

BET BOOM N.V. BET BOOM LP
FINANCIAL PLAN

OVERVIEW OF THE BUSINESS PRODUCTS AND SERVICES/BRANDS AS WELL AS PROPRIETARY IP

We represent the Bet Boom N.V. company and Bet Boom brand.

We have 3 domain names included into our valid license:

1. Betboom.com
2. Bet-boom.com
3. 24bbbboom.com

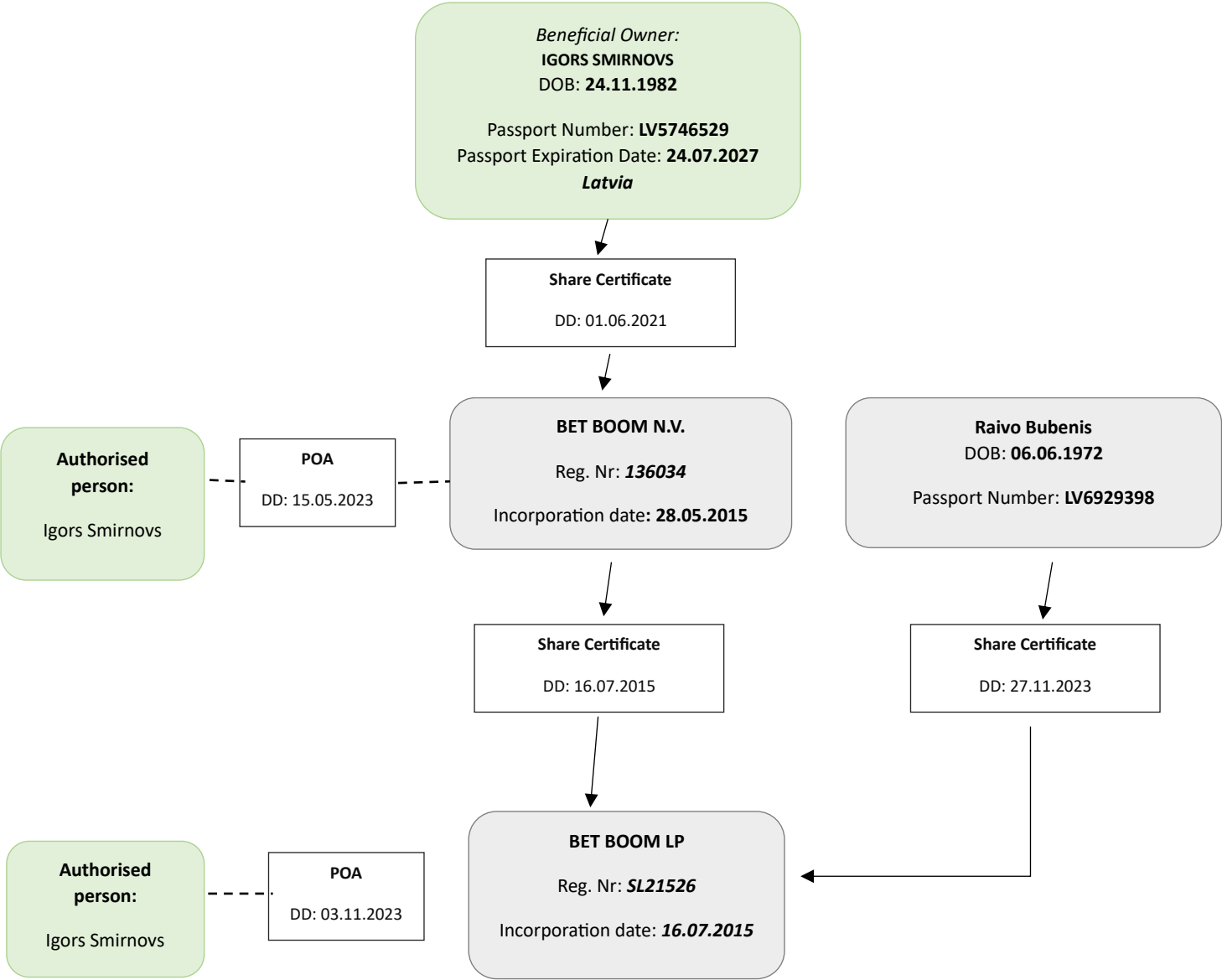
We provide a wide range of services to our players:

