

ONLINE CASINO
apuesta360
Business Plan
BORONDOSO B.V.

MEMORANDUM OF CONFIDENTIALITY

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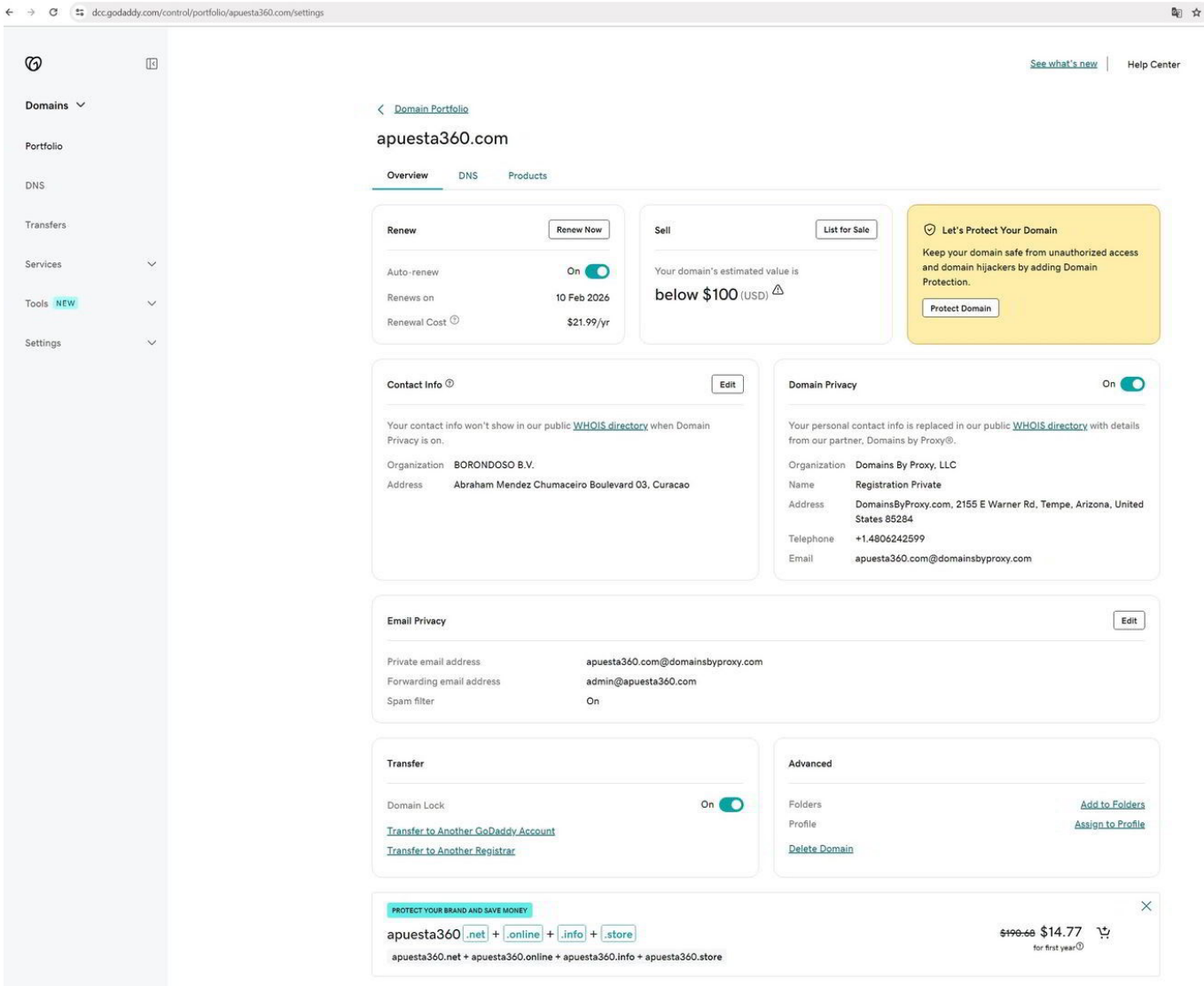
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1 SUMMARY

1.1 Project Goals and Objectives

The website is under construction. The name of the domain is apuesta360.com, held and operated by a Curacao company BORONDOSO B.V.



Project Overview:

Embark on a journey into the realm of Apuesta, a burgeoning online gaming enterprise currently in the process of constructing its website at apuesta360.com.

Company Profile:

Step into the world of Apuesta, an online gambling establishment that goes beyond traditional boundaries to offer a

captivating and responsible gaming experience. We stand as a symbol of innovation, integrity, and excitement in the ever-evolving landscape of digital gaming.

Vision:

Apuesta envisions a worldwide gaming community where each player feels empowered, entertained, and secure. Our goal is to redefine the gaming industry by encouraging innovation, embracing responsibility, and establishing an inclusive environment that welcomes players from diverse backgrounds.

Mission:

At Apuesta, our mission is guided by the following principles:

Innovation Hub: Spearheading technological advancements and pushing creative boundaries to provide an unparalleled gaming experience through a diverse array of cutting-edge games.

Responsible Gaming Advocacy: Taking a proactive stance on responsible gaming by implementing robust player protection measures, investing in educational resources, and collaborating with organizations dedicated to promoting healthy gaming habits.

Player-Centric Focus: Placing our players at the core of our operations, we offer personalized experiences, responsive customer support, and a commitment to continuously enhance our offerings based on player feedback.

Global Connectivity: Breaking down geographical barriers and establishing a global gaming network that embraces players from various cultures, backgrounds, and regions.

Goals:

Excellence in Entertainment: Striving for excellence in every facet of entertainment, ensuring our games serve not only as a source of excitement but also as a platform for social interaction, skill development, and memorable experiences.

Innovation Leadership: Aspiring to lead in industry innovation, setting new standards for gaming excellence, and consistently surprising our players with novel and engaging gaming experiences.

Community Impact: Making a positive contribution to the community by supporting charitable causes, local initiatives, and promoting responsible gaming as a cornerstone of our corporate social responsibility.

Sustainable Growth: Achieving sustainable growth by balancing financial success with ethical business practices, environmental responsibility, and a steadfast commitment to the well-being of our players.

Regulatory Authority: Gaming Curacao



1.2 A list of the games

Main types of casino games:

- Type 1 – Games of chance played against the house, the outcome of which is determined by a random generator, and shall include casino type games, including roulette, blackjack, baccarat, poker played against the house, lotteries, secondary lotteries and virtual sports games.
- Type 2 – Games of chance played against the house, the outcome of which is not generated randomly, but is determined by the result of an event or competition extraneous to a game of chance, and whereby the operator manages his or her own risk by managing the odds offered to the player.
- Type 3 – Games of chance not played against the house and wherein the operator is not exposed to gaming risk, but generates revenue by taking a commission or other charge based on the stakes or the prize, and shall include player versus player games such as poker, bingo, betting exchange, and other commission based games.
- Type 4 – Controlled skill games.

The Casino presented:

- Type 1: roulette, blackjack, baccarat, poker played against the house, lotteries;
- Type 3: poker (player versus player).

1.3 Risks

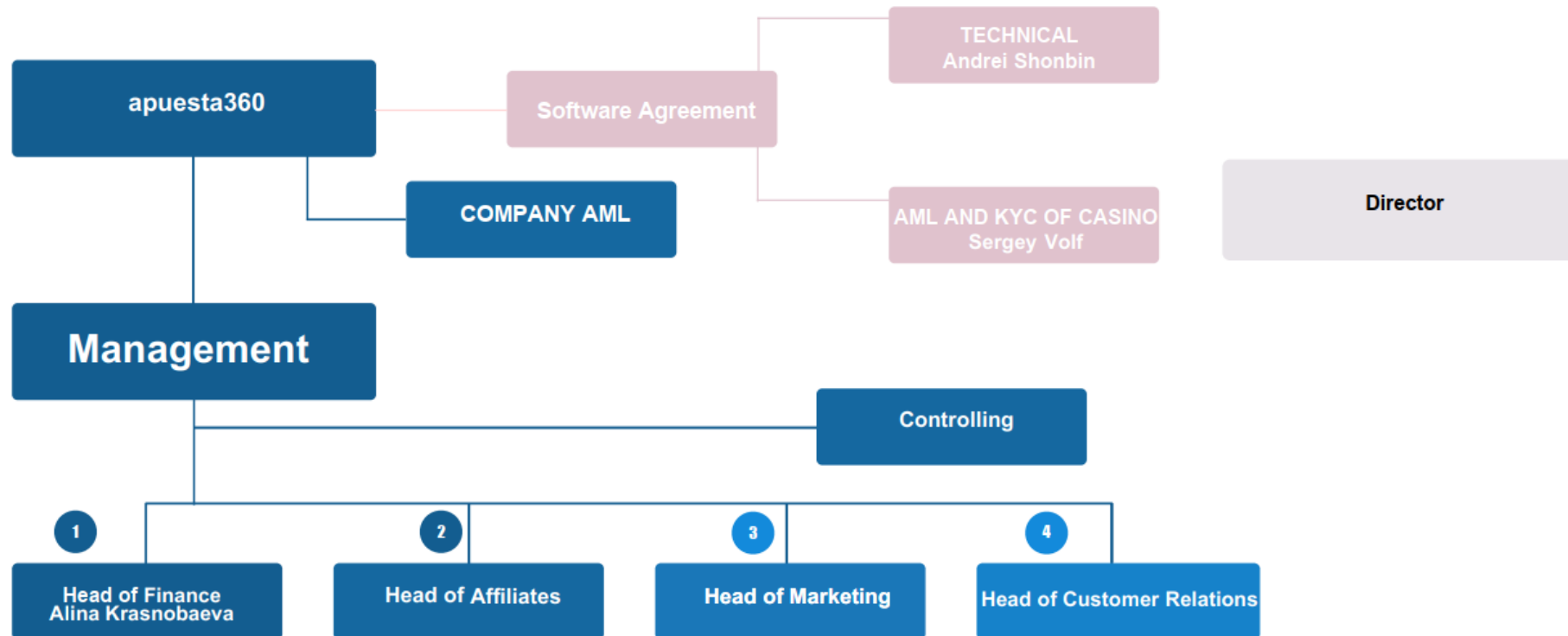
Potential loss of funds

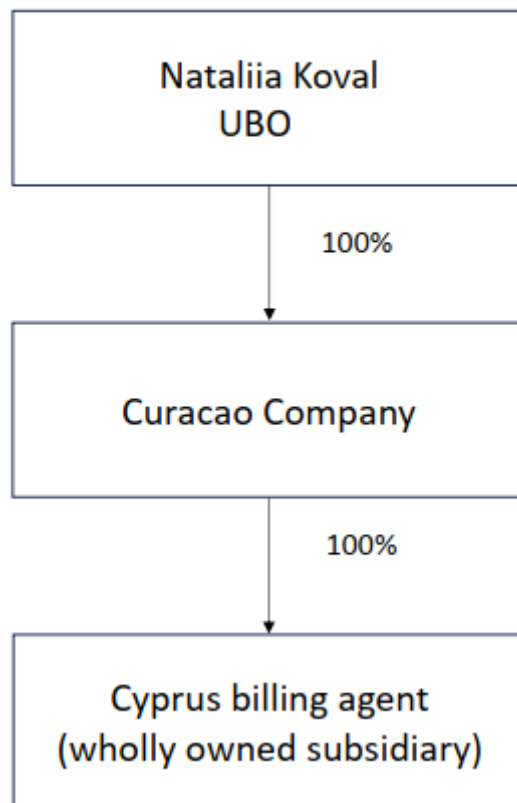
In the initial phase, there is a potential for losses related to expenses incurred for registration, rent, and office equipment.

The security payment, in the event of the online casino's closure due to internal or other objective reasons, is refunded to the casino owners. However, it must remain untouched throughout the online casino's operation, serving as a deposit in case of winning the jackpot. This ensures that losses can be kept to a minimum.

1.4 Structure

Diagram 1. Structure



Ownership structure

1.5 Social Impact Evaluation

The company will have a total of five employees.

1.6 Indicators of the project

The economic viability of the project was validated through the calculation of traditional financial indicators commonly employed in project analysis.

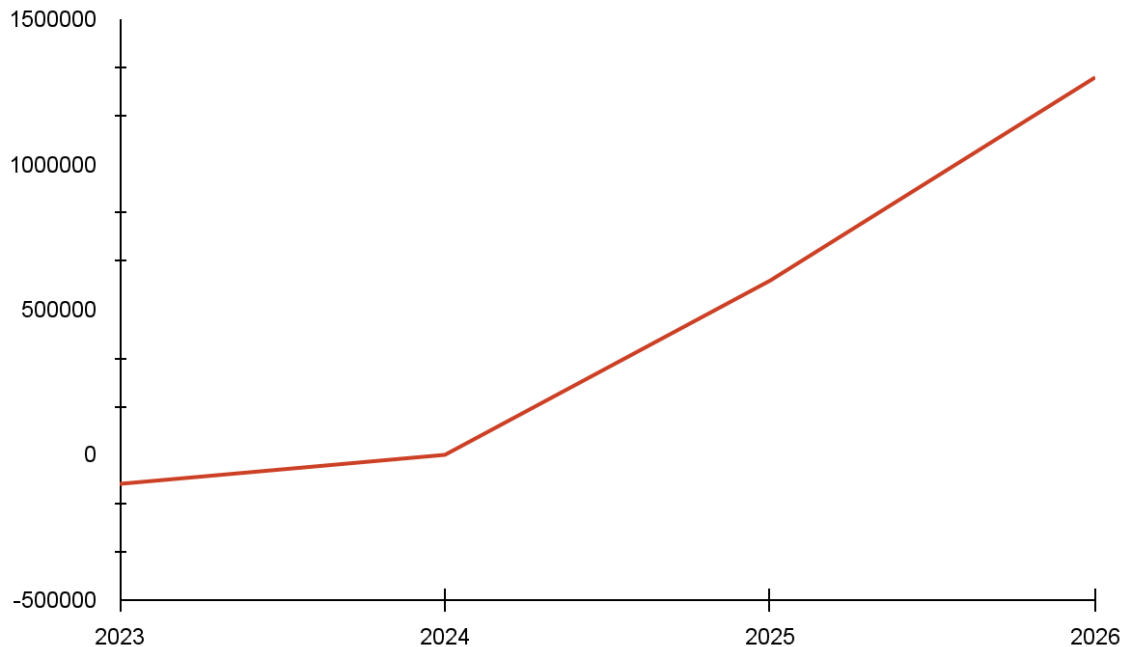
The project spans a calculation horizon of 36 months (3 years).

The investment phase of the project, leading up to its launch, extends over a period of 3 months (0.3 years). Following the project's launch, the operational phase spans 33 months (2.8 years).

Table 1. Project Indicators in Euros

Name of the indicator	Rate
Calculation period of the project, year	3,0
Laid-down capital (LDC), EUR	210 032
Revenue, euro	5 384 260
Net average operational receipts per month (NAOR), EUR	35 916
Average demand balance per month (ADB), EUR	418 611
Net profit for the project period, EUR	1 292 990
Average profitability for the project period (net profit to proceeds	24,0%
Discounting rate (DR), %	19,6%
Net present value (NPV), EUR	847 775
Average Rate of Return of investments (ARR)	205,2%
Return on investment (ROI)	615,6%
Profitability index (PI)	10,00
Internal rate of return (IRR)	254,8%
Pay back period of the project in whole (PBP), incl. financing scheme	14 months
Discounted payback period of the project in whole (DPBP), incl. financing	15 months

Diagram 2. Project Payback in Euros



2 PRODUCTS AND SERVICES

2.1 Platform description:

Fertami Ltd, a company registered under the laws of the Republic of Cyprus under registration number HE 413010 (“Fertami”) has developed the **Unionsoft Platform (“Platform”)** - a software solution for betting companies with 24/7 stream of data and technical support. The Platform provides betting website operators with a reliable software solution designed to deliver high performance and security. Built on advanced technologies, it offers a diverse range of features, including real-time data updates, support for multiple types of bets, huge selection of sports and flexible customization options.

