

Block Trading N.V. Business Plan

T/A SupernovaSports

Mission statement

To be the single largest odds and liquidity provider in sports wagering.

Supernovasports.com, A Curacao licenced, crypto compatible, high stakes sports book, which offers custom quotes and liquidity for high limit wagers to syndicates, professional sports bettors and High Net Worth Gamblers.

Corporate Philosophy and Vision

To maintain integrity, legality and gold standard reputation while dealing with the complexities of operating a high stakes international gaming business.

Our People

Executive Team

Andrew Pantling

CEO, co-Founder

Andrew brings a wealth of experience at CEO and board level having previously held the position of CEO of a leading Sports betting exchange in the UK. His industry experience includes sports betting analytics and modelling, global sports market execution and trading, overseeing full stack platform development and investing and other M&A activities.

He holds a Bachelor of Commerce from McMaster University.

Matthew Wood

Head of Trading, co-Founder

Mr. Wood's expertise include sports betting modelling and analytics, global sports market execution and trading, and he has a breadth of global sports market contacts. His industry knowledge will ensure that we remain at the cutting edge of the technology required and retain access to the most liquid sports betting markets. Mr. Wood will leverage his experience, expertise, and industry contacts to grow the Company.

He holds a Bachelor of Science in Sports Medicine and Kinesiology from McMaster University.

Philip Nicholls

Head of Pricing

Phil is both an entrepreneur and professional bettor with a long track record in management and an expert in sports data modelling and pricing and has a profitable track record across 20 years in the industry. Previously, he was CEO of a global trading company based in Guernsey, taking the company from 1 employee to a thriving business that became one of the largest market makers in the betting exchange sector in Europe.

Paul McWilliams, FCA

Chief Financial Officer

A Commercially focussed CFO with 15 years experience in senior finance positions and over 8 years experience in the online gaming sector across the UK, Australia, US and offshore jurisdictions. Paul joined the team in July 2023 and brings extensive financial, tax and operational experience of regulated gaming companies coupled with his strong knowledge of equity transitions, operations and strategic planning.

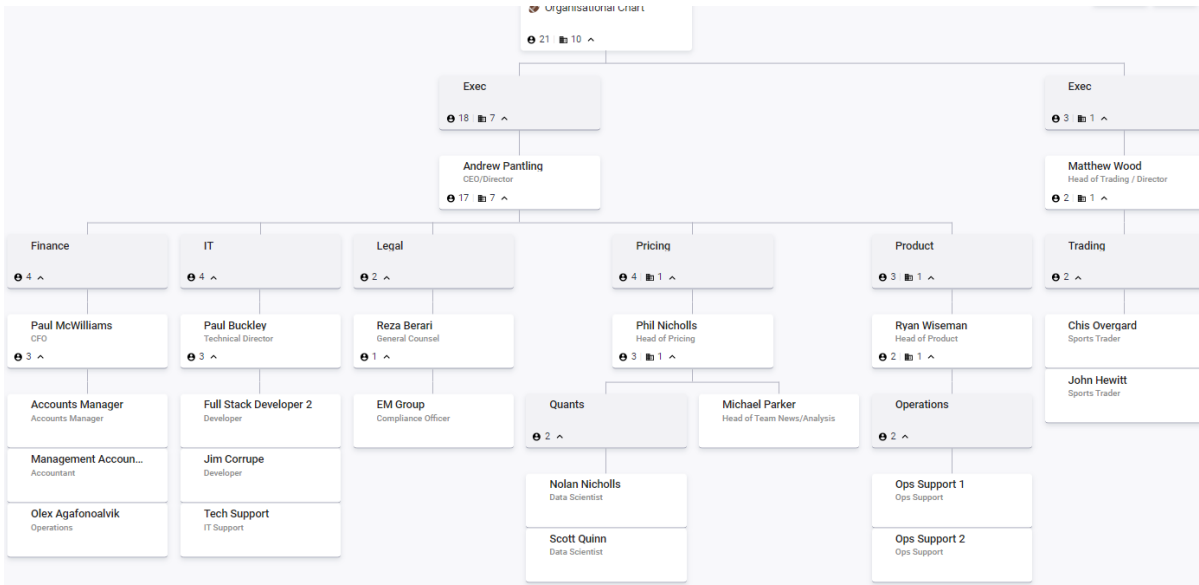
He is a qualified Chartered Accountant, and a Fellow of the Chartered Accountants Ireland and has a Masters degree from Dublin City University.