1. Online casino with more than 8 000 games
2. Bets for cybersport with solid range of lines, online streams and statistics (including online data)
3. Bets for sport with solid range of lines, online streams and statistics (including online data)

Unique features:

1. In-house built platform (not white label solution)
2. Cascade and routing of payments that allow to increase conversion rates of transactions
3. Huge amount of bonuses for players (own bonus billing)
4. More than 8 000 games integrated into own platform and performed by own gaming billing
5. Fast payouts to players (97-98% of all payouts are made within an hour)

**COMPANY MANAGEMENT STRUCTURE SHOWING KEY
MANAGEMENT ROLES AND REPORTING LINES**



Bet Boom N.V. (Curacao), Bet Boom LP (Scotland)

License B2C

bet-boom.com. betboom.com. 24bbboom.com

Chief Executive Officer

Igors Smirnovs

Compliance (AML officer)

Zurab Kvaratskhelia

Legal, Finance Services

Outsourced

Marketing Services

Outsourced

BUSINESS FORECAST FOR 3 YEARS

Business and Financial Plan

Revenue

Average Revenue (last 3 month)	\$ 1 000 000
Average number of clients	50 000
Average Revenue per 1 Client	\$ 20

Number of Clients in January 2024	50 000
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	1st Year	2nd Year	3d Year
Number of NEW Clients			
Optimistic Scenario	224 540	704 693	1 571 365
Basic Scenario	213 843	671 130	1 496 531
Pessimistic Scenario	171 069	536 897	1 197 218
Number of TOTAL Clients per month			
Optimistic Scenario	133 946	413 995	875 124
Basic Scenario	105 760	328 403	672 111
Pessimistic Scenario	72 593	225 162	449 447
Average Revenue per a Client			
Optimistic Scenario	40	71	128
Basic Scenario	36	65	116
Pessimistic Scenario	32	58	104
Operational Revenue			
Optimistic Scenario	34 488 838	181 858 673	807 919 838
Basic Scenario	24 565 310	129 997 435	566 422 377
Pessimistic Scenario	15 530 510	79 531 953	341 399 626
Total Revenue			
Optimistic Scenario	34 488 838	181 858 673	807 919 838
Basic Scenario	24 565 310	129 997 435	566 422 377
Pessimistic Scenario	15 530 510	79 531 953	341 399 626

No	Expenses	Amount	M 01-12 1 oper year	M 13-24 2 oper year	M 25-36 3 oper year	Total USD
1	Financing Activities					
	Total Financing expenses	\$ -	\$ -	\$ -	\$ -	\$ -
2	Investing Activities					
	Total Investing Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
3	Operating Activities					
3.1.	Wages and salaries					
3.1.1.	AML Consultant Supervisor	\$ 1 639	\$ 19 668	\$ 19 668	\$ 19 668	\$ 59 004
3.2.	Rent	\$ 300	\$ 3 600	\$ 3 600	\$ 3 600	\$ 10 800
3.3.	Communication services	\$ 15 000	\$ 180 000	\$ 180 000	\$ 180 000	\$ 540 000
3.4.	Legal services	\$ 5 000	\$ 60 000	\$ 60 000	\$ 60 000	\$ 180 000
3.5.	Financial statements + prolongation	\$ 30 000	\$ 30 000	\$ 30 000	\$ 30 000	\$ 90 000
3.6.	License renewal	\$ 70 000	\$ 70 000	\$ 70 000	\$ 70 000	\$ 210 000
3.7.	Software lease (Games)	\$ 110 000	\$ 1 320 000	\$ 1 980 000	\$ 2 640 000	\$ 5 940 000
3.8.	Translation services	\$ 1 000	\$ 12 000	\$ 12 000	\$ 12 000	\$ 36 000
3.9.	Bank costs	\$ 10 000	\$ 120 000	\$ 180 000	\$ 210 000	\$ 510 000
3.10.	Marketing	\$ 150 000	\$ 1 800 000	\$ 2 700 000	\$ 3 150 000	\$ 7 650 000
3.11.	Software lease	\$ 600 000	\$ 7 200 000	\$ 10 800 000	\$ 12 600 000	\$ 30 600 000
3.12.	Other expenses	\$ 10 000	\$ 120 000	\$ 120 000	\$ 120 000	\$ 360 000
	Total Operating Costs	\$ 1 002 939	\$ 10 935 268	\$ 16 155 268	\$ 19 095 268	\$ 46 185 804
	TOTAL EXPENSES 1+2+3	\$ 1 002 939	\$ 10 935 268	\$ 16 155 268	\$ 19 095 268	\$ 46 185 804

