal risks. Our governance structure prioritizes transparency, accountability, and ethical conduct, with clear delineation of roles and responsibilities to uphold integrity and trust in our operations. Regular audits and compliance checks are integral to maintaining our commitment to legal and regulatory standards, safeguarding both our business interests and the interests of our customers.

8. Target KPIs

For F12 Gaming, our target KPIs encompass essential metrics to gauge performance and drive success in the competitive B2C iGaming landscape:

1. **Customer Acquisition Rate:** Measuring the number of new players acquired within a specific period to assess the effectiveness of our marketing and promotional efforts.
2. **Customer Retention Rate:** Evaluating the percentage of customers retained over time to gauge satisfaction levels and the strength of our engagement strategies.
3. **Average Revenue Per User (ARPU):** Calculating the average revenue generated from each player to monitor monetization strategies and maximize lifetime customer value.
4. **Player Activity Metrics:** Analysing key engagement metrics such as session duration, frequency of visits, and betting volume to understand user behaviour and enhance product offerings.

5. **Regulatory Compliance Score:** Monitoring adherence to gaming regulations and licensing requirements to mitigate legal risks and ensure responsible gaming practices.
6. **Brand Sentiment Analysis:** Assessing customer feedback and sentiment through surveys, reviews, and social media mentions to gauge brand perception and identify areas for improvement.
7. **Revenue Growth:** Tracking the percentage increase in revenue over time to measure business scalability and profitability in the B2C iGaming market.

By focusing on these KPIs and continuously refining our strategies based on performance insights, we aim to drive sustainable growth, enhance customer satisfaction, and maintain a competitive edge in the dynamic iGaming industry.

9. Policies and Procedures

The operational policies and procedures in place were provided by the business consultants according to the compliance criteria from the Master License. The maintenance of the policies and procedures is under the scope of the CEO and COO.

All policies and procedures will be constantly observed and any alteration and/or revision will be reported to GCB immediately.