

Satoshi Hero

Business Plan

Business Summary

Product

Satoshi Hero (satoshihero.com) is an innovative online casino focusing on cryptocurrency transactions and fiat payment methods for several markets. Our platform offers an extensive range of games, including slots and table games, emphasizing high-quality graphics and engaging gameplay.

At Satoshi Hero, we pride ourselves on providing a customer-centric experience that exceeds expectations. Our website is easy to navigate, and our registration process is straightforward. We offer a big variety of games from top-tier software providers, along with exclusive promotions, lightning-fast withdrawals, and the best VIP club in the industry.

Customers

Our target market consists of cryptocurrency-owning gamblers in countries where a Curacao license is applicable.

By focusing on the cryptocurrency community, we aim to provide a secure, fast, and hassle-free gaming experience that meets the needs of modern players. We take extra measures to ensure that all transactions are safe and secure.

In summary, Satoshi Hero is the ultimate destination for cryptocurrency-owning gamblers looking for a high-quality gaming experience. We are committed to providing exceptional customer service and an extensive selection of games, all while maintaining the highest standards of security and privacy.

Future of the company

Looking ahead, Satoshi Hero is poised for significant growth, both in terms of active players and revenue. This expected expansion is primarily driven by our commitment to continuous innovation and our strategic introduction of new features designed to enhance player engagement and attract a broader audience.

Innovations and New Features

Each month, we plan to roll out new features that are not only aimed at enriching the user experience but also at boosting key performance indicators such as retention rates and conversion rates. Among these features, we are focusing on:

Strategic Growth Focus

These innovations are part of our broader strategy to not only adapt to the ever-changing landscape of online gambling but to lead it. By continuously enhancing our platform and staying ahead of industry trends, Satoshi Hero will not only increase its market share but also set new standards for online gaming experiences.

Our proactive approach in rolling out new features and improving existing ones ensures that Satoshi Hero remains at the forefront of the online casino industry, thereby securing a promising future with sustained growth in both player base and revenue streams.

Company founder

The mastermind and founder behind the company is Dmytro Liebiediev, whose extensive background spans 14 years of unparalleled success in digital product management. Notably, Dmytro's nine-year tenure in the highly lucrative lottery and online gambling industry across diverse markets enabled him to steer various companies toward achieving their targets and expanding their market share.

Dmytro's ability to independently undertake numerous operational tasks is of particular significance, thereby affording the company significant cost savings on employee salaries that can be directed towards early-stage development and marketing efforts.

Company Structure, Headcount, and Goals

Executive Team

- CEO: Dmytro Liebiediev brings 14 years of expertise in digital product management with a focus on the online gambling industry. As CEO, Dmytro not only leads the company's strategic direction but also temporarily oversees the

roles of Chief Compliance Officer (CCO) and Chief Financial Officer (CFO), ensuring regulatory compliance and financial health.

- CTO: Dmytro Stos is responsible for the technological leadership and innovation at Satoshi Hero. With extensive experience in software development and systems architecture, Dmytro Stos leads our technical teams and is instrumental in building a scalable and secure platform.
- Compliance Officer: Lorenza Godett

Future Organizational Developments:

- Within the next 1-2 years, Satoshi Hero plans to expand its executive team to include a dedicated CCO and CFO. This expansion will allow specialized focus on critical areas:
 - Chief Compliance Officer (CCO): Once appointed, the CCO will take over responsibilities related to regulatory compliance and licensing, allowing the CEO to focus more on broader business strategies.
 - Chief Financial Officer (CFO): The CFO will manage the company's financial actions, including risk management, financial planning, and analysis. This role is crucial as we scale our operations and enhance our financial strategies to support growth.

Note: Our organizational structure is designed to be flexible and scalable, accommodating rapid changes in the dynamic online gambling market while maintaining a lean operational model in the early stages of growth.

Our brand and games on offer

Our brand, Satoshi Hero, embodies the perfect combination of crypto, gaming, and fun all rolled into one. Notably, the name will strike a chord with crypto enthusiasts while being easy to recall for all.

Our game offerings will include all the popular casino games, ranging from slots and table games to casual games. We aim to present our customers with the broadest possible variety of games. These games will be sourced from top-tier providers in the industry, including Netent, Pragmatic Play, Spinomenal, Red Tiger, and Evolution, among others, all licensed in Curacao.

