



**RUBYPLAY**  
NETWORK

# 2021 Investment

## Information Memorandum

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Gaming Rewards Group



# Next-gen customer acquisition and retention platform

**Loyalty Liberated,  
Blockchain Rewards**

## Contents

<b>4</b>	<b>Ruby Overview</b>	<b>11</b>	<b>Star Performer</b>
<b>5</b>	<b>Team Overview</b>	<b>12</b>	<b>Gaming Rewards Group Operations</b>
<b>6</b>	<b>Leadership Team</b>	<b>16</b>	<b>Competitive Landscape</b>
<b>7</b>	<b>Development Teams</b>	<b>21</b>	<b>Our Strategy</b>
<b>8</b>	<b>Investment Summary</b>	<b>25</b>	<b>Financial Information</b>
<b>9</b>	<b>The Ruby Play Network</b>	<b>28</b>	<b>The Gaming Rewards Group Limited Offer</b>
<b>10</b>	<b>The Gaming Network</b>	<b>30</b>	<b>Gaming Rewards Group Valuation</b>

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# Ruby Overview

## Executive Summary

**The Ruby Play Network (RPN or Network) is a blockchain-powered platform that provides real world value to customers through blockchain rewards. Our platform will create the next generation of loyalty and retention for consumers.**

The Ruby Play Network platform helps solve the persistent problem businesses have of attracting new customers, properly engaging them, and ultimately retaining them.

Launched in 2019, the Ruby Play Network is built on the Binance smart chain architecture. It provides our developers with a fast and secure, blockchain, loyalty platform. The Ruby Play Network platform allows our partners to reward, engage and retain their customers with RUBY Tokens. Customers hold these RUBYs in their own secure wallet and will have many opportunities to use their rewards, on our Ruby Play Network platform or with our partners.

We are the first New Zealand company to have received investment from the Binance Smart Chain Accelerator Fund.

Our solution delivers a reward that has new value dimensions. It has no expiration, grows in its impact to players as our network grows, encourages participation in how our network evolves and is owned and controlled by the

**\$4.8m**  
played every  
month

customer.

The Ruby Play Network will continue to add partners to the platform that are looking for new and innovative ways to retain their customers with blockchain-based rewards. We will also work to bring in new customers to the platform that are excited about new opportunities in gaming and blockchain finance.

Our gaming business sees more than \$4.8 million played every month and is growing 33% month on month.

We are looking to raise up to \$3,430,500 of investment with maximum total equity of 7.55%. This capital will be used to aggressively grow revenues and token circulation.

We are very excited to bring this unique investment opportunity to market. We are among the first New Zealand based businesses to offer both an equity position and a token right to our fellow kiwis. Both our gaming business and our blockchain business are projected to grow and we invite the New Zealand public to join us on our journey.

# Team Overview



2018 NEM Blockchain Launch, Westport

## History

**Gaming Rewards Group Limited (Gaming Rewards Group) was founded in 2019 as a holding company that could leverage a decade's worth of the founders' experience in gaming, online social casinos and bingo.**

Historically, the teams' games such as Bingo Lounge and Match & Money were extremely successful and earned millions of dollars in a highly competitive gaming market. Although these games have now sunset, we continued to grow and launch more successful online games, building a loyal following.

In 2018 we launched Wild Ruby Casino and through the interaction with our players, we gained experience in what it takes to create loyal and committed fans.

In 2018 we also began our first foray into developing Blockchain technologies. We became heavily involved with the NEM Foundation, going so far as to host a world NEM conference at our EPIC Westport offices.

In mid-2020, while the world retreated indoors to protect themselves and those they love, we started work on our new flagship products, the Charchingo gaming site, and the Ruby Play Network. These complimentary products have brought together the breadth of our extensive online gaming experience and blockchain development knowledge to build a product that both our partners and customers will love.

# Leadership Team



**Benjamin Dellaca**

CEO, Executive Director

**World-class mobile, social & casino gaming executive team Ben and Jeremy have built several prestigious gaming companies, over the last 15 years of working together.**

The team has delivered hundreds of millions of downloads, building for billion-dollar brands and companies such as Disney, Lionsgate & BBC. They have massive mainstream experience delivering games that generated over 80 million downloads in two weeks flat.

Properties worked on include Wheel of Fortune, Lion King, Transformers, Madagascar, Toy Story, The BBC's Jane Austen, and many more.

Co-Founders of CerebralFix, one of the largest outsource partners for digital gaming products to the Walt Disney Group and LootWinner, the world's most innovative real money gaming company.



**Jeremy Cadillac**

COO, Executive Director



**Rob Carroll**

CGO, Growth Officer

**Rob is a games-industry veteran. For 15 years, he has launched more than 30 games, as well as publishing and consulting on more than 60 other titles.**

Rob's past projects include work with LucasArts, Zynga and he led the North American release of World of Tanks: Blitz for Wargaming. Previously, Rob ran the indie developer publishing fund for Tapjoy and built wagering platforms for online and physical casinos, including the Jackpot Fantasy game.



**Gwyn Edwards**

CTO, Technical Officer

**From Advanced Treasury Technology Limited to the giant that is PeopleSoft, Gwyn is a Senior IT manager, having worked in many facets of the IT industry including small start-ups, consulting firms, and large software houses.**

Experienced in all facets of the software lifecycle, from development through to support, Gwyn is driven by innovative solutions and working with creative people.

# Development Teams

**The core team at Gaming Rewards Group has been working together since 2013.**

We have successfully brought many games and complicated technology projects to market through a number of related companies. We are excited about the opportunity for the Ruby Play Network and what it could mean for us and the New Zealand Blockchain community.



## Westport Development Team

The Westport Team is based in the EPIC Westport innovation campus on the West Coast of the South Island of New Zealand. The team is 5 years young and is responsible for communications and player management.



## Christchurch Development Team

The Christchurch Team is based in the SALT District, which is the beating heart of the city's innovation precinct. The team has been together for the last five years as a comprehensive development unit creating various products in the gaming, blockchain, and gaming industries.

# Investment Summary

The Gaming Rewards Group is looking to raise up to a maximum of \$3,430,500 of investment capital through its fundraising campaign. Investment shall be into Gaming Rewards Group Limited, the parent company of The Ruby Play Network.

## \$3,430,500

of investment capital

### Goal

Our goal for this campaign is to provide more resources for us to increase our speed to scale. We plan to expand our gaming portfolio and the number of players in our network. We will also grow our development teams in both the Christchurch and Westport offices, continuing our commitment to expanding innovation across New Zealand.

### Why should people invest?

- Gain equity in a fast-growing US-based gaming network
- Gain early access to RUBY Rewards
- Become part of our local journey, get involved in blockchain

### Investment Levels

All investors in our campaign will gain equity in Gaming Rewards Group as ordinary shares via our elected nominee company, Snowball Nominees Limited. In addition, investors will also receive RUBYs. The number of RUBYs each investor receives is based on the amount invested.

The distribution of all investor Tokens shall be 50% before listing, and 50% twelve months later. The two distributions ensure that tokens will not be released in a way that will flood the token economy.

### The Binance Advantage

Binance is the largest token exchange by volume in the world and we are pleased to announce that they have invested in the Ruby Play Network through their Binance Smart Chain Accelerator<sup>1</sup> fund. Projects like ours receive extensive support and advice from the team at Binance. In addition to the technical support, their backing also provides us access to other areas of the Binance ecosystem.



#### Weekend Warrior

NZ\$1,000 - \$4,999 and get 65 tokens per NZ\$1 invested



#### Blockchain Enthusiast

NZ\$5,000 - \$24,999 and get 75 tokens per NZ\$1 invested



#### VIP Investor

NZ\$25,000 - \$49,999 and get 80 tokens per NZ\$1 invested



#### Diamond Hands

NZ\$50,000 - \$99,999 and get 95 tokens per NZ\$1 invested



#### Large Scale Investors

This will be for investors looking to invest over NZ\$100,000. For investors participating at this level, they will receive 140 RUBYs per NZ\$1 invested.

1. Binance Smart Chain Accelerator Fund  
<https://binancex.dev/> & <https://www.binance.com>

# The Ruby Play Network

## The Problem

**There are two things that every business needs to become more successful.** Firstly, attract more customers, and secondly, derive more value from existing customers. Especially in digital, it is difficult to attract new customers due to competing interests contesting customers' attention. As a result, it is important to maximize the value potential from new and existing customers.

## Ruby Play

**We specialize in creating digital content.** Over the years, we learned which incentives work best to motivate online customers and how to fully utilize them, whether that is in an educational game or an entertainment product. Our solution intends to deliver not only a reward that offers new value dimensions but the experience and knowledge to deploy it effectively.

## The Ruby Play Network

A Next-gen Customer Acquisition And Retention Platform

### What Makes the Ruby Play Network Different



#### True Ownership, True Control

RUBYs are your reward, you own them, you control what you do with them.



#### Security

RUBYs sit on a public blockchain ledger, which is highly secure and transparent.



#### Rewards Without Expiration

RUBYs don't belong to a company, they belong to you. There isn't an expiration date on them.



#### Cross Platform Rewards

RUBYs are decentralized, they can be used by any partner to reward their customers.

Additionally, we run three gaming platforms as profit centers in order to power the distribution of our RUBY token.

# The Gaming Network

We currently **own all the gaming verticals** within the network as well as several social games on the App stores.




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**Charchingo** is a US-based white label online gaming platform that delivers social gaming, social slots, and more. The services are powered by complimentary points customers can receive by making donations to local charities.

<https://www.charchingo.com/>

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**123Gaming** is a white label Fantasy Horse Racing Tournament for tracks around America. 123Gaming is continuing to develop new innovative skill gaming platforms with the Gaming Rewards Group where RUBY Tokens will be used. A white label example can be found at

<https://www.emerald123.com/>. The additional brands, 123racing and 123bet.com were sold to Sportech PLC in 2017, prior to our acquisition of 123 Gaming Limited

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**Wild Ruby Racing Casino** is an online casino-styled product for the US that is available in 23 different states. This product has several online white labels and uses slot-styled games to reveal if a player is successful in their wagers made on live horse races.

<https://wildrubycasino.com/>

# Star Performer

Unit Economics power each of the game platforms in the network. This is the business model, expressed its simplest form.