2.2. Platform specifications

General specifications

The Platform’s structure

The functional structure of the Platform includes the following modules:

- a) the option to register as a customer
- b) the option to log in and reset the password
- c) the option to make deposits and withdrawals
- d) the option to place bets
- e) the option to view betting history
- f) the option to view deposit history
- g) the option to receive bonuses
- h) the option to view bonus history
- i) the option to contact the customer support team
- j) the option to self-exclude
- k) the option to place limits on deposits
- l) deployment of two-factor authentication
- m) deployment of secret phrase authentication
- n) databases and tables of real events containing established statistics or dynamic odds
- o) service for obtaining odds on events through an API
- p) service for tracking customer money – records of deposits, bets, and withdrawals
- q) service for integrating the Platform with the payment services of other third-party providers through an API
- r) service for notifying customers about a future event, changes, adverts, and marketing for promotions by email, text message and pop-up message on mobile devices
- s) tool for protecting and restricting access and assigning competences to Fertami’s employees (BackOffice) and displaying an employee’s level of access in their profile
- t) profiles for the technical service departments of remote operating units (B2C) including the department structure, information about the SLA and the serviced business units of the operator or affiliates
- u) technical support service including the systems for logging in, registration, and recording and resolving questions and problems from service contractors when using email services or live communication
- v) display of short messages to customers (primarily the status of their account and customer legal compliance)

- w) the option for customers to put forward and discuss customer ideas to improve the platform's services and install new services, and the option to introduce ratings
- x) document management – files received from customers – loading files and exchanging them with colleagues securely, tagging, the option to add comments and information about users that downloaded files, version control
- y) cookie service – storage and sharing of useful links to various online resources, customer recommendations and content on the basis of information accumulated about a customer, improvement and suggestions for customers to make using the platform easier and more efficient
- z) responsible gaming service – a service for customers to set up their own limits and self-exclude with the option to customize these to suit the different requirements of the various jurisdictions
- aa) Anti-fraud and AML service – the option to connect third-party resources through an API from government bodies in different jurisdictions to verify customers when they register and if they engage in suspicious activity
- bb) service for monitoring suspicious customer activity, such as using different payment methods and a large number of small deposits, bets, and withdrawals
- cc) voting service – the opportunity for customers to vote for the operator's various marketing or informational promotions posted and sent to customers through the Platform's services
- dd) service for issuing ratings – mechanisms for determining the activity and popularity of Platform users and creation of reports on VIP customers

2.3. Compatibility with related platforms

The Platform is compatible with third-party betting platforms and individual slots, casino, corporate back-office portal sufficient for general navigation and information research, a payment system aggregator, and a customer support module.

The Platform also supports:

- a) marketing modules from third parties
- b) integration with the business solutions including CMS, CRM, and BackOffice
- c) integration with external platforms such as Microsoft Office, business email, tasks and calendars, and a platform for sending mass messages by email and SMS
- d) integration with additional structures providing prior verification services on customers, KYC, AML, fraud prevention, and PEP lists to help the operator decide whether to accept certain users
- e) provision of API for several modules
- f) integration with system managing access to information resources for providing the betting odds.
- g) integration with AWS and other data storage services that have security certificates and are located within the EU.

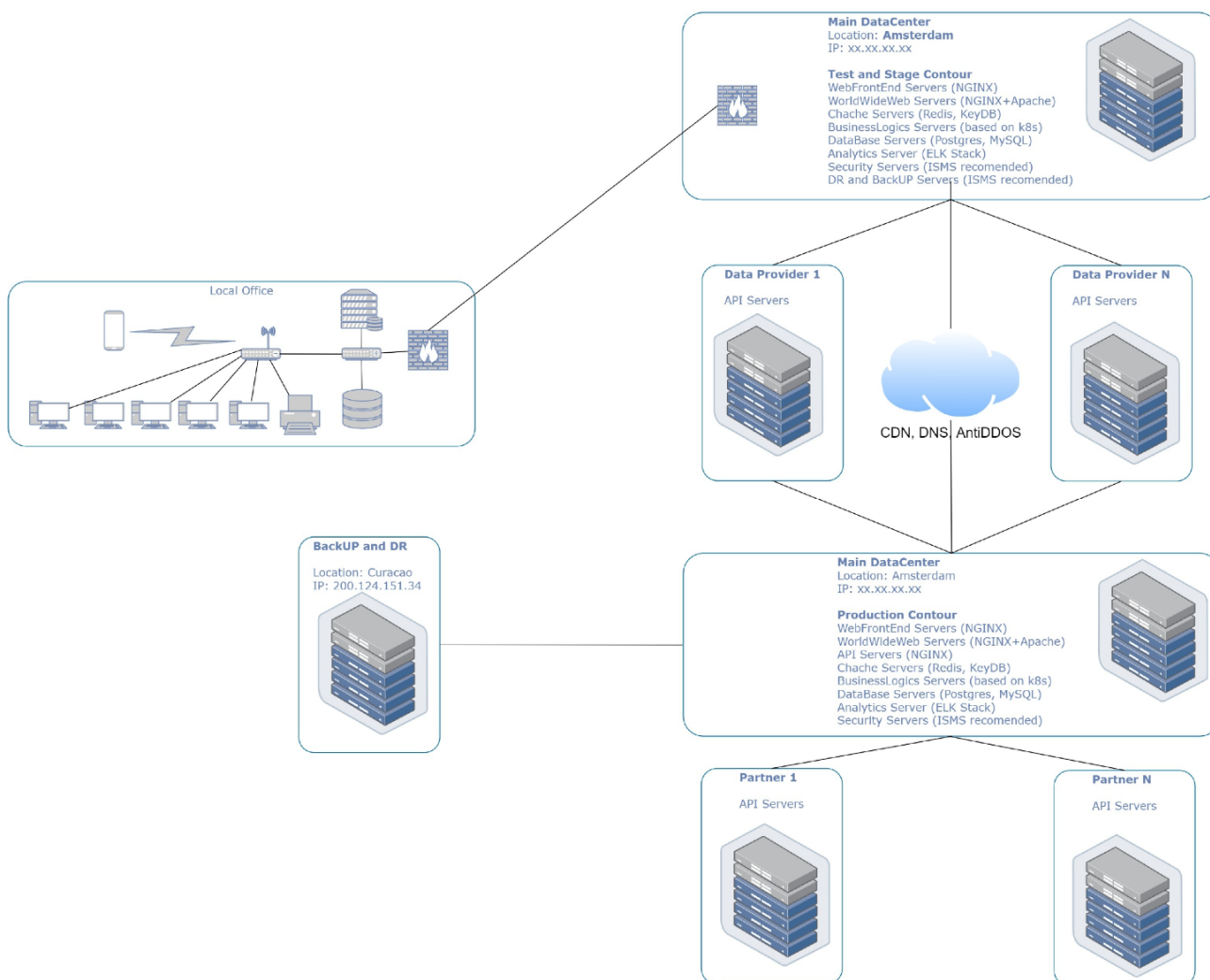
2.4. Ergonomic features

It is possible to modify the Platform's interface according to the developed and agreed designs.

The Platform supports access from the following mobile platforms:

- a) iOS
- b) Android
- c) Windows

The Platform supports adaptive web design (or an adaptive user interface) capable of carrying out W3C CSS3 requests with a changing proportion grid and also supports flexible changes to image proportions.



2.5 Registrations and opening of an account

Log InRegistration

SportsLiveWinGamesCasinoLive CasinoEsportsPromoExtra

Search

SportsLIVE

AllFootball (1371)Tennis (162)Basketball (329)Ice Hockey (204)Volleyball (256)Table Tennis (529)Cricket (42)American Football (58)Esports (111)Sports. A-ZAustralian Rules (13)Badminton (84)Bandy (3)Bare-knuckle Boxing (9)Baseball (1)Basque pelota (6)Biathlon (4)Billiards (7)Boxing (48)Darts (56)

2 / 7

Welcome package including a deposit bonus of up to 200% + 150FS in the casino.

Top up your account and receive bonuses!

Find out more

Football. Portugal. Primeira Liga04/12/2023 23:15

Sporting Clube de PortugalGil Vicente

11.141X8.4219

Football. Turkey. SuperLiga04/12/2023 20:00

FenerbahceSivasspor

11.1231X7.26213.2

Football. Italy. Serie A04/12/2023 22:45

TorinoAtalanta

13.065X3.2522.623

Football. Spain. La Liga04/12/2023

CeltaCadiz

11.1553

SportsFootballTennisBasketballIce HockeyAll sports

Spain. La Liga

4 DECEMBER

CeltaCadiz04/12 23:00

1.5534.426.891.1361.2512.621.9812.51.959

Italy. Serie A

4 DECEMBER

Registration

By phoneOne-click

EUR (Euro)

Enter promo code (if you ha...)

Register

This website is protected by reCAPTCHA.

100% bonus on the 1st deposit

Bet slip

Add events to the bet slip or enter a code to load events

Registration

Save/load bet slip

Offers

Football. Italy. Serie A04.12 / 22:45



REGISTER AND RECEIVE 100 EUR BONUS RIGHT NOW!

 By phone

 One-click

 By e-mail



EUR (Euro)



Enter promo code (if you have one)

Register

This site is protected by reCAPTCHA and the Google [Privacy Policy](#) and [Terms of Service](#) apply.

By clicking this button you confirm that you have read and agree to the [Terms and Conditions](#) and [Privacy Policy](#) of the company, consent to the processing of your personal information and confirm that you are of legal age.



Sports

Welcome bonus on your
1st deposit up to 100 EUR



Casino + games

Welcome package
including a deposit bonus
of up to 200% + 150 FS in
the casino.



Cancel

Make your choice later in
My Account

✕

THANKS FOR THE REGISTRATION







Please make a note of your username and password!

Save to file

Save as picture

Enter e-mail

Send to e-mail

ACCOUNT

Deposit

Withdraw funds

Bet history

Transaction history

EXTRA

Invite friends

Casino VIP Cashback

Bonuses and gifts

Customer Support

PROFILE

Personal profile

Security

Account settings

Responsible Gaming

Log out

Deposit

Find out more

Enable

Enable

Personal profile

Fill in the empty fields to take advantage of the enhanced features of the website!

Edit all

Personal info

Surname

First name

Date of birth

Place of birth

Passport details

Type of document

Select document type

Address

Country

Permanent registered address

Contacts

Phone

Email

Recent sessions

2.6 Login and Logout



Are you sure you want to log out?

OK

Cancel

2.7 Terms and Conditions/ Rules and Procedures

Terms of Service: Defines the rules and conditions that users must agree to when using the online casino platform, including aspects like eligibility, account usage, payments, and other operational guidelines.

Responsible Gaming: Outlines the casino's commitment to promoting responsible gambling, providing information on setting limits, offering support for problem gambling, and ensuring a safe and enjoyable environment for users.

Self-exclusion: Describes the process through which individuals can voluntarily exclude themselves from gambling activities on the platform for a specified duration, typically to manage gambling habits or address addiction issues.

Dispute resolution: Details the procedures and mechanisms available to resolve conflicts or disputes that may arise between the casino and its users, often outlining steps for escalation and resolution.

Anti-Money Laundering: Explains the measures implemented by the casino to prevent and detect any attempts to use the platform for money laundering activities, including identity verification and transaction monitoring.

Fairness & RNG Testing Methods: Discusses the fairness of games offered by the casino, ensuring they are random and unbiased, often mentioning the use of Random Number Generators (RNGs) and the methods used to test and verify their fairness.

KYC Policies: Describes the "Know Your Customer" policies, which involve verifying the identity of users to prevent fraud, money laundering, and underage gambling, typically through ID checks and document submissions.

Privacy & Management of Personal Data: Explains how the casino collects, uses, stores, and protects users' personal information, outlining privacy practices and data management procedures in compliance with relevant regulations.

Accounts, Payouts & Bonuses: Details account management procedures, payout methods, and the terms and conditions related to bonuses, including wagering requirements and restrictions.

Betting rules: Provides specific rules and regulations governing betting activities on the platform, including game-specific rules, maximum and minimum bets, and any additional terms for different types of bets.

2.8 Obligations as a player

2. GENERAL TERMS

1. In order to register for this website, the user is required to accept the General Terms and Conditions. In the event the General Terms and Conditions are updated, existing users may choose to discontinue using the products and services before the said update shall become effective, which is a minimum of two weeks after it has been announced. Remember that gambling can be addictive. Play responsibly.
 2. Bets may only be placed by individuals who are 18 years of age or the age of majority in their state (if the age of majority is over 18) and agree to the Betting Rules offered by the bookmaker. The customer shall be held liable for violation of this regulation. By registering and playing on the website, you confirm that you do not suffer from a gambling addiction.
 3. The following individuals are not allowed to place bets:
 - o individuals who are under 18 years of age at the time of placement;
 - o individuals who directly participate in the events being betted on (e.g. sportspeople, coaches, referees, club owners or club management, or other individuals who can influence the outcome of the event), as well as any individuals acting on their behalf or affiliating with them;
-
- o individuals representing other bookmakers;
 - o individuals who are prohibited from entering into a contract with a bookmaker subject to the effective legislation.
 4. The right to access and/or use the Website (including any or all of the products offered through the Website) may be considered illegal in certain countries (including, for example, the USA, the United Kingdom, Cyprus, the Netherlands, etc.). We do not intend for our Website to be used for sports betting, gambling or other purposes by people who reside in countries or jurisdictions in which such types of activity are illegal. The list of explicitly forbidden territories is: Aruba, Australia, Bonaire, Curacao, France, Iran, Iraq, Netherlands, Saba, Spain, St Maarten, Statia, U.S.A or the U.S.A dependencies, United Kingdom.
 5. The fact that our Website is available in such a country and/or jurisdiction or that it can be displayed in the official language of any of those countries cannot be considered official authorization or legal grounds for using our Website and depositing funds into your account or withdrawing your winnings. The availability of the Website does not mean that it contains any proposals, incitement or invitation to use or subscribe to betting, gambling or any of the other services in any jurisdiction where such activity is illegal.
 6. You are responsible for determining whether your accessing and/or use of the Website is compliant with applicable laws in your jurisdiction and you warrant to us that gambling is legal in the territory where you reside. When opening an account and/or using our Website you must make sure that your actions are legal in the territory in which you reside. You also guarantee and agree that you have received legal advice before registering on our Website. If we become aware that you are a resident in a country where the use of our Website is considered illegal, we will have the right to close your account and refund any remaining balance on your account at the moment of its closure (after the deduction of any winnings credited after your most recent deposit was made).

2.9 Payouts

Sports ▾Live ▾WinGames ▾Casino ▾Live Casino ▾Esports ▾Promo ▾Extra ▾

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TERMS AND CONDITIONS

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SHOW ALL

1. GENERAL TERMS AND DEFINITIONS

2. GENERAL TERMS

3. TYPES OF BETS ▾

4. RULES ON SPORTS ▾

5. LIVE BETTING

6. EXAMPLES ▾

7. MATCH RESULTS, DATES AND STARTING TIMES

8. AVAILABLE MARKETS (OUTCOMES)

9. EXTRA BETS

10. GENERAL BETTING RULES ▾

11. SELF-EXCLUSION

12. DISPUTE RESOLUTION

13. ACCOUNTS, PAYOUTS & BONUSES ▴

13. 1. ACCOUNTS

13. 2. DEPOSITS AND PAYOUTS

13. 3. BONUSES

14. FINANCIAL BETS

15. TOTALIZATOR 15-TOTO ▾

13. ACCOUNTS, PAYOUTS & BONUSES

13.1. ACCOUNTS ▾

13.2. DEPOSITS AND PAYOUTS ▾

13.3. BONUSES ▾

ABOUT US

CONTACTS

TERMS AND CONDITIONS

PAYMENTS

HOW TO PLACE A BET

2.10 Withdrawing

.Withdrawals can be made using the payment methods specified below, as follows: FIAT - provided that the deposit was made in FIAT and CRYPTO - provided that the deposit was made in cryptocurrency.

