

BUSINESS PLAN
Cometa Gaming N.V.

2024

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INTRODUCTION

iGaming, short for "internet gaming", refers to the rapidly growing industry of online gambling and betting. It encompasses various forms of wagering, including casino games, sports betting, poker, and more, all accessible through digital platforms such as websites and mobile apps. The iGaming sector has experienced significant expansion in recent years, fueled by advancements in technology, widespread internet access, and evolving regulatory frameworks in many jurisdictions. This trend has led to fierce competition among operators, driving innovation in game development, user experience, and marketing strategies. With its global reach and diverse offerings, iGaming continues to attract a broad audience of players seeking entertainment and the chance to win real money from the comfort of their homes or on the go.

The Evolution of iGaming: A Digital Revolution

The landscape of gaming has undergone a seismic shift with the rise of iGaming. From humble beginnings in the early days of the internet to the multi-billion-dollar industry it is today, iGaming has transformed how we play, bet, and interact with games of chance.

At its core, iGaming offers convenience and accessibility. Players can now enjoy their favorite casino games, poker tournaments, and sports betting from the comfort of their homes or on the go via mobile devices. This accessibility has expanded the player base globally, transcending geographical barriers and time zones.

Moreover, technological advancements have propelled iGaming to new heights. The integration of virtual reality (VR), augmented reality (AR), and live streaming technologies has enhanced the immersive experience, blurring the lines between the virtual and physical worlds. Players can now step into virtual casinos, interact with live dealers, and experience the thrill of real-time gameplay like never before.

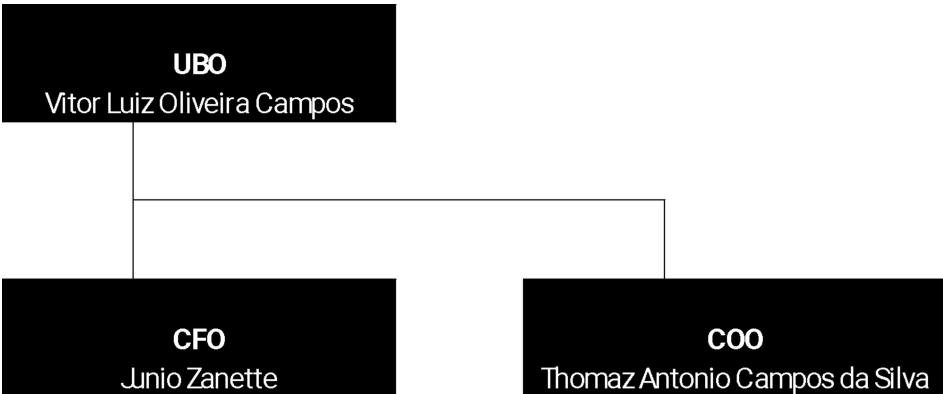
Furthermore, the advent of blockchain technology has revolutionized the iGaming industry, addressing longstanding issues of transparency, security, and trust. Blockchain-powered platforms offer provably fair gaming, ensuring that outcomes are truly random and tamper-proof. Additionally, decentralized finance (DeFi) solutions enable faster transactions, lower fees, and greater financial autonomy for players and operators alike.

As iGaming continues to evolve, regulatory frameworks are adapting to ensure responsible gaming practices and consumer protection. Licensing authorities are imposing strict regulations to combat issues such as underage gambling, money laundering, and problem gambling, safeguarding the integrity of the industry and promoting a safe gaming environment for all.

In conclusion, iGaming represents a digital revolution in the world of gaming, offering unparalleled convenience, innovation, and entertainment. With technology driving continuous evolution and regulatory oversight ensuring accountability, the future of iGaming shines bright, promising endless possibilities for players and operators alike.

The Cometa company is becoming one of the largest players on the planet. The company is structuring its activities in the iGaming business to provide excellence in iGaming services and entertainment.

1. COMPANY MANAGEMENT STRUCTURE



The organization chart for the company is structured as follows:

- 1 CEO (UBO): in charge of operations
- 1 COO: In charge of accounting, tax and financial areas in order to provide and structure Financial Statements for statutory purposes and FP&A to drive company direction.
- 1 COO: in charge of all technology and operations aspects of the business.

