

BUSINESS PLAN

For operators of games of chance

Majesti Star N.V.

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Our Mission

The purpose of Majesti Star N.V. (hereinafter referred to as the “Company”) is to provide to our clients with a wide range of exciting, entertaining, and rewarding online poker, 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 Softamber Limited (UK), which is an experienced software development provider, operating in countries all over the world. The Casino Platform enables the administration of player accounts, payment service providers, game vendors, as well as reporting and analytics.

Company and Management

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

The main source of investments will be from Shareholder – Mr. Ruszlan Pancsik, who has shown as a successful uncommon entrepreneur and already has huge experience in Marketing gambling industry. Ruszlan Pancsik has great understanding of online betting and gambling strategies. For the beginning, he will hold a position as a CFO, as his knowledge experience will allow him to control the business flow, do financial planning and analysing the company's financial strengths and weaknesses.

Money Laundering Reporting Officer, plays a crucial role in ensuring that a company or financial institution complies with anti-money laundering (AML) and counter-terrorism financing (CTF) regulations. The Company will employ the experienced MLRO to cover the most important issues for the Company such as:

- 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/CFT 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 are equipped to 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 SARs, risk assessments, and training records.
- Ensuring 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 intends to offer a comprehensive range of services on its website, including a sportsbook, online casino, and online poker, with a specific focus on capturing the Eastern European market.

Online gambling has experienced notable expansion across Eastern Europe, propelled by technological advancements, evolving consumer preferences, and supportive regulatory landscapes. Several Eastern European countries have become prominent markets for online casinos, sports betting, and poker platforms. The appeal of accessing gambling services from

the convenience of home, alongside a diverse array of gaming options and promotional incentives, has fueled the widespread adoption of online gambling throughout the region.

Online poker holds a special place in Eastern Europe's gambling landscape, with a dedicated player base drawn to the competitive and strategic aspects of the game. Poker rooms and platforms catering to Eastern European players offer a diverse selection of poker variants, tournaments, and cash games, providing opportunities for both casual players and seasoned professionals to participate and compete. The rise of online poker communities, forums, and streaming platforms has further fueled interest in the game, fostering a vibrant and dynamic poker ecosystem in the region.

The online gambling market in Eastern Europe has shown remarkable growth in recent years, with projected revenues reaching US\$1,017.00 million in 2024 and expected annual growth of 5.45% by 2029, resulting in a market volume of US\$1,326.00 million. Key insights into the market dynamics and trends are as follows:

Overall, the online gambling market in Eastern Europe is poised for continued growth, driven by factors such as convenience, mobile accessibility, regulatory developments, local circumstances, and favourable macroeconomic conditions. As the market matures, it is expected to attract even more customers and generate significant revenue for operators in the region.

Our Competitive Advantage

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

We aim to provide a safe, efficient, and enjoyable working environment for our team, and to deliver exceptional results that exceed our clients' expectations. We believe that everyone deserves to have access to exciting, entertaining, and rewarding betting options, and we strive to provide our clients with the best products and services available.

We will be able to guide our casino sales and marketing strategies toward the direction of our business goals after contacting top sales and marketing specialists. The following is how we have decided to promote our business to potential customers:

First and foremost, we will ensure that we launch our online casino business with a bang.

We will do very well in promoting our online casino business on the internet. This will be accomplished with social media platforms such as Facebook, Twitter, Instagram, and others.

We will make certain that introductory letters about our online casino business are sent to various sports clubs, households, and corporate organizations.

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:	5,549	7,037	8,855	11,148	14,067
Sport	1,361	1,592	1,831	2,088	2,380
Casino	4,188	5,444	7,023	9,060	11,687
Poker	7,620	8,915	10,431	12,100	13,794
COGS					
Royalties	1,609	1,970	2,391	3,010	3,657
Other direct expenses	721	880	1,063	1,338	1,688
Total COGS	2,330	2,850	3,454	4,348	5,345
Gross Profit	3,219	4,187	5,401	6,800	8,722
Operating Expenses (OPEX)					
Administrative Expenses	943	1,196	1,505	1,895	2,391
Marketing Expenses	1,776	2,252	2,479	2,898	3,657
Other Expenses	444	563	708	892	1,125
Total OPEX	3,163	4,011	4,692	5,685	7,173
Net Profit	56	176	709	1,115	1,549

The financial projections encompass Casino, Sports Betting and Poker Gross Gaming Revenue (GGR), as detailed in the preceding financial table. Forecasts indicate that revenue generated by Poker hub will be dominating, with the Casino and then Sportsbetting share to follow. In perspective it is expected that Casino games will experience faster growth as a newest product while the growth of Poker and Sports betting cluster is anticipated to more modest compared to each year.

Marketing expenses are initially set to account for 32% of the GGR in the first year, gradually reducing to 25% over time. This adjustment reflects the varying costs associated with user acquisition and subsequent retention efforts. A similar trend is observed in Other Direct Expenses, which includes bonuses aimed at extending player lifespan during the early stages. Moreover, Other Direct Expenses predominantly comprise commission fees to Payment Service Providers (PSPs) covered by the Company rather than players.

Administrative costs are expected to remain relatively stable, constituting approximately 17% of revenue. This stability is attributed to the business model's emphasis on product development rather than diversification into new markets or products, ensuring sufficient resources for additional administrative support as revenue grows.

During the initial two years, the owner plans to implement a cost-effective strategy to generate nominal net profits, fostering market share growth. This strategic approach underscores the company's commitment to establishing a strong foothold in the market during its early operational stages.

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 realise this ambition, we are assembling a motivated and passionate team with a steadfast belief in our collective ability to achieve success.

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

- Highlight the company's commitment to innovation and continuous improvement in delivering exceptional gaming experiences to customers.

- Stress the importance of regulatory compliance and the company's commitment to upholding the highest standards of integrity, transparency, and responsible gaming practices.
- Strategic Partnerships and Alliances. These partnerships can enhance the company's capabilities, expand its reach, and drive growth opportunities in the competitive gambling market.
- Articulate the company's long-term vision for sustainable growth and success in the gambling industry. This may involve setting clear goals and objectives, implementing robust business strategies, and fostering a culture of innovation, teamwork, and accountability to ensure the company's longevity and prosperity in the years to come.