

Radon B.V.

Business plan

March 2024

About the company

Radon B.V. is a company registered and established under the laws of Curaçao, having registration number 126922 and registered address, Emancipatie Boulevard Dominico F. "Don" Martina 29 (hereinafter to referred as "the Company"). The Company has been operating in Curacao since 2012 on the basis of a contractual agreement with an existing Master license holder (C.I.L., license no. 5536/JAZ).

The Company provides 24/7 customer support and a secure and dependable platform for all its players.

It owns and operates a number of B2C websites namely under the Vbet brand, a leading online gambling operator, offering a wide range of live casino games and thousands of global sporting events to bet on.

The Company is committed to provide the highest level of player satisfaction and setting the top standard for the online casino and sportsbook industry, so the rest may follow.

Operating under the Vbet brand, the Company is fully supported by the BetConstruct group through a software distribution agreement entered into with Soft Construct Limited (hereinafter referred to as "SoftConstruct").

SoftConstruct is one of the leading names in the remote gaming industry having 300+ partners, 6000+ creative workers, 40+ licenses and certificates from the most reputable gambling jurisdictions, 16+ offices in different parts of the world, 50+ awards, 500+ payment systems, and 200+ third-party providers.

The Vbet Brand

With 20 years of experience covering 120+ countries and a motto of continuous growth and development, VBET provides players with the best betting and gaming experience in a safe and secure environment. VBET covers 30,000 live matches and over 40,000 pre-match events each month, 2,000 Casino games, Live dealer Casino and Poker tables, Esports betting, Skill games and Fantasy sports.

Overview of the business product

Having operated in Curacao since 2012, the Company now wishes to secure its own B2C gaming license firstly under the current legislation, that is the NOOGH and then eventually transition to a licence under the new gambling ordinance, the LOK. With an eye on regulatory compliance and market penetration, the company strategically positions itself to meet the requirements for licensing while focusing on enhancing its product offering to its players to serve the expanding gaming market effectively.

The product portfolio offered to players spans over various gaming verticals, some of which are mentioned below:

- Casino including:
 - Slots
 - Roulette
- Live Casino including:
 - Blackjack
 - Roulette
 - Baccarat
 - Poker
- Sportsbook including:
 - Football

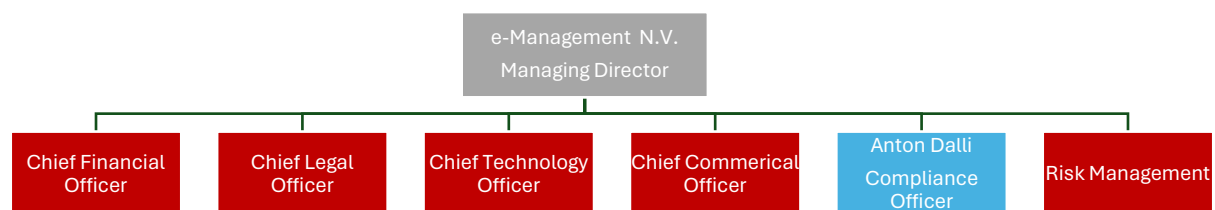
- Basketball
- Tennis
- American football
- Ice hockey
- Virtual Sports
 - Virtual football
 - Virtual cycling
 - Virtual horse riding
 - Virtual greyhounds
 - Virtual drag racing
 - Virtual tennis
- eSports
 - Counter stike
 - Call of duty
 - Starcraft
 - Halo
 - E-football
 - E-basketball

Apart from offering the above-mentioned game types, the gaming platform manages all functionality in relation to bets, player registration, deposits and withdrawals and gaming transactions history amongst others.

Company Management Structure

As mentioned above, the Company is supported by SoftConstruct, however the Company is in the process of hiring key management functions as per below to ensure the efficient and secure running of the gaming operations.

The below table is a management organogram which clearly defines and highlights all the key management roles and structure in the Company's roles.