2. BUSINESS FORECAST

	2024	2025	2026
REVENUE	24.000,0	31.200,0	33.384,0
COST + EXPENSES	-19.200,0	-20.544,0	-21.982,1
EBITDA	4.800,0	10.656,0	11.401,9
%	20,0%	34,2%	34,2%

The company is planning to grow between 20% and 34% for the next 3 years. To attend this forecast, it is already planned an increment in variable and fixed costs to support the business growing around 10% each year. The EBITDA (earnings before

interests, tax, depreciations, and amortization) is reaching an incredible mark between 20% for the first year and 34,2% for the remaining years of the present case.

3. STRATEGY OVERVIEW

Expanding market share is a priority for any company looking to stand out in a competitive market. Here are some effective strategies to drive market share growth in marketing:

Market Segmentation: Identifying specific market segments and directing marketing efforts to meet the needs and preferences of these consumer groups can help increase market share.

Product Development: Investing in research and development to create innovative products or services that stand out from the competition and meet customer demands can drive market share growth.

Pricing Strategy: Offering competitive prices or dynamic pricing strategies, such as seasonal discounts or promotions, can attract customers and increase market share.

Digital Marketing: Investing in digital marketing strategies such as SEO (Search Engine Optimization), content marketing, social media, and email marketing campaigns can increase brand visibility and acquire new customers.

Strategic Partnerships: Establishing partnerships with other complementary companies or brands can expand brand reach and exposure, reaching new market segments and driving market share growth.

Customer Service Focus: Prioritizing exceptional customer service can lead to customer loyalty and acquisition of new customers through positive recommendations, contributing to market share growth.

Competitive Analysis: Monitoring competitors activities and strategies closely can help identify differentiation opportunities and adjust marketing tactics to gain a competitive advantage and increase market share.

Geographic Expansion: Exploring new geographical markets or expanding presence in regions with high demand can open up new growth opportunities for market share.

By effectively implementing these strategies in an integrated manner, Cometa can position itself to increase its market share and achieve sustainable long-term growth.

4. KEY SUPPLIERS

Suppliers in the iGaming industry provide a wide range of products and services to support online gambling operators in delivering a comprehensive and engaging gaming experience to their customers. In this way, Cometa relies on certain suppliers as listed and described below.

Downtown Ecommerce Partners is an ecommerce consulting and services firm specifically focused on helping startups, and small to medium-sized businesses understand how to grow their brands efficiently and successfully.

Digitain is a prominent technology provider in the iGaming industry, offering a wide range of solutions and services to operators worldwide.

Evoplay Entertainment is a game development studio specializing in the creation of innovative and immersive online casino games for the iGaming industry.

Playtech is one of the most prominent and influential companies in the iGaming industry, offering a wide range of products and services to online gambling operators.

SmartSoft provides innovative software to enable companies and individuals to streamline the way they work with documents, offering effective solutions for data capture, process automation, image recognition, document classification, conversion, and management. It is a software company that specializes in developing innovative solutions for various industries. SmartSoft offers a range of products and services, including custom software development, mobile app development, web development, and IT consulting.

Pioneers in regulated internet game testing, Gaming Associates offer services to developers, operators, and regulators, ensuring compliance and testing.

Mancala is a traditional board game that originated in Africa and has been played for centuries.

Pragmatic Play is a leading supplier of content to the iGaming industry. Powering up new possibilities of play through a single API, they offer a multi-product portfolio of award-winning slots, live casino, bingo, virtual sports, and more, available in all major regulated markets.

Pocket Games Soft, also known as PG Soft (Pocket Games Soft), is a mobile game development company based in Valletta, Malta. Founded in 2015, the company has grown into a strong team of 200 employees with offices in Europe, North America, and Asia. PG Soft (Pocket Games Soft) produces games specifically designed for mobile devices, making them recommended for play on mobile phones.

5. SWOT ANALYSIS

SWOT Analysis of iGaming Industry

The iGaming industry, encompassing online gambling and gaming, presents a dynamic landscape filled with opportunities and challenges. A SWOT analysis helps to dissect its internal strengths and weaknesses, as well as external opportunities and threats.

Strengths:

Global Reach: iGaming platforms can reach a vast global audience, transcending geographical boundaries.

Technological Innovation: Constant advancements in technology enhance user experience, incorporating features like virtual reality and live streaming.

Diverse Offerings: From sports betting to online casinos and esports, the industry offers a wide array of gaming options catering to various preferences.