Reza Berari, General Counsel

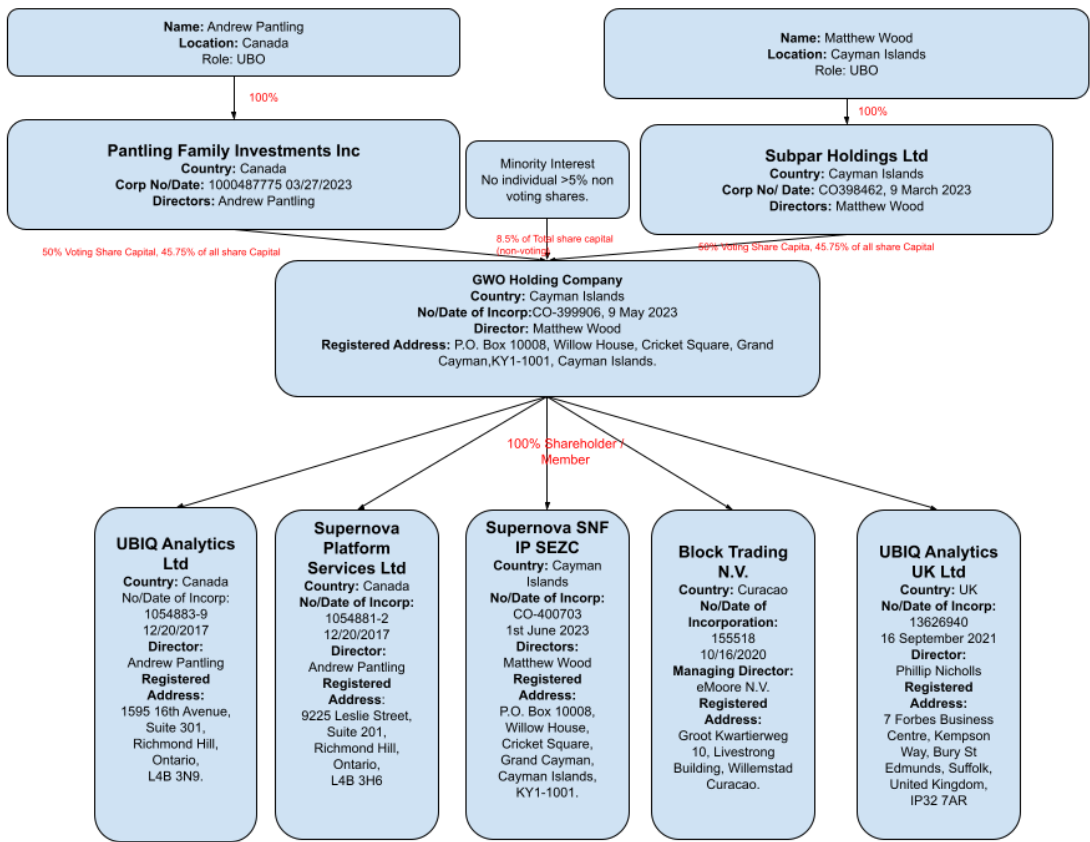
Reza Barari acts as general counsel with respect to business law, iGaming and global regulatory compliance for market makers. Reza works closely with external counsel, senior management and directors in order to advance key organizational strategic objectives.

Reza Barari is a lawyer in the Province of Ontario. His legal experience includes business law and litigation. He has recently completed a Masters of Law (LL.M.) at Osgoode Hall Law School, specializing in Privacy & Cybersecurity Law.

Group Organisation Chart



Group Structure



GWO Holding Company “GWO”, Cayman Islands

Our Parent entity, GWO is a Cayman based entity that holds all of our Group's investments and is responsible for ensuring the funding of all subsidiaries.