In hiring process

Proposed outsourced position currently being fulfilled by the Managing Director

Financial Forecasts

The Company prepares financial forecasts based on historical figures and growth targets. Detailed financial forecasts, predicting the company's performance to assist the Company in making financial decisions are presented below.

Income Statement

2022-2025	Actual (2022) €	Projected (2023) €	Projected (2024) €	Projected (2025) €
Revenue*	350,775,294	23,625,851	25,988,436	28,587,280
Cost of Sales	-341,559,034	-19,061,903	-20,968,093	-23,064,902
Gross Profit	9,216,260	4,563,948	5,020,343	5,522,378
Direct Costs	-8,321,938	-2,881,106	-3,140,406	-3,423,043
Administrative Expenses	-496,406	-883,854	-1,016,432	-1,631,478
OIBTDA	397,916	798,988	863,505	930,438
Other Operational Income	176,331	-	-	-
Finance Costs	-	-	-	-
D&A	-	-	-	-
Profit/Loss Before Taxation	574,247	798,988	863,505	930,438
Tax Expenses	-	-	-	-
Profit/Loss for the period	574,247	798,988	863,505	930,438
Other Comprehensive Income				
FX Variance (Realised)	-330,686	-503,447	-528,620	-555,051
FX Variance (Unrealised)	-	-	-	-
Finance Income	-	-	-	-
Total Comprehensive Income	243,561	295,540	334,885	375,387

* Revenue recognition method has been changed starting from 2023. GGR is recognized as revenue instead of stake.

Statement of Financial Position

2022-2025	Actual (2022) €	Projected (2023) €	Projected (2024) €	Projected (2025) €
Assets				
Non-Current Assets				
Intellectual Property	-	-	-	-
Investments in Subsidiaries	1,250	1,250	1,250	1,250
Total Non-Current Assets	1,250	1,250	1,250	1,250
Current Assets				
Trade and other Receivables	2,681,882	2,265,493	2,492,042	2,741,246
Cash and cash Equivalents	4,695,709	2,150,988	2,637,089	3,179,476
Loans and Advances	283,326	283,326	283,326	283,326
Total Current Assets	7,660,917	4,699,807	5,412,457	6,204,048
Total Assets	7,662,167	4,701,057	5,413,707	6,205,298
Equity				
Capital and Reserves				
Called Up Issued Share Capital	817	817	817	817
Accumulated Profit/Loss	617,929	913,469	1,248,354	1,623,741
Total Equity	618,746	914,286	1,249,171	1,624,558
Liabilities				
Non-Current Liabilities				
Loans and advances received	34,410	34,410	34,410	34,410
Loans and Advances from Shareholders	-	-	-	-
Total Non-Current Liabilities	34,410	34,410	34,410	34,410
Current Liabilities				
Trade and Other Payables	7,009,011	3,752,361	4,130,126	4,546,330
Loans and advances	-	-	-	-
Total Current Liabilities	7,009,011	3,752,361	4,130,126	4,546,330
Total Liabilities	7,043,421	3,786,771	4,164,536	4,580,740
Total Liabilities and Equity	7,662,1670	4,701,057	5,413,707	6,205,298