Data Analytics: Access to extensive data allows for personalized marketing strategies and targeted customer engagement.

Regulatory Adaptability: While regulations pose challenges, the industry has shown resilience in adapting to diverse legal frameworks worldwide.

Weaknesses:

Regulatory Uncertainty: Shifting regulations across different jurisdictions create compliance challenges and operational uncertainties.

Dependency on Software Providers: Reliance on third-party software providers for gaming platforms can lead to vulnerability in case of technical issues or disputes.

Security Concerns: Cybersecurity threats, including data breaches and hacking attempts, pose significant risks to both businesses and customers.

Addiction and Responsible Gaming: Addressing concerns related to addiction and promoting responsible gaming practices are ongoing challenges within the industry.

Brand Loyalty: With numerous competitors vying for market share, building strong brand loyalty can be challenging amidst fierce competition.

Opportunities:

Market Expansion: Emerging markets and the legalization of iGaming in previously restricted regions present lucrative opportunities for industry growth.

Mobile Gaming: The proliferation of smartphones and mobile devices opens up new avenues for mobile gaming platforms and applications.

Blockchain Integration: Leveraging blockchain technology can enhance transparency, security, and trust within the iGaming ecosystem.

Social Gaming Integration: Integrating social gaming elements can foster community engagement and attract a wider audience.

Partnerships and Mergers: Collaborations, strategic partnerships, and mergers can facilitate market expansion and diversification of offerings.

Threats:

Regulatory Restrictions: Evolving regulatory landscapes and potential tightening of regulations in key markets pose significant threats to the industry's operations and profitability.

Competition: Intense competition among iGaming operators and traditional gambling establishments can lead to pricing pressures and reduced market share.

Cybersecurity Risks: The increasing sophistication of cyber threats poses a constant risk to the integrity of iGaming platforms and the security of user data.

Economic Downturns: Economic uncertainties and downturns can impact consumer discretionary spending, affecting the demand for iGaming services.

Social Stigma: Persistent social stigma associated with gambling can result in regulatory crackdowns, public backlash, and challenges in brand image management.

In conclusion, the iGaming industry's SWOT analysis highlights its inherent strengths, weaknesses, opportunities, and threats, guiding stakeholders in strategic decision-making and risk management to navigate the dynamic landscape effectively.

6. LEGAL AND GOVERNANCE FRAMEWORK

The iGaming industry, encompassing online gambling and betting platforms, requires a robust structure and governance framework to ensure integrity, compliance, and responsible gaming practices. Here's an overview of key elements for Cometa company, as follows:

Regulatory Framework:

Effective regulation is essential to ensure fair play, consumer protection, and prevention of illegal activities. Regulatory bodies set standards for licensing, compliance, and monitoring of operators and service providers.

Licensing and Compliance:

Operators must obtain licenses from regulatory authorities, demonstrating their adherence to strict operational and technical standards. Regular audits and compliance checks ensure ongoing adherence to regulations and industry best practices.

Responsible Gaming Measures:

Operators implement policies and tools to promote responsible gaming, such as self-exclusion options, deposit limits, and age verification measures. Education and awareness campaigns help players understand the risks associated with gambling and provide resources for support.

Anti-money Laundering (AML) and Fraud Prevention:

Stringent AML measures are implemented to detect and prevent money laundering activities within the iGaming industry. Fraud detection systems and protocols safeguard against fraudulent behavior, protecting both operators and players.

Technology and Security:

Robust cybersecurity measures are imperative to protect player data, financial transactions, and gaming platforms from cyber threats. Use of encryption, firewalls, and secure payment gateways ensures the integrity and confidentiality of sensitive information.

Industry Collaboration and Standards:

Collaboration among industry stakeholders, including operators, regulators, and industry associations, fosters the development of industry-wide standards and best practices. Forums and conferences provide opportunities for knowledge sharing, networking, and addressing emerging challenges collectively.

Ethical Marketing and Advertising:

Operators adhere to guidelines for responsible marketing and advertising practices, avoiding targeting vulnerable individuals or misleading promotional tactics. Transparency in advertising ensures that players are informed about the risks and terms associated with gaming products and services.

Continuous Improvement and Innovation:

The iGaming industry embraces innovation to enhance user experience, expand offerings, and adapt to evolving regulatory requirements. Continuous monitoring, evaluation, and feedback mechanisms drive improvements in governance frameworks and operational practices.

