

BALKAN INTERNATIONAL B.V.

Business Plan

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***Chuchubiweg 17,
Willemstad,
Curaçao***

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Table of Contents

1. COMPANY & BUSINESS DESCRIPTION3

3

4

4. MARKET ANALYSIS6

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8

9

9

9. Financial forecast for Balkan International
14

1. Company & Business Description

Balkan International develops cutting-edge slot games and provides innovative B2B solutions for online casinos. Creativity is at the heart of everything we do. Balkan International empowers creators allowing them to use a variety of mathematics, bonus mechanics and in-game features, thus being able to quickly create unique games from scratch.

We played the game. We pursue a vision of a new iGaming world without limitations, powered by creators and created for the users.

Core Values

No limitation, no boundaries.

Our goal is to give creative people the chance to design a unique casino game. We have high-level professionals with extensive gambling industry experience on our team. Knowing how the competitors work, we do not intend to follow any of their models, since we know artists cannot compose within limits.

2. Team & Org Structure

Pavel Zdravkov – Chief Executive Officer

Denitza Dimitrova – Chief Compliance Officer

3.Product

Platform

The product is a software platform which allows game studios to create iGaming games. Balkan International is the platform we are developing to take the role of games provider. For the platform to be different from others we want to make it possible for everyone that has an idea for a game to create it without building a whole software system from the ground up. Our main goal is to give all tools ready out of the box to the game creators, so they won't have to do the heavy work. The tools that would be provided are focused on the actual technical part of the game itself which would mean that game studio would be able to create and run a game only by having creative resources and know-how. The platform will be constantly evolving by adding new game features and game functionalities. That means that at no point the platform can be considered as completed.

The product itself would be separated in multiple different modules/sub-systems. To start off we will need to have the technical system which should be as configurable as possible for it to be able to cover each and every different scenario that can come our way. The main architecture would be the actual system that is running the actual game and holds all the features that can be offered. All other systems that need to be developed would be built around it. Systems like back office for casino operators, administration panel for game creators, etc.

The games we have in the current pipeline are traditional and standardized slot games that allow the player to make a bet, spin the reels and get a result based on the game math. The player can either win or lose. We currently have a few different mechanics which can keep the player engaged.

Free spins in the game - the player has the chance to land a winning result that awards him with a bonus number of spins(rounds) that he is not betting anything however if the results are winnings the player will be awarded the winnings.

Purchasable free spins - the player has the option of purchasing free spins in the game and use them.

Accumulative bonus - the player has the chance to accumulate bonus symbols during gameplay. Once the player gets a specific number of symbols (e.g. 50) they get to play a mini game where they can win specific amount of free spins.

Multiplier bonus - the player has the chance to get bonus symbols and when a specific amount of bonus symbols has been awarded by the game the player goes into a bonus game where their winnings are going to be multiplied by a different factor.

Bonus game of chance - the player has a chance to get 3 bonus symbols which will trigger the first phase of the chance game. It will show 3 characters on a wheel. Player spins it and gets to play the second phase. The character that was awarded will have a chance to either succeed at a task or not succeed at it. The player has the option to bet on one of the outcomes with 3 different bet amounts. If the player guesses the right answer, then he wins an amount based on the bet. If the player doesn't guess the right answer they lose their bet.

Games Pricing Model

We will charge our clients % of the gross gaming revenue per game.

Depending on the type of the contractor we will have different pricing models and the fee will be different due to the volume.

Online casino – operator

Gross Gaming Revenue = Bets – Wins

Platform - Reseller or Aggregator

Reseller

Gross Gaming Revenue = Bets – Wins

Aggregator is a different business model.

In this case Balkan International will pay to the company who provide technology integration services to the operator.

We offer two different verticals Platform and Games.

We will provide several different services to various contractors depending of the type of the contractor and the product verticals

The games will be provided to online casinos, platforms, and aggregators.

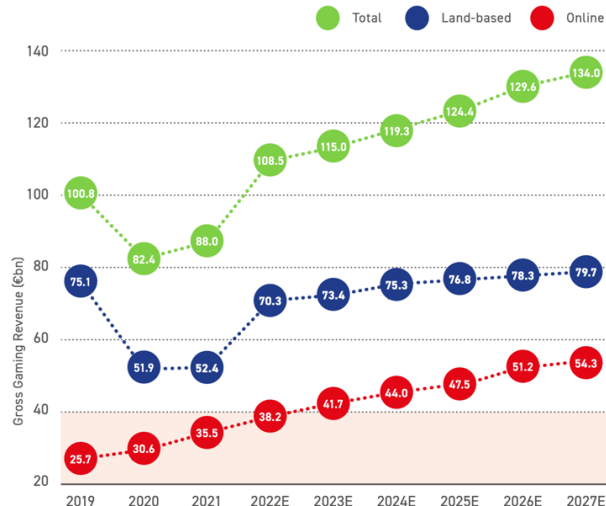
The Platform will be provided to game studios, online casinos and aggregators.

4. Market Analysis

Europe's gambling market revenue stabilized in 2022 and reached €108,5bn gross gaming revenue, an 8% increase compared to pre-pandemic levels in 2019 and a 23% rise compared to 2021. This growth was driven mainly by the reopening of land-based gambling venues following the pandemic, with land-based gross gaming revenue increasing 34% to €70,3bn in 2022, accounting for 65% of total gambling revenue. Meanwhile, online gambling revenue increased by 8% to €38,2bn gross gaming revenue, or 35% of Europe's total gambling revenue.