**\$4.8M**

\$ Played Per Month is currently \$4.8M and growing

**\$80K**

Revenue share (GRG) Per Month is currently \$80K and growing

**33%**

Monthly Growth Rate is currently 33%

**\$250**

Average Cost Per Player is projected at \$250 or less.

**25 Days**

Average Time to Recoup cost per player is 25 days.

**\$780**

Average Return Per Player is currently \$780 and growing

Disclaimer: past performance does not equal future performance.

# Gaming Rewards Group Operations

**Currently, we own and operate the rewards platform.** We also own and/or manage all the gaming platforms, products, and companies within the network. We have two development studios in the South Island. One in Christchurch and the other based within the EPIC Westport program. Between the two studios, we have 22 FTEs (full time equivalencies) that are responsible for making all products within the network.

We have four operatives in-market based out of San Diego, San Francisco, and Birmingham AL. These representatives are primarily responsible for business development.

All products are delivered digitally within our sophisticated software development methodologies and release management procedures.

## Market Opportunities

**Gaming Rewards Group exists in two markets, the blockchain industry and the gaming industry.**

### Blockchain

**The global blockchain technology market size was valued at USD 3.67 billion in 2020 according to the Blockchain Technology Market Size Report, 2021-2028<sup>2</sup>.** It is expected to expand at a compound annual growth rate (CAGR) of 82.4% from 2021 to 2028. Blockchain has emerged as a highly promising technology in the IT domain and the increasing acceptance of cryptocurrency worldwide is one of the major factors driving market growth.

The blockchain vertical of Gaming Rewards Group, the Ruby Play Network, develops the loyalty token (RUBY) both for our gaming platforms and the wider network. RUBY provides a better reward. The decentralized nature of the blockchain allows us to create an ecosystem where our community can help guide the future

of the network.

According to Coinbase<sup>3</sup>, only an estimated 10% of Americans currently own blockchain based tokens. This is compared to approximately 55% that own stocks. In other markets, the adoption rate is even higher, with an estimated 13.5% of people in the UK owning some type of blockchain token.

The Asia-Pacific region continues to be the largest blockchain market, with more than a third of the total (38%). Europe takes second place at 27%, while the US and Canada combine for 17%. Latin America, Africa, and the Middle East make up the remaining 21%.

With only a small percentage of the available market currently utilizing blockchain tokens, the opportunity for growth is enormous. Useful projects like the Ruby Play Network stand to gain a large part of that market share as the growth continues.

<sup>2</sup> Blockchain Technology Market Size Report, 2021-2028

<https://www.grandviewresearch.com/industry-analysis/blockchain-technology-market>

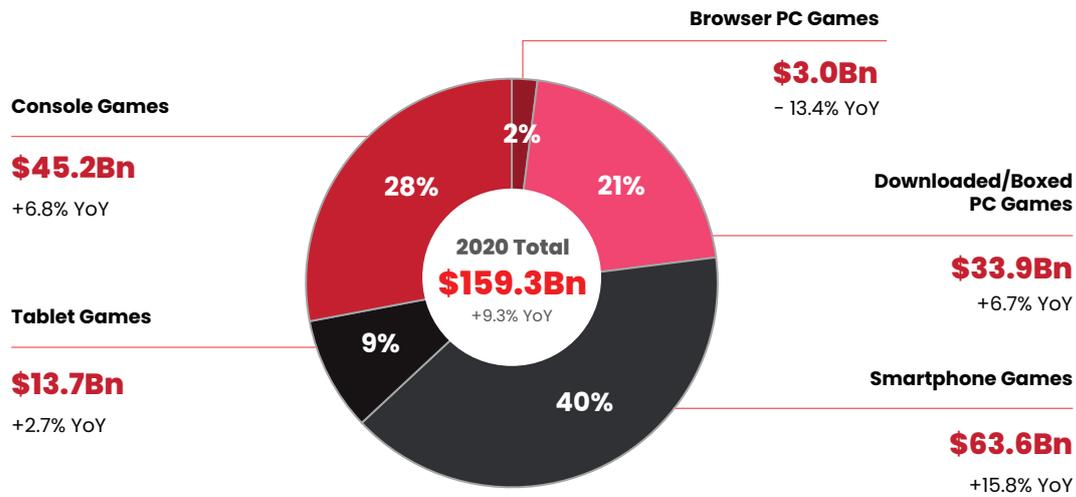
<sup>3</sup> Coinbase

<https://www.coinbase.com/>

**Online Gaming**

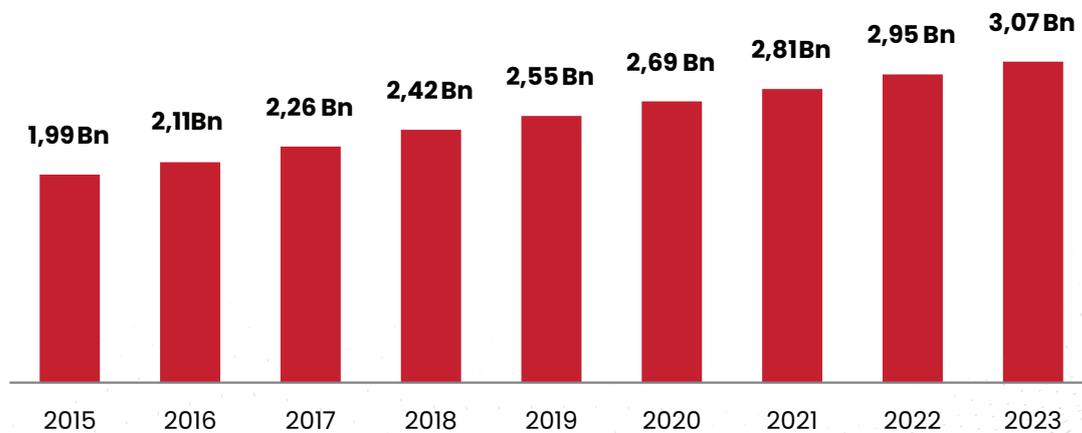
In a report from online gaming data site Newzoo<sup>4</sup>, the forecast for the global games market will grow to **\$196.0 billion by 2022**. Mobile gaming will generate revenues of \$95.4 billion in 2022 and account for almost half of the entire games market. This will be driven predominantly by smartphones, with revenues of \$79.7 billion by 2022.

**2020 Global Games Market**



In terms of market size, Newzoo predicts that the global gaming market will exceed three billion users within 2 years.

**Global Player Forecast**



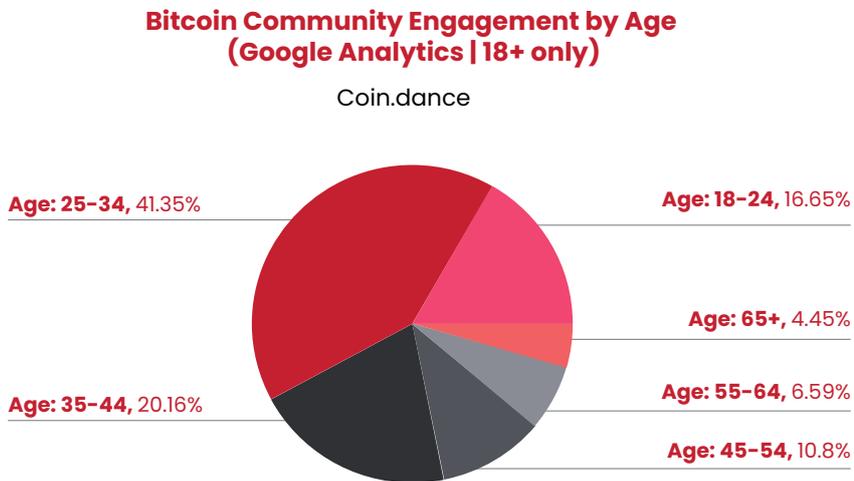
4. Newzoo

<https://newzoo.com/insights/articles/the-global-games-market-will-generate-152-1-billion-in-2019-as-the-u-s-overtakes-china-as-the-biggest-market/>

**Exciting Market Overlap:**

**As we expand and develop our gaming and blockchain verticals, it is exciting to see the overlap of the users within those markets, and the opportunity for our growth.**

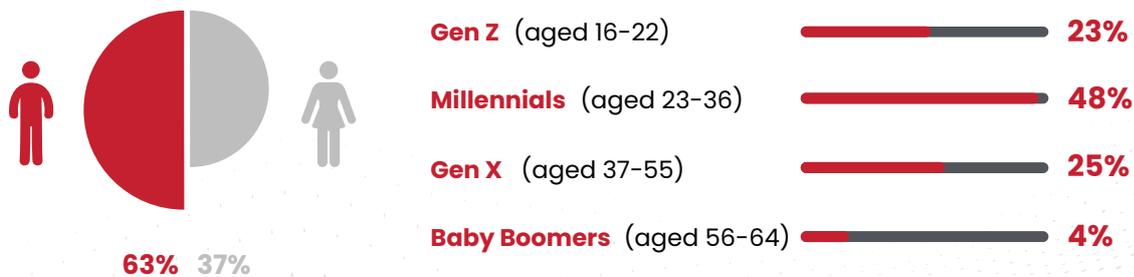
Looking at the customer demographics of the blockchain community, we see the largest percentage of engagement (per interaction with Bitcoin) falling within the 25-34 age range at 41%. This also overlaps well with some of the largest gaming age demographics.



As we see in this 2020 survey of 120,000 gamers from online researcher Global Web Index<sup>5</sup>, that the same majority of engaged cryptocurrency users also makes up the core of the gaming market.

**Gaming Demographics**

% of internet users gaming on any device who are...



Currently, in our gaming product we see a skew towards Gen X and fairly similar male to female representation.

<sup>5</sup> Global Web Index  
<https://blog.gwi.com/chart-of-the-week/gaming-trends-2020/>

## White Label Clients

### Alabama Services Provider Corp

Alabama Services Provider Corp (ASP) manages South East Educators, a US-based charity. We provide a social gaming platform to ASP to take charchingo.com to the market.

We license our social games and front-end player platform technologies to them in exchange for a revenue share. The charity conducts bingo games to help fund their work in the Southern United States.

### Game Play Network Inc

bSpot (Game Play Network Inc) is the partner that we take the Wild Ruby Racing Casino to market with. We license our social games and front-end player platform technologies to them in exchange for a revenue share.

