

BUSINESS PLAN

For operators of games of chance

Castianes N.V.

Business Plan Version: 1.0.

Our Mission

Castianes N.V. (hereinafter referred to as the “Company”) is dedicated to offering a wide range of exciting, entertaining, and rewarding online casino games.

Under the B2C License, the Company will provide online gambling services to its clients. For this purpose, the Company plans to use the online betting platform of BTB Betlab Holdings Ltd (CY). At later stages, the Company intends to extend its product portfolio to additional online solutions (online casino platforms, casino games, etc.) either internally or with the use of outsourced providers. The Company plans to advertise its online services among licensed operators around the world except in countries where the legislation prohibits it. The Company will be able to offer its current offerings to its clients.

To achieve our objectives, the Company has strategically partnered with BTB Betlab Holding Ltd, a renowned and reputable software development provider with a proven track record of excellence. With a global presence spanning various countries, BTB Betlab Holding Ltd is well-positioned to support our endeavours and contribute to the realization of our vision.

Company and Management

As the company is currently operational but still in its startup phase, the management team will comprise a select few individuals who will hold key managerial positions within the organization. Three pivotal figures, each possessing extensive industry experience and a profound understanding of both the business and the market, will spearhead the company's operations.

The primary source of investments will be from Shareholder – Mr. Vladimir Teplyakov, a proven entrepreneur with notable success in the marketing and gambling industry. With a deep understanding of online betting and gambling strategies, Mr. Teplyakov will initially serve as the Chief Financial Officer (CFO). Leveraging his knowledge and experience, he will oversee the business flow, conduct financial planning, and analyze the company's financial strengths and weaknesses.

Compliance and Legal Officer represents Company’s obligations in dealing with legal affairs of the licensee, including but not limited to contractual arrangements and dispute resolution; Other tasks include monitoring of legislative and regulatory environment for

issues impacting Company operations.

Our Services

The Company is targeting market at its beginning stage planning to take in India and Brazil.

Various forms of online gambling such as sports betting, casino games, poker, and fantasy sports have been gaining traction among Indian users. With the majority accessing the internet through mobile devices, the mobile platform has emerged as a key catalyst for the expansion of online gambling. Operators in the sector have been prioritizing the optimization of their platforms for mobile users to capitalize on this trend.

Analysis of Online Gambling in India reveals a diverse participant base, ranging from frequent gamblers to occasional participants. While some view online gambling as a sporadic source of entertainment or have constraints limiting their involvement, a substantial number of active participants consider it a regular recreational pursuit.

Projections indicate that revenue in the Online Gambling market is expected to reach US\$2.90 billion by 2024, with an anticipated annual growth rate (CAGR 2024-2029) of 6.00%. This growth trajectory is expected to result in a market volume of US\$3.88 billion by 2029.

Brazil represents a significant growth opportunity for online gambling due to its large population and growing internet penetration. Marketing strategies should capitalize on this emerging market while navigating evolving regulatory frameworks.

Brazil has a strong sports culture, with football (soccer) being particularly popular. Marketing campaigns can leverage this passion for sports by promoting sports betting offerings and sponsoring local sports events or teams.

Social media platforms like Facebook, Instagram, and YouTube are widely used in Brazil. Online gambling operators can engage Brazilian audiences through targeted advertising, influencer partnerships, and engaging content that resonates with local interests.

Providing convenient and secure payment options that cater to Brazilian preferences is crucial. This may include local payment methods like Boleto Bancário and PIX, as well as support for Brazilian Real (BRL) transactions.

Our Competitive Advantage

We firmly believe that the future of gaming lies in tailoring products to meet the diverse needs of players. Our commitment extends beyond profitability; it encompasses fostering a safe, efficient, and enjoyable working environment for our team, while consistently exceeding our clients' expectations. We believe that everyone deserves access to thrilling, entertaining, and rewarding betting options, and we are dedicated to delivering the best products and services available in the market.