It's worth highlighting that these games will be seamlessly integrated through our long-standing partner, Softswiss, ensuring a seamless user experience for all our customers.

Technology

General description

We are using a stack of PHP 8 + PostgreSQL + Redis + Rabbit on the backend. The front end is built on Nuxt.js + Node.js.

All data flowing between our servers, the software providers, and the customers are carried through SSL-certified connections.

Marketing Strategy

Our unique selling proposition centers around offering a comprehensive and engaging gaming experience for cryptocurrency-owning gamblers. By focusing on providing top-tier games, exclusive promotions, lightning-fast withdrawals, and exceptional customer service, we aim to stand out in the crowded online casino market.

To communicate our brand message effectively, we will use captivating graphics from iconic games and leading software providers in our advertising campaigns. Our key slogans will encapsulate the essence of our brand and the exciting gaming experience we offer.

As a new company, we are mindful of the need to be efficient with our resources. We will focus on cost-effective marketing solutions that deliver maximum impact while minimizing expenditure.

Acquisition

We plan to use the following channels for customer acquisition:

Affiliate

Our team has identified a list of ideal affiliate partners based on our founder's experience running successful casino websites. This network will be a top priority for post-launch marketing activities, enabling us to promote our suite of gambling services to end-users. This channel offers a highly cost-efficient means of promotion, as we only pay a revenue share to our advertising partners.

SEO

In our SEO strategy, we will focus on optimizing for gambling-related keywords to attract relevant traffic to our website.

Paid Ads

Our paid advertising strategy will primarily focus on crypto-related advertising networks such as Coinzilla and Bitmedia. These channels have proven successful in promoting online casinos, and we will leverage them to reach our target audience.

Retention

Retention is a key part of our marketing strategy, and we will be using the following channels to retain players:

- Email
- Push notification
- On-site notifications
- VIP program and promotional bonuses for loyal users

Financial Forecast

	2024	2025	2026	2027
Casino business				
First depositors	21,000	32,000	45,000	75000
Paying users	24,673	49,323	84,723	146,223
Deposits count	\$44,090.00	\$117,290.00	\$230,890.00	562335
Deposits	\$1,500,000.00	\$3,251,600.00	\$7,075,600.00	\$22,986,750.00
Withdrawals	\$750,000.00	\$1,625,800.00	\$3,537,800.00	\$11,493,375.00
Total revenue	\$750,000.00	\$1,625,800.00	\$3,537,800.00	\$11,493,375.00
<i>Growth YoY %</i>		216.77%	217.60%	324.87%
Cost of Sales	\$154,000.00	\$329,108.80	\$589,140.80	\$1,671,099.00
- Hosting	\$12,000.00	\$12,000.00	\$12,000.00	\$12,000.00
- Salary (Support team)	\$40,000.00	\$96,000.00	\$96,000.00	\$96,000.00
- Third party providers	\$102,000.00	\$221,108.80	\$481,140.80	\$1,563,099.00
Gross Profit	\$596,000.00	\$1,296,691.20	\$2,948,659.20	\$9,822,276.00
Expenses	\$464,200.00	\$836,641.92	\$1,336,997.76	\$2,902,569.00
- S&M	\$329,200.00	\$611,641.92	\$1,066,997.76	\$2,632,569.00
- R&D	\$100,000.00	\$180,000.00	\$220,000.00	\$220,000.00
- G&A	\$35,000.00	\$45,000.00	\$50,000.00	\$50,000.00
EBITDA	\$131,800.00	\$460,049.28	\$1,611,661.44	\$6,919,707.00

Our estimation model accounts for a steady improvement in conversion rates, with an expected increase from 7% in 2024 to 10% in 2027 based on brand awareness growth. In addition, we anticipate a gradual increase in the average first deposit and the average deposit of returning players, coupled with a reduction in the customer churn rate.