### JBC Investments

We provide a social gaming Sweepstakes based gaming platform to JBC, taking loyalroyalcasino.com to market.

We license our social games and front-end player platform technologies to them in exchange for a revenue share. Loyal Royal Casino operates in 49 states across the USA.

### River's Edge

We provide a social gaming platform to River's Edge, through a license of our social games and front-end player platform technologies.

# Competitive Landscape

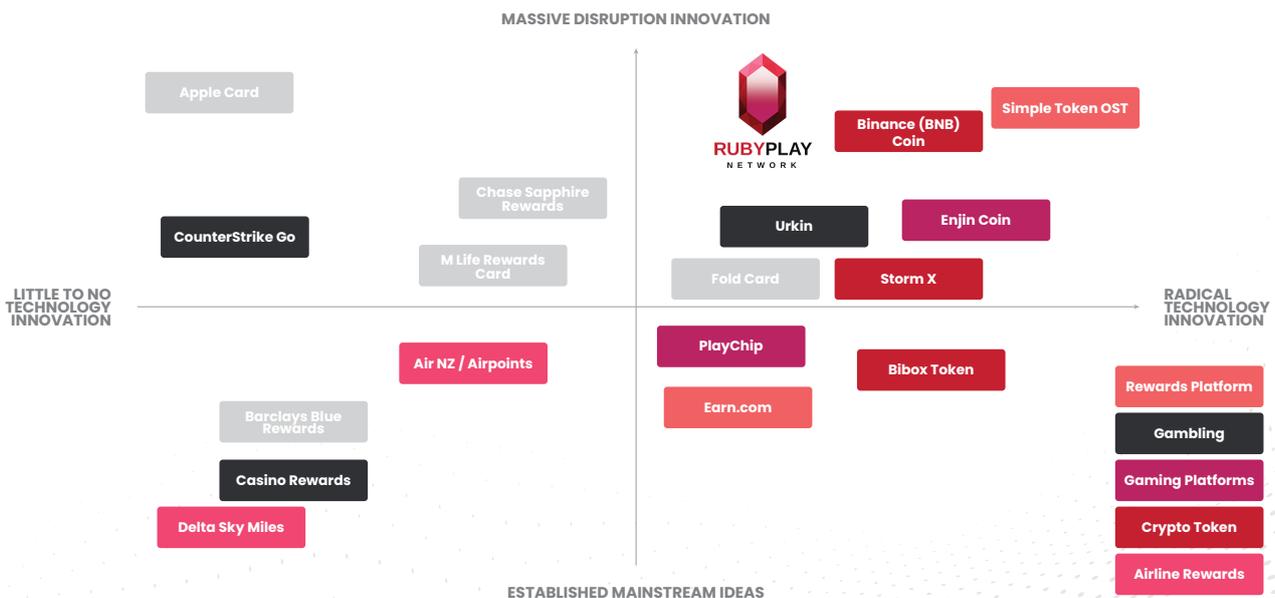
Because blockchain technology is an emerging technology there are few good competitors for Ruby Play Network. In this section we look at the implications of that, the next closest consideration and industry trends.

## Competition Framework

### Radical Technological Innovation

This represents the difficulty in the delivery or the quality, sophistication, and ambition of the working product (the reasoning here is that these go hand in hand, especially given the early stage of blockchain technology is largely untested, unscaled, and not proven).

## Disruptive Innovation Matrix



**A new disruptive innovation does not require radical technological change, rather it captures or adds value for the non-existent market or one that has been underserved largely due to leaders in market ignoring the customers' evolving needs & demands."**

Harvard Business Review, Dec 2015,  
**Clayton M. Christensen**

The more ambitious the project from a technology point of view, the more risk we see in the ability to capture and disrupt new markets due to the time it takes to get to market and capture the hearts of the users.

Note that drastic technological innovation does not guarantee innovation within the current market or guarantee more value for the customer.

### Massive Disruption Innovation

This is defined as how well it targets underserved gamers or unserved markets where well-established mainstream companies are absent, not addressing or completely ignoring the product and not creating a better solution fit.

## Points Program vs Blockchain Tokens

**An article on Nasdaq<sup>6</sup> reported that a typical U.S. household is enrolled in 19 to 29 different loyalty programs. However, only 5 to 12 loyalty programs are being actively used. This leaves over 50 percent of accumulated points, with an estimated worth of \$50 billion, unredeemed. Unclaimed rewards have the potential to create a huge financial liability to a company's balance sheet.**

A research report "Loyalty Big Picture", from global loyalty firm LoyaltyOne<sup>7</sup>, found that the total 2019 customer ecosystem is \$323 billion. That loyalty landscape includes \$126 billion in direct loyalty and customer relationship management, along with significant investment in technology and transaction enablers and customer engagement platforms.

In the rewards and loyalty space, the technology has dictated nomenclature i.e the name of the product should be unambiguous.

To date, projects that have been developed largely without the use of blockchain are referred to as Points & Rewards Programs, while those built on the blockchain referred to as Blockchain Tokens. This does nothing to distinguish which projects are truly disruptive and which are largely innovatively rebuilt models of old or existing rewards programs and loyalty schemes.

In truth, the blockchain does dictate some preference and bias in the functionality, but this is largely driven by the philosophy of the decentralized model and the absence of a third party or centralized model rather than technology itself. This is less true of the new blockchains that sacrifice the decentralized demands for drastically improved performance.

The Ruby Play Network and our Ruby token, provide our partners and customers a solution for this innovation appetite. The network is designed to plug into an existing system without the partner needing to develop or integrate an elaborate blockchain rewards infrastructure. The network will provide a simple API call that the partner can insert wherever they want to provide their customer rewards. The Ruby token itself is then controlled by the customer and not the company.

6. Nasdaq

<https://www.nasdaq.com/articles/can-blockchain-help-loyalty-programs-2017-02-28>

7. Loyalty Big Picture

<https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fgo.loyalty.com%2F%2F223662%2F2019-04-26%2F51z&sheet=51978483&newsitemid=20190503005033&lan=en-US&anchor=%E2%80%9CLoyalty+Big+Picture%2C%E2%80%9D&index=1&md5=fe40f605408b67b51bc569f809ee1fac>

Rewards/Loyalty Program Dimensions	Traditional Model: 'Points Program'	Blockchain/Token Model: 'Token or In Game Currency'
<b>Mechanism &amp; Transparency</b>	Mechanism & Transparency	Public and decentralized Easy to understand tokens are user agnostic and unencumbered.
<b>Value and utility for user</b>	Value and utility for user	Players own Tokens which represent real player utility value. Tokens are exchangeable for goods and services across the network.
<b>Company's stance on awarding rewards</b>	Company's stance on awarding rewards	Company wants players to have control and no expiry dates.
<b>Interest/objective</b>	Interest/objective	Powering network growth, building loyalty and retention.

## Competitor Types

### This section breaks down the traditional and blockchain rewards currently found in the market.

According to a report from KPMG<sup>8</sup>, integrating blockchain into existing loyalty programs is the best way to introduce tokenization to consumers. According to their recent survey, 82% of consumers are willing to use tokens as part of the membership of an existing loyalty program. Meanwhile, 81% would trust the use of tokens more readily if they are already a loyalty program participant.

**Examples are given for each of the categories found** (each one representing different and extreme polar opposites on the disruptive innovation scale).

8. KPMG

<https://www.ledgerinsights.com/kpmg-survey-blockchain-tokens-can-increase-consumer-loyalty/>

## **Airline points/rewards:**

**Air New Zealand in our opinion is one of the better airlines with AirPoints representing real cash value where one AirPoint is equal to one New Zealand dollar.**

AirPoints are easy to understand and earned based on distance and value spent (including shopping on Credit Card and with partners), and can be used on multiple products. Products are not limited to air travel, but also goods, upgrades, accommodation, and services. AirPoints are transferable, and owned by the user or appear to be at least.

DELTA's SkyMiles are on the opposite end with a convoluted formula for earning, mostly based on the cost of the ticket rather than anything else. SkyMiles are hard to redeem and restricted to only some flights and dates (usually more expensive ones), not transferable and the program was recently changed with many users complaining of losing value. In our opinion the expiry date of SkyMiles is also below average.

## **Gaming & Gambling Industry:**

**Casino Rewards Generic (any major casino) will have a series of conditions attached (playthrough), bonuses requiring minimum deposits, activity, and other conditions.**

They will often have very misleading mechanics and value, meaning that money won with bonus amounts will not be real money. Also, the amounts given will be small and based on the total collected on the Return To Player (RTP) of the game.

myVEGAS: This is the MGM exclusive property mobile casino game. Players earn reward points through gameplay that they can redeem for perks at the various MGM locations and partners.

## **Transactional and Financial rewards:**

**Apple Card appears to be a direct response to a user-centric approach** from Apple after its initial success built on ApplePay where they captured some of the underserved markets and were able to build the merchant network for its product. They now offer further benefits (backed by JP Morgan) and are going to disrupt the credit card industry (without blockchain technology).

## Examples of other Blockchain based loyalty platforms



Founded in 2018, KornChain is creating a blockchain-based global loyalty points exchange marketplace called Loyalt.



Is another system in development since 2018 that offers enterprises a plug-and-play solution to running their loyalty programs on the blockchain. However, they do not provide their own token for the program. Qiibee will run their partners rewards on their blockchain. To date they have been focused on European retail partners.



Founded in 2014, Loyyal was one of the earliest developers of blockchain-based loyalty and rewards solutions. Their platform is a B2B system where they are promoting a BaaS tool, (Blockchain as a Service).

**There are several other providers in the space, most of them we understand are focused on providing a B2B solution** to companies that host points on the blockchain but don't provide a token or alternatively they have purchased a large amount of an existing currency, like Satoshis (a small amount of a Bitcoin), and are giving them out as rewards. The concept of creating a new reward, like RUBYs is a natural advancement of the space that others have not yet created.