To align our casino sales and marketing strategies with our business objectives, we have enlisted the expertise of top sales and marketing specialists. Our approach to promoting our business to potential customers is as follows:

Grand Launch: We will ensure a spectacular launch for our online casino business to make a memorable impact in the market.

Digital Promotion: Our online casino business will receive extensive promotion across various digital platforms, including social media channels such as Facebook, Twitter, and Instagram. Engaging content and targeted advertising will captivate audiences and generate excitement.

Direct Outreach: Introductory letters about our online casino business will be dispatched to a diverse range of recipients, including sports clubs, households, and corporate organizations. This direct outreach will help us reach a broad audience and attract potential customers from various demographics.

By employing a multifaceted approach to promotion and leveraging the power of digital and direct marketing channels, we are confident in our ability to establish a strong presence in the market and attract a loyal customer base.

Financial Considerations

As for the forecasted financials, for the first five years of operation we foresee the following:

thsd USD	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	11,644	18,553	31,371	55,950	102,967
Sport	5,074	7,712	12,726	22,015	39,848
Casino	6,570	10,841	18,646	33,935	63,119
COGS	4,657	7,421	12,235	21,261	38,098
Royalties	3,260	5,195	8,470	14,547	25,742
Other direct expenses	1,397	2,226	3,765	6,714	12,356
Gross Profit	6,987	11,132	19,136	34,689	64,869
Operating Expenses	6,637	10,575	17,568	30,214	51,483
Administrative Expenses	1,979	3,154	5,019	8,952	15,445
Marketing Expenses	3,726	5,937	10,039	16,226	26,771
Other Expenses	932	1,484	2,510	5,036	9,267
Net Profit	350	557	1,568	4,475	13,386

The financial projections encompass both Casino Gross Gaming Revenue (GGR) and Sportbook GGR, as depicted in the preceding Financial table. Projections indicate that revenue from Casino GGR is expected to consistently outperform Sportsbook operations each year. Furthermore, the anticipated income growth from casino operations is forecasted to gradually decrease the percentage of royalties owed to casino providers annually.

Marketing costs are estimated to constitute approximately 20% of GGR, with an additional allocation of 12% for bonuses and promotions. Other direct expenses primarily comprise commission fees to Payment Service Providers (PSPs), which are covered by the Company instead of the players.

Administrative costs are anticipated to increase annually, reflecting the expansion of the company's workforce. Over the initial two-year period, the owner intends to allocate the majority of net profits towards marketing initiatives to maximize market share growth. This strategic allocation underscores the company's commitment to expanding its presence within the market during its early stages of operation.

Conclusions

Our vision for the gambling industry is to cultivate an online casino enterprise that not only competes favourably with established leaders in the field but also emerges as a formidable contender against top gambling establishments globally. We aspire to establish our online casino business as the premier brand in the industry worldwide.

To realize this ambition, we are assembling a motivated and passionate team with a steadfast belief in our collective ability to achieve success. Our team is committed to innovation and continuous improvement, ensuring that we deliver exceptional gaming experiences to our customers.

In addition to the above, we emphasize the following points in the conclusion:

Commitment to Innovation: We are dedicated to pushing the boundaries of innovation in the gambling industry, constantly seeking new ways to enhance our offerings and stay ahead of the curve.

Regulatory Compliance: We place a strong emphasis on regulatory compliance and uphold the highest standards of integrity, transparency, and responsible gaming practices. Our commitment to compliance ensures a safe and secure gaming environment for our customers.

Strategic Partnerships and Alliances: We recognize the value of strategic partnerships and alliances in enhancing our capabilities, expanding our reach, and driving growth opportunities in the competitive gambling market. We are actively seeking partnerships that align with our values and contribute to our long-term success.

Long-Term Vision for Sustainable Growth: Our long-term vision involves setting clear goals and objectives, implementing robust business strategies, and fostering a culture of innovation,

teamwork, and accountability. We are committed to sustainable growth and success in the gambling industry, ensuring our longevity and prosperity for years to come.