Business and Financial Plan				
Budgeted Profit & Loss				
		1st Year	2nd Year	3d Year
1	Gross Revenue			
	Optimistic Scenario	34 488 838	181 858 673	807 919 838
	Basic Scenario	24 565 310	129 997 435	566 422 377
	Pessimistic Scenario	15 530 510	79 531 953	341 399 626
2	Administrative and Selling Overheads			
	<u>AML Consultant Supervisor</u>	(19 668)	(19 668)	(19 668)
	<u>Rent</u>	(3 600)	(3 600)	(3 600)
	<u>Communication services</u>	(180 000)	(180 000)	(180 000)
	<u>Legal services</u>	(60 000)	(60 000)	(60 000)
	<u>Financial statements + prolongatio</u>	(30 000)	(30 000)	(30 000)
	<u>License renewal</u>	(70 000)	(70 000)	(70 000)
	<u>Software lease (Games)</u>	(1 320 000)	(1 980 000)	(2 640 000)
	<u>Translation services</u>	(12 000)	(12 000)	(12 000)
	<u>Bank costs</u>	(120 000)	(180 000)	(210 000)
	<u>Marketing</u>	(1 800 000)	(2 700 000)	(3 150 000)
	<u>Software lease</u>	(7 200 000)	(10 800 000)	(12 600 000)
	<u>Other expenses</u>	(120 000)	(120 000)	(120 000)
	Total Admin & Selling Overheads	(10 935 268)	(16 155 268)	(19 095 268)
3	Net Profit / Loss			
	Optimistic Scenario	23 553 570	165 703 405	788 824 570
	Basic Scenario	13 630 042	113 842 167	547 327 109
	Pessimistic Scenario	4 595 242	63 376 685	322 304 358
4	Accumulated Net Profit / Loss			
	Optimistic Scenario			
	Basic Scenario			
	Pessimistic Scenario			

OVERVIEW OF INTENDED STRATEGY FOR THE BUSINESS GROWTH AND TO SECURE/MAINTAIN/GROW MARKET SHARE WITH SPECIFIC FINANCIAL AND MARKETING PLANS

According to the deep analysis of cybersport industry, video games continue to integrate into popular culture, global investors, brands, and media outlets are all paying attention.

Esports, short for electronic sports, refers to competitive video gaming where professional players or teams compete in various multiplayer video games. These competitions are often organized into leagues, tournaments, and events, attracting both online and offline audiences. Esports has grown into a global industry, with players, sponsors, and spectators contributing to its popularity and economic significance.

The Esports market worldwide is projected to reach a revenue of US\$4.3bn in 2024. This is expected to show an annual growth rate (CAGR 2024-2028) of 7.10%, resulting in a projected market volume of US\$5.7bn by 2028.

The Esports market can be divided into 6 different parts. First, Sponsorship & Advertising, which refers to revenues made from sponsorship deals and advertising for events and tournaments. Merchandise & Ticketing refers to the revenues generated mainly from tournament tickets and the merchandise that comes with it. Additionally, Streaming, Media Rights and Publisher Fees, which all refers to the revenue that is associated with broadcasting Esports events accross various channels. Lastly, Esports Betting includes the betting on outcomes of Esport events.