# Our Strategy

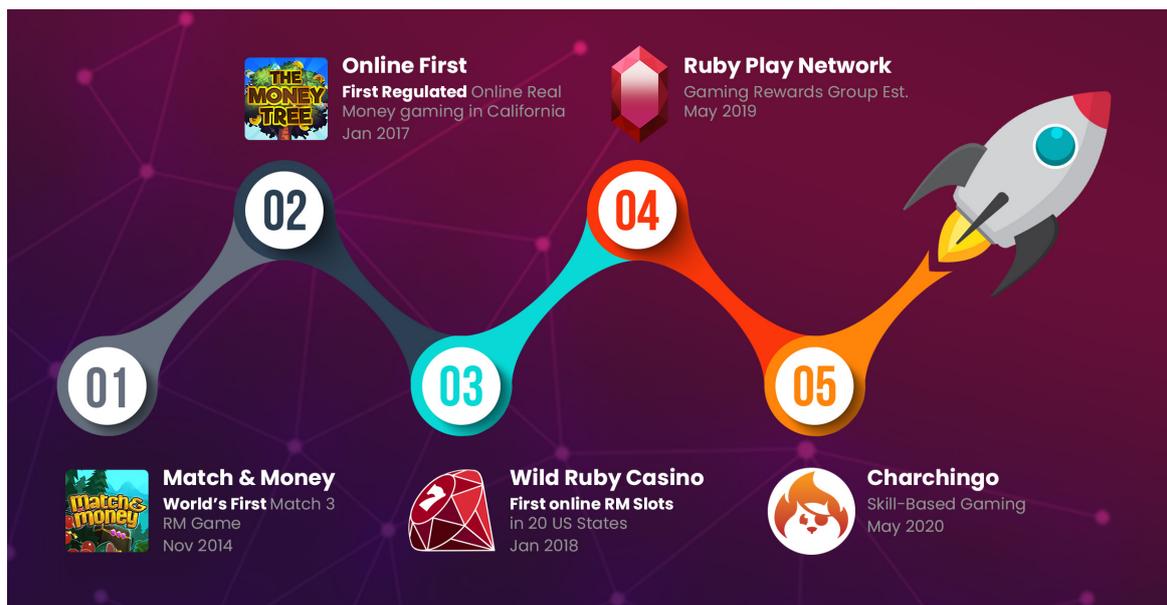
## Relentless Innovation

We have a long history of innovating in the gaming space. The team has delivered content that has helped rehabilitate brain damaged patients as well as gaming in education, VR, and gambling. In October of 2013, we split away from the highly successful CerebralFix business and began specializing in innovative game production aimed at addressing new market frontiers.

In 2014, we produced the world's first fully regulated Match-3 real money game, Match

& Money, beating companies such as MGM, GameCo, and Gamblit to market.

Running gaming platforms such as the Wild Ruby Racing Casino taught us the importance of giving good incentives for encouraging growth. This led to us establishing the Ruby Play Network in 2019 and incorporating Gaming Rewards Group Limited to become the holding group for both our gaming and rewards interests which are wholly owned subsidiaries of Gaming Rewards Group Limited.



**Our advantage is derived from the dual nature of our business group. We are both a blockchain program and a gaming business. With every element of strategy, we consider each of these independently.**

The primary goal of our gaming business is to rapidly grow gaming revenues, maximize EBITDA and create verticals to grow our rewards and exit these verticals at maximum returns.

The primary goal of our blockchain business is mass adoption of our Rewards program to drive the distribution of RUBY tokens. Currently, we have a centralized rewards platform that distributes 200,000 in game play points per week. Each point is comparable to one RUBY token.

## Gaming Growth Plan

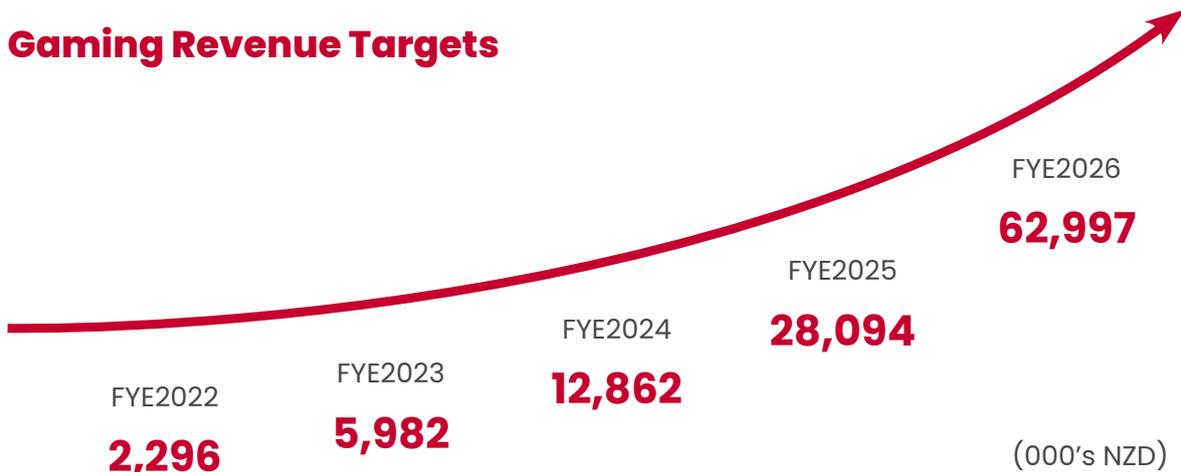
Our gaming growth strategy is straight forward, we will continue to license and/or white label our technologies and games to 3rd parties on a revenue sharing basis throughout America and then the world.

We have validated this approach via our current in-market partnership with Alabama Service Provider Corp by launching Charchingo. In this partnership Ruby Play Network owns all intellectual property, brand name, technology platform and all games within. The platform as a whole has proven

very successful due to its ease of use and compelling content within. Most importantly, the technology is very saleable as the technology has been built in a way that allows new white labels to be spun up and deployed commercially in a matter of days.

This program has also created demand for our platform and game technology, as currently our US based business development team is negotiating several new white label contracts. With each new platform deployed we expect to deliver a steep jump in revenue growth.

## Gaming Revenue Targets



### Key assumptions driving our revenue targets:

1. **The first two-year revenue projections** rely on closing and delivering a white label gaming solution every quarter.
2. **Revenues in years three to five** assume that:
  - We will continue to close and deliver one white label solution quarterly.
  - We can lower the cost of acquiring a customer to \$150 or below (current market trials have been in the \$250 range)
  - We can raise the Lifetime Value of a player to industry standard of \$3,500 (currently passing \$1,000).

## RUBY Adoption Growth Plan

### By growing the gaming revenue, we symbiotically grow the adoption of our token.

This is because more players participating in the network means we give away more RUBY tokens in order to give each player similar benefits. While we give away the rewards in a non-uniform fashion (through random prize

events in games) the more players, the more we need to do this in order to stimulate the same engagement levels, and therefore the same revenue levels, on a per player basis. We call this managing our unit economics.

It is worth noting that there is a finite supply of RUBY tokens and at the point our holdings of RUBYs are depleted we will be forced to buy back tokens from customers, investors, or any open market that may exist at the time, in order to continue using RUBYs as a means of stimulating engagement and revenue.

### Basic Token Model

### We use a small portion of revenue generated from our players to buy and distribute Ruby Play Tokens back to users.

The more the gaming business grows the more tokens are circulated, so token distribution is tied directly to the gaming revenue targets.



## Reward Tokens Distribution Targets

Distribution	FYE2022	FYE2023	FYE2024
	<b>1 BILLION</b>	<b>2 BILLION</b>	<b>3 BILLION</b>

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## Intellectual Property Strategy

**We ensure that we own and protect our creative and technology intellectual property (both creative and technological) within our licensing agreements.**

The intellectual property management of RUBY is largely built into the blockchain. We will only use, distribute and accept the blockchain-enabled smart contract that defines our token.

Wild Ruby Casino™ 1118012, Wild Ruby Racing Casino™ 1109285 and Ruby Play Network™ 1123582, are all registered trademarks within the protected class 41.

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## Strategic Use of Funds

**The funds raised from this offer will be initially used to support business operations until revenues grow to breakeven, forecasted Q3 of this financial year.**

Funding beyond this level will be used to attract more customers to the network. Capital will be spent on player acquisition channels such as marketing and PR as well as direct user acquisition through providers like Tapjoy, Facebook, Instagram, Twitter, Tik Tok, Groupon, Immobi, and a number of others as funding allows.

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## Exit Strategy

**Our exit strategy is to sell off gaming verticals as strategic acquisitions for gaming partners and organizations that wish to buy market intelligence (our player data) or market share in the markets we operate in.**

We have identified several such targets and will begin developing relationships with them over the next five years. Additionally, we have vetted a local banking firm as our USA broker of choice, their M&A activity in our industry is substantial, effective, and global. Currently, we do not plan to list on a stock exchange.

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## Dividend Strategy

**We do not plan to make any distributions to shareholders over the next 5 years.**

We will drive growth with the reinvestment of profits remaining focused on enterprise value against the exit strategy.