Suppliers

Software and Payment Integration:

At Satoshi Hero, we have strategically partnered with a diverse array of suppliers to deliver a seamless and robust gaming experience. Our platform is integrated with top-tier software and payment processing providers, ensuring that both the gaming experience and financial transactions are smooth, secure, and user-friendly. Below is a list of our key suppliers:

- Softswiss: Renowned for their reliable casino and affiliate platform solutions, Softswiss is central to our gaming operations.
- Netgame Entertainment N.V.: This provider enriches our casino with a variety of engaging and high-quality games, contributing significantly to our gaming content.
- Coinspaid: Specializing in cryptocurrency payment solutions, Coinspaid facilitates secure and efficient crypto transactions for our customers.
- CCpayment: A comprehensive payment gateway that supports various payment methods, enhancing our platform's accessibility and convenience for users worldwide.
- Gigadat: Known for their expertise in online payment solutions in Canada, Gigadat provides reliable and secure transaction services, catering specifically to our Canadian user base.
- Payop: Operating globally, Payop offers a wide range of payment solutions that ensure our platform remains accessible to players in multiple jurisdictions.
- Spayz: They provide innovative payment solutions, expanding our reach and capability in handling diverse financial transactions efficiently.
- Intercom: As a tool for customer support, Intercom helps us maintain high standards of customer service with effective communication and support management.

Risk Management:

Recognizing the critical dependence on these suppliers for continuous operation, we have implemented comprehensive risk management strategies to mitigate the impact of any potential loss or interruption in services provided by our suppliers:

1. Redundancy Plans: We ensure that for every critical supplier, there is an alternative provider ready to step in should there be a failure or discontinuation of

service. This includes having backup payment gateways and secondary software providers that can be switched with minimal downtime.

2. **Regular Audits and Updates:** Our technical team conducts regular audits of our integrations and stays updated with the latest enhancements and updates offered by our suppliers. This proactive approach helps prevent potential vulnerabilities and service interruptions.
3. **Service Level Agreements (SLAs):** We negotiate robust SLAs with all our suppliers, which include strict performance and uptime guarantees. These agreements are designed to ensure that any service disruptions are resolved swiftly and with minimal impact on our operations and customer experience.
4. **Continuous Monitoring:** Our systems are monitored 24/7 for any signs of operational failure or degradation in service. Immediate actions are taken to address any anomalies detected, ensuring continuous service availability.
5. **Diversified Supplier Base:** By not relying on a single supplier for any major component of our operations, we spread our operational risk. This diversification allows us to maintain service continuity even if one supplier faces issues.

These strategies are crucial in maintaining the reliability and integrity of our gaming platform, ensuring that player trust and satisfaction remain high. By managing supplier risks effectively, we safeguard our operations against potential disruptions and maintain our competitive edge in the market.

General Risk Evaluation and Management

At Satoshi Hero, we understand that effective risk management is crucial to our operational integrity and long-term success. We employ a comprehensive approach to identify, assess, and mitigate risks associated with our operations. Our risk management framework is designed to address various potential risks, including strategic, operational, financial, and compliance-related risks.

Risk Identification and Assessment:

- **Risk Registers:** We maintain detailed risk registers that list all identified risks, their potential impact, likelihood, and the measures in place to manage these risks. These registers are regularly updated and reviewed by our risk management team to reflect new developments and insights.
- **Regular Audits:** To ensure the accuracy of our financial records and compliance with applicable laws and regulations, we conduct regular internal and external

audits. These audits help identify any discrepancies or areas of improvement in our financial and operational processes.

Risk Mitigation Strategies:

- **Internal Controls:** We implement strong internal controls to manage and mitigate identified risks. These controls include separation of duties, access controls, regular internal audits, and stringent approval processes for financial transactions and business decisions.
- **Oversight Committees:** We have established various oversight committees, including a Risk Management Committee and an Audit Committee, which play pivotal roles in overseeing the company's risk management practices and the integrity of financial reporting. These committees are comprised of senior executives and, in some cases, external advisors to ensure independent and objective oversight.
- **Continuous Monitoring:** Our risk management team continuously monitors the operational environment and the effectiveness of our risk mitigation measures. This ongoing monitoring helps in promptly addressing any issues as they arise and adjusting our strategies in response to changing conditions.

Financial Risk Management:

- **Diversification of Revenue Streams:** To mitigate financial risks related to market volatility and dependency on specific games or payment processors, we diversify our revenue streams across different products and regions.
- **Liquidity Management:** We maintain a robust liquidity management strategy that ensures sufficient cash reserves and funding for ongoing operations and growth initiatives.
- **Currency and Cryptocurrency Volatility:** Given our exposure to cryptocurrencies, we use hedging techniques and maintain a balanced portfolio of different fiat and digital currencies to mitigate the risks posed by price volatility.