Supernova SNF IP SEZC “IP Co”, Cayman Islands

Our IP Company, will own all our IP/ Trademarks / data models / platforms and will licence these to regulated gaming entities both internal and 3rd party.

Blocktrading N.V., Curacao

www.supernovasports.com

A Curacao licenced, crypto compatible, high stakes sports book, which offers custom quotes and liquidity for high limit wagers to syndicates, professional sports bettors and High Net Worth Gamblers alongside sports trading activities and market making activities to regulated sports betting exchanges.

UBIQ Analytics Ltd, Canada

www.ubiqanalytics.com

A technology and data research company. UBIQ uses state of the art proprietary technology to provide the best prices and predictions and for all major North American sporting events. We provide in depth analysis, predictions and market advice to a range of clients including bookmakers, market makers and professional gamblers.

UBIQ Analytics UK Ltd, UK

www.ubiqanalytics.com

Our UK arm of UBIQ employs local talent with extensive industry and domain knowledge.

Supernova Platform Services Ltd “SPS”, Canada

SPS provides trading and platform support services to gaming clients. Services range from liquidity and position management, trade execution, client reconciliations and bespoke consultancy to gaming clients.

Timeline 2023-2024

April 2023

- Commenced Market Making activities with a top tier publicly listed sportsbook.

July 2023

- Version 1 of our proprietary betting platform, Supernova, entered the final stages of testing.
 - V1 provides clients with secure access to a fully regulated digital sports betting brokerage service ('refer to trader') designed to meet the needs of the world's highest limit sports bettors.
- Group reorganisation completed.
- CSIE application for New Jersey gaming licence to be submitted.

August 2023

- Soft Launch of Supernova V1 on our production environment, www.supernovasports.com, to select HNW's and professional betting firms on an invite-only basis.

September 2023

- Development of Supernova V2 commences, focused on providing customers with a traditional sportsbooks experience alongside the platform's betting brokerage functionality.
- Assessment of leading international sports-data firms (sportradar, genius, etc) required to support V2 functionality commences.
- Commence NFL Marketing Making activities on NJ licensed betting exchange.

Q4 2023

- Supernova V1 expands invite-only rollout to include NBA and NHL bettors.
- Finalisation of sports-data firm negotiations and contract(s).

Q1 2024

- B2B risk management service launched, providing regulated sportsbooks with direct access to Supernova services.
- Addition of new sportsbook customers by invite/request.
- Add MLB to our US facing Market Making offering.
- Supernova V2, providing traditional sportsbook-style betting powered by our internally developed odds world class odds, enter beta testing.

Q2 2024

- Supernova V2 launches; platform remains invite-only.
- Automated bet acceptance for lower stakes (<\$10K) bets.
- Integrated cashier function

- B2B services are expanded to include white-label provision.
- Supernova V3 development commences, providing live-betting functionality powered by sports-data partnerships, Supernova V3 softlaunch; platform remains invite-only

Q3 2024

- Supernova V3 launch
 - online general public registration (no longer invite only)
 - Introduction of mass market product features such as parlay's, cashout, and bet builders

Q4 2024

- Launch of global B2B strategy designed to compliantly offer platform, pricing, and risk management services to all through collaborations with established strategic partners.

SWOT Analysis

Strengths • Extensive industry experience. • Ability to manage risk at high volume. • Modelling and data expertise. • Crypto expertise. • Lack of regulated competitors.	Weaknesses • Platform is in development. • Low focus on marketing / main street adoption in the near future.
Opportunities • Providing a bespoke service to high stakes betting demographic. • Ability to handle high volume risk. • Extensive North American sports betting experience. • US states continue to open up to sports betting.	Threats • Competitive rush for market share in the US can drive down yields. • Constant regulatory changes. • Crypto volatility.