Payment service provider (at the connection/planning stage): Flatterwave, Paygames,BigIdea, Pion, RoyalPay, SticPay.



flutterwave



RoyalPay

Sports

Live

WinGames

Casino

Live Casino

Esports

Promo

Extra

Account number

Main account (EUR) 0

ACCOUNT

Deposit

Withdraw funds

Bet history

Transaction history

EXTRA

Invite friends

Casino VIP Cashback

Bonuses and gifts

Customer Support

PROFILE

Personal profile

Security

Account settings

Responsible Gaming

Log out

WITHDRAWING FROM ACCOUNT

Select payment method to withdraw money:

WITHDRAWAL REQUESTS

ALL METHODS 34

E-WALLETS 1

CRYPTOCURRENCY 33

E-WALLETS

Perfect Money

CRYPTOCURRENCY

Bitcoin

Ethereum

TRON

Monero

Dogecoin

Dash

Litecoin

ZCash

DigiByte

Bitcoin Cash

BitShares

Verge

QTUM

XRP

Cardano

Stellar

Polkadot

Binance Coin BSC

Juventus on BSC

Ethereum Classic

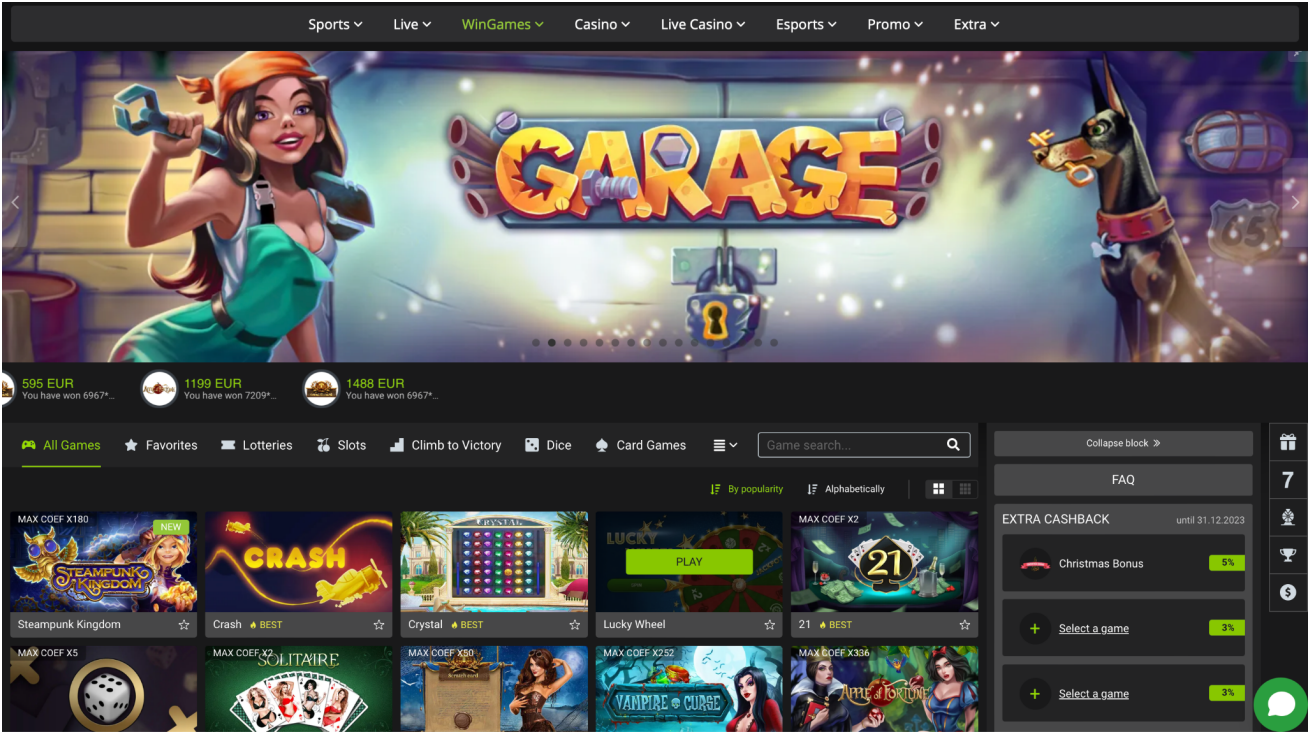
TrueUSD on Ethereum

Chainlink on Ethereum

Basic Attention Token on Ethereum

SHIBA INU on Ethereum

2.11 A list of the games that will be provided

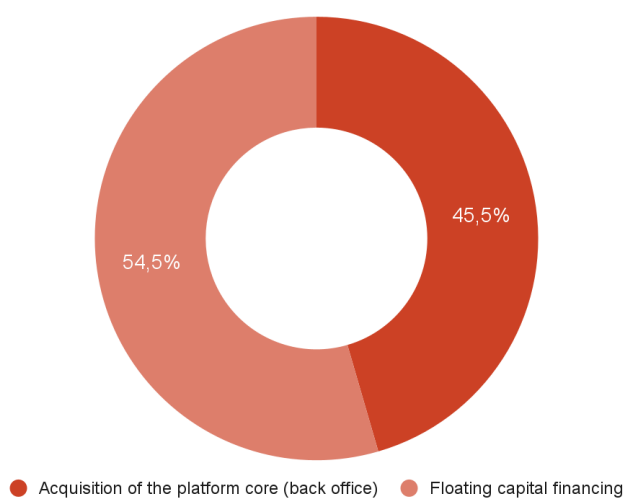


3 FINANCIAL SUMMARY

3.1 Type of Investments, Projected Costs, and Source of Funding

Type of initial investments: Funds directly provided by the Ultimate Beneficial Owner.
Upon launch: Profits generated directly from operations.

Diagram 3. Investment Structure



The project financing is structured to be sourced from both the investor and the company. The company plans to contribute 114,400 EUR from its own funds, while the investor's capital is expected to be 95,600 EUR. The co-investor's funds will be reimbursed once the project starts generating profits.

1.1 Financial Projections for Years 1-3

Table 2. First-Year Cash Flow

Month of the project	Total	1	2	3	4	5	6	7	8	9	10	11	12
Month from the project launch					1	2	3	4	5	6	7	8	9
INVESTING Cash flow total	-95 600	-95 600	0	0	0	0	0	0	0	0	0	0	0
Acquisition of the platform core (back office)	-95 600	-95 600	0	0	0	0	0	0	0	0	0	0	0
OPERATING cash flow total	1 388 590	0	0	0	-67 700	-37 144	-9 588	17 968	19 114	21 406	23 699	25 991	28 284
Proceeds inpayment excl. VAT	5 384 260	0	0	0	0	42 070	84 140	126 210	127 960	131 460	134 960	138 460	141 960
Casino income	5 384 260	0	0	0	0	42 070	84 140	126 210	127 960	131 460	134 960	138 460	141 960
Expenses total	-3 995 670	0	0	0	-67 700	-79 214	-93 728	-108 242	-108 846	-110 054	-111 261	-112 469	-113 676
Variable costs total	-3 843 870	0	0	0	-63 100	-74 614	-89 128	-103 642	-104 246	-105 454	-106 661	-107 869	-109 076
<i>Basic expenses</i>	<i>-2 793 939</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-63 100</i>	<i>-66 411</i>	<i>-72 721</i>	<i>-79 032</i>	<i>-79 294</i>	<i>-79 819</i>	<i>-80 344</i>	<i>-80 869</i>	<i>-81 394</i>
<i>Payments to providers</i>	<i>-1 049 931</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-8 204</i>	<i>-16 407</i>	<i>-24 611</i>	<i>-24 952</i>	<i>-25 635</i>	<i>-26 317</i>	<i>-27 000</i>	<i>-27 682</i>
Fixed costs total	-151 800	0	0	0	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600
<i>Salary</i>	<i>-151 800</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>
FINANCIAL Cash flow total	114 432	95 600	0	0	67 700	37 144	9 588	-16 171	-18 819	-21 148	-23 444	-16 018	0
Own funds	114 432	0	0	0	67 700	37 144	9 588	0	0	0	0	0	0
Co-investor's investment	95 600	95 600	0	0	0	0	0	0	0	0	0	0	0
Refunds to co-investor	-95 600	0	0	0	0	0	0	-16 171	-18 819	-21 148	-23 444	-16 018	0
TOTAL CASH FLOW OF THE PROJECT	1 407 423	0	0	0	0	0	0	1 797	294	259	255	9 973	28 284
progressive total (cash balance)	1 407 423	0	0	0	0	0	0	1 797	2 091	2 350	2 605	12 578	40 862

Table 3. Second-Year Cash Flow

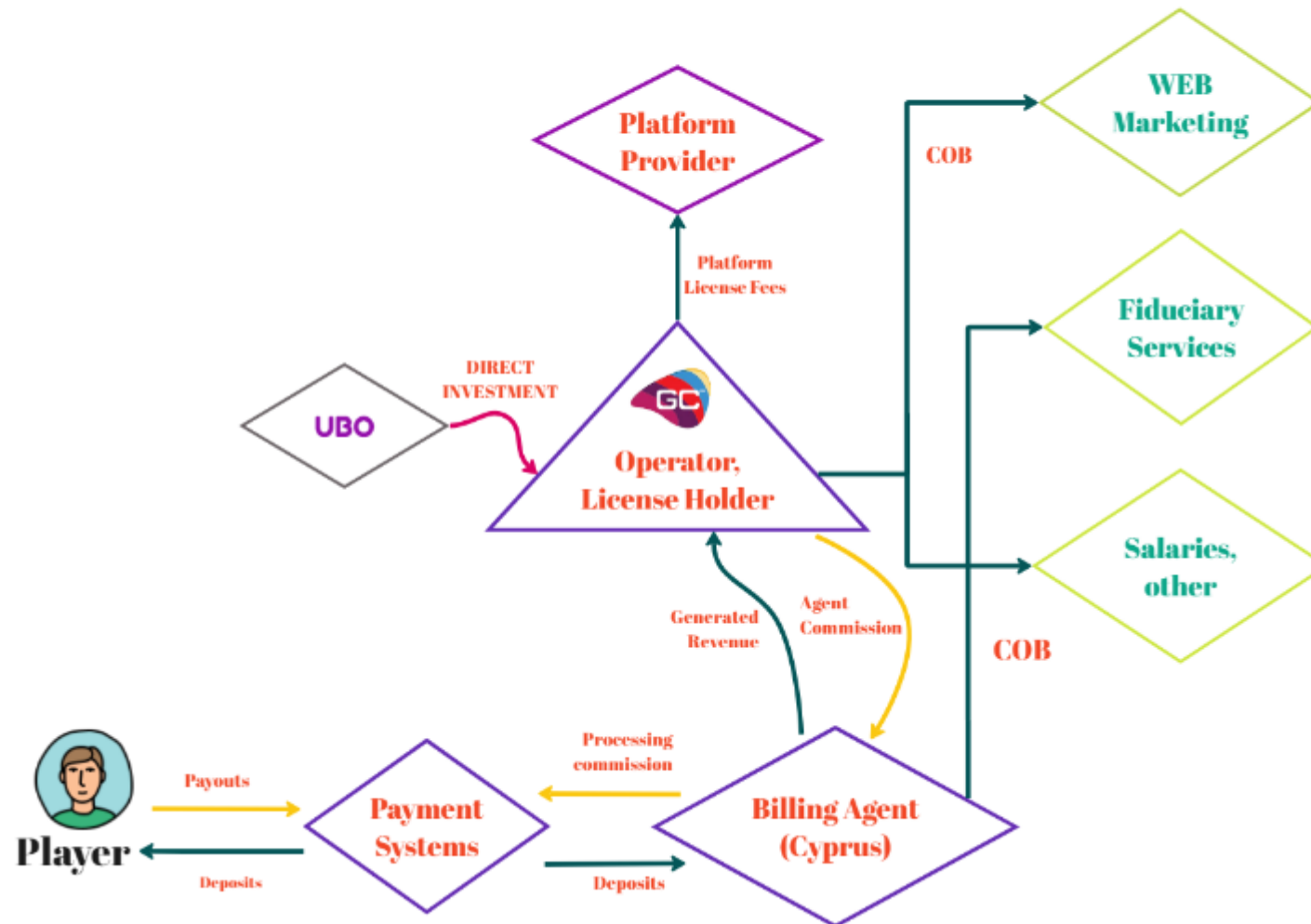
Month of the project	Total	13	14	15	16	17	18	19	20	21	22	23	24
Month from the project launch		10	11	12	13	14	15	16	17	18	19	20	21
INVESTING Cash flow total	-95 600	0	0	0	0	0	0	0	0	0	0	0	0
Acquisition of the platform core (back office)	-95 600	0	0	0	0	0	0	0	0	0	0	0	0
OPERATING cash flow total	1 388 590	30 576	32 869	35 161	37 454	39 746	42 039	44 331	46 624	48 916	51 209	53 501	55 794
Proceeds inpayment excl. VAT	5 384 260	145 460	148 960	152 460	155 960	159 460	162 960	166 460	169 960	173 460	176 960	180 460	183 960
Casino income	5 384 260	145 460	148 960	152 460	155 960	159 460	162 960	166 460	169 960	173 460	176 960	180 460	183 960
Expenses total	-3 995 670	-114 884	-116 091	-117 299	-118 506	-119 714	-120 921	-122 129	-123 336	-124 544	-125 751	-126 959	-128 166
Variable costs total	-3 843 870	-110 284	-111 491	-112 699	-113 906	-115 114	-116 321	-117 529	-118 736	-119 944	-121 151	-122 359	-123 566
<i>Basic expenses</i>	<i>-2 793 939</i>	<i>-81 919</i>	<i>-82 444</i>	<i>-82 969</i>	<i>-83 494</i>	<i>-84 019</i>	<i>-84 544</i>	<i>-85 069</i>	<i>-85 594</i>	<i>-86 119</i>	<i>-86 644</i>	<i>-87 169</i>	<i>-87 694</i>
<i>Payments to providers</i>	<i>-1 049 931</i>	<i>-28 365</i>	<i>-29 047</i>	<i>-29 730</i>	<i>-30 412</i>	<i>-31 095</i>	<i>-31 777</i>	<i>-32 460</i>	<i>-33 142</i>	<i>-33 825</i>	<i>-34 507</i>	<i>-35 190</i>	<i>-35 872</i>
Fixed costs total	-151 800	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600
<i>Salary</i>	<i>-151 800</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>	<i>-4 600</i>
FINANCIAL Cash flow total	114 432	0	0	0	0	0	0	0	0	0	0	0	0
Own funds	114 432	0	0	0	0	0	0	0	0	0	0	0	0
Co-investor's investment	95 600	0	0	0	0	0	0	0	0	0	0	0	0
Refunds to co-investor	-95 600	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CASH FLOW OF THE PROJECT	1 407 423	30 576	32 869	35 161	37 454	39 746	42 039	44 331	46 624	48 916	51 209	53 501	55 794
progressive total (cash balance)	1 407 423	71 438	104 307	139 468	176 922	216 668	258 707	303 038	349 662	398 578	449 787	503 288	559 082

Table 4. Third-Year Cash Flow

Month of the project	Total	25	26	27	28	29	30	31	32	33	34	35	36
Month from the project launch		22	23	24	25	26	27	28	29	30	31	32	33
INVESTING Cash flow total	-95 600	0	0	0	0	0	0	0	0	0	0	0	0
Acquisition of the platform core (back office)	-95 600	0	0	0	0	0	0	0	0	0	0	0	0
OPERATING cash flow total	1 388 590	58 086	60 379	62 671	64 964	67 256	69 549	71 841	74 134	76 426	78 719	81 011	83 304
Proceeds inpayment excl. VAT	5 384 260	187 460	190 960	194 460	197 960	201 460	204 960	208 460	211 960	215 460	218 960	222 460	225 960
Casino income	5 384 260	187 460	190 960	194 460	197 960	201 460	204 960	208 460	211 960	215 460	218 960	222 460	225 960
Expenses total	-3 995 670	-129 374	-130 581	-131 789	-132 996	-134 204	-135 411	-136 619	-137 826	-139 034	-140 241	-141 449	-142 656
Variable costs total	-3 843 870	-124 774	-125 981	-127 189	-128 396	-129 604	-130 811	-132 019	-133 226	-134 434	-135 641	-136 849	-138 056
Basic expenses	-2 793 939	-88 219	-88 744	-89 269	-89 794	-90 319	-90 844	-91 369	-91 894	-92 419	-92 944	-93 469	-93 994
Payments to providers	-1 049 931	-36 555	-37 237	-37 920	-38 602	-39 285	-39 967	-40 650	-41 332	-42 015	-42 697	-43 380	-44 062
Fixed costs total	-151 800	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600
Salary	-151 800	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600	-4 600
FINANCIAL Cash flow total	114 432	0	0	0	0	0	0	0	0	0	0	0	0
Own funds	114 432	0	0	0	0	0	0	0	0	0	0	0	0
Co-investor's investment	95 600	0	0	0	0	0	0	0	0	0	0	0	0
Refunds to co-investor	-95 600	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CASH FLOW OF THE PROJECT	1 407 423	58 086	60 379	62 671	64 964	67 256	69 549	71 841	74 134	76 426	78 719	81 011	83 304
progressive total (cash balance)	1 407 423	617 168	677 547	740 219	805 182	872 439	941 987	1 013 829	1 087 963	1 164 389	1 243 108	1 324 119	1 407 423

The cost of business for the project includes license fees to the Platform provider, Web-marketing, Service fees to employees and legal fees to fiduciary service providers.