Our main strategy now is to grow on new markets (Brazil, for example) via sponsorship of top streamers and bloggers, top e-sport websites (hlty.org, Dust2.us) and to expand our market share via cybersport – sponsorship of BetBoom Team, creation films about tournaments and so on.

We also constantly improve our product especially in cybersport – that's why we expand our line of events and buy media rights and data from our main partner – Oddin that helps us to attract more players.

We are planning to increase our number of players by 10% (first 2 years) every month enhancing marketing costs and via deep analysis of current collaborations. In addition, we are constantly working on increasing retention that will help us to keep more players involved in our services and increase an average revenue per client (since old players tend to spend more money).

There are several ways of enhancing retention:

- Rewarding players with incentives such as free rounds and jackpot opportunities;
- Tournaments and other social features encourage interaction among players, creating a sense of community and belonging;
- Improvements in bonus system;
- Profiling of players;
- Around-the-clock customer support.

All these instruments are already used in our casino and we tend to improve them month by month.

KEY SUPPLIERS AND MATERIAL DEPENDENCIES

We have a huge list of suppliers that includes:

- Gaming providers (Aviatrix, Spribe, Bgaming, Gamzix, KA Gaming, Mascot, Slotegrator, Softgaming and others)
- Marketing companies (Cool Cactus, Viking PC, Elo Entertainment, Jotun GG, BTS, ESB, Eversince and others)
- Legal and consulting services (LANGUAGE PRIORITY – UNIPESSOAL LDA, Bromston Associates, Montgomery sociedad de Advogados, PACHECO E CARDIERI SERVIÇOS DE APOIO EM-PRESARIAL LTDA)
- Software suppliers (Customer.io, Notion Lab, Linkly, Oddin, GRID, One Signal and others)
- Communication services (Infobip, Imlink)
- PSPs (IPague, Coinspaid, AstroPay, Directa24, Monetix, GateExpress, Paycos and so on)

Etc.

Our critical suppliers now are:

1. Gaming providers – Slotegrator, Spribe and Softgamings – in order to minimize risk of technical issues and termination of the Agreement we regularly meet with partners on different igaming events and also sign Agreements with other suppliers and games aggregators;
2. Software suppliers – Oddin, GRID – these partners are unique on the market and the data they supply give us an opportunity to provide statistics to our players – we regularly meet with partners on different igaming events and discuss future objectives
3. Legal and consulting services - Bromston Associates - this company provides us a full range of services connecting to our license and Director – so, we do our best to provide all the required information to them on time to comply with requirements
4. Communication services – Imlink – this is a communication services provider that help us to reach our players. We have signed 2 alike services (Infobip and Imlink) and are looking for new ones in order to operate without any issues connected with such providers
5. Marketing companies – Cool Cactus, BTS, ESB, Jotun GG – we have several important marketing partners and we are always widen our range of mutual projects. We are always looking for additional marketing channels to increase our presence in different markets.

6. PSPs - IPague, Coinspaid, AstroPay, Directa24, Monetix, GateExpress, Paycos – we try to sign and enable as many PSPs as it is possible to ensure services will be provided without any delays

As for banking services, we have 3 banking partners now:

1. Sekerbank
2. Payment Execution
3. Kingdom Bank

We tend not to rely only on one bank since banks' risk appetite changes from time to time and it is critical for us to have a possibility to make payments not to disrupt the operational process.

Moreover, we have a payment agent – Scottish company Bet Boom LP that is also a good option if a partner can't sign a contract with a Curacao company or open a bank account to a Curacao company.

RISK EVALUATION AND MANAGEMENT

There are several fields of business where we conduct risk evaluation:

- 1. Crypto payments**
- 2. Players – KYC + CDD + EDD**

As for the crypto payments, we have a PSP provider that provide us a crypto service. They on their side have several risk management systems:

- Crystal
- Scorechain

Also we have a bank account that allows us to receive crypto and they also have their own monitoring system.