# Financial Information

## Profit & Loss

Gaming Rewards Group  
Financial Performance Forecast

All figures are in NZD

Financial year ending (March)	Actual FY 20	Forecasted FY 21	Forecasted FY 22	Forecasted FY 23	Forecasted FY 24	Forecasted FY 25	Forecasted FY 26
<b>Revenue</b>							
Revenue	7,273	203,195	2,296,019	5,982,533	12,862,447	28,094,983	62,997,711
<b>Total Revenue</b>	<b>7,273</b>	<b>203,195</b>	<b>2,296,019</b>	<b>5,982,533</b>	<b>12,862,447</b>	<b>28,094,983</b>	<b>62,997,711</b>
<b>Less Cost of Sales</b>							
Revenue Distributions	0	23,917	329,963	395,055	434,560	478,016	525,818
User Acquisition	341	580	105,488	240,000	264,000	290,400	319,440
<b>Total Cost of Sales</b>	<b>341</b>	<b>24,496</b>	<b>435,452</b>	<b>635,055</b>	<b>698,560</b>	<b>768,416</b>	<b>845,258</b>
<b>Gross Profit</b>	<b>6,932</b>	<b>178,698</b>	<b>1,860,568</b>	<b>5,347,478</b>	<b>12,163,886</b>	<b>27,326,566</b>	<b>62,152,453</b>
<b>Plus Other Income</b>							
Other Income	5,858	209,413	172,494	159,571	343,078	351,056	359,035
<b>Total Other Income</b>	<b>5,858</b>	<b>209,413</b>	<b>172,494</b>	<b>159,571</b>	<b>343,078</b>	<b>351,056</b>	<b>359,035</b>
<b>Less Operating Expenses</b>							
Consulting Fees	72,797	214,383	260,817	298,061	327,867	360,653	396,719
Employment Related Expenses	317,382	961,693	1,267,200	2,003,461	2,309,807	2,564,273	2,869,626
Outsourced Staff	0	0	312,516	312,074	324,557	337,539	351,041
Hosting & Licenses	5,325	27,965	83,578	77,841	85,625	94,187	103,606
Training	0	0	46,132	70,100	80,820	89,724	100,409
Overheads	37,925	58,322	52,171	92,431	137,639	181,495	205,837
Travel	991	2,073	1,450	120,000	150,000	200,000	250,000
Legal Fees	5,144	1,213	110,124	200,000	250,000	300,000	500,000
Capital Raising Costs	0	0	171,500	150,000	0	0	0
Token Rewards Program	0	0	30,000	170,000	500,000	1,000,000	250,000
<b>Total Operating Expenses</b>	<b>439,564</b>	<b>1,265,648</b>	<b>2,335,489</b>	<b>3,493,967</b>	<b>4,166,314</b>	<b>5,127,872</b>	<b>5,027,237</b>
<b>EBITDA</b>	<b>-426,774</b>	<b>-877,537</b>	<b>-302,427</b>	<b>2,013,083</b>	<b>8,340,650</b>	<b>22,549,751</b>	<b>57,484,251</b>
Depreciation	905	6,407	14,850	38,329	82,519	174,128	368,991
Interest	506	15,902	32,381	32,238	13,356	13,356	13,226
<b>Net Profit/(Loss) Before Taxation</b>	<b>-428,185</b>	<b>-899,846</b>	<b>-349,659</b>	<b>1,942,515</b>	<b>8,244,775</b>	<b>22,326,267</b>	<b>57,102,034</b>
Taxation	0	0	0	74,151	2,308,537	6,261,435	15,988,570
<b>Net Profit/(Loss) After Taxation</b>	<b>-428,185</b>	<b>-899,846</b>	<b>-349,659</b>	<b>1,868,364</b>	<b>5,936,238</b>	<b>16,100,832</b>	<b>41,113,465</b>

All 2021 entries are based on Consolidated Management Accounts for Gaming Rewards Group. Finalised Financial Statements are pending.

New Zealand Company tax is 28%. Losses will be applied to each profitable tax year until fully utilised in 2023.

Functions of accounting and support are outsourced to CerebralFix, Loot Winner & EPIC Westport.

## Balance Sheet

### Gaming Rewards Group Balance Sheet Forecast

All figures are in NZD

Financial year ending (March)	Actual FY 20	Forecasted FY 21	Forecasted FY 22	Forecasted FY 23	Forecasted FY 24	Forecasted FY 25	Forecasted FY 26
Bank	102,128	3,925	553,579	2,388,224	8,141,521	23,826,494	63,859,343
Accounts Receivable	0	96,434	97,700	107,167	230,408	503,273	1,128,494
Prepayments	0	1,400	0	0	0	0	0
<b>Total Current Assets</b>	<b>102,128</b>	<b>101,759</b>	<b>651,279</b>	<b>2,495,391</b>	<b>8,371,929</b>	<b>24,329,766</b>	<b>64,987,837</b>
Accounts Payable	82,377	64,518	119,055	178,110	212,384	261,401	256,271
<b>Total Current Liabilities</b>	<b>82,377</b>	<b>64,518</b>	<b>119,055</b>	<b>178,110</b>	<b>212,384</b>	<b>261,401</b>	<b>256,271</b>
<b>Working Capital</b>	<b>19,751</b>	<b>37,240</b>	<b>540,024</b>	<b>2,317,281</b>	<b>8,159,545</b>	<b>24,068,365</b>	<b>64,731,566</b>
Fixed Assets	3,784	13,247	30,702	79,243	170,602	359,999	762,866
Non-current Assets	303,554	208,485	208,486	208,486	208,486	208,486	208,486
Non-current Liabilities							
Convertible Debt Note (Founder)	745,274	914,667	914,667	914,667	914,667	914,667	914,667
Loans	0	460,165	473,521	473,794	471,179	468,565	421,168
<b>Total Non-current Liabilities</b>	<b>1,490,548</b>	<b>1,829,334</b>	<b>1,829,334</b>	<b>1,829,334</b>	<b>1,829,334</b>	<b>1,829,334</b>	<b>1,829,334</b>
<b>Net Assets</b>	<b>-418,185</b>	<b>-1,115,859</b>	<b>-608,976</b>	<b>1,216,548</b>	<b>7,152,787</b>	<b>23,253,619</b>	<b>64,367,083</b>
<b>Equity</b>							
Current Year Earnings	-428,185	-899,846	-349,659	1,868,364	5,936,238	16,100,832	41,113,465
Retained Earnings	0	-428,185	-1,328,032	-1,677,690	190,674	6,126,912	22,227,744
Paid Up Capital	10,000	212,173	545,714	545,714	545,714	545,714	545,714
New Equity	0	0	370,000	370,000	370,000	370,000	370,000
<b>Total Equity</b>	<b>-418,185</b>	<b>-1,115,859</b>	<b>-608,976</b>	<b>1,216,548</b>	<b>7,152,787</b>	<b>23,253,619</b>	<b>64,367,083</b>

Non-current liabilities consist of

1. A Founder convertible debt note where GRG has the right to convert to equity after the repayment date (1<sup>st</sup> July 2024).
2. Government funded Covid-19 relief initiatives which are long-term and low interest.

Negative equity occurs because of the use of a convertible note.

## Cashflow Forecast

### Gaming Rewards Group Cashflow Forecast

All figures are in NZD

Financial year ending (March)	Forecasted FY 21	Forecasted FY 22	Forecasted FY 23	Forecasted FY 24	Forecasted FY 25	Forecasted FY 26
Opening Cash Balance	10,128	3,925	553,579	2,388,224	8,141,521	23,826,494
EBITDA	-877,537	-302,427	2,013,083	8,340,650	22,549,751	57,484,251
Interest	-15,902	-32,381	-32,238	-13,356	-13,356	-13,226
Working Capital	-115,693	54,671	49,588	-88,968	-223,848	-630,352
CAPEX	-15,870	-32,305	-86,869	-173,878	-363,525	-771,859
Loan Movements	460,165	13,356	273	-2,615	-2,615	-47,396
Taxation	0	0	-74,151	-2,308,537	-6,261,435	-15,988,570
Convertible Debt Note (Founder)	264,462	0	0	0	0	0
New Capital & Equity	202,173	703,541	0	0	0	0
<b>Closing Cash Balance</b>	<b>3,926</b>	<b>553,579</b>	<b>2,388,224</b>	<b>8,141,521</b>	<b>23,826,494</b>	<b>63,859,343</b>

Loan Movements is made up of COVID loan drawdowns, interest and principal, repayments.

This information memorandum contains forward-looking statements and forecasts. These reflect our current expectations, based on what we think are reasonable assumptions. But for any number of reasons the future could be different – potentially materially different. For example, assumptions may be wrong, risks may crystallise, unexpected things may happen. We give no warranty or representation as to our future financial performance or any future matter.

## Existing Convertible Note

	Principal	Interest	Total	Conversion Shares
<b>MP &amp; ST Dellaca Family Trust Convertible Loan - 13 May 2021</b>	\$595,000.00	\$ 10,000.00	\$ 605,000.00	132,267
	Principal	Interest	Total	Conversion Shares
<b>Forecast Dellaca Convertible Loan - 1 July 2024</b>	\$850,000.00	\$ 42,000.00	\$ 892,000.00	192,826

### Notes:

1. Principal and interest are repayable by the company in one lump sum after 1 July 2024.
2. Conversion to ordinary shares is at the company's option after 1 July 2024.
3. Conversion price is the lowest price per share in any round where ≥US\$3M was raised.
4. The number of conversion shares above assumes a conversion price of NZ\$4.57.
5. No conversion is expected prior to 1 July 2024 (at the company's option).
6. No conversion or dilution has been included in the cap table below.

## Capitalisation Table

Shareholder	Pre Offer		Minimum Raise (\$370K)		Maximum Raise (\$3.3M)	
	Shares	%	Shares	%	Shares	%
<b>Benjamin Dellaca Family Trust</b>	2,000,000	21.78%	2,000,000	21.59%	2,000,000	20.14%
<b>Cadillac Family Trust</b>	2,000,000	21.78%	2,000,000	21.59%	2,000,000	20.14%
<b>Edwards Family Trust</b>	2,000,000	21.78%	2,000,000	21.59%	2,000,000	20.14%
<b>MP &amp; ST Dellaca Family Trust</b>	2,000,000	21.78%	2,000,000	21.59%	2,000,000	20.14%
<b>Elrae Lodge Family Trust</b>	500,000	5.45%	500,000	5.40%	500,000	5.03%
Tayleesha-Larrie Anderson Becker	300,000	3.27%	300,000	3.24%	300,000	3.02%
Binance	100,000	1.09%	100,000	1.08%	100,000	1.01%
Patrick Brian McLaughlin	100,000	1.09%	100,000	1.08%	100,000	1.01%
Slipstream Holdings LLC	100,000	1.09%	100,000	1.08%	100,000	1.01%
CerebralFix Limited	60,000	0.65%	60,000	0.65%	60,000	0.60%
Steve Smallman	20,000	0.22%	20,000	0.22%	20,000	0.20%
Rod McColl	2,179	0.02%	2,179	0.02%	2,179	0.02%
New Shareholders			80,891	0.87%	749,987	7.55%
<b>Totals</b>	<b>9,182,179</b>	<b>100.00%</b>	<b>9,263,070</b>	<b>100.00%</b>	<b>9,932,166</b>	<b>100.00%</b>

### Notes:

1. Bold denotes preference shareholders.
2. Ownerships does not account for Dellaca Convertible Loan.
3. Includes, equity as payment in kind for bringing investors into this round. The total equity offered shall not exceed the total value of \$35k.
4. The holdings above do not account for the Dellaca Convertible Loan or the equity incentive arrangements disclosed on page 36.