Flow of Funds Apuesta360



4 ONLINE GAMBLING MARKET OVERVIEW

4.1 Income and turnover

In 2021, online casinos globally experienced significant success attributed to the pandemic and widespread self-isolation measures. Many countries witnessed a one-third increase in the revenue of the entire gambling market compared to the previous year, highlighting the resilience and potential of this business model.

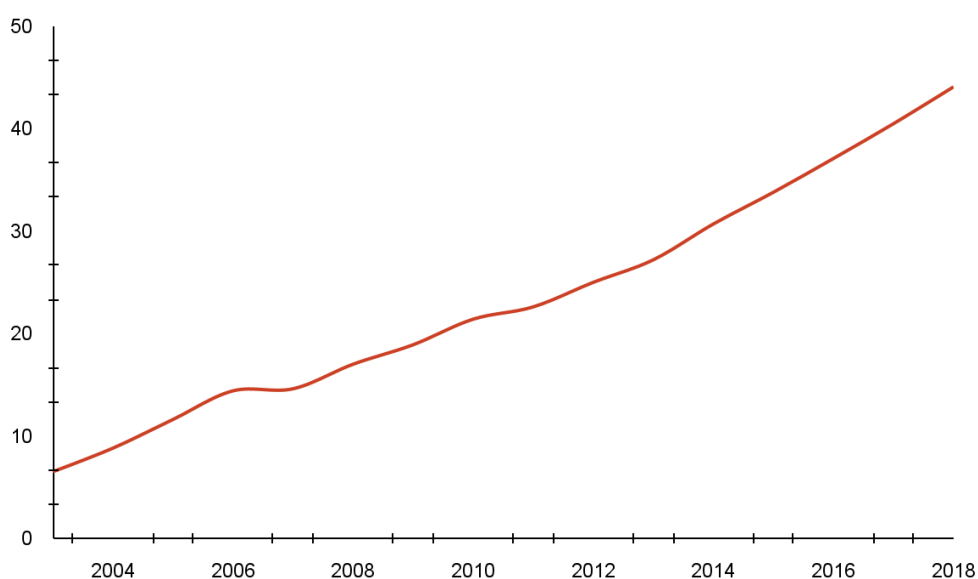
Over the past few years, a remarkable 85 countries worldwide have legalized online gambling. The combined income from online betting, slot machines, and other gambling activities constitutes a substantial 70% of all Internet gambling revenue.

The popularity of global online gambling can be attributed to its diverse offerings and a user-friendly gaming experience without significant restrictions. Research conducted by Juniper indicates that the turnover from online gambling bets is projected to reach \$950 billion by 2024, with a continuous upward trajectory.

Juniper's findings reveal a shifting landscape, with gambling activities increasingly transitioning to the online environment, particularly through mobile applications. The prevalence of bets made via mobile phones is consistently on the rise.

Despite an overall trend toward regulating national gambling markets, a few countries are taking steps to prohibit gambling through the internet and mobile applications. The global online gambling market currently constitutes 13% of the total global legal gambling market and continues to grow steadily, with approximately 85 countries endorsing online gambling practices.

Diagram 4. Global Online Gambling Market Volume in Billion Euros

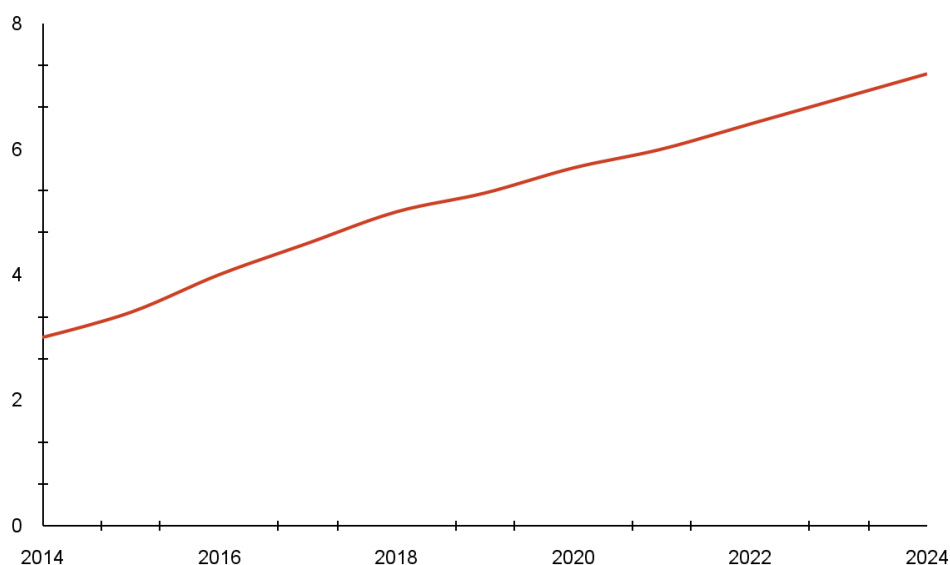


Gross Gaming Revenue (GGR) serves as a key financial metric, reflecting the total revenues generated by a gambling establishment. This parameter provides insights into the dynamic behavior

of gambling players on a global scale.

BV1sion conducted a comprehensive overview of the online casino market in 2019, incorporating predictions for GGR. The GGR for 2019 amounted to \$5.3 billion, showcasing an increase from \$5 billion in the previous year (2018). Projections indicate a continued growth trajectory, with GGR expected to reach \$5.7 billion in 2020 and further expand to \$7.2 billion in 2024¹.

Diagram 5. Gross Gaming Revenue Forecast in Billion Dollars

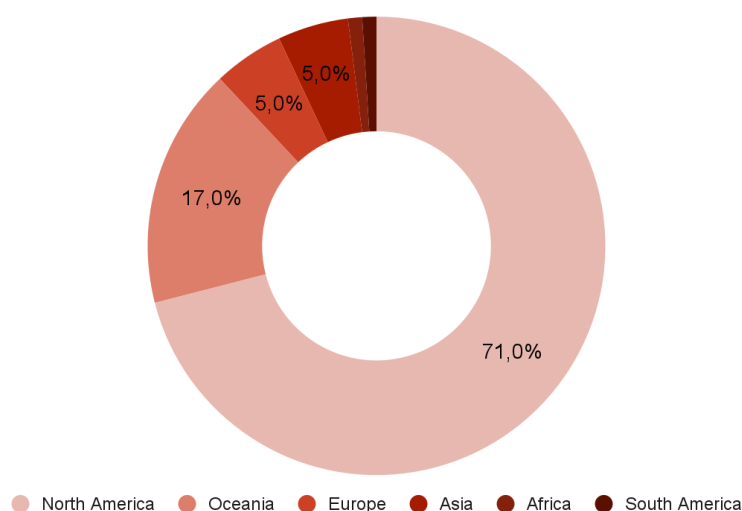


Regarding geographical distribution, North America maintains its prominent position in the online casino industry, commanding 71% of the total market share.

Simultaneously, Oceania, encompassing regions like Fiji, New Zealand, Polynesia, and New Guinea, asserts a substantial presence, contributing 17% to the global Gross Gaming Revenue (GGR) in 2019. This surpasses the GGR share of both Asia and Europe, which stands at 5%.

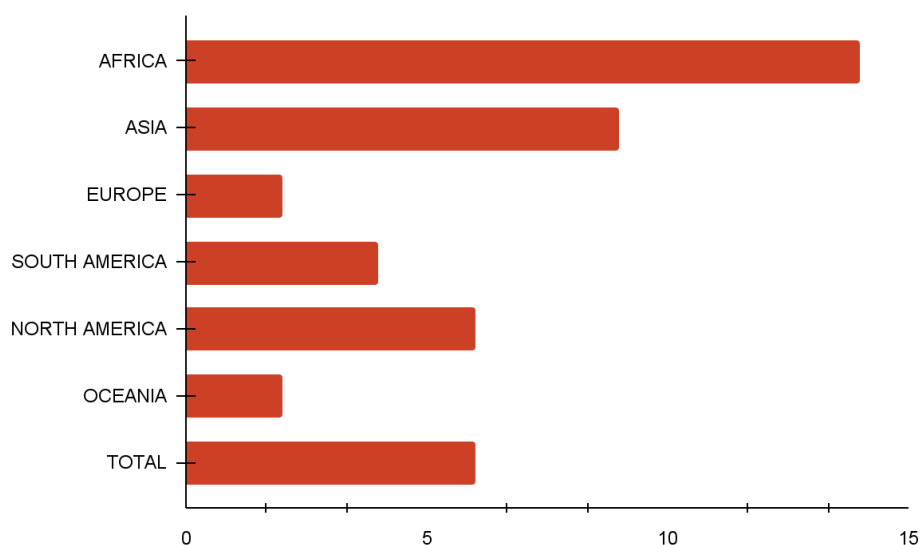
Diagram 6. Regional Structure of Gambling Business Income in 2021

¹ <https://3snet.co/news/2024-forecasts-gambling/>



In 2021, Africa recorded a robust growth rate of 14% YoY, while Europe witnessed comparatively modest expansion.

Diagram 7. Growth in Income by Region in 2021

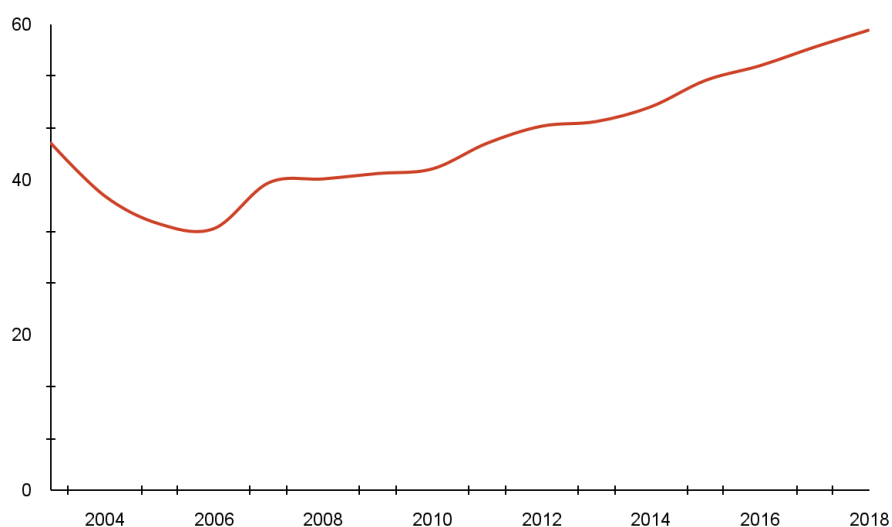


The European Union holds the position of being the largest regulated market in the industry. In contrast, players from Iran face restrictions in only about 30% of casinos.

According to the European Commission, the current valuation of the online gambling industry is \$14.7 billion and shows a continuous upward trajectory. Online casino gambling stands out as the fastest-growing segment in the European Union, boasting an annual growth rate of 15%.

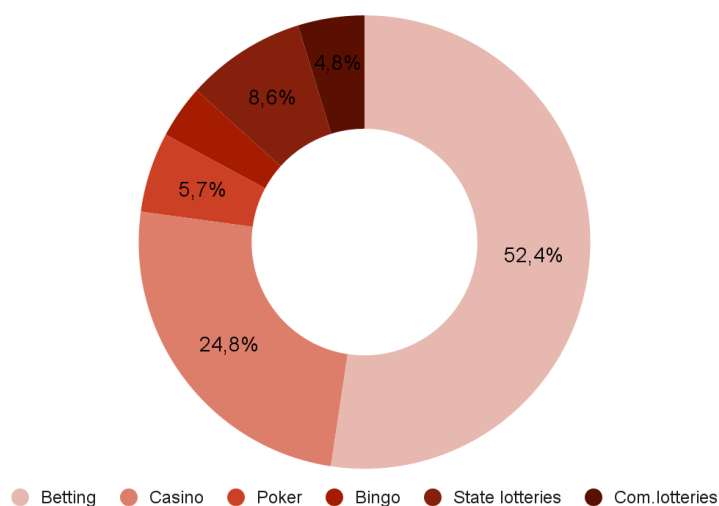
Discussions have also emerged regarding simplifying regulations. The European Commission expressed in 2020, "Operators of online gambling within the European Union are compelled to secure licenses in multiple countries, each with its own licensing requirements. However, a more comprehensive approach would be advantageous. Excessive compliance requirements lead to unnecessary infrastructure duplication and costs, imposing undue administrative burdens for regulators."

Diagram 8. "White Market" Share in Global Online Gambling Revenue



From 2003 onwards, the market has witnessed an average annual growth rate of 23%. The predominant components contributing to this growth include betting, casino, and poker. The surge in online gaming's popularity can be attributed to various factors, including the widespread accessibility of the Internet, the emergence of new markets, and the inclusion of diverse player demographics.

Diagram 9. Online Gambling Income by Game Type



4.2 Profiling Online Casino Players

Engaging in online casino gaming and sports betting entails involvement in a rapidly evolving, dynamic, and highly lucrative industry. The continual advancements in technology coupled with ever-changing global regulations contribute to the industry's excitement, presenting a continuous array of challenges and opportunities. Importantly, the ongoing surge in global iGaming indicates sustained growth, with projections estimating that revenues could exceed \$100 billion in the next five years.

Demographics: Young and Male?

There isn't a singular profile for the average online gambler, but certain trends are observed globally. Typically, online casino players and sports bettors skew towards a younger demographic, ranging from 18 to 35 years old, and there is a tendency for a higher male representation, although the gender gap can vary. These trends mirror those seen among land-based gamblers but are often more pronounced in the online sphere. For instance, studies have shown that the percentage of male online players can significantly exceed that of their land-based counterparts. In Kenya, a 2017 Geopoll study indicated that 69% of males and 44% of females had engaged in sports betting. The participation rate is particularly high among young males, with 77% of males aged 25-34 having gambled, and nearly 60% of them participating weekly.

Regarding age, older gamblers, typically aged 60 and above, are more inclined towards land-based establishments in many markets. However, this may shift in the future as older demographics become more comfortable with technology.

A 2019 survey conducted by the UK Gambling Commission (UKGC) revealed an increase in online gambling engagement among both males and females. The survey found that 25% of males and 17% of females had participated in online gambling in the past four weeks, marking a 2% increase from the previous year.

In China, the Journal of Industrial and Intelligent Information reports that male gamblers outnumber females. More than 50% of Chinese players are 35 or younger, 37% fall between the ages of 36 and 50, and 9% are aged 51-65. Additionally, Chinese gamblers tend to have lower education levels.

Canada exhibits widespread gambling participation, with six in ten citizens engaging in some form of gambling activity. A University of Lethbridge study indicates that 70% of online gamblers in Canada are between the ages of 18 and 39, with 47% falling in the 20-29 age group. Males are significantly overrepresented, constituting 82.4% of online gamblers, while females make up 17.6%.

Similarly, in Australia, a higher percentage of gamblers are male compared to the general population. A 2017 study reveals that, despite only 49% of the country's population being male, men account for 54% of gamblers. Female players represent 45.8%, although females make up 51% of the country's population.

While online gamblers are generally young and male, there remains a substantial number of players across various age brackets, including those over 60. Moreover, in many countries, the number of female players is steadily increasing, indicating a diverse and expansive iGaming audience.

Educational Background and Income

The education and income levels of online gamblers show considerable variation across different regions. Canadian online gamblers boast an average annual income of nearly \$75,000 and generally possess at least some university education. Meanwhile, in Australia, lower-income gamblers allocate a higher percentage of their income to gambling, whereas those in higher earning brackets spend more on gambling overall.

Global Participation Trends

Diverse global factors contribute to varying levels of gambling participation. Some nations embrace gambling culturally, evident in high regular gambler numbers. Even where gambling is legally restricted, players often resort to offshore platforms.

Europe, a major gambling market, witnesses extensive participation. A 2019 report by the European Betting and Gaming Association noted 16.5 million Europeans betting in 2018. Sweden leads in online gambling, with almost 60% of bets made online. The UK, holding a 34% share, is among the world's largest markets. According to the UK Gambling Commission, online gambling participation has consistently risen, with a 2020 survey reporting 47% gambling in the past four weeks, and 21% doing so online.

