

MYSTECH ENTERTAINMENT B.V.

BUSINESS PLAN

Our Mission

The purpose of Mystech Entertainment B.V. (hereinafter referred to as the “Company”) is to provide to our clients with a wide range of exciting, entertaining, and rewarding online casino and sportsbook options that help them enjoy the thrill and challenge of sports, games, and have fun while making informed and strategic decisions. Our mission is to become the leading provider of betting products in the region, offering a wide range of sports, games, and events to suit every taste and preference. We are committed to using only the finest technology and latest software, and to providing exceptional customer service, with knowledgeable and friendly staff who can help clients understand their options and make the best choices for their needs. To accommodate our goals the Company is planning to use the platform of the **BTB BETLAB HOLDING** which is an experienced software development provider, operating in countries all over the world. This platform is the underlying technology infrastructure that powers online gaming operations. It serves as the backbone of online casinos, sportsbooks, poker rooms, and other gaming websites, providing the necessary tools and features to facilitate gameplay, manage player accounts, and ensure regulatory compliance.

Company and Management

Given the company's new status and its start-up nature, the management team will consist of a limited number of personnel, occupying key managerial positions within the organization.

At the helm of the company is Mr. Vladimir Teplyakov, the Owner and Shareholder, who is spearheading the initiative to secure a license from Gaming Curacao. Mr. Teplyakov brings a wealth of experience to the table, having established himself as a successful and innovative entrepreneur with a proven track record in both the payments and gambling industries. His extensive expertise uniquely qualifies him to assume the roles of Director and CFO within the company, where he will play a pivotal role in guiding its strategic direction and financial management.

Furthermore, Mr. Teplyakov's significant investment in the company underscores his unwavering commitment to its success, providing the necessary financial backing to fuel its growth and development. His visionary leadership and hands-on involvement will undoubtedly contribute to the company's emergence as a formidable player in the competitive landscape of the online gambling industry.

Apart from the position which Mr. Teplyakov will hold, the company recognizes the critical importance of compliance and legal oversight within the online gambling industry. Therefore, a dedicated professional will be appointed to oversee these crucial aspects of the business.

The individual selected for the Compliance and Legal position will possess a strong background in regulatory compliance and legal affairs, ideally with previous experience in the online gambling sector. They will be responsible for ensuring that the company adheres to all relevant laws, regulations, and licensing requirements, both locally and internationally.

This individual will work closely with regulatory authorities, legal counsel, and other stakeholders to navigate the complex regulatory landscape, mitigate legal risks, and uphold the highest standards of integrity and transparency.

Our Services

The Company sought to penetrate the Indian market, drawn by the significant growth witnessed in the online gambling industry. This growth can be attributed to several factors, including the increasing penetration of the internet, widespread adoption of smartphones, and a youthful population seeking entertainment avenues.

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.

Mystech Entertainment B.V. is planning to offer 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, this allows us to quickly integrate the required providers and their games.

Our Competitive Advantage

We highly believe that the future of gaming consists in fitting the product to the needs of the players.

We can highlight three the most important things, which will make our company unique:

- Exclusive Game Selection: Offering a diverse and exclusive selection of games that cannot be found elsewhere can attract players seeking unique gaming experiences. This could involve partnering with top game developers to secure exclusive rights to certain titles or developing proprietary games in-house.
- Innovative Features and Technology: Incorporating cutting-edge technology and innovative features into the gaming platform can set a company apart from its competitors. This might include advanced graphics and animations, virtual reality (VR) or augmented reality (AR) integration, or gamification elements that enhance player engagement and immersion.
- Exceptional User Experience: Providing an intuitive, seamless, and user-friendly gaming experience can differentiate a company from its

competitors. This includes optimizing the website or mobile app for smooth navigation, quick load times, and responsive design across various devices.

Financial Considerations

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

Thousand, USD	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue total including:	9,865	11,778	14,078	16,647	19,478
Sport	4,445	5,112	5,879	6,643	7,373
Casino	5,420	6,667	8,200	10,004	12,105
COGS					
Royalties	2,762	3,298	3,801	4,495	5,064
Other direct expenses	1,184	1,413	1,549	1,831	2,143
Total COGS	3,946	4,711	5,350	6,326	7,207
Gross Profit	5,919	7,067	8,728	10,321	12,271
Operating Expenses (OPEX)					
Administrative Expenses	1,677	2,002	2,393	2,830	3,311
Marketing Expenses	3,354	3,769	3,942	4,328	5,064

Other Expenses	789	942	1,126	1,332	1,558
Total OPEX	5,820	6,713	7,461	8,490	9,933
Net Profit	99	354	1,267	1,831	2,338

The financial projections encompass both Casino and Sports Betting Gross Gaming Revenue (GGR), as meticulously detailed in the preceding financial table. Forecasts suggest that revenue from the Casino GGR is anticipated to demonstrate more substantial growth compared to Sports Betting throughout each fiscal year. Specifically, the expected income growth from Casino revenue is projected to marginally exceed the percentage of royalties owed to casino providers annually, affirming its potential for lucrative expansion.

Marketing expenses are slated to initially represent 34% of the GGR in the inaugural year, with a subsequent reduction to 26% in subsequent years. This downward adjustment mirrors the fluctuating costs associated with user acquisition and subsequent retention efforts. A similar pattern is observed in Other Direct Expenses, encompassing bonuses strategically designed to prolong player engagement during the early stages. Moreover, Other Direct Expenses predominantly comprise commission fees to Payment Service Providers (PSPs), underwritten by the Company rather than the players themselves.

Administrative costs are envisaged to maintain relative stability to reflect commensurate growth with revenue. This steadiness is attributed to the business model's steadfast focus on product development over diversification into new markets or products. Consequently, the anticipated revenue growth is

deemed sufficient to accommodate any requisite expansion in administrative support.

Over the initial two years, the owner intends to execute a cost-effective strategy aimed at generating nominal net profits, thereby bolstering market share growth. This strategic approach underscores the company's unwavering commitment to maximizing its presence within the market during its formative operational stages.

Timetable

With our company already operating under a sub-license, our next crucial step upon obtaining the main license is to announce this significant achievement globally to all our partners and clients. We recognize the importance of transparency and legitimacy in the gambling industry, and as such, we are committed to prominently displaying all license information on our website. This proactive approach not only ensures seamless operations but also strengthens our relationships with clients and partners while driving sustained growth.

Additionally, alongside the integration of license information, we will provide comprehensive details about our regulatory compliance efforts, highlighting our commitment to responsible gambling practices and player protection. By transparently communicating our adherence to regulatory standards, we aim to instill trust and confidence in our stakeholders, ultimately solidifying our position as a reputable and trustworthy player in the industry.

Conclusions

Our vision in the gambling industry is to cultivate and nurture an online casino business that not only competes effectively with other leading establishments but also emerges as a formidable rival to top gambling businesses globally. Our ultimate aim is to establish our online casino business model as the premier brand in the entire industry.

To achieve this ambitious goal, we have assembled a motivated and enthusiastic team united by a strong belief in our path to success. We are committed to leveraging our collective expertise, innovative strategies, and unwavering determination to propel our business to the forefront of the industry. Through dedication, collaboration, and a relentless pursuit of excellence, we are poised to realize our vision and establish ourselves as the number one online casino brand worldwide.