# The Gaming Rewards Group Limited Offer

## Key Offer Details



**\$3.4M**

\$3.43m is on offer as Sale of Shares with Token Rights

Pre-money Valuation - **\$42 million.**  
Minimum Funding Target - **\$370,000**  
Maximum Funding Cap - **\$3,430,500**  
Minimum Equity Offered - **0.87%**  
Maximum Equity Offered - **7.55%**  
Share Price - **\$4.57**  
Minimum Investment - **\$1,000.**  
Duration of the Offer - **30 days.**

## Valuation



**\$42m**

Company Valuation \$42m

To better understand the group valuation please refer to the Valuation Section found on pages 30 - 32.



**\$4.57**

Share Price \$4.57 per share

## Type of Shares on Offer

Gaming Rewards Group is offering Ordinary Shares to be held on trust by a nominee for the benefit of the investor. The shareholder rights which will attach to the Ordinary Shares are set out in the Constitution for Gaming Rewards Group.

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## Type of Shares on Offer

Gaming Rewards Group is offering Ordinary Shares to be held on trust by Snowball Nominees Limited (**Nominee**) for the benefit of the investor. The shareholder rights which will attach to the Ordinary Shares are set out in the Constitution for Gaming Rewards Group.

### Holders of Ordinary Shares have:

- **Equal ranking with all other Ordinary Shareholders**
- **The right to an equal share in dividends authorised by the board**
- **Certain shareholder information rights (but not voting rights)**
- **Pre-emptive rights on share issues and transfers (subject to certain exceptions)**
- **Tag along rights on the sale of a controlling interest (50%+) of Gaming Rewards Group**

Holders of Ordinary Shares have the right to an equal share in the distribution of surplus assets of Gaming Rewards Group, subject to the rights of preference shareholders set up in clause 23 of the constitution. Holders of Ordinary Shares are also subject to drag along rights (set out in the clause 12 of the Constitution).

The Subscription Agreement and Constitution set out other terms that will apply to a shareholding in Gaming Rewards Group. You should read these documents carefully before subscribing for Ordinary Shares under the Offer.

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## Nominee Shareholding Structure

We are making use of a nominee shareholding structure to simplify the share register and prevent Gaming Rewards Group from becoming a “Code Company” for the purposes of the Takeovers Code in the future. In broad terms, a company becomes a Code Company when it has 50 or more (voting) shareholders and share parcels and it (including subsidiaries) has total assets of at least \$30 million or total revenue of at least \$15 million at the end of its last financial year. Shareholders of Code Companies can be restricted in how and when they are able to transfer their shares. Given its forecast growth, the Gaming Rewards Group directors do not believe it is in the best interests of the company, its existing shareholders, or investors in Gaming Rewards Group to become a Code Company and bear increased compliance costs.

The Ordinary Shares to be issued by Gaming Rewards Group are to be issued to the Nominee, who will hold legal title to those Ordinary Shares on trust for the relevant beneficial owner of those Ordinary Shares (i.e. the investor). The full terms on which the Nominee will hold the Ordinary Shares are set out in the Nominee Deed Poll (which forms part of the Offer Documents).

### In broad terms, the Nominee must:

- **Act in accordance with the relevant beneficial owner’s instructions**
- **Account to the relevant beneficial owner for all proceeds from the relevant Ordinary Shares (e.g. dividends or distributions received)**
- **Deliver notices, letters, reports, demands, offers, agreements and other documents and communications received by the Nominee to the relevant beneficial owner.**

Under the Nominee Deed Poll, each beneficial owner indemnifies the Nominee against any losses, damages, costs, actions, proceedings, claims and demands that may be made against or incurred by the Nominee as a result of it holding the Ordinary Shares under the Nominee Deed Poll (unless the Nominee has been fraudulent or grossly negligent).

# Gaming Rewards Group Valuation

**In the final analysis, the intangible value of the business to an investor beyond the Future Enterprise Value (EV) approach is down to their own evaluation of Gaming Rewards Group and the potential growth of the Ruby Play Network and the RUBY Token in terms of the customer value it captures and its future potential adoption outside of the Ruby Play Network.**

- **We believe Ruby Play Network has gained first mover advantage** in a dynamically challenging sector and is poised for significant growth. It intends to consolidate this position by scaling the player base (via User Acquisition) within Charchingo and gain more players by leveraging 123Gaming.
- **Ruby Play Network has the feel of a start-up** and is an exciting mixture of seasoned professionals bringing together various verticals it has nurtured, scaled or acquired.
- **Setting a dollar figure on the true value is very subjective and has many intangible factors to consider.** The value methodology approach uses future Enterprise Value (EV).
- **The detailed forecasting model** is within the Financial Section of this document.
- The table below shows our estimate of the 5-year growth from which a valuation of \$337m is reached based on a Future EV

	FY22	FY23	FY24	FY25	FY26
Net Profit/(Loss) after Taxation Forecast	-\$349,659	\$1,868,364	\$5,936,238	\$16,100,832	\$41,113,465
Valuation @ 8.2				<b>\$132,026,822</b>	<b>\$337,130,413</b>

## Gaming Growth Plan

**This investment opportunity is predicated on the future Enterprise Value (EV) that Gaming Rewards Group hopes to realise through the Ruby Play Network.** It also reflects the confidence that the directors have in achieving the target valuation given the significant experience of the management team.

All modelling and analysis has been informed through many years of leading in the social mobile space with some of the biggest brands in the world, competing in the highly competitive UK gaming sector and gaining first mover advantage in a \$6bn US addressable market for Online Mobile Gaming.



“

***Online is still nascent; estimated to grow to c \$6bn GGR in medium term”***

The EDISON Industry Report (Appendix B)

Scaling and growth expectations in terms of user acquisition and revenue require sensitivity analysis and an appreciation of the significant defensible advantages Ruby Play Network has created.

Gaming is a global market that is dominated by large operators who have identified the US as an important future growth market, where regulation of online gaming and sports betting is commencing on a state-by-state basis. We believe that Ruby Play Network is ahead of these large operators,

who will still be struggling to enter key states such as California, Florida and New York within the next 4 years.

Appendix A contains the M&A activity in consolidating the market where the big players are growing by acquisition. For example, Flutter Entertainment acquired the Stars Group in a deal that created the largest online gambling entity in the US (Flutter is the company that owns Paddy Power, Betfair and FanDuel. Stars Group owns PokerStars and Sky Bet).

The EDISON Industry Report: Online Gaming Sector: Diversification and Scale for Online Success published in July 2019 (Appendix B) validates many of the key market size, strategic direction and opportunities identified. **The view from Edison was that valuations remain attractive with 8.2x EV's:**

“

***Success will depend on a combination of scale, diversification, proprietary technology and a strong balance sheet. Many of the 12 operators in this report should benefit from these dynamics and sector valuations remain attractive, at 12.6x P/E, 8.2x EV/EBITDA and 6.0% dividend yield for FY19.”***

The first mover advantage is also significant in terms of lower acquisition costs for each new player. An example comes from FanDuel who have online gaming verticals active in the 3 legal states, but they are unable to gain access to the markets we operate in and subsequently cannot match the significantly lower cost of acquisition results our platform gains.

At present we believe that Game Play Network and ourselves are the only real money online casinos currently permitted to use Facebook campaigns for real money gambling advertising within the US (except Nevada, New Jersey & Delaware).

Scale in terms of product development, technology and operations is well known to the team (products delivered with 100+ million downloads).

In addition to growth and scale modelling factors, Gaming Rewards Group also has a deep understanding of all OPEX challenges, including recruitment, tech development, distribution and partnerships.

The OPEX modelling also reflects the advantages of having a lean business model that keeps costs low by using third party suppliers to provide heavily regulated/compliant platforms, payment processing and back end technical services.

**The success of the other verticals will be evaluated not just by their individual revenue but in their ability to attract customers within the Ruby Play Network as they in effect act as an internal affiliate to drive Token use and gamers to the most profitable verticals.**

## Governance

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**Jason Lee**  
Independent Director



**Benjamin Dellaca**  
Executive Director



**Jeremy Cadillac**  
Executive Director

**Jason Lee serves as the Independent Director of Gaming Rewards Group.**

Currently, Jason is the C.O.O of the prestigious Algorand Foundation, which we consider a well-respected protocol in the blockchain industry. Previously, Jason was the Vice President for the NEM Foundation, serving as Board Director, Executive Committee, and Council Member. As an advocate for emerging technologies, he was recognized as a Forbes 30 Under 30 Asia 2018 list-maker.

Jason is also an advisory board member for the Blockchain Philanthropy Foundation and a founding member of the FinTech Association of Malaysia and the ASEAN FinTech Network. He has been a mentor, speaker, and leader with his views featured on Bloomberg TV and Sky News.

Jason is also a Board Member of Blockchain Australia.

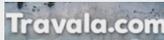
**Ben and Jeremy are both Executive Board Members.**

## Advisory Team

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**Caleb Yeoh**



Caleb is a Blockchain industry veteran, he founded TravelByBit in Australia and then became a founding member of Binance Australia. Recently Caleb has also been an advisor to the successful Travala blockchain travel business. Caleb advises on Tokenomics, strategic partnerships, and communications.

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**David Oh**



David Oh is an intellectual property lawyer by trade, known for his IP management systems that he has rolled out across the APAC region. David is also the founder of CopyrightBank, one of the earliest platforms utilizing blockchain to protect intellectual property in digital works. David advises on DeFi, intellectual property, and business modelling.



## Team Disclosures

### Remuneration of senior management and directors.

Ben Dellaca (CEO), Gwyn Edwards (CTO), and Jeremy Cadillac (COO) are remunerated at **\$150,000 per annum.**

### Related party disclosures.

Ben Dellaca and Jeremy Cadillac are also directors of partner companies EPIC Westport Limited, Lootwinner Limited, and CerebralFix Limited.

### Employee options or share-based incentives.

- All founders and staff have token rights as per the RUBY Token Register.
- An ESOP may be established in future funding rounds.

## RUBY Token Register

<b>Group 1</b>	Investor Reward Allocation	651,078,431	Over 1 Year
<b>Group 2</b>	Allocation for Advisors	225,000,000	Over 1 year
<b>Group 3</b>	Allocation for 123 Stakeholders	835,912,782	Over 5 Years
<b>Group 4</b>	Staking Reward Allocation	136,051,563	Over 5 years
<b>Group 5</b>	Allocation for Staff	2,000,000,000	Over 5 years
<b>Group 6</b>	Treasury	5,151,957,224	
<b>TOTAL</b>		<b>9,000,000,000</b>	

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## Future Funding

Future funding rounds are subject to identifying greater opportunities for growth. We anticipate that in any such round the valuation would be set higher, however that cannot be guaranteed. All ordinary shareholders will have pre-emptive rights on new issues of shares (subject to the exceptions set out in the constitution).