Gambling is prevalent in various Asian countries, notably in China despite legal restrictions. Macau, Singapore, and Hong Kong report high gambling engagement. In Thailand, where gambling is officially banned, nearly 60% of the population still gambles. This trend extends across Asia, reflecting people's strong inclination to bet.

African nations are witnessing a surge in sports betting, with significant participation from Nigerians and Kenyans, particularly in European football matches. Around 60 million Nigerians aged 18 to 40, a third of the population, regularly place bets. Kenya sees a 57% participation rate, rising to 76% among those aged 17-35.

In other African countries like Uganda and Ghana, youths also engage in betting. South Africa, a major gambling market, faces regulatory challenges in developing its online space.

Latin American countries, known for their football passion, have a high frequency of gambling participation, especially in Brazil and Peru. Colombian players prioritize local payment processors when choosing bookmakers.

Australians are prolific gamblers, with over 47% participating, spending around \$1000 per year. In the US, iGaming is gaining traction, with 75% of sports bets in New Jersey placed online in the first year of legalization. Social casino games are immensely popular in the US, indicating a positive response to the state-by-state rollout of iGaming schemes.

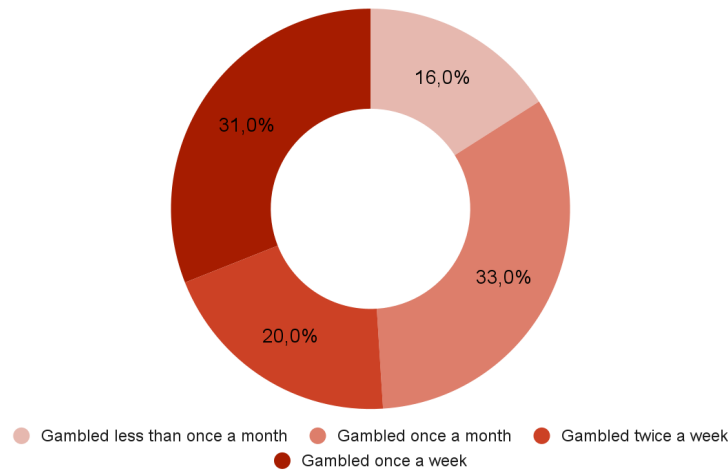
4.3 Player Behavior Analysis

Bet size and frequency

Online casino operators utilize the size and frequency of players' bets to establish bet limits and make accurate revenue projections. European players, known for their high-frequency betting habits, placed bets approximately every 2.5 days on average in 2018, as reported by the European Betting and Gaming Association. This resulted in a staggering 31.6 billion bets from 16.5 million European players during that year.

In the UK, players exhibit a consistent but slightly less frequent betting pattern compared to their European counterparts. According to a survey by the UK Gambling Commission (UKGC), 16% of respondents gambled less than once a month, 33% gambled once a month, 31% gambled once a week, and 20% gambled twice a week. These insights aid operators in tailoring their strategies and predicting player behavior for effective management and optimization of the online casino platform.

Diagram 10. Player Behavior



A 2020 study revealed that online sports bettors tend to wager more than their counterparts who visit retail shops. The study indicated that 38.7% of online bettors placed wagers ranging from £10 to £100 (\$13.80 to \$138), surpassing the 29% of land-based bettors who wagered similar amounts.

In African countries, particularly Nigeria, players exhibit a tendency to place a higher volume of low-value bets. Approximately 30% of Nigerians engage in daily betting, with average bets amounting to 300 Naira (approximately \$0.78). In Kenya, 58% of male gamblers place bets at least once a week, and the average bet in the country is £1.30 (\$1.80), leading to an astonishing 180 million individual bets in a single month, as reported by the Kenyan National Bureau of Statistics.

In summary, the evidence suggests that online players consistently wager more money and more frequently than their land-based counterparts.

Motivational Factors

Online players engage in slot or sports betting for various reasons. Primarily, it is seen as a form of entertainment, providing a means to relax and have fun. Many players also perceive it as an opportunity to spend time with friends. Interestingly, there is a growing trend among social media users who transition from social casino games to real-money games, especially enticed by bonuses and other offers.

Beyond entertainment and socialization, another significant motivator is the prospect of financial gain. In African countries like Kenya and Nigeria, gambling is often considered a potential source of income or a quick path to wealth.

These diverse motivations can manifest in players' behavior. Those who see gambling as a form of entertainment or social activity may engage once a week or once a month. On the other hand, individuals viewing it as a source of income are more likely to bet several times a week or even daily.

It's common for players to establish time limits and budgets. Players with a budget typically cease playing once their allocated funds are exhausted. Conversely, those adhering to a time limit allocate a specific timeframe to enjoy slot games. Such players are more prone to increasing their bets if they sense a winning streak, optimizing the limited time available. This betting pattern is notably more

prevalent among online players.

Preferred Devices

It's increasingly evident that mobile-based betting is gaining prominence.

In Europe, the prevalence of mobile gambling has been consistently growing, and projections indicate that mobile-based betting could surpass desktop gambling as early as 2024.

A 2019 report from the UK Gambling Commission (UKGC) revealed that 50% of online gamblers placed bets via mobile devices. Notably, this number rose to 72% among individuals aged 25-34 and 76% among players aged 18-24.

The surge in betting activity in Africa is, in part, fueled by mobile technology. In Kenya, an Geopoll survey indicated that 88% of sports bettors had engaged in mobile betting, with 55% of them placing bets through their phones at least once a week.

Reflecting broader industry trends, the future of gambling is increasingly online, and within that landscape, mobile devices play a central role. Consequently, game developers are prioritizing mobile-friendly designs, with some even adopting a mobile-first approach.

Experience level

Online casino games attract players of varying experience levels. Social casino gamers frequently transition to real-money gaming, enticed by sign-up bonuses or other offers, and often find the experience enjoyable.

Preferences in games may differ between beginners and experienced players. Seasoned players are likely acquainted with concepts like Return to Player (RTP) and volatility rates, and may not be as captivated by pop culture themes compared to newcomers to slot games.

In the realm of sports betting, the expectations of experienced bettors are typically higher, particularly concerning the availability of fair odds.

Betting Preferences

In essence, the preferences of online casino and sportsbook audiences mirror those of their offline counterparts. Player tastes and engagement levels exhibit variation based on the region.

European players find enjoyment in slots, classic casino table games like blackjack, roulette, and baccarat, along with betting on horseracing and popular sports such as football. Similar patterns are observed in Australia and Canada.

While football betting enjoys widespread popularity, the favored sports disciplines can differ among various markets. Sportsbooks targeting India should prioritize cricket, and in Ireland, offering bets on

local sports like hurling could be beneficial. In African countries like Kenya and Nigeria, football betting centers on European leagues, while in Latin America, punters heavily engage in bets on their national leagues.

According to an Australian study, men are more inclined to play strategic forms of gambling such as card games like blackjack and sports betting, while female gamblers are more likely to enjoy games of pure chance such as slots. However, this pattern may not hold true in other parts of the world.

Asian players appreciate the availability of games with regional roots, such as Dragon Tiger, Sic Bo, and Mahjong. Indian players share similar preferences with European players in casino games, with the addition of region-specific games like Indian Rummy, Indian Flush, and Andar Bahar.

Today's online player

The online casino player of today is often perceived as young and male, particularly in more developed countries where players tend to have higher income levels and education. This demographic is also known for its keen interest in technology, reflecting a mobile-first lifestyle.

However, this image is not comprehensive. While males constitute a higher percentage of players than females, significant numbers of female players exist, especially in Europe and North America. Lower-income countries also have their share of frequent players. While the 18-35 demographic dominates slot players and sports bettors, there is a substantial number of older players who engage in spinning and wagering regularly.

In summary, while it's generally accurate to assume that online casino players are predominantly young men, there's a growing recognition of the presence of female gamblers and players in various age brackets. Ultimately, gambling serves as an equal-opportunity source of entertainment.

As a prominent software supplier and aggregator in the iGaming industry, Slotegrator provides comprehensive solutions to launch and operate online casinos, including turnkey platforms, game content, sports betting software, and assistance with gambling license acquisition. Contact us to make 2024 the year you embark on a successful online casino or sportsbook venture.

4.4 Current trends in online casinos

Due to the pandemic and self-isolation in many countries, 2021 has become a very successful year for online casinos around the world: there is an increase in the revenue of the entire online gambling market in the world by a third compared to the 2020. And during the crisis of 2008, it practically had no effect on the wallet of online casino customers. This indicates the robustness of this business model.

New technologies are having a profound impact on the gaming market. Active development is predicted for mobile gambling, and only the best new products will withstand competition, which means that users will notice an improvement in the quality of mobile gambling.

All technical changes, including those related to the speed of mobile data transmission, will not be particularly noticeable to end users, they will take place, so to speak, in the background. But the qualitative and specific changes will be on the face.

The main surprise will be virtual reality in online gambling. Thanks to the development of Microsoft HoloLens, HTC Vive and Playstation VR, video slots and other online games will become more spectacular and amazing than ever before soon.

Virtual reality technology

New advances in VR technology make it possible to faithfully reproduce the emotions and physiological sensations experienced by a person in a real casino. With the help of virtual reality glasses, anyone who wishes today can walk through the hall of a masterfully recreated gambling establishment, talk to the dealer and place bets at any gaming table.

Such giants of the gaming market as Microgaming, Novomatic, NetEnt, Lucky VR, Topgame Technology and others are working in the direction of the development of virtual reality games.

Back in the winter of 2020, at the international conference ICE Totally Gaming, Microgaming presented an impressive stand, where the virtual roulette game was demonstrated. The software used has clearly shown that virtual reality is achievable, and a great future awaits it in the gambling industry.

The company NetEnt is actively studying VR technologies. Visitors to exhibitions dedicated to online gambling have already repeatedly experienced the Jack and the Bean Tree slot machine. The amazingly realistic journey was appreciated by both players and competitors. Talking about their achievements in the field of virtual reality, Novomatic representatives note the main advantages of realistic online games: full immersion in the gameplay; incredible emotions, even brighter than in real life; the ability to use the resource in any convenient place where there is an Internet connection; exciting and varied plots.

Novomatic is one of the pioneers in the implementation of VR technology in online gambling, which has many new developments.

Recently, the idea of the possibility of integrating virtual gameplay into social networks has been repeatedly expressed. Most likely, such an idea will soon be implemented.

Social games combined with slot machines

Online gambling in a social format is gaining popularity. We recently reviewed the new Castle Builder 2 slot from Microgaming, which evolves gameplay through advances in spinning reels and placing bets.

The advantage of social gambling is that it is much more dynamic and addictive than a traditional slot machine. Such games allow you to choose a playable character and follow different paths

depending on the character of the hero. In addition, the characters are invited to develop: to accumulate experience, skills and achievements, and due to this, get more favorable conditions for the game. The role of the reel slot machine is that the winning combinations not only bring money, but also the resources necessary to continue in the game.

Currently, slot machines with social game capabilities are in great demand, so many developers are working on their creation. In the second half of 2021, several fresh new products were released.

Progressive Poker Jackpot with a live dealer

Slot machines with a progressive jackpot are chosen by many gamblers, as this is a chance to win a large cash prize. Now this technology is smoothly spreading to poker. Evolution Gaming has already introduced the world's first Jumbo 7 Progressive Jackpot in Live Casino Hold'em!

The initial size of the jackpot is 1,000,000 euros, but since it is cumulative, the amount increases in proportion to the activity of the players. Evolution Gaming Product Director Todd Haushalter noted that the jackpot could grow to an incredible € 30,000,000! Playing poker with such a prize at stake is much more fun. The game also has a second level jackpot with lower fixed payments.

Other developers of live online casino games are also considering introducing an attractive progressive jackpot for players.

Live-games

Live dealer games have become very popular in the past year. And this is just the beginning of their successful development. In 2023, it is expected to further popularize live games in conjunction with VR technology. The developers plan to create even more realistic games with improved functionality and open new studios for broadcasting games in real time.

Skill games

Most modern players rely not only on luck, but also on their own skills. This inspired many providers to develop platforms containing strategy games. They need to apply certain skills, which is very attractive for players. This promises immense popularity for skill games soon.

Gamification

This concept implies the use of game dynamics and game thinking to attract an audience to the process and solutions to marketing problems. Gamification will no doubt become a new trend in gambling and promises new missions, competitions, bonus programs and rewards to attract gamblers.

Entertainment content

Online casino operators strive to keep users on their resource in every possible way. Now, in addition to chats, special sections with useful non-game content will be used for this: movies, TV series, music videos and TV shows. In addition, plot details of many slots will appear in online

casinos.

Big data

Another trend of the current year will be Big Data technology. It provides the collection and storage of a huge amount of information and is indispensable for the progressive online gambling industry. Thanks to the ability to analyze and sort a large amount of data, games will effectively adapt to the interests and needs of the target audience.

Mergers and acquisitions

According to experts' forecasts, the development of the gambling market is so rapid that by 2023 its volume will exceed \$ 60 billion. So, in 2023, gambling companies will expand and increase their capital.

Messengers

The new possibilities of the mobile Internet are constantly attracting players. If earlier social networks and telephone means of communication were in trend, now the position of the leader is taken by convenient instant messengers.

Slotegrator is seriously interested in this trend and has created its own Telegram casino. Integration of the gaming platform into the messenger allows users to enjoy gambling on their smartphone at any time.

Individual slots

Creation of slots for individual orders will also be included in the top online casino services. The development of unique slots will allow operators to gain a competitive advantage in the market and maximize brand awareness.

Cryptocurrencies

Cryptocurrencies are famous for such significant advantages as anonymity, convenience, minimum fees and the absence of prohibitions from legislation. Thanks to this, they will become one of the most popular means of payment in the field of Internet gambling. In addition to bitcoin, the following currencies will gain popularity: litecoin, dogecoin, ethereum, ripple, monero, zcash and others.

Currently, the use of cryptocurrencies by customers is alarming, since they are associated with illegal,

i.e. gray financial market. At the first stage, it is not recommended to use settlements with clients in cryptocurrency.

Security issues in online gambling

New technologies imply the search for new ways to solve security issues. Moreover, DDoS attacks have become more frequent lately. In the past year, they have done a lot of damage to online

bookmaker sites. As it turned out, even large operators with close attention to security issues, such as Britain's William Hill, are not immune from hacker provocations. Last fall, the services of this operator were unstable, and with 5 million revenue a day, the losses will be rightly called significant.

In 2019, a significant proportion of gambling operators' investments were directed towards security.

Women are actively interested in online gambling

The trend of an increase in the number of female gamblers in online casinos was outlined back in 2015. And now it is only getting stronger. According to the research conducted, the fair sex prefers to gamble on personal gadgets and in private. This allows for more leeway and avoids ridicule from male players.

The most active gamblers are women under the age of 35, but older ladies are also not averse to occasionally spinning the reels of slot machines, starting a roulette wheel or throwing cards.

Online casinos made especially for women have already begun to appear, and some operators are conducting advertising campaigns aimed specifically at women.

4.5 Market Forecasts

Juniper, a research company, has projected that the turnover in the online gambling segment will reach \$950 billion by 2023, and this growth is expected to continue. The study highlights a shift towards online gambling, with a particular emphasis on mobile applications, as the majority of bets are increasingly made through mobile phones. Despite a global trend towards regulating national gambling markets, a few countries are moving towards a complete ban on internet and mobile gambling.

The global online gambling market already constitutes over 13% of the total global legal gambling market, and this percentage is steadily increasing. A niche revenue of \$65 billion is anticipated by 2023, with the niche itself undergoing changes and reforms depending on the market. The Asian market, being the largest globally, continues to witness growing demand for gambling, with 2021 indicating a softening of regulations. More countries are legalizing online betting and casinos, and this trend is expected to extend into 2024, presenting new opportunities for the industry.

In Africa, the online gambling market is experiencing rapid development and growth. The main challenge is the lack of regulation in most countries on the continent, although casino activities are not explicitly prohibited at the legislative level. Full realization of the market's potential is anticipated, but it may take time to establish comprehensive regulations in this sector across African countries.

5 RISKS FACED BY ONLINE CASINOS

5.1 Operational Challenges

As previously mentioned, there is always a potential for business processes to deviate from the intended plan, and various day-to-day risks can converge, creating a challenging situation.

Online casinos primarily encounter operational risks related to technical and compliance issues.

Technical Risks

Software glitches, whether originating from your platform, game providers, payment service providers, or other sources, can be a significant concern for online casinos. Issues such as loading errors during gameplay or dropped connections during financial transactions have the potential to damage a casino's reputation.