Europe's gambling market revenue

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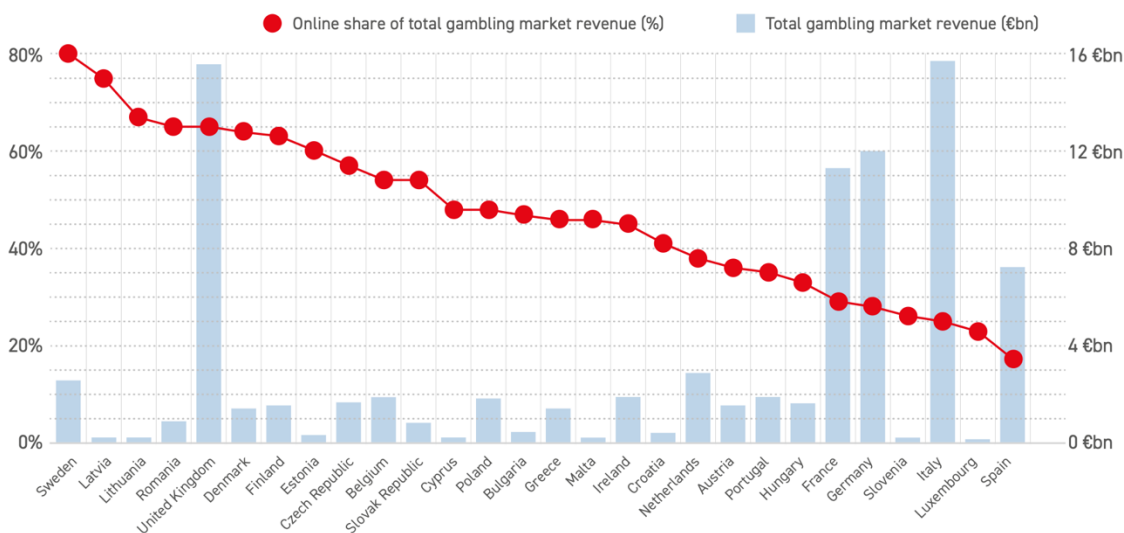


*EU-27 and UK online gambling markets only.
Source: H2 Gambling Capital, December 2022.

Significant differences exist in the online shares of the different national gambling markets in Europe. In 2021, Sweden was the European country with the highest share (80%) of its gambling activity taking place online, followed by Latvia (75%), Lithuania (67%), Romania (65%) and the UK (65%). Notably, many countries that have much larger gambling markets, by revenue, such as Spain, Italy, Germany, and France, still had a relatively low online share of their respective gambling markets.

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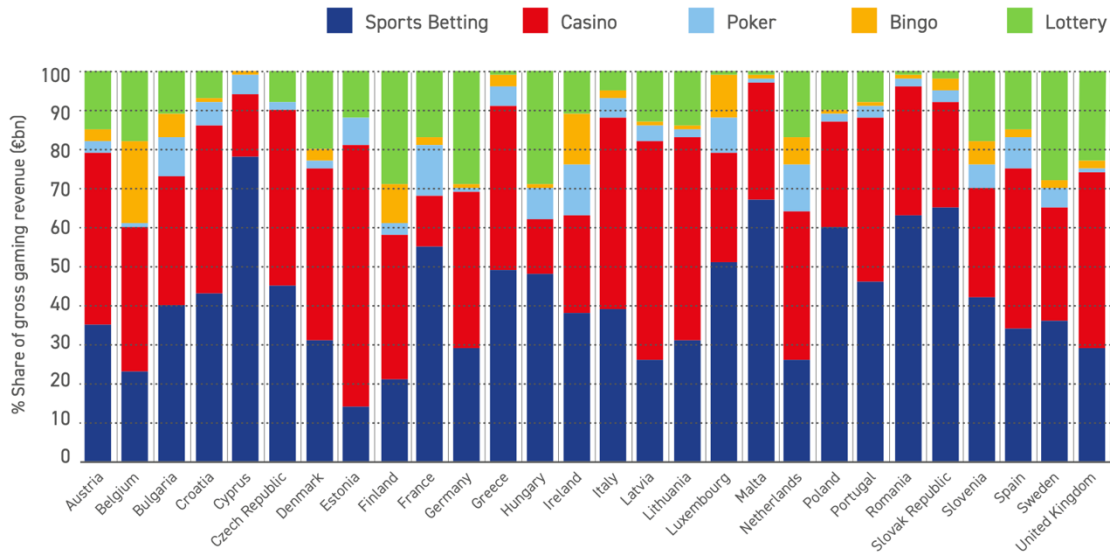


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Source: H2 Gambling Capital, December 2022.

In 2021, the online gambling product shares in Europe's different national gambling markets varied considerably. In Cyprus, online casino games and poker are both prohibited, but both products collectively accounted for 21% of the country's gross gaming revenue (all offshore). In France, online casino games are not permitted but accounted for 13% of the country's gross gaming revenue (all offshore).

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5. Buyer Personas

Online casinos, also called virtual casinos or Internet casinos, are online versions of traditional land-based casinos. Through online casinos, players can play and wager on casino games. It is one of the most popular forms of online gambling.

6. Competitor Analysis

- Comparative Strength

With our game platform, we have developed a wide range of math models, in-game bonus models that can be used to create games.

Balkan International will be able to build a portfolio of games relatively faster than competitors as the platform allows for multiple game studios to use the Balkan International platform in a synergistic model rather than the traditional full buy-out game approach which have natural financial constraints to growth.

- Comparative Weakness

We are entering the iGaming market at a time when it is maturing and natural capital barriers are being raised for new entrants.

- Counterpoints – The high growth rate of the global market indicates that it is not yet in a mature phase thus allowing for smaller companies to innovate and enter despite the now naturally high capital barriers.

7. Marketing Plan

Positioning Strategy

Every possible way will be used to promote our company and product. For our company's development, a marketing plan is crucial.

Our marketing strategy is as follows:

We have designed our website to be user-friendly and intuitive. There, we explained our company, mission, and products