As for the players, we have quite a few factors (Customer Due Diligence, Know Your Customer, Enhanced Due Diligence), the main ones being:

- Frequency and duration of gaming sessions;
- The size of bets and their losses;
- Dependence on games;
- Frequent attempts to recover lost balances;
- The total amount of deposits spent on online gaming;
- Use of credit cards and other payment systems;
- Blockages on other gambling platforms;
- Self-exclusion from casino or gambling games;
- Unauthorized use of credit cards;
- Financial fraud in the gambling industry;
- Underage customers;
- Authentication of customer's personal information;
- Violations of casino rules;
- Multiple accounts or attempts to circumvent the rules.

Company carries out CDD in accordance with Compliance laws, rules, and standards, as well as in scope and order established in the Customer due diligence rules. CDD type depends on Customers AML/CFT risk group.

If Company cannot identify the Customer and verify acquired identification data, as well as establish true beneficial owner and acquired information on transaction ratio and occasional transaction's aim and anticipated point, in this case it is forbidden to initiate Business relations, to continue Business relations (must terminate and report to the Compliance) and to carry out occasional transaction with corresponding person or legal entity. Company documents and evaluates each such case and upon suspicion of AML/CFT non-compliance, reports it to the Compliance.

Company by using risk-based approach is categorized the risks posed by Customers on the following basis:

• Country & Geographic risk

Some countries pose an inherently higher money laundering and terrorist financing risk than others. In addition to considering their own experiences, Company should take into account a variety of other credible sources of information identifying countries with risk factors in order to determine that a country and customers from that country pose a higher risk. Company may wish to assess information available from FATF, CFATF, and nongovernmental organizations which can provide a useful guide to perceptions relating to corruption in the majority of countries.

Customers that are associated with higher risk countries, as a result of their citizenship, country of business or country of residence may present a higher money laundering and terrorist financing risk, taking into account all other relevant factors. Company should check customer location because of the additional risks which arise from cross-border operations. The country or geographic risk can also be considered in conjunction with the customer risk.

• Customer risk

Determining the potential money laundering and terrorist financing risks posed by a customer, or category of customers, is critical to the development and implementation of an overall risk-based framework. Based on its own criteria, a casino should seek to determine whether a particular customer poses a higher risk and the potential impact of any mitigating factors on that assessment. Application of risk variables may mitigate or exacerbate the risk assessment.

Categories of customers whose activities may indicate a higher risk include:

- a) customers who are PEPs, family members of PEPs or known close associates of PEPs
- b) high spenders – the level of spending which will be considered to be high for an individual customer will vary among casino operators, and among casinos managed by the same operator
- c) disproportionate spenders – casino operators should obtain information about customers' financial resources so that they can determine whether customers' spending is proportionate to their income or wealth
- d) casual customers – this includes tourists, participants in junkets and local customers who are infrequent visitors
- e) regular customers with changing or unusual spending patterns

f) improper use of third parties – criminals may use third parties or agents to avoid CDD undertaken at the threshold or to buy chips, or they may be used to gamble so as to break up large amounts of cash

g) junkets – junkets can pose several higher risks, including criminal control of the junket operator or participants, the movement of funds across borders which obscures the source and ownership of the money gambled by participants and their identities, and structuring, refining and currency exchange risks

h) multiple player accounts – some customers will open multiple player accounts under different names to hide their spending levels or to avoid breaching the CDD threshold

i) unknown or anonymous customers – these customers may purchase large amounts of chips with cash at casino tables, and then redeem the chips for large denomination notes after minimal or no play.

• Transaction risk (including means of payments)

Company should consider operational aspects (products, services, games, accounts and account activities) that can be used to facilitate money laundering and terrorist financing:

- multiple gambling accounts or wallets – customers may open multiple accounts or wallets with an operator in order to obscure their spending levels or to avoid CDD threshold checks
- changes to bank accounts – customers may hold several bank accounts and regularly change the bank account they use for the remote casino operator
- identity fraud – details of bank accounts may be stolen and used on remote gambling websites, or stolen identities may be used to open bank accounts or remote gambling accounts
- pre-paid cards – these cards pose the same risks as cash, as remote casino operators normally cannot perform the same level of checks on the cards as they can on bank accounts
- e-wallets – some e-wallets accept cash on deposit or cryptocurrencies, which pose a higher risk, and some customers may use e-wallets to disguise their gambling
- games involving multiple operators – for example, poker games often take place on platforms shared by a number of remote gambling operators, which can facilitate money laundering by customers, such as chip dumping.