These glitches can range from minor inconveniences, like a dropped session during a spin, to major financial crises. For instance, a technical error allowing multiple players to win a massive jackpot when only one should have been awarded can lead to significant financial implications. In such cases, the casino may need to suspend payouts while conducting an internal audit to determine the cause and responsibility for the payout, whether it's the casino or the game provider.

Effective communication between casinos, software providers/aggregators, and game providers is crucial to managing operational risks. Coordination is particularly essential during the release of new slots, which are most popular when first introduced. Some providers conduct soft launches, releasing a game through a select few casinos. While this offers a marketing advantage, it also presents the risk of encountering technical glitches in either the game or the integration protocol. Managing player expectations during a soft launch and addressing technical issues promptly is crucial to handling potential fallout.

Compliance Concerns

Compliance poses a continuous risk for online casino operators, as it involves not only meeting initial requirements but also staying updated on evolving guidelines. The need for compliance extends beyond following regulations; operators must actively monitor and adapt to changes.

For instance, imagine running a sportsbook named Frankie's known for offering the fairest odds. If a regulatory body suddenly declares that promotional material cannot compel, command, or recommend players to bet, effective immediately, you would need to promptly revise all marketing materials to align with the new rule to maintain compliance and avoid penalties.

Licensing terms vary across jurisdictions, often specifying countries where operators cannot accept players. This restriction also extends to software developers, game providers, and payment system providers, resulting in complex considerations regarding player acceptance. Managing traffic and

preventing prohibited sign-ups becomes crucial to adhere to regulatory guidelines.

Some markets even dictate the types of games allowed, with regulators specifying details such as the screen space a single icon on a slot can occupy.

Security remains a constant concern, with Know Your Customer (KYC) checks being essential for anti-money laundering compliance and fraud prevention. The potential nightmare for any casino is a security breach, where cybercriminals could gain access to players' personal data and funds. Implementing robust security measures is paramount in safeguarding against such threats.

Mitigating Operational Risks

The optimal approach to handling operational risks involves proactive prevention.

Ensure employees undergo thorough training across all business processes, followed by consistent monitoring and assessments. While hackers only need one successful attempt, businesses must maintain continuous vigilance.

Establish clear guidelines for employee conduct, encompassing ethics and operations, and foster a transparent chain of communication. Assign team leaders to supervise employees and conduct quarterly reviews to evaluate risk management performance.

During audits, consistently reassure winning players about the processing of their winnings to avoid one of the worst scenarios for an online casino – a tarnished reputation.

Maintaining promises is fundamental to ethical standards, and players must trust that significant winnings will be promptly fulfilled. Failure to do so may lead them to voice concerns on player forums, damaging the casino's reputation by alleging fraudulent practices.

5.2 Strategic Measures

Every decision made by a business involves a certain level of risk, inherent to the nature of the territory. While efforts can be made to minimize the likelihood of risks, in many cases, the best course of action is to mitigate the potential consequences.

Strategic risks emerge when making decisions such as forming new partnerships, developing and launching new products, investing in other companies, or expanding into new markets. One common strategic risk faced by iGaming companies is the choice to acquire a license. While the cost of licensing, dependent on the chosen jurisdiction, may deter new operators due to its impact on the starting budget, it is an essential aspect of risk management. Unlicensed operators face potential consequences such as blacklisting, facility closures, fines, or legal action, all of which would incur costs far surpassing the initial license expense.

Expansion brings its own set of risks, requiring thorough research to avoid decisions based on flawed data or gambles that may not yield expected results, such as the target market failing to grow at the projected rate.

Financial risks are a constant concern, including challenges like accumulating excessive debt during expansion and struggling to repay it if expected returns do not materialize. Investing spare cash in securities and shares in investment funds is common practice, but it comes with the inherent risk of market fluctuations, particularly during periods of global economic recession.

Partnerships also pose strategic risks, emphasizing the importance of collaborating with reputable, licensed, and established software developers, game providers, and payment service providers to mitigate potential challenges.

How to manage strategic risks

Managing strategic risks involves a proactive approach that begins with acknowledging their potential occurrence. Once acceptance is established, a specific plan must be developed, outlining precise steps to prevent an error from escalating into a disaster. For instance, if a second brand targeting the crypto casino space fails to gain traction as anticipated, it is essential to have a clear understanding of the financial resources available to sustain the new company during the period required for marketing efforts to attract more players.

5.3 External Risk Factors

Consider the example mentioned earlier when authorities in the target market imposed an unexpectedly high tax. This scenario is based on a real incident that unfolded in Kenya in 2019, where regulators introduced a new tax structure based on turnover, proving unsustainable for several sportsbooks. Faced with the challenge, numerous international brands opted to withdraw from the market.

These low-probability, high-impact events are unpredictable and challenging to prepare for specifically. The most effective strategy involves minimizing overall vulnerability and maintaining business liquidity.

The COVID-19 pandemic serves as another illustrative example. In 2019, no one would have anticipated the need for a contingency plan in case of a global pandemic disrupting all revenue streams. Nevertheless, it occurred, leading to the closure of sporting events worldwide. Businesses that adapted quickly sought alternative avenues such as Belarusian football, sumo wrestling, reality TV, marble racing, esports, and virtual sports betting to mitigate the impact. While land-based casinos faced closures and profit decline, those incorporating live dealer games were better equipped to navigate the crisis.

Managing external risks involves acknowledging that prevention strategies are often impractical due

to their inherent uncontrollable nature. To mitigate the effects of external risks, focusing on the financial health of the company is crucial. Highly leveraged companies, heavily reliant on debt financing under normal circumstances, may face significant challenges during major disruptions, such as the Covid pandemic or the 2008 financial crisis, where missing sales targets for a single quarter can lead to a downward spiral.

6 INVESTMENT PLAN

6.1 Volume and structure of investments

The complete investment needed for the project amounts to 210,000 EUR.

The allocated funds under the project are intended to be distributed across the following areas of financing:

- acquisition of the platform core (back office);
- floating capital financing.

Table 5. Investment Budget in Euros

No	Name	Value
1	Acquisition of the platform core (back office)	95 600
2	Floating capital financing	114 432
Investments total		210 032

The largest share in investment costs is floating capital financing (about 65%).

6.2 Project Milestones and Implementation of Investments Schedule

Table 6. Financial Plan in Euros

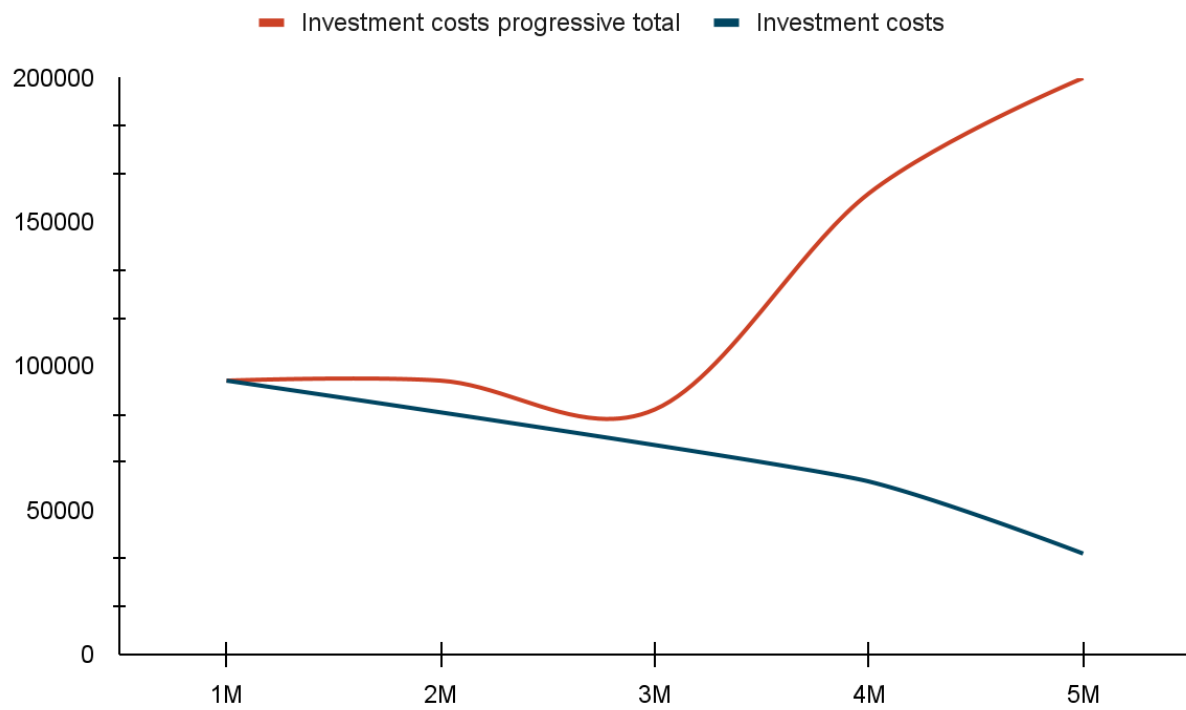
Month of the project		Total	1	2	3	4	5	6
Month from the project launch						1	2	3
1	Acquisition of the platform core (back office)	95 600	95 600					
2	Floating capital financing*	114 432				67 700	37 144	9 588
	Investments total	210 032	95 600	0	0	67 700	37 144	9 588

The investment period duration (prior to the project launch) is 0.3 years.

A phased work schedule along with a financing schedule is outlined in the table below.

**Negative value shows that this sum of investment is financed by current earnings of the project.*

Diagram 11. Investment Cost Financing Schedule in Euros



7 INCOME PLAN

7.1 Service Offerings Scope

The targeted number of new guests to be attracted is 60,100 people per month. The expected average income per guest is 7 euros per month, with each guest playing for an average duration of 3 months. Following this period, additional funds need to be invested in advertising to either retain or re-attract the guest.

In terms of cash winnings, the casino pays out 95% of the funds deposited by guests into the casino account (system).

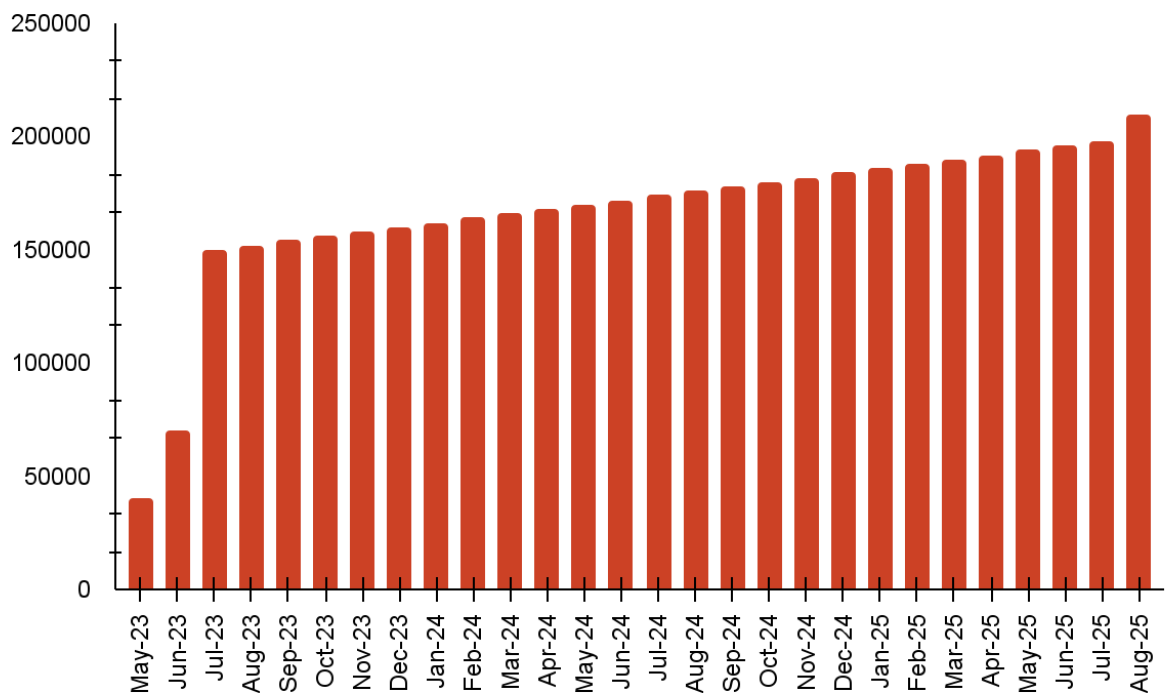
Consequently, the casino's revenue (proceeds) constitutes 5% of the funds entered into the gaming system by guests.

Four months after the launch of the online casino, a referral program is implemented, bringing in 5 new partners each month. Each partner is expected to bring in a minimum of 50 new guests monthly.

7.2 Projected Income Volume

The average monthly income for the project period (3 years) will be about 149,6 thousand EUR.

Diagram 12. Dynamics of Sales Proceeds in Euros



The cumulative revenue for the project duration (3 years) is projected to reach 5,384.3 thousand EUR. A comprehensive plan detailing income generation and the financing of direct costs is outlined in the table provided below.

Table 7. Income and Direct Cost Plan (pre-design capacity) in Euros

Month of the project			Total	1 - 12	13 - 24	25 - 36
Month from the project launch				1 - 9	10 - 21	22 - 33
Average income per guest per month			7			
Advertising costs, per month			60 100			
Physical indicators		Unit	-			
Total number of guests		ppl		20 280	26 280	32 280
Number of new casino guests		ppl	192 320	48 080	72 120	72 120
Number of new guests of the referral program		ppl	116 250	5 250	37 500	73 500
Cash turnover with an average percentage of			107 685 200	18 544 400	39 530 400	49 610 400
Cumulative total number of referral partners			2 325	105	750	1 470
Proceeds excl. VAT		Income from 1 guest	5 384 260	927 220	1 976 520	2 480 520
Casino income		7,0	5 384 260	927 220	1 976 520	2 480 520

8 PROJECT EXPENDITURES

8.1 Fixed Costs Breakdown

Staff Salaries

Based on the staffing table, the anticipated total staff count is 5 individuals, each working standard hours, with an average monthly salary of 920 EUR.

The overall payroll is projected to be 4,600 EUR per month (55,200 EUR annually).

Compensation for all company employees is intended to be based on hourly wages initially. However, there are plans to establish a system of financial incentives such as bonuses in the future.

Table 8. Staffing Table with Salaries in Euros

№	Position	Number of people	Salary	Total per month
1	Senior technician	1	1 200	1 200
2	Operator	3	800	2 400
3	Marketing Specialist	1	1 000	1 000
	Total	5		4 600

5 additional staff are employed for every 6000 new clients. The cost of additional personnel is shown in variable costs.

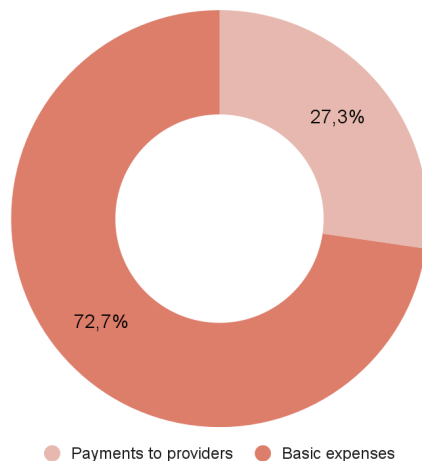
8.2 Direct Operational Costs

A complete list of current variable costs is presented in the table below.

Table 9. Variable Costs

№	Type of expense	Total per unit	Share of base	Calculation base
1	Advertising costs	10		for 1 new client
2	Percentage of the platform gross profit, but not less	3 000	15%	gross profit for the previous month

Diagram 13. Structure of Variable Costs (as a Percentage of Total Variable Costs)



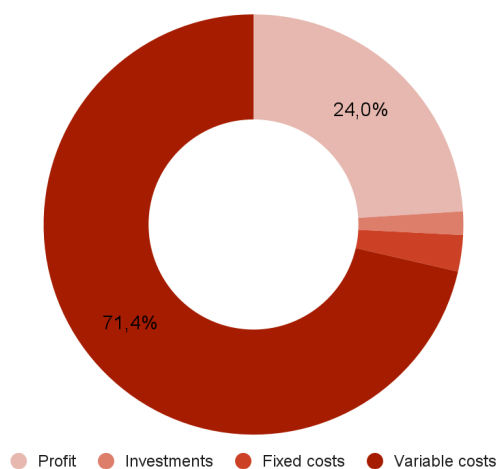
8.3 Project Revenue Structure Analysis

The most straightforward method to scrutinize primary cost components and their proportion in the overall expenditure is to examine the distribution of total revenue over the project period (3 years). The breakdown of revenue distribution by major cost categories and profit, arranged in descending order, will appear as follows:

- variable costs - 71,39%;
- profit - 24,01%;
- fixed costs - 2,82%;
- investments - 1,78%.