Statement of Cashflows

2022-2025	Actual (2022) €	Projected (2023) €	Projected (2024) €	Projected (2025) €
Cash Flows From Operating Activities				
Profit for the year before tax	243,561	295,540	334,885	375,387
Adjustments for:	-	-	-	-
Finance Costs	-	-	-	-
Movement in Working Capital:	1,477,882	-1,313,429	-140,445	-158,432
(Increase)/Decrease in Receivables	2,612,046	416,389	-226,549	-249,204
Increase/(Decrease) in Payables	-3,934,261	-3,256,650	377,765	416,204
Increase/(Decrease) in Other Liabilities	-	-	-	-
Increase/(Decrease) in Balances with payment Systems	2,800,097	1,526,832	-291,661	-325,432
Cash (absorbed by)/generated from operations	1,721,443	-1,017,888	194,440	216,955
Interest Paid	-	-	-	-
Tax (Paid)/Refunded	-	-	-	-
Net Cash Inflow/Outflow from Operating Activities	1,721,443	-1,017,888	194,440	216,955
Cash Flows From Investing Activities				
Purchase of Fixed Assets	-	-	-	-
Property Plant and Equipment	-	-	-	-
Intangible Assets	-	-	-	-
Disposable of Fixed Assets	-	-	-	-
Property Plant and Equipment	-	-	-	-
Intangible Assets	-	-	-	-
Investment in Financial Assets	-	-	-	-
Net Cash Inflow/Outflow from Investing Activities	-	-	-	-
Cash Flows From Financing Activities				
Proceeds/(Redemption) of loans:	-74,259	-	-	-
Related Parties	-74,259	-	-	-
Banks	-	-	-	-

2022-2025	Actual (2022) €	Projected (2023) €	Projected (2024) €	Projected (2025) €
Shareholders	-	-	-	-
Proceeds from Share Issues	-	-	-	-
Dividends Paid	-	-	-	-
Net Cash Inflow/Outflow From Financing Activities	-74,259	-	-	-
Cash and Cash equivalents in the beginning of the period	464,061	2,111,246	1,093,358	1,287,799
Payment Systems in the Beginning of the period	5,384,560	2,584,463	1,057,630	1,349,291
Net Cash Increase/(Decrease) for the period	1,647,184	-1,017,888	194,440	216,955
Cash and Cash Equivalents in the end of the period	2,111,246	1,093,358	1,287,799	1,504,753
Payment Systems in the End of the period	2,584,463	1,057,630	1,349,291	1,674,723

Overview of the Intended strategy for Business Growth

The strategic goals of the Company have been defined in terms of:

- Products;
- Distribution channels;
- Markets;
- Technology

The Company has been operating for several years, in which it has created its own a respectable customer base and has kept growing ever since.

The Company's growth strategy revolves around expanding its market presence, forging strategic partnerships with game developers, and continuously innovating its product offerings to stay ahead of the competition. The Company aims to penetrate new markets while strengthening its position in existing ones through targeted marketing campaigns, effective sales strategies, and unparalleled customer service. The Company also leverages the support that the SoftConstruct group provides to the Vbet brand in order to continuously grow its player and revenue base.

Key suppliers and Material Dependencies

The Company relies on key suppliers for gaming software, technology infrastructure, and other essential resources necessary for its operations. The company maintains strong relationships with these suppliers to ensure a steady supply of high-quality products and mitigate any potential risks associated with dependencies.

The following tables include the details of all key suppliers critical of the Company's services, as well as the business.

Key Supplier	Services
SoftConstruct	Gaming platform, games, all gaming operations, finance, legal, risk management, compliance.
FreemarketFX	Banking services

Risk evaluation and management.

The Company conducts regular risk assessments to identify potential threats to its business operations, including regulatory compliance issues, market volatility, cybersecurity threats, and supply chain disruptions. The company implements risk management strategies to mitigate these risks, such as implementing robust security measures and staying informed about industry regulations.

The primary purpose of the Company's Risk Management Framework is to provide a structured and adaptable approach to:

Identify Risks: Encourage a systematic process for recognizing, categorizing, and understanding potential threats and opportunities that may impact the Company.

Assess Risks: Evaluate the likelihood, impact, and interdependencies of identified risks to prioritize them effectively and allocate resources efficiently.

Mitigate Risks: Develop and implement strategies, controls, and action plans to reduce, transfer, or accept risks, aligning them with the Company's risk appetite and tolerance.

Monitor and Review: Continuously monitor and reassess the risk landscape, ensuring the effectiveness of implemented measures and adapting to emerging risks or changes in the Company's environment.