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## Share Registry Management

Orchestra<sup>9</sup> will manage the Gaming Rewards Group share registry.

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## Nominee Management

Snowball Nominees Limited will manage the Gaming Rewards Group Nominee company.

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## Commissions

Gaming Rewards Group has agreed to offer equity as an incentive to certain stakeholders for bringing other investors into this round, with such incentives to be triggered on successful issuance of new shares to these new investors. The total equity offered as incentive shall not exceed the total value of \$35k in this round (maximum 7,652 shares). These arrangements only apply to this round and do not apply to future rounds.

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9. Orchestra  
<https://www.orchestra.co.nz/>

10. Snowball Effect Limited  
<https://www.snowballeffect.co.nz/>

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## Shareholder Communication

A half yearly Investor report will be distributed through [orchestra.co.nz](https://www.orchestra.co.nz).

From time to time we may also deliver special updates, announcements on new features, products, and the like.

We may use Telegram and WhatsApp channels for more direct communications.

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## Legal, Accountings and Support

- **Accounting:** PricewaterhouseCoopers (PWC)
- **Legal:**
  - Duncan Cotterill (Company)
  - MinterEllisonRuddWatts (Blockchain & Token)
  - James Stevens (US Attorney at Law)
- **Banking:** BNZ & NBS

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## Litigation & Disputes

There are no past or current litigations or disputes known to the Directors or Management.

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## Snowball Effect Fees

Snowball Effect<sup>10</sup> charges a fee, if the company successfully reaches its minimum funding target, of up to 7.5% of the funds raised (subject to a minimum fee).

## Wholesale Investors

We have the ability to raise up to NZ\$2,000,000 in any 12-month period by offering shares to the New Zealand public (**Retail Investors**) through a licensed marketplace like Snowball Effect.

We have already raised \$69,500 from Retail Investors via the small offers exemption in the past 12 months, so we can only raise up to \$1,930,500 from Retail Investors as part of this capital raise. The balance of the capital raise must come from wholesale investors within the meaning of the Financial Markets Conduct Act 2013, Schedule 1, Clause 3.

Visit <https://www.snowballeffect.co.nz/investing/wholesale-investors> to find out if you qualify as a Wholesale Investor.

## Share Buy Back

Around 19 July 2021 Gaming Rewards Group completed a buy back of 817,821 shares from Jeremy Cadillac and Benjamin Dellaca for nominal value (\$1.00). The buy back was approved by all shareholders in accordance with section 107 of the Companies Act.

The buy back shares were originally issued for nominal value and could be transferred to new shareholders free of pre-emption rights under the constitution. This mechanism allowed the founders to easily obtain new investment in Gaming Rewards Group during its early stages.

The reason for completing the share buy back before this round was to remove this parcel of shares so that Gaming Rewards Groups' pre-emption regime is market standard for shareholders going forward.

## International Investors

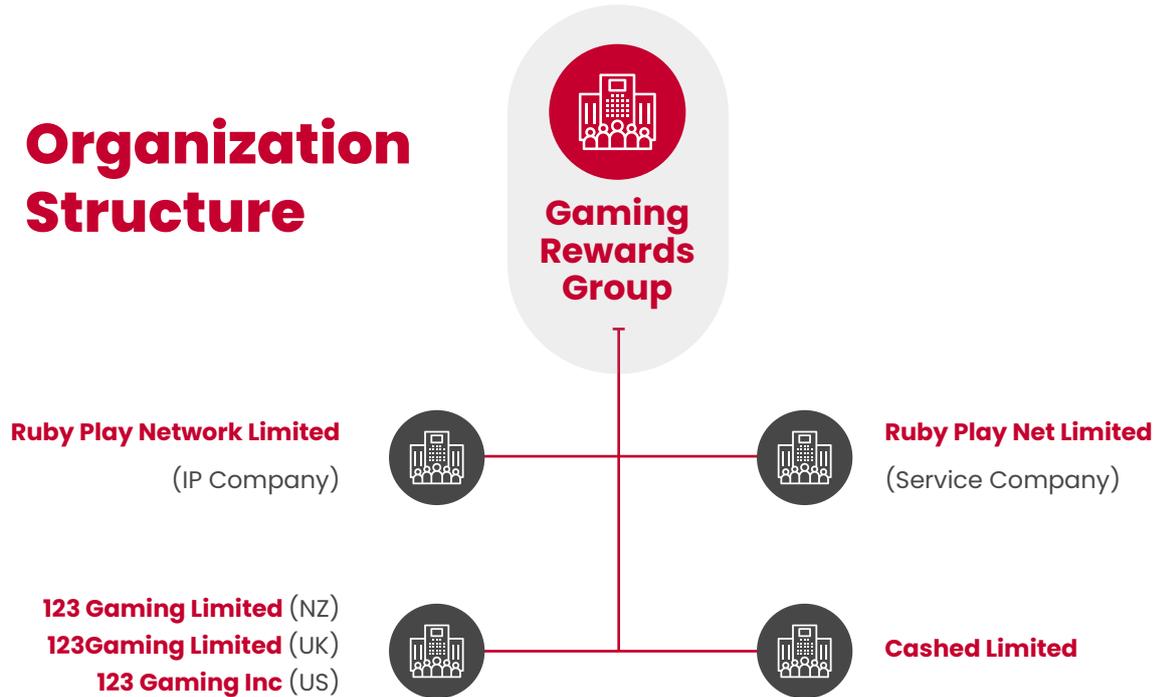
The distribution of this offer outside of New Zealand may be restricted by law. This is not intended to, and does not, constitute an offer of securities in any place which, or to any person to whom, the making of such offer would not be lawful under the laws of any jurisdiction outside New Zealand.

This includes, but is not in any way limited to, Australia and the United States.

It is the responsibility of any Snowball Investor to ensure compliance with all laws of any country outside New Zealand relevant to their subscription, and any such Snowball Investor should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to apply for securities pursuant to each offer. The failure to comply with any applicable restrictions may constitute a violation of securities law in those jurisdictions.

The securities in each offer have not been and will not be registered under the US Securities Act or the securities laws of any state of the United States.

# Organization Structure



## Gaming Rewards Group – Ultimate holding company for the Ruby Play Network

**Executive Directors:** CEO – Benjamin Dellaca COO – Jeremy Cadillac – Jason Lee  
**Non-Executive Director**

- Holds all insurance and equity in all subsidiaries.
- Employs Executive Directors.
- Investment introduced and Debt funding held at this level.
- Debt may be held within subsidiaries.
- Investment/JV's will be considered for subsidiaries.

## Ruby Play Network – Controls the Ruby Rewards Token Ecosystem

- Owns/Licenses all Blockchain, technology, and game related IP/Trademarks.
- Controls the Token creation, storage, security, distribution, transaction, and management.
- Controls all revenue, Tax, and regulations related to the Token.
- Holds no physical assets and all work is contracted to Ruby Play Net or 3rd Parties.
- Establishes all policies/compliance, controls, and audits for the token ecosystem with 3rd parties and the Verticals within the Ruby Play Network.

## Ruby Play Net – Services Company to GRG and Ruby Play Network & Subsidiaries

- Employs all staff that are assigned to Ruby Play Network and/or its Verticals
- Ruby Play Net provides operational support to the Ruby Play Network to operate the Platform. Support includes providing employees and use of premises.
- From time to time, they may be contracted out to 3rd parties as part of a Joint Venture or a work for hire basis where it furthers the learning or opportunity for the group.

## Risk Register

Identified Risks	Risk Mitigation
<p><b>Not retaining talent (staff) within the business represents a major risk.</b></p>	<p>We recognize that we currently have excellent development talent within the business. In order to retain this talent, all staff have a vesting Token Right over the next three years. An ESOP may be established in future funding rounds.</p>
<p><b>Blockchain Talent Shortages</b></p>	<p>We have increased our solidity training program within our business and will look to scale these skills through the development core during 2021.</p> <p>We do have access to external contracts, these will be used as a backup.</p>
<p><b>IP / Competitor Risks</b></p>	<p>Gaming is a difficult space to protect IP, as the industry is built on copying other games. The RUBY token is our competitor risk mitigation in that the actual token itself can not be copied. While knock-off tokens can be created redemption will only ever respond to the contract address of our token.</p> <p>We try to protect our intellectual property rights by relying on trademark and copyright protection, confidentiality laws and contractual protections.</p>
<p><b>Scaling in a COVID-19 world is difficult for our business as we have relied on traveling business development officers based in New Zealand</b></p>	<p>We already have beachhead programs live in all major markets we need to be in to meet our projections, so this focuses the challenge solely on that of player acquisition. To address this, we now have a group Player Success Team, a group Communications Department and a group Marketing Department.</p> <p>Additionally, we now have a US based business development team actively negotiating new partner contracts.</p>
<p><b>Expenditure Forecasts / Budget Risks.</b></p>	<p>Traditionally, we have been accurate at budgeting, particularly with forecasts in the 2-year range. Past this point, the risk that forecasts are incorrect increases dramatically. We apply generally accepted accounting principles to try to ensure that our forecasts remain accurate.</p>
<p><b>Governance Risks</b></p>	<p>Up to now Jeremy Cadillac and Benjamin Dellaca have led, as the sole Directors of the Group. During this round, we have identified and appointed an Independent Director in Jason Lee.</p> <p>In addition to Mr. Lee's direction, we will also call upon our advisory board and the support we have been receiving from the New Zealand Trade &amp; Enterprise agency.</p>