The diagram below illustrates that the share of the project's proceeds that goes to net profit is 24,0%.

Diagram 14. Distribution Structure of Sales Proceeds to Costs and Profit



The table presented below illustrates the proportions of individual components of operating income and costs within the total income volume for the project. The data are outlined according to the comprehensive project plan for the entire duration, with percentages calculated based on the revenue volume.

Table 10. Revenue Structure (Costs and Benefits)

№	Parameter	Monthly average	Annual average	Total
1	Proceeds	163 159	1 957 913	5 384 260
2	Operating costs TOTAL	121 081	1 452 971	3 995 670
3	Variable costs total	116 481	1 397 771	3 843 870
4	<i>Basic expenses</i>	84 665	1 015 978	2 793 939
5	<i>Payments to providers</i>	31 816	381 793	1 049 931
4	Fixed costs total	4 600	55 200	151 800
7	<i>Salary</i>	4 600	55 200	151 800
8	Investment (excl. floating assets) TOTAL	2 897	34 764	95 600
9	Cash balance at the end of the project TOTAL	42 649	511 790	1 407 423
10	Profit TOTAL	39 182	470 178	1 292 990

8.4 Break-even Point Evaluation

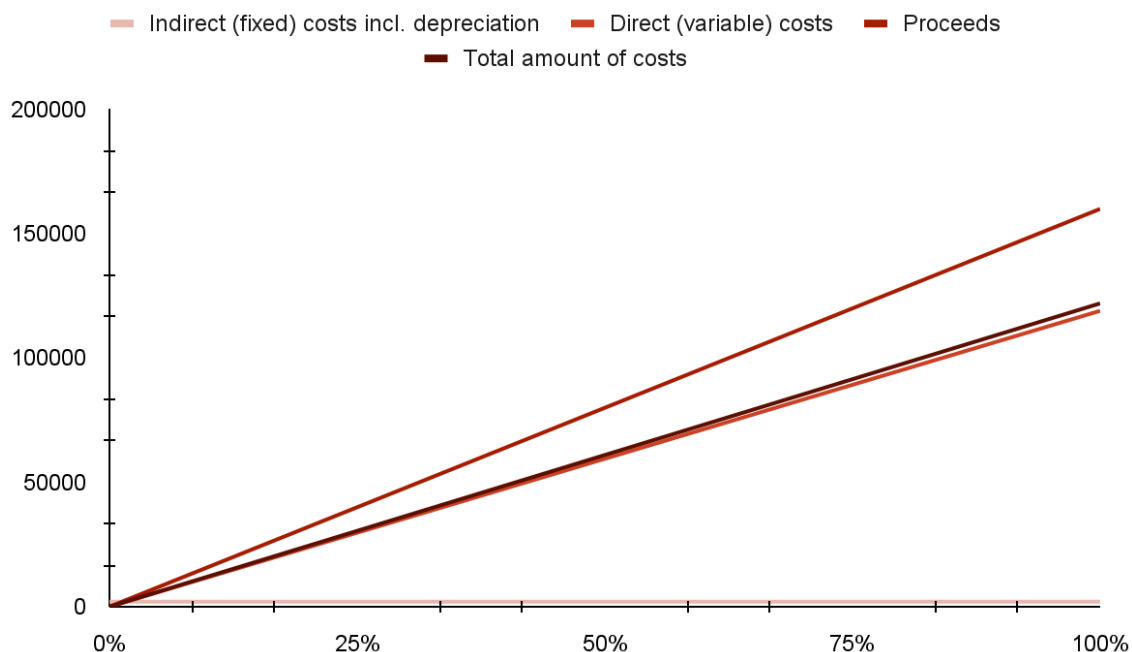
Operational break-even

Excluding the tax component

The average monthly break-even sales volume, computed from operating income, variable and fixed costs, and excluding taxes, is 16.1 thousand EUR, equivalent to 9.9% of average revenue.

The financial strength margin is 147.1 thousand EUR, constituting 90.1% of average revenue.

Diagram 15. Break-even Point without Tax Component in Euros

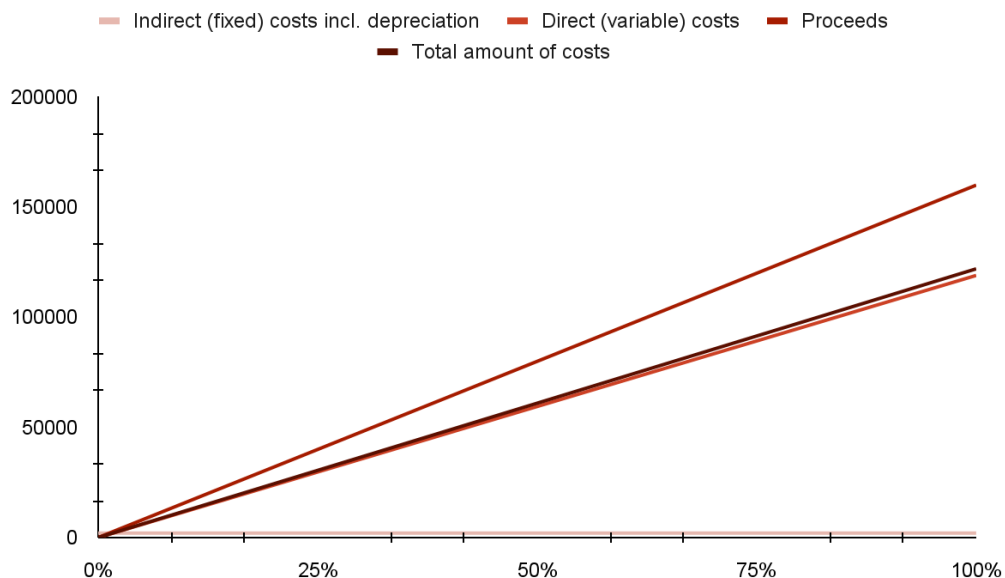


Considering the tax component

The average monthly break-even sales volume, considering operating income, variable and fixed costs, and taxes, is 16.1 thousand EUR, representing 9.9% of average revenue.

The financial strength margin amounts to 147.1 thousand EUR, making up 90.1% of average revenue.

Diagram 16. Break-even Point including the Tax Component in Euros

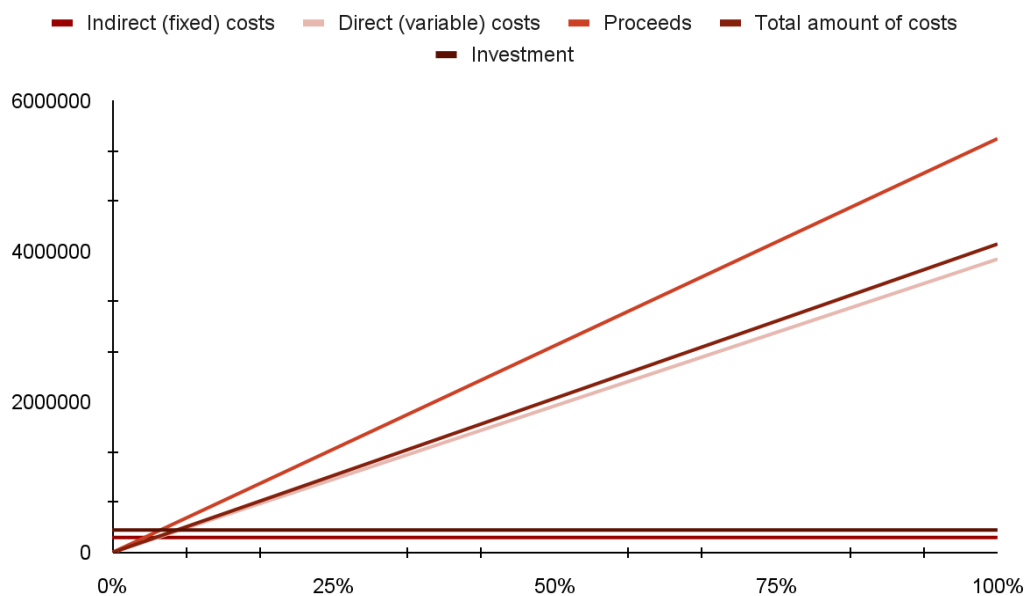


Break-even analysis for the whole project

In the context of the entire investment project, factoring in investment costs and the projected sales volume for the entire project period, the break-even sales volume equals 1,264.7 thousand EUR, comprising 23.5% of the total project proceeds.

The financial strength margin attains 4,119.5 thousand EUR, constituting 76.5% of the total project proceeds.

Diagram 17. Overall Project Break-even Point in Euros



9 MARKETING PLAN

Apuesta is crafted for individuals aged 18 and above who are in search of a unique and responsible gaming experience. This comprehensive marketing strategy delineates plans to build brand connections, captivate the target audience, and boost sales through innovative and ethical initiatives.

8.1. Target Audience:

Demographics: Primarily targeting adults aged 18 and older, with a focal point on the 21-35 age group.

Geographics: Argentina, Peru, Chile.

Psychographics: Enthusiasts of cutting-edge technology, gaming aficionados, and those valuing a commitment to responsible gaming practices.

Geoblock: USA, France, The Netherlands, The Dutch Caribbean Island: Curacao, Aruba, Bonaire, St. Martin, St. Eustatius, and Saba.

8.2. Marketing Strategies:

a. Brand Narrative Crafting:

Craft a compelling brand story that underscores our commitment to revolutionizing the gaming landscape through innovation, excitement, and a steadfast dedication to responsible gaming.

Apuesta stands as the epicenter for cutting-edge technology, diverse gaming experiences, and a vibrant gaming community.

b. Digital Dominance Strategy:

Elevate the website to deliver an intuitive user experience, ensuring seamless navigation across diverse platforms. Harness the potential of social media platforms for targeted advertising, captivating content distribution, and community-building initiatives.

c. Content Exploration Journey:

Devise a content strategy that includes engaging blog posts, interactive tutorials, and exclusive insights from developers to nurture a sense of community and sustain player engagement. Establish collaborations with gaming influencers and content creators to amplify NexusGamer Ventures' reach and influence.

d. Advocacy for Responsible Gaming:

Naturally incorporate messages promoting responsible gaming within marketing materials and gaming interfaces. Integrate features such as session duration reminders, spending limits, and voluntary self-exclusion tools to empower players and promote a responsible gaming environment.

8.3. Sales Expeditions:

a. Launch Spectacle:

Reveal captivating launch promotions and exclusive bonuses to captivate early adopters. Employ strategically timed limited-time offers to instill a sense of urgency and anticipation.

b. Partnership Expedition:

Forge strategic alliances with gaming affiliates, influencers, and complementary brands to amplify visibility and attract a broader audience. Establish an enticing affiliate program to incentivize third-party promotion.

c. Insight-Driven Enhancement:

Utilize analytics tools to extract insights into player behavior, preferences, and the effectiveness of various acquisition channels. Drive data-driven optimizations in marketing strategies, targeting precision, and overall user experience.

d. Customer Relationship Mastery:

Implement an agile Customer Relationship Management (CRM) system to personalize communications, promotions, and offers based on individual player preferences. Leverage targeted email marketing campaigns for personalized promotions and real-time updates.

8.4. Performance Assessment Metrics:

Continuously monitor key metrics, including customer acquisition cost, conversion rates, player lifetime value, and overall customer satisfaction. Conduct regular reviews and make agile adjustments based on performance analytics.

10 FINANCIAL PLAN

10.1 Conditions for attracting investment resources

The need for financial resources for the project is 210,0 thousand EUR.

It is planned that the financing of this project will be carried out at the expense of the investor and the company's expense.

The amount of own funds will be 114,4 thousand EUR. The investor's capital will amount to 95,6 thousand EUR.

The co-investor's funds are reimbursed after the profit is made.

10.2 Indicators of the cash flow plan

Investment activities

The balance of the investment cash flow of the project is equal to the aggregate of all long-term financial investments (investment budget), except for working capital - 95,6 thousand EUR.

Operating activities

Positive cash flows from operating activities are generated by sales proceeds. Negative cash flows are the company's operating costs.

The amount of proceeds for the period of the project reaches 5 384,3 thousand EUR.

Negative cash flow reaches 3 995,7 thousand EUR and consists of the following main components:

- variable costs - 3 843,9 thousand EUR;
- fixed costs - 151,8 thousand EUR.

Thus, the balance on operating activities at the end of the project will be equal to the amount of net profit and will be 1 293,0 thousand EUR.

10.3 Indicators of Profit and Loss Plan

The project's total revenue is projected to reach 5,384.3 thousand EUR, with direct costs amounting to 3,843.9 thousand EUR. Consequently, the gross profit is 1,540.4 thousand EUR.

Fixed costs for the project period are estimated at 151.8 thousand EUR. The profit before tax is projected to be 1,293.0 thousand EUR. The net profit, accounting for the write-off of the entire investment costs through depreciation, is also expected to reach 1,293.0 thousand EUR.

10.4 Company's value

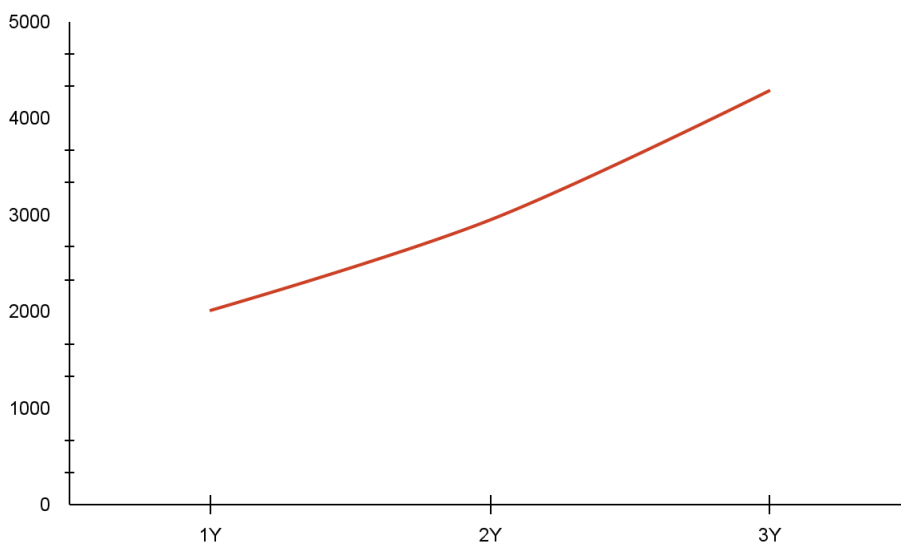
The cost of the company at the end of the project (after 36 months (3 years)) will be 4 292 thousand EUR.

The dynamics of the company's value is shown below.

Table 11. Dynamics of Company Value in Thousands of Euros

	1Y	2Y	3Y
Company value	2 009	2 948	4 292

Diagram 18. Dynamics of Company Value in Thousands of Euros



10.5 Project Financial Performance

The project spans a horizon of 36 months (3 years), with an investment period lasting 3 months (0.3 years) leading to the project's launch. The operational phase of the project extends for 33 months (2.8 years). A discount rate was applied to calculate the financial metrics, considering the project's nature.

Over the entire project implementation period, sales proceeds are anticipated to reach 5,384.3 thousand EUR. The total project cost is estimated at 4,091.3 thousand EUR.

The monthly average net operating income is projected to be 35.9 thousand EUR. Throughout the project's duration, the average current balance in the cash account on the current account is expected to be 418.6 thousand EUR.

Upon the project's completion, the net profit is forecasted to reach 1,293.0 thousand EUR.