Legal and Governance Framework

The Company operates within the legal and regulatory framework of Curacao. The Company adheres to all relevant gaming regulations, licensing requirements, and industry standards to ensure compliance and maintain its reputation as a trustworthy gaming provider. Additionally, the Company upholds high standards of corporate governance to foster transparency, accountability, and ethical business practices.

Board of Directors

As described in the Company Management section above, the Managing Director, is supported by nominated managers, in the day-to-day operations of the Company. The Managing Director's responsibilities include, but are not limited to the following:

- Set up and maintain an effective internal control system in order to ensure a smooth running of the operations and compliance with the Curacao Gambling Legislation;
- Ensure that the Company complies with any legal and accounting requirements;
- Keep all the stakeholders informed of the Company's performance;
- Ensure that the Company has sufficient financial and human resources;

Strategic Management

The Company's strategic management involves setting clear objectives, devising actionable plans, and regularly evaluating performance to drive business growth and profitability. The Company focuses on strategic initiatives such as product diversification, market expansion and cost optimization to achieve its long-term goals and stay competitive in the growing, yet dynamic gaming industry.

The strategic management team works on achieving the vision of which the board of directors aims for. They turn this vision into an objective with the help of the Company's choice of KPIs.

Target KPIs and Business Objectives

Key performance indicators (KPIs) for the Company include revenue growth, market share expansion, customer acquisition and retention rates, profitability margins, and regulatory compliance metrics. The Company's business objectives include increasing sales revenue, expanding into new geographic markets, enhancing customer satisfaction, and achieving sustainable profitability.

The Company makes use of Key Performance Indicators (KPIs) to measure its success and the business' long-term objectives, such methods include:

- **Player Retention** – The Company prioritizes player retention as a crucial metric for business success, aiming for a minimum of 60% player retention. To achieve this objective, the Company implements strategies such as personalized gaming experiences, loyalty programs, regular content updates, and responsive customer support to keep players engaged and active on its platform.
- **Revenue and Profits** – The Company focuses on generating sustainable revenue and maximizing profits by efficiently managing costs and optimizing revenue streams. Key objectives include increasing total revenue and achieving healthy profit margins, ensuring the long-term financial viability of the Company.
- **Compliance** – Compliance with regulatory requirements, including licensing and responsible gaming regulations, is paramount for the Company's operations. The Company aims to maintain full compliance with all relevant regulations, minimizing the risk of penalties or legal issues while upholding the highest standards of integrity and responsibility in its gaming offerings.
- **Reputation and Trust** – Monitoring customer interactions and conducting brand sentiment analysis are integral to maintaining a positive reputation and building trust with players. The Company prioritizes transparency, fairness, and responsiveness in its dealings with players, aiming to foster a strong brand reputation and loyalty within the gaming community.
- **Market Expansion** – Identifying opportunities for growth and market expansion is essential for the Company's long-term success. The Company seeks to capitalize on emerging trends, new geographic markets, and strategic partnerships to expand its reach and diversify its revenue streams, ensuring sustainable growth and competitiveness in the dynamic gaming industry landscape.

By using these KPIs to measure the Company's performance, the Company will have a detailed overview of all the areas in which the Company may need to improve as well as see parts in which the Company is making good progress in.

Policies and Procedures

Policies and procedures of the Company have been drafted with the assistance of external consultants.

The board believes, the persons drafting and developing the Company's policies and procedures are qualified, competent and well experienced in this sector and are accustomed and committed to take compliance and integrity when proposing such policies and procedures for the board's approval. The board does not perceive any potential conflict of interest in this process.

The Company implements comprehensive policies and procedures to govern its operations, ensure regulatory compliance, and mitigate operational risks. These policies cover areas such as data security, customer privacy, responsible gaming practices, employee conduct, AML/KYC, business conduct and financial management. The Company regularly updates its policies and procedures to adapt to changing regulations and industry best practices while maintaining a culture of continuous improvement.