Identified Risks	Risk Mitigation
<p><b>Revenue forecast risk. Forecast or estimated growth rates may not be accurate, in whole or part, or ever materialise</b></p>	<p>We have taken several actions to validate revenue projections contained within this document. Firstly, we have built out several gaming platforms and launched them to test how well they generate revenue. Secondly, we have conducted a number of tests to understand the cost of acquiring new players to our products in order to project the cost of scaling. Thirdly, we have operated and maintained these gaming platforms for a period of time. While we have taken these efforts to validate our business these forecasts cannot consider the actual effects of scale or unforeseen difficulties and by no means constitute a guarantee that they will be met. Further, underlying markets could decline, overall growth rates could be slower than anticipated and anticipated trends could fail to materialise.</p> <p>If any of the assumptions underlying our strategy are inaccurate or fail to materialise that could have an adverse impact on our business, operating results and financial condition.</p>
<p><b>The risk that we do not raise enough money.</b></p>	<p>We have honed our projections to the smallest raise level that we can still have confidence in meeting targets. This level constitutes the minimum raise of \$370k. Every dollar raised above this will be used to scale faster. Mainly this will be done by buying in players through affiliate partners and advertising platforms in a revenue positive way.</p>
<p><b>Change in the regulatory landscape concerning gaming, bears the potential to shutdown our gaming platforms.</b></p>	<p>We are experienced at dealing with relevant US regulatory frameworks and instructing professional advisors who are experts in this area. We have built our platform and technology to be able to effectively swap out one regulatory framework for another. For example, if Bingo is no longer a viable option for generating real money prizes, we could quickly change to a sweepstakes model to continue generating real money prize outcomes for players.</p>
<p><b>Change in the regulatory landscape concerning the classification of the RUBY token by the Financial Markets Authority.</b></p>	<p>We take advice from Minter Ellison Rudd and Watts, as to the correct treatment of our token under the FMA. While we are steadfastly committed to issuing tokens from New Zealand, we note that it can be deployed from other jurisdictions if required.</p>
<p><b>Change in the regulatory landscape concerning the taxation of the RUBY token, bears the potential to create a large liability for the company.</b></p>	<p>We take advice from EY as to the correct treatment of taxation. While we are steadfastly committed to issuing tokens from New Zealand, we note that it can be deployed from other jurisdictions if required.</p>

## RUBY Token Risks Statement

### Acquiring, holding, using and disposing RUBYs and using the platforms, whether associated with the Website or not, involve risks, some but not all of which are set out below.

These risks, and any additional risks not described below, arising either now or in the future, could result in your RUBY tokens being lost. You must consider carefully whether the risks set out below, as well as all other applicable risks associated with a relevant platform are acceptable to you prior to acquiring RUBYs. You must seek professional advice (legal, taxation, financial, technical or otherwise) regarding your particular situation before acquiring, holding, using or disposing of RUBYs.

**Volatility of RUBYs.** The value of RUBYs may be highly volatile. Factors such as market dynamics, regulatory actions and changes, technical advancements, as well as broader economic and political factors, may cause the value of your RUBYs to change significantly over a short period of time. In addition, there may be insufficient liquidity to support an active market in RUBYs, or the market in RUBYs may become susceptible to market manipulation.

**Liquidity.** Markets for RUBYs have varying degrees of liquidity. Thin markets can amplify volatility. There is never a guarantee that there will be an active market for you to sell, buy, or trade RUBYs or products derived from or ancillary to them. Further, any market for RUBYs may abruptly appear, vanish or be removed from an exchange.

**Tax treatment and accounting.** The purchase and sale of RUBYs may be subject to the tax laws in any applicable jurisdictions. The tax treatment and accounting of transactions in relation to RUBYs is uncertain and a largely untested area of law and practice that is subject to prospective and retroactive changes without notice. Tax treatment of RUBYs may vary across jurisdictions and you are solely responsible for understanding how RUBYs will be taxed under the laws applicable to you.

**Regulatory risk:** The legal status of RUBYs may be uncertain. This means the implications of issuing, buying, holding, using and selling RUBYs will not be certain. The legal treatment of RUBYs may vary across jurisdictions and you are solely responsible for understanding how RUBYs will be treated under the laws applicable to you in all respects.

**Reliance on the internet.** RUBYs, the Website and any related or third-party platform rely heavily on the internet. However, the public nature of the internet means that either parts of the internet or the entire internet may be unreliable or unavailable at any given time. Further, interruption, delay, corruption or loss of data, the loss of confidentiality in the transmission of data, or the transmission of malware may occur when transmitting data via the internet.

**Reliance on technology.** RUBYs rely on sophisticated software applications, many of which in turn rely on unpermissioned blockchains or similar or competing technology. RUBYs currently exist on the Binance Smart Chain and therefore rely on the Binance Smart Chain network. The Binance Smart Chain network and most other similar technology is open-source software that is built upon experimental technology, namely blockchain. Risks arising from technology include (but are not limited to): (a) the existence of technical flaws; (b) targeting by malicious persons; (c) majority-mining, consensus-based or other mining attacks; (d) changes in consensus protocol or algorithms; (e) decreased community or miner support; (f) rapid fluctuations in the value of the underlying crypto; (g) the existence or development of competing networks and platforms; (h) the existence or development of “forked” versions; (i) flaws in the scripting language and code;; (j) disputes between developers, nodes, miners and/or users; and (k) regulatory action. RUBYs may in the future migrate (in whole or in part) to other blockchains which are likely to have the same or similar risks as the Binance Smart Chain network.

**Cryptographic advancements.** Developments in cryptographic technologies and techniques, including the advancement of artificial intelligence and/or quantum computing, pose security risks to all cryptography-based systems, including RUBYs. Applying these technologies and techniques to RUBYs and/or a platform may result in theft, loss, disappearance, destruction, devaluation or other compromises of your RUBYs, the platform or your data.

**RUBYs transactions.** RUBYs transactions on unpermissioned blockchains are irreversible and entities like Gaming Rewards Group will not be able to reverse or recall any such transaction once initiated. You bear all responsibility for any losses that may be incurred in connection with sending RUBYs to an incorrect or unintended address.

**Source code changes and flaws.** The various source codes used in RUBYs and associated platforms is subject to change and may at any time contain one or more defects, weaknesses, inconsistencies, errors or bugs.

**No anonymity.** Your participation in receiving, holding and transferring RUBYs and/or use of a platform will not be anonymous on the the Binance Smart Chain (or other) network. Your address and such participation will be recorded on an unpermissioned blockchain like Ethereum. It is possible for people, including regulatory authorities, to match your addresses to your identity.

**Loss of private key is permanent and irreversible.** You alone are responsible for securing your private key to your wallet which holds RUBYs. Losing control of your private key will permanently and irreversibly deny you access to your RUBYs. Neither we nor any other person will be able to retrieve or protect your RUBYs. Once lost, you will not be able to transfer your RUBYs to any other address or wallet. You will not be able to realise any value or utility that the RUBY may hold now or in future.

**Targeting of RUBYs, blockchains and platforms by malicious persons.** RUBYs, blockchains and platforms may be targeted by malicious persons who may attempt to steal RUBYs or otherwise interfere with the correct operation of a platform. This includes (but is not limited to) interventions by way of: (a) distributed denial of service; (b) Sybil Attacks; (c) phishing; (d) social engineering; (e) hacking; (f) smurfing; (g) malware; (h) double spending; (i) majority-mining, consensus-based or other mining attacks; (j) misinformation campaigns; and (k) spoofing.

**Targeting by malicious persons.** Malicious entities may target you in an attempt to steal any RUBYs or cryptocurrencies that you may hold, or to claim any RUBYs that you may have purchased. This may involve unauthorised access to your wallet, your private keys, your RUBY addresses, your email or social media accounts, as well as unauthorised access to your computer, smartphone and any other devices that you may use. You alone are responsible for protecting yourself against such actions.

**Valuation.** RUBYs are not insured and could be subject to unforeseeable and/or significant reductions in value at any time. This may result in delays and other barriers to redemptions for instance. RUBYs are not a fiat currency and are not issued, backed, or guaranteed by any government.

**Use of RUBY Token.** The use of the RUBY Token and the number of RUBY Tokens required for in game usage may change and vary without notice by Gaming Rewards Group and or associated companies.

**Receipt of RUBYs:** Recipient's of RUBY Tokens may be subject to compliance requirements and may be required to submit relevant documentation required by regulators for Anti Money Laundering (AML), Know Your Customer (KYC) and other such requirements.

**Unknown risks.** RUBYs are a fast-evolving technology. There are things that will be discovered in the development process which at this point cannot be predicted. We may not yet know all the risks that will be associated with any particular platform.

## Footnotes

### 1. Binance Smart Chain Accelerator Fund

<https://binance.dev/> & <https://www.binance.com>

### 2. Blockchain Technology Market Size Report, 2021–2028

<https://www.grandviewresearch.com/industry-analysis/blockchain-technology-market>

### 3. Coinbase

<https://www.coinbase.com/>

### 4. Newzoo

<https://newzoo.com/insights/articles/the-global-games-market-will-generate-152-1-billion-in-2019-as-the-u-s-overtakes-china-as-the-biggest-market/>

### 5. Global Web Index

<https://blog.gwi.com/chart-of-the-week/gaming-trends-2020/>

### 6. Nasdaq

<https://www.nasdaq.com/articles/can-blockchain-help-loyalty-programs-2017-02-28>

### 7. Loyalty Big Picture

<https://cts.businesswire.com/ct/CT?id=smartlink&url=https%3A%2F%2Fgo.loyalty.com%2F%2F223662%2F2019-04-26%2Fdj5lz&esheet=51978483&newsitemid=20190503005033&lan=en-US&anchor=%E2%80%9CLoyalty+Big+Picture%2C%E2%80%9D&index=1-&md5=fe40f605408b67b51bc569f809eelfac>

### 8. KMPG

<https://www.ledgerinsights.com/kpmg-survey-blockchain-tokens-can-increase-consumer-loyalty/>

### 9. Orchestra

<https://www.orchestra.co.nz/>

### 10. Snowball Effect Limited

<https://www.snowballeffect.co.nz/>

## Appendix

### Appendix A – M&A Online Casinos

[https://en.wikipedia.org/wiki/List\\_of\\_mergers\\_and\\_acquisitions\\_in\\_online\\_gambling](https://en.wikipedia.org/wiki/List_of_mergers_and_acquisitions_in_online_gambling)

<https://www.worldtrademarkreview.com/brand-management/online-betting-heats-us-string-ma-activity>

### Appendix B – EDISON Sector Gaming Report

<https://www.edisongroup.com/wp-content/uploads/2019/07/GamingSectorReport2019.pdf>



**RUBYPLAY**  
NETWORK