Compliance and Regulatory Risk Management:

- **Regular Training:** All employees undergo regular training on compliance matters, including anti-money laundering (AML), know your customer (KYC) procedures, and data protection, ensuring that our staff remains knowledgeable about regulatory requirements and best practices.
- **Adaptive Compliance Framework:** Our compliance framework is adaptive to changes in regulatory landscapes, particularly in jurisdictions where we operate.

This includes keeping abreast of and responding to new legislation, ensuring that our operations remain compliant at all times.

By integrating these comprehensive risk management practices into our daily operations and strategic planning, Satoshi Hero not only protects itself from potential threats but also positions itself as a reliable and trustworthy platform in the highly competitive online casino market. This proactive approach to risk management enhances our ability to achieve our business objectives while maintaining high standards of ethical conduct and legal compliance.

Legal and Governance Framework

At Satoshi Hero, our governance structure is designed to ensure rigorous oversight while supporting swift decision-making, essential in the dynamic online gaming industry. Our legal and governance framework emphasizes transparency, accountability, and compliance with applicable laws and regulations.

Board Oversight

The board of directors plays a pivotal role in providing strategic guidance and ensuring the robustness of governance practices. The board's responsibilities encompass oversight of significant financial transactions, approval of major corporate actions, supervision of comprehensive risk management strategies, and the safeguarding of corporate governance standards.

Current Board Membership and Structure

Our board consists of experienced professionals from the online gaming, financial, and technology sectors. This diversity ensures a broad range of insights and expertise, vital for comprehensive strategic decision-making. Importantly, our governance structure uniquely integrates the roles of Ultimate Beneficial Owner (UBO), CEO, and Chief Compliance Officer (CCO) within a single individual, enhancing coherence and alignment across our strategic, operational, and compliance functions.

Interaction with Senior Management

Day-to-day operational decisions are delegated to senior management, who are tasked with the management of ongoing operations and the execution of strategic plans. However, the board, spearheaded by our CEO who also serves as the UBO and CCO, retains control over critical decisions. This includes strategy formulation, major financial

decisions, compliance matters, and corporate policies, ensuring a balance between operational autonomy and strategic oversight.

Matters Reserved to the Board/UBO:

Decisions of substantial impact, such as financial planning, major investments, compliance protocols, and changes to the operational strategy, are reserved for the board and particularly the UBO. This setup prevents potential conflicts and ensures decisions are made that align with the long-term interests of the company.

Avoiding Deadlocks

Given the integrated role of our UBO/CEO/CCO, the risk of board deadlock is minimized, allowing for more streamlined decision-making processes. The structure facilitates quick responses to market changes and regulatory requirements, crucial in the fast-paced online gaming environment.

Legal Support and Advice

Legal advice and support are provided by Xecutive Corporate Management N.V., which specializes in corporate management and compliance within the gaming industry. Their expertise is invaluable for ensuring that our operations adhere to stringent regulatory standards across different jurisdictions.

Through this governance framework, Satoshi Hero ensures not only compliance with legal standards but also the strategic agility necessary to thrive in the competitive online casino market. This structure supports our mission to deliver a secure, engaging, and responsible gaming experience to our customers.

AML and Responsible gambling

We are staunch advocates of AML and responsible gambling measures, which is why we will ensure that our website complies with the regulations The Curaçao Gaming Control Board set forth.

AML Policy

For AML measures, we will implement a rigorous process that adheres to the following guidelines:

An AML policy will clearly outline the procedures that will be followed on the website.

- Internal Customer Due Diligence procedures will include customer identification and verification when the customer's transaction turnover reaches \$3,000 when there is suspicion of money laundering or terrorist financing operations or if the company has doubts about the adequacy of previously obtained customer data.
- The list of documents used for customer identification and verification will comply with the Regulations for Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT).
- In case of any suspicious actions, we will immediately report them to FIU.

Responsible gambling

Regarding responsible gambling, we will comply with the CCRG 2022 guidelines and provide a means for all players to set self-exclusion through the website's interface. Our self-exclusion options include the following:

- Temporary – limited in time; the user can set a specific period for exclusion.
- Permanent – unlimited in time until further notice from the user.

We also provide the following options from the company's side:

- Temporary – limited in time, the website admins can exclude the user for a temporary period, either after the user's inquiry or based on their latest activity.
- Permanent – initiated by website admins and is unlimited in time until further notice.