By establishing a comprehensive structure and governance framework, the iGaming industry can foster trust, integrity, and sustainability, ensuring a safe and enjoyable gaming environment for all stakeholders.

We understand that Victoria is complying with all the standard requirements for the industry.

7. BUSINESS KPI OVERVIEW

In the dynamic landscape of the iGaming industry, performance indicators play a pivotal role in assessing the success, growth, and efficiency of operators and service providers. Here's an exploration of key performance indicators (KPIs) commonly utilized in the iGaming sector:

Player Acquisition and Retention:

Player acquisition cost (CAC) and player retention rate are crucial KPIs for assessing the effectiveness of marketing campaigns and loyalty programs.

Conversion rates from visitor to registered user and from registered user to active player provide insights into the efficiency of onboarding processes.

Revenue Metrics:

Gross gaming revenue (GGR), net gaming revenue (NGR), and average revenue per user (ARPU) are fundamental indicators of financial performance.

Monitoring trends in revenue streams, including casino games, sports betting, and other verticals, helps identify areas for growth and optimization.

Customer Lifetime Value (CLV):

CLV measures the total value a player contributes to the iGaming operator over their entire relationship. Understanding CLV enables operators to tailor marketing strategies, loyalty programs, and player engagement initiatives to maximize long-term profitability.

Player Activity and Engagement:

Key engagement metrics include active player sessions, session duration, and frequency of visits. Monitoring player activity and behavior provides insights into preferences, trends, and potential churn risks.

Churn Rate:

Churn rate measures the percentage of players who discontinue their engagement with the platform over a specific period. Identifying factors contributing to churn, such as poor user experience, lack of personalized offerings, or competition, is essential for retention efforts.

Return on Investment (ROI):

ROI analysis evaluates the effectiveness of marketing campaigns, promotional activities, and product development initiatives. Calculating ROI helps allocate resources efficiently and optimize budget allocation for maximum impact.

Compliance and Regulatory Metrics:

Adherence to regulatory requirements and compliance standards is critical for long-term sustainability and reputation. Monitoring compliance metrics, such as licensing status, regulatory fines, and player protection measures, mitigates legal and reputational risks.

Technical Performance:

Uptime, server response time, and latency are essential technical KPIs for assessing the reliability and performance of gaming platforms. Ensuring seamless user experience and minimizing downtime are paramount for customer satisfaction and retention.

By leveraging these performance indicators, iGaming operators can gain actionable insights into their operations, identify areas for improvement, and drive sustainable growth in a highly competitive industry landscape. Continuously evolving analytics capabilities and data-driven decision-making are essential for staying ahead in the dynamic iGaming market.

Since its all standard KPIs for the industry, Victoria is working to measure this and despite the accelerated pace, we still can be able to measure the business properly.

8. POLICIES AND PROCEDURES OVERVIEW

a) In the iGaming industry, adherence to regulations and procedures is paramount to ensure fair play, security, and compliance. These norms are established to safeguard both operators and players, fostering a trustworthy and transparent environment.

b) At the core of iGaming regulations are stringent licensing requirements imposed by regulatory bodies in various jurisdictions. Operators must undergo rigorous scrutiny to obtain licenses, demonstrating their commitment to upholding industry standards. These standards encompass aspects such as responsible gaming practices, anti-money laundering measures, data protection protocols, and technical integrity.

c) Moreover, iGaming operators must implement robust procedures for age verification to prevent underage gambling and ensure the safety of vulnerable individuals. They also need to deploy sophisticated cybersecurity measures to safeguard sensitive data and mitigate the risk of cyber threats.

d) Additionally, fair gaming practices are enforced through the implementation of random number generators (RNGs) to guarantee the integrity of outcomes in games of chance. Regular audits and testing by independent third-party organizations are conducted to validate the fairness and randomness of these systems.

e) Furthermore, strict protocols are in place for customer due diligence, including Know Your Customer (KYC) procedures, to prevent fraudulent activities and promote responsible gambling behavior. These measures involve verifying the identity of players and monitoring their gaming patterns to detect any signs of problem gambling.

In essence, adherence to norms and procedures in the iGaming industry is indispensable for maintaining trust, integrity, and legality. By upholding these standards, operators contribute to a safer and more sustainable gaming environment for all stakeholders involved, and cometa is complying with all the requirements and documentation which can be presented as a standard documentation of its company.