

BUSINESS PLAN

For operators of games of chance

Losartez B.V.

(parik24.win)

Business Plan Version: 1.0.

Our Mission

Losartez B.V. (hereinafter referred to as the “Company”) is dedicated to offering a wide range of exciting, entertaining, and rewarding online casino and sportsbook options to our esteemed clientele. Our goal is to provide them with an exhilarating gaming experience that allows them to immerse themselves in the excitement and thrill of sports and games while making informed and strategic decisions.

Our overarching mission is to establish ourselves as the leading provider of betting products within the region, offering an extensive selection of sports, games, and events tailored to suit every preference and inclination. We are committed to utilizing state-of-the-art technology and cutting-edge software solutions to enhance the quality and accessibility of our offerings. Moreover, we prioritize delivering exceptional customer service, facilitated by our team of knowledgeable and approachable staff members who are dedicated to assisting clients in navigating their options and making optimal decisions aligned with their individual needs.

To achieve our objectives, the Company has strategically partnered with BTB Betlab Holding, a renowned and reputable software development provider with a proven track record of excellence. With a global presence spanning various countries, BTB Betlab Holding 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. Ruzsian Pancsik, a proven entrepreneur with notable success in the marketing and gambling industry. With a deep understanding of online betting and gambling strategies, Mr. Pancsik 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.

The Money Laundering Reporting Officer (MLRO) plays a critical role in ensuring the company's compliance with anti-money laundering (AML) and counter-terrorism financing (CTF) regulations. The Company will engage an experienced MLRO to address key issues, including:

Policy Development and Implementation:

Conducting ongoing risk assessments to identify and evaluate the money laundering and terrorism financing risks associated with the company's business activities, products, services, customers, and geographic locations.

Monitoring the company's compliance with AML/CTF regulations, internal policies, and industry best practices.

Investigating and assessing suspicious transactions or activities flagged by the company's monitoring systems or reported by staff.

Providing AML/CFT training and awareness programs to employees at all levels of the organization to ensure they understand their responsibilities and can identify and report suspicious activities.

Serving as the primary point of contact for internal staff, regulators, law enforcement agencies, and other relevant stakeholders on AML/CFT matters.

Maintaining accurate and comprehensive records of AML/CFT activities, investigations, and compliance efforts, including Suspicious Activity Reports (SARs), risk assessments, and training records.

Ensuring the timely and accurate submission of regulatory reports and filings related to AML/CFT compliance, such as suspicious activity reports, transaction monitoring reports, and annual compliance reports.

Our Services

The Company is targeting market at its beginning stage planning to take a Eastern Europe, particularly Moldova, Ukraine.

Eastern Europe holds the potential for both success and frustration. While some countries have liberal regulations and newly re-regulated markets, others exploit the gambling industry with skyrocketing taxes, constrain it with tight restrictions, or ban gambling and betting outright.

Nevertheless, the latest research of the market shows that the Revenue in the Online Gambling projected to reach US\$895m by the end of 2023.

The expected revenue shows an annual growth rate (CAGR 2023-2027) of 8.31%, resulting in a projected market volume of US\$1,231m by 2027.

The Online Casinos market has a projected market volume of US\$598m by the end of the 2023.

Since many Ukrainians left their home Country and currently allocated in Eastern Europe trying to escape from the War, we expect a huge numbers of Ukrainians who will attend the online gambling at this brand.

Losartez B.V. is planning to offer through its new project, parik24.win, a new place where the customers alienated from their home country could enjoy spending their time.

We plan to offer not only sport book on the website, but casino games included. Being based on the platform provided by the UK Company B2B Betlab Holdings Limited, this allow us to quickly integrate the required providers and their games.

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 offer a comprehensive analysis of both Casino and Sports Betting Gross Gaming Revenue (GGR), meticulously detailed in the preceding financial table. Projections indicate that while Casino GGR is expected to demonstrate consistent growth,

Sports Betting is forecasted to show stronger performance on an annual basis. Notably, the projected income growth from Casino revenue is poised to marginally exceed the percentage of royalties owed to casino providers each year.

Marketing expenses are allocated to represent 32% of the GGR in the initial year, gradually decreasing to 26% over time. This reduction reflects the fluctuating costs associated with user acquisition and retention efforts. Similarly, Other Direct Expenses, encompassing bonuses aimed at enhancing player engagement during the early stages, primarily comprise commission fees to Payment Service Providers (PSPs), covered by the Company rather than players.

Administrative costs are expected to remain relatively stable, comprising approximately 17% of revenue annually. This stability is attributed to the business model's focus on product development rather than diversification into new markets or products. Consequently, the anticipated revenue growth is deemed sufficient to accommodate any additional administrative support requirements.

Over the initial two-year period, the owner intends to implement a cost-effective strategy aimed at generating nominal net profits to bolster market share growth. This strategic approach underscores the company's unwavering commitment to maximizing its market presence during its formative stages of operation.

Conclusions

Our vision for the gambling industry is to cultivate an online casino enterprise that not only competes favorably 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.