Table 12. Financial and Investment Project Indicators

	Name of the indicator	Rate
	Calculation period of the project, year	3,0
	Laid-down capital (LDC), EUR	210 032
	Revenue, euro	5 384 260
	Net average operational receipts per month (NAOR), EUR	35 916
	Average demand balance per month (ADB), EUR	418 611
	Net profit for the project period, EUR	1 292 990
	Average profitability for the project period (net profit to proceeds	24,0%
	Discounting rate (DR), %	19,6%
	Net present value (NPV), EUR	847 775
	Average Rate of Return of investments (ARR)	205,2%
	Return on investment (ROI)	615,6%
	Profitability index (PI)	10,00
	Internal rate of return (IRR)	254,8%
	Pay back period of the project in whole (PBP), incl. financing scheme	14 months
	Discounted payback period of the project in whole (DPBP), incl. financing	15 months

Diagram 19. Project Cash Flows in Euros

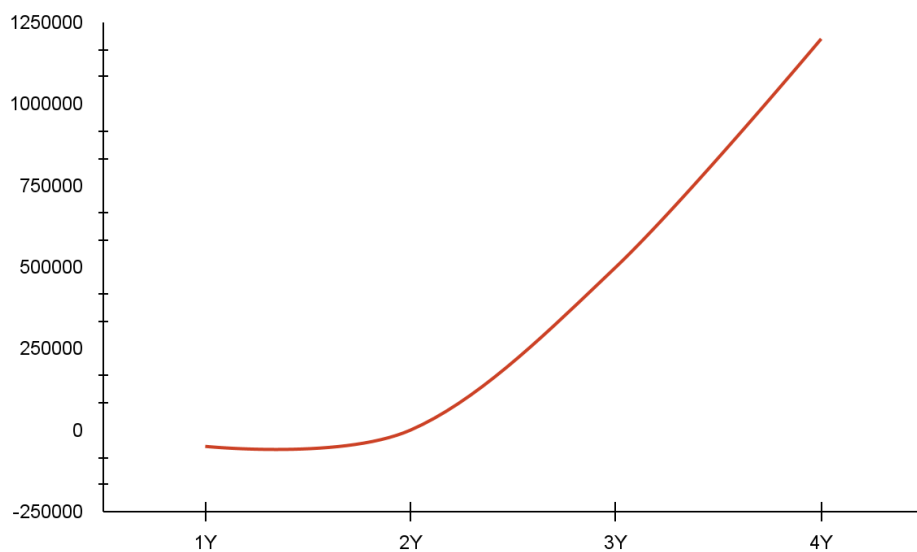
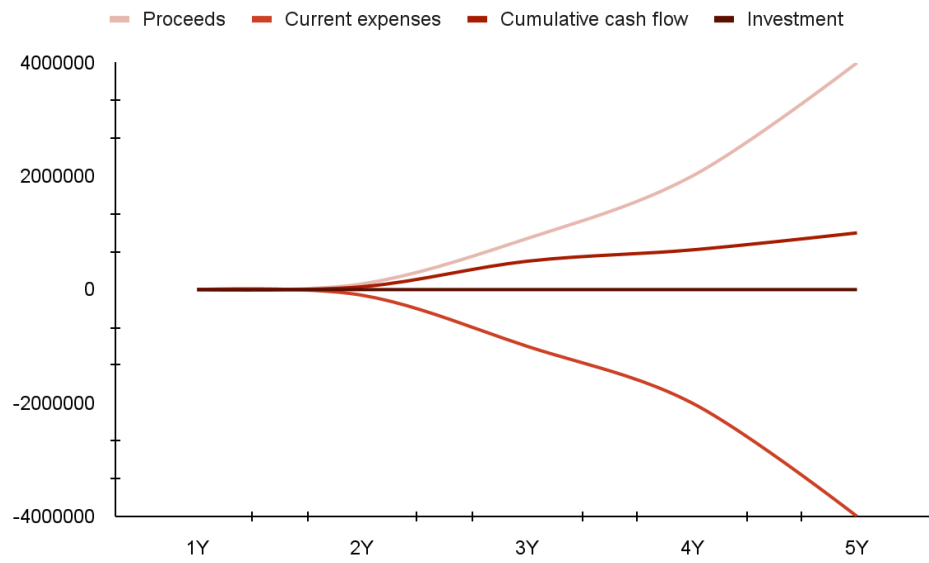


Diagram 20. Project Payback in Euros



11 SENSITIVITY ANALYSIS

11.1 SWOT analysis

Table 13. SWOT Analysis

SWOT Analysis			
STRENGTH	WEAKNESS	OPPORTUNITIES	THREATS
- Project managers and team members boast considerable expertise in communications and casino management. - Our commitment to delivering high-quality service is paramount. - We adhere to a stringent anti-fraud policy, safeguarding players from potential issues during gameplay. - Enjoy a diverse gaming experience with our extensive range of games	- Rapid potential for competitors to offer similar products or services - Limited pricing flexibility - Limited availability in certain countries - Dependence on high internet speed for online content - Absence of a clearly formulated long-term strategy (due to the nature of the business)	- Increasing popularity of mobile gambling - Continuous emergence of new technologies - Global trend towards the legalization of online casinos	- Political environment volatility - Intense competition - Restrictions on local equipment placement and/or prohibitions on using international services in certain countries - Decline in disposable income amid economic downturn

11.2 NPV sensitivity

Significant deviations in key indicators indicating the project's non-viability within 3 years include: a revenue decrease exceeding 21.8%, an investment increase surpassing 900.4%, a variable costs increase of more than 29.9%, a fixed expenses size escalation exceeding 743.3%, a tax burden increase by 2000.0%, an accrued and paid interest amount rise of more than 2000.0%, or a discount rate increase surpassing 1216.5%.

Priority of factors:

- the most influencing factor - proceeds; the critical deviation reaches 21,8% of the calculated level (with this deviation and higher, the project does not pay off in 5 years);
- the least influencing factor - interest; the critical deviation reaches 2000,0% of the calculated level.

11.3 Net profit sensitivity

Critical deviations in key indicators indicating the project's non-viability within 3 years include: a revenue decrease exceeding 24.0%, an investment increase of more than 281.1%, a variable costs increase by 33.6%, a fixed expenses size escalation exceeding 851.8%, a tax burden increase by 2000.0%, or an accrued and paid interest amount rise of more than 2000.0%.

Priority of factors:

- the most influencing factor - proceeds; the critical deviation reaches 24,0% of the calculated level (with this deviation and higher, the project does not pay off in 5 years);
- the least influencing factor - taxes; the critical deviation reaches 2000,0% of the calculated level.

11.4 Conclusion

The evaluation of potential deviations in the initial parameters leads to the conclusion of the project's low level of risk, as a critical alteration in the most sensitive parameter (revenue), even up to 24.0% compared to the base case, enables the project to maintain payback within the calculation horizon (not exceeding 5 years). The project exhibits a dependable margin of financial strength.

Diagram 21. Critical Deviations of Key Project Factors (in Terms of NPV)

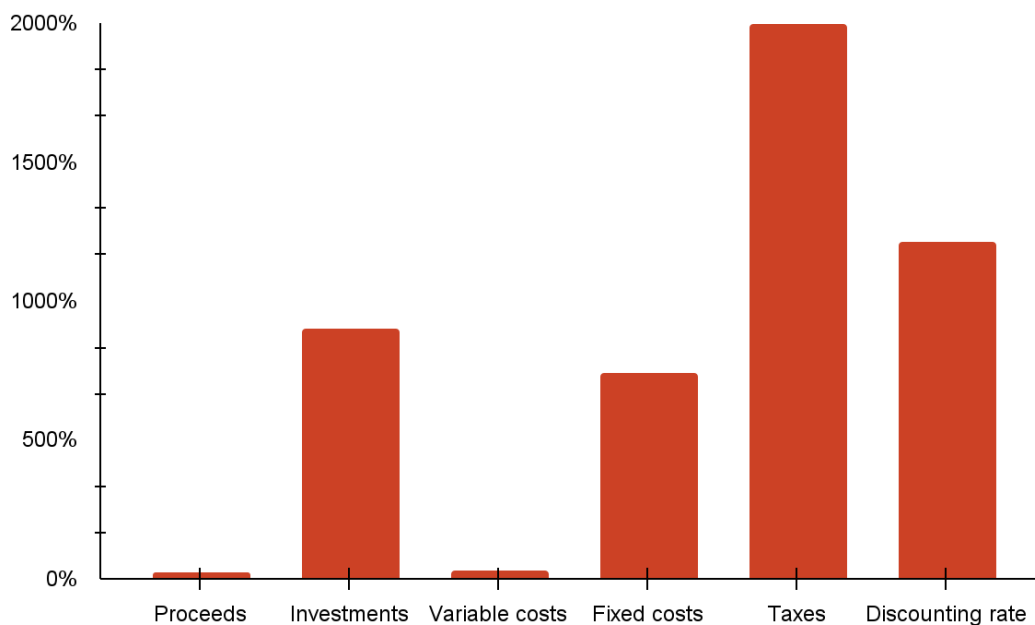


Table 14. Project Sensitivity Analysis

No	Parameter (X)	Change of a parameter, %	NPV	Change of NPV if the Parameter is changed, EUR	Change of NPV if the Parameter is changed, %	NPV deviation to Parameter change $ \Delta \text{NPV}\% / \Delta X\% $	Breaking change of NPV		Breaking change of profit	
							NPV=0	Sensitivity ranking*	Profit=0	Sensitivity ranking*
1	Proceeds	-5%	653 191	-194 585	-23,0%	4,6	-21,8%	1	-24,0%	1
2	Investments	+5%	843 068	-4 708	-0,6%	0,1	+900,4%	4	+281,1%	3
3	Variable costs	+5%	705 990	-141 785	-16,7%	3,3	+29,9%	2	+33,6%	2
4	Fixed costs	+5%	842 072	-5 703	-0,7%	0,1	+743,3%	3	+851,8%	4
5	Taxes	+5%	847 775	0	0,0%	0,0	+2000,0%	6	+2000,0%	5
6	Interest	+5%	6 134 233	5 286 457	623,6%	-124,7	+2000,0%	6	+2000,0%	5
6	Discounting rate	+5%	831 417	-16 358	-1,9%	0,4	+1216,5%	5		

*Sensitivity level: 1 - the largest sensitivity (even little change in % influences the project considerably)

12 DESCRIPTION OF CALCULATION

12.1 Assumptions

General assumptions

The calculation is conducted at constant prices. It is presumed that future changes in income and costs will be proportionate, affecting all market participants equally.

The residual value of the project's assets at the conclusion of the billing period is not factored into the analysis of the overall project indicators. This is because there is no anticipation of closing the enterprise, exiting participants, or selling assets.

Breakeven Analysis Assumptions

When searching for the break-even point of this project, the following assumptions were used:

- variable costs increase in proportion to the increase in sales (i.e., sales for each line of business increase with the same proportions);
- to analyze the break-even point including taxes, the average amount of taxes for the project period per month was taken, which is distributed similarly to variable costs;
- to analyze the investment break-even of the project (break-even points for the project as a whole), investments and the cost of capital (interest) are included in the same way as fixed costs (do not change with increasing revenue).

12.2 Project parameters

Planning horizon and calculation step

A planning horizon of 36 months (3 years) was selected, allowing for the analysis of project payback under various initial parameter scenarios (sensitivity analysis). This period also encompasses the recovery phase for the majority or entirety of the invested funds.

Simultaneously, the investment period of the project (up to the project launch) spans 3 months (0.3 years). The operational period of the project (from the launch date) covers 33 months (2.8 years).

The calculations are conducted on a monthly basis, providing the capability to analyze summarized data for extended periods.

Calculation currency and inflation

The settlement currency is EUR.

Inflation is not factored into the calculations, as the assumption is that any inflationary rise in project expenses is balanced by a proportional increase in selling prices and, consequently, income.

Formation of project cash flows

Net cash flow for each project stage is derived from operating outflows and cash inflows. Project performance indicators are then calculated based on the net cash flow (see below).

Profit distribution

In the calculations, retained earnings are not reinvested. The project does not factor in the possibility of investing temporarily free funds to generate additional income, such as interest on deposits, income from shares or bonds, etc.

Appendix

The List of the GP(s)

No	GP(s)	Royalty %
1	1x2 Gaming	14,00%
2	2By2	14,00%
3	5 men games	9,00%
4	Ainsworth Games	14,00%
5	Alchemy Gaming	14,00%
6	All41 Studios	14,00%
7	AllWaySpin	10,00%
8	Amatic Industries	14,00%
9	Apollo Games	12,50%
10	BBTECH	10,00%
11	Belatra Games	12,00%
12	Bet2Tech	10,00%
13	BetGamesTV	14,00%
14	Betsoft	12,00%
15	BetSolutions	12,00%
16	Bgaming	10,00%
17	Booming games	13,00%
18	Booongo	12,00%
19	BTG / Big Time Gaming	14,00%
20	Caleta Gaming	11,00%
21	Casino Technology (CT Gaming)	12,50%
22	Champion	9,00%
23	Colossus Bets	14,00%
24	Crazy Tooth Studio	14,00%
25	Cyberslot	10,00%
26	D-Tech	14,00%
27	Edge Gaming	13,00%
28	EGT Interactive	15,00%
29	Electric Elephant	14,00%
30	ELK Studios	14,00%

31	Endorphina	14,00%
32	Eurasian / EA gaming	11,00%
33	Evoplay	12,00%
34	Evolution**	15,00%
35	Eyecon	14,00%
36	Fantasma	13,00%
37	Fortune Factory Studios	13,00%
38	Foxium	13,00%
39	Fugaso	11,00%
40	Gameburger Studios	13,00%
41	GamePlay	14,00%
42	Games Inc	10,50%
43	Gamevy	14,00%
44	Gamshy	12,50%
45	Gamzix	9,00%
46	Genesis Gaming	14,00%
47	Gold Coin Studios	13,00%
48	Golden Race	12,00%
49	Golden Rock Studios	14,00%
50	Green Jade	10,00%
51	Habanero	12,00%
52	HackSaw Gaming	14,00%
53	Half Pixel Studios	14,00%
54	Hollywood TV	12,00%
55	Igrosoft	9,00%
56	Inspired gaming	14,00%
57	Iron Dog Studios	14,00%
58	ISoftBet	12,00%
59	Just For The Win (JFTW)	14,00%
60	KA Gaming	11,00%
61	Kalamba Games	12,00%
62	Kiron Interactive	14,00%
63	Leander	11,00%
64	Leap Gaming	14,00%
65	Lightning Box Games	14,00%
66	LiveG24	14,00%
67	Mancala Gaming	11,00%

68	Maskot	12,00%
69	Matrix games	10,00%
70	MGA	14,00%
71	Microgaming	14,00%
72	MrSlotty	12,00%
73	Neko Games	14,00%
74	Neon Valley Studios	14,00%
75	NetEnt	15,00%
76	NetGame Entertainment	11,50%
77	NetGaming	11,00%
78	Nolimit City	13,00%
79	Old Skool	12,00%
80	One Touch	11,00%
81	OnlyPlay	11,00%
82	Original spirit (UP games)	12,00%
83	Pariplay	13,00%
84	Pear Fiction	13,00%
85	PG Soft	12,50%
86	Plank Gaming	14,00%
87	Platipus	10,00%
88	Playbro	10,00%
89	PlayPearls	10,50%
90	Playson	12,00%
91	PlayTech	15,00%
92	Pragmatic Play	12,00%
93	Probability Jones	13,00%
94	Pulse 8	13,00%
95	Pushgaming	14,00%
96	Quickspin	14,00%
97	Rabcat	13,00%
98	Realistic Games	14,00%
99	Red Rake Gaming	13,00%
100	Red7 Games	10,00%
101	Redtiger	14,00%
102	Relax Gaming	14,00%
103	Ruby play	11,00%
104	SA Gaming	11,50%

105	Salsa Technology	11,00%
106	SimplePlay	11,00%
107	Skillzz Gaming	11,00%
108	Slingshot Studios	14,00%
109	Slot Exchange (X Card)	11,00%
110	Snowborn Studios	14,00%
111	Spadegaming	12,00%
112	Spearhead Studios	14,00%
113	Spinmatic	12,00%
114	Spinomenal	11,00%
115	SpinPlay Games	14,00%
116	Spribe	11,00%
117	Storm Gaming	14,00%
118	Stormcraft Studios	14,00%
119	Switch Studios	14,00%
120	Thunderkick	12,00%
121	Thunderspin	12,00%
122	Tom Horn	14,00%
121	TPG (Triple Profits Games)	10,00%
122	Triple Edge Studios	14,00%
123	TrueLab	11,50%
124	TVBET	11,00%
125	Vela Gaming	11,00%
127	Virtual Generation Games	12,00%
128	Wazdan	13,00%
129	WeAreCasino	11,50%
130	Yggdrasil	15,00%

No	GP(s)	Royalty %
1	1x2 Gaming	14,00%
2	2By2	14,00%
3	5 men games	9,00%
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