Financial Forecasts

3 Year Profit and Loss Forecast

	Financial Year*	Financial Year	Financial Year	Financial Year
	31/12/2023	31/12/2024	31/12/2025	31/12/2026
Volume \$	186,896,191	490,114,886	600,000,000	710,000,000
Gross Revenue	-2,181,422	7,049,677	7,500,000	8,875,000
GGY	-1.17%	1.44%	1.25%	1.25%
Direct Costs	112,258	1,375,000	1,875,000	2,218,750
Net Gaming Revenue	-2,293,680	5,674,677	5,625,000	6,656,250
NGY	-1.22%	1.16%	0.94%	0.94%
Operating Costs				
Total Operating Costs	238769	1,290,982	1,721,000	2,042,750
EBITDA	-2,532,449	4,383,696	3,904,000	4,613,500
Interest	54,473	100,612	0	0
Depreciation & Amortisation	117	0	0	0
EBT	-2,587,039	4,283,084	3,904,000	4,613,500
Taxation	0	0	0	0
Net Profit	-2,587,039	4,283,084	3,904,000	4,613,500
*Actuals have been prepared on a best endeavours like for like basis for the licensed sportsbook activity for the entity.				

3 year Balance Sheet

	Financial Year*	Financial Year	Financial Year	Financial Year
	31/12/2023	31/12/2024	31/12/2025	31/12/2026
Non-Curent Assets				
Net Book Value	0	0	0	0
Current Assets	1,056,657	3,895,060	7,982,077	13,095,577
TOTAL ASSETS	1,056,657	3,895,061	7,982,078	13,095,578
Current Liabilities	1,162,611	2,316,983	2,500,000	3,000,000
Non-current Liabilities	2,614,685	0	0	0
TOTAL LIABILITIES	3,777,296	2,316,983	2,500,000	3,000,000
NET ASSETS	-2,720,638	1,578,078	5,482,078	10,095,578
EQUITY & RESERVES				
Share Capital	100	100	100	100
Retained Earnings	-73,807	-2,720,739	1,577,977	5,481,977
Profit & Loss	-2,646,932	4,283,084	3,904,000	4,613,500
Other reserves		15,632		
Equities & reserves total	-2,720,639	1,578,077	5,482,077	10,095,577
*Actuals have been prepared on a best endeavours like for like basis for the licensed sportsbook activity for the entity				

3 year Cashflow Forecast

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3 Year Cashflow forecast	Financial Year*	Financial Year	Financial Year	Financial Year
	31/12/2023	31/12/2024	31/12/2025	31/12/2026
Net Cashflow from Operating Activities	-2,532,449	4,383,696	3,904,000	4,613,500
Net Cashflow from Working Capital	970,002	1,071,312	183,017	500,000
Net Cashflow from Capital Projects	0	0	0	0
Net Cashflow from Financing Activities	2,614,685	-2,614,685	0	0
Increase in Cash	1,052,238	2,840,322	4,087,017	5,113,500
Opening Cash Balance	2500	1,054,738	3,895,060	7,982,077
Closing Cash Balance	1,054,738	3,895,060	7,982,077	13,095,577
*Actuals have been prepared on a best endeavours like for like basis for the licensed sportsbook activity for the entity				

Financial Commentary

All numbers are denominated in EUR.

Actuals and forecasts have been extracted from the company records and reflect only the revenues and costs associated with operating the licensed Sportsbook.

Volume

We conservatively estimate our volume based on the founders experience and expertise in the main US sports betting markets. FY 2023 adjusted actuals is low (\$186m) to account for the mid-year launch of the high stakes sports book. We have conservatively estimated our volumes based on historical performance on the main markets on US Sports. Year on Year growth rate is expected to be 20% as we gain a reputation to be the go to sportsbook for HNW's and professional sports bettors.

Revenue

Our target GGR yield is set at 1.25%, this is conservatively estimated based on our extensive knowledge of the online betting industry and our expected return against professionals. The industry average is between 0.5% to 2.5%.

Direct Costs

Direct costs are roughly expected to be 25% of Revenue. These include commissions, premium charges, free-rolls, revenue shares and rebates.