Customers of Company will be classified according to their risk level:

- Low Risk

- Medium Risk
- High Risk

Company will determine the risk level for the current and potential Customer based on developed scoring system.

To all factors is applied scoring from 1 to 100. Please note that in some factors the values can be either 1 or 100 as there are no other intermediate values, for example, age or presence in blacklists.

All our system of evaluation is described in details in our policies.

LEGAL AND GOVERNANCE FRAMEWORK

According to the company's structure and personal opinion of the UBO services such:

- Legal
- Finance
- Marketing

Decided to be outsourced. The reason is the long term relationship with outsourced persons and companies besides services are more qualified cause being serviced the same betting companies knowing all points of the market.

Our board consists of our Director and our UBO who make all the decisions.

TARGET KPIS AND BUSINESS OBJECTIVIES

We have several KPIs and key metrics to evaluate if the business is successful or it is high time to make changes in our strategy:

1. Number of players and retention rate

Since each player has its own life circle it is highly important to attract new players all the time.

Player retention is crucial for the long-term success of any casino or betting company. Retention is the measure of how many players continue to use your website or app over time. A high retention rate indicates that users are finding value in our product and are likely to stay engaged and make deposits.

Our current retention rate is 19/12/8/8

Our target retention for the next 2-3 years is 30/20/10/8

2. Average deposit amount per player and average WIN (deposits – payouts) per players

In 2022 the average deposit amount per player was 51\$ and the average WIN was 13\$

In 2023 the average deposit amount per player was 84\$ (+64%) and the average WIN was 16\$ (+23%)

These two metrics are quiet simple – more WIN per player we get, more we get in general. We are striving to make our product more attractive for players by adding new games, new sport line, more statistics and bonuses to increase these objectives.

3. Payment conversion rate

We have our own system of routing and cascading payments between our providers. So, if one or several PSPs have technical issues, we route a payment to different providers that accept it.

Our average conversion rate now is 73,6%

Our average conversion rate now is 85%+

4. Speed of payouts

We have 2 types of checking payouts:

- Manually
- Automatically

We have a complicated system of choosing what payout should be checked manually or automatically. In order to decrease the time of making a payout, we try to automate as much processes as possible.

Now we make 97-98% of all payouts within one hour from a request

We would like to increase this percentage to 99% in the nearest future.

POLICIES AND PROCEDURES

The main policy we have is AML policy.

The Regulations for Anti-Money Laundering and Combating the Financing of Terrorism is an internal document, which regulates AML/CFT requirements at the Company, establishing:

- AML/CFT basic principles of the Company in accordance with the AML/CFT laws, rules, and standards
- The need to appoint responsible persons, assigning appropriate powers to them within the framework of the requirements of the AML/CFT laws, rules, and standards
- Objectives and elements of the establishment of the Internal control system
- Basic principles of Customer acceptance, monitoring and control
- Main requirements for defining, researching, and monitoring PEP their family members and close associates
- Basic principles of determining the origin of Customers funds and wealth to comply with requirements of International and National sanctions
- Guidelines for reporting suspicious activities
- Requirement for employees to receive appropriate training in the area of the AML/CFT in scope and within the time frame
- Necessity to provide for demands of AML/CFT risk management
- Requirements for the provision of the information to the Curacao FIU & Gaming Control Board of Curacao (“GCB”) on Customers and their transactions
- Regular inspections of the AML/CFT area

In addition, we have the following policies on the website:

1. Refund policy - dictates the terms of any refunds or returns which may be offered by the website to the customers;
2. Privacy Policy - an agreement between a customer and a company and is intended to explain what kind of personal information about customers we ask to provide, why and how we use it;
3. Data Security Policy - regulates the usage, management, and monitoring of data in an organization. Its primary goal is to protect all data used, managed, and stored by a company.