Operational Costs

	Financial Year*	Financial Year	Financial Year	Financial Year
	31/12/2023	31/12/2024	31/12/2025	31/12/2026
Marketing	0	0	278,000	332,000
Legal and Professional	18,392	91,000	60,000	90,000
License Fee	2,432	50,900	60,000	60,000
Finance Costs	12,121	17,000	18,000	18,000
Data Feeds	62,259	60,500	72,000	79,200
Employee Costs	0	35,000	108,000	132,300
Platform Fee	0	1,036,582	1,125,000	1,331,250

Initially operational costs will be low with the bulk of the costs being Compliance and licence fee for the platform. We plan to start employing local talent mid to late 2024, and growing by one person on Curacao YoY. Unlike traditional books Marketing costs will be low initially and we will be an invite only sports book with demand expected to increase and peak each year during the NFL season.

Platform Fees are 15% of GGR and are set to recover at least the minimum annual fee \$250-\$300k in ongoing development and maintenance p.a. And the initial outlay to develop of \$1.5m.

Target KPIs and Business Objectives

Mission Statement

To be the single largest odds and liquidity provider in sports wagering.

Business Objectives

In order to achieve its mission it is critical that the business maintain its core relationships and reputation in the Gambling industry.

Reputation

The UBOs are held in high regard in the online gaming industry, it is this reputation and both personal and business relationships that they have built over the years that will allow Supernova Sports attract and retain the highest limit syndicates, professional bettors and High Net Worth Gamblers from around the world.

Product

It is important that we are able to offer high limits at competitive prices across all markets we offer odds on. Our initial product offering will be the main markets on US sports. Other sports/events may be offered on request. i.e. US presidential election 2024.

Liquidity/Margin

Customers will be able to deposit and withdraw in real time using Cryptocurrency resulting in almost instantaneous deposits and withdrawals. Margin requests will be considered on an individual case by case basis and ultimate approval will lie with the UBO's.

Financial

1. Ensure there is always adequate funds to cover the customer balances.
2. Return to positive cash-flow on a monthly basis.
3. Maintain a 100% customer settlement rate.
4. Gross Revenue Margin >1.25%.

Trading

1. Achieve target volume Growth YoY.
2. GGR >1.25%.

Operational

1. Target 50% quote acceptance.
2. Instant pricing for bets <\$10k.

Key Suppliers

Key Supplier	Service	Material Dependencies (Y/N)	Risk Mitigation
Capital International Bank	Banking	Y	• Maintain good relationships with Bank and stay in regular contact. • Maintain secondary bank account
Finance	Banking	N	• Secondary EUR bank

Incorporated Ltd (T/A Paymix Pro)			account.
EM Group	Corporate Directors	Y	Provide local Directors and residency requirements
UBIQ Analytics Ltd	IT services	N	Related party providing IT support services

Risk Management Plan

The management team meets once per week, and this is where any new risks or threats are identified. Management do not deem it necessary to have a formal risk register at this stage of the business life cycle but will continue to monitor via the weekly meetings and follow the steps below to ensure steps to mitigate any risks are taken.

Risk Management Steps

1. Identify risks to business.
2. Assess the risks.
 - a. $\text{Probability} \times \text{Impact} = \text{Overall}$.
3. Create a plan to monitor, minimise or eliminate the risk.
4. Assign an internal owner to the risk.
5. Communicate any updates on the risk.

Legal and Governance Framework.

The Company has entered into a Management Agreement with EMOORE as of the 15 June 2020. eMOORE has been appointed the Managing Director. eMOORE NV is the Director of Block Trading N.V., and Mr. George van Zinnicq Bergmann is the sole managing director to eMOORE. Lilianne Kroon and Cornelia Drommond are among several designated proxyholders to the Block Trading N.V. account. There is no corporate secretary for this corporation.

This company has a sports betting license in Curacao that is used for high stakes gambling with a limited number of customers.

The Managing Director is responsible for ensuring that the Company at all times complies with Curacao law and its own Articles of Association.

EMOORE to provide this section

Policies and Procedures

Our T&C's, responsible gaming, AML Policy, Betting Rules, Privacy and Cookie Policy can be access on the below website or by request by email support@supernovasports.com

<https://supernovasports.com/login>

Emoore to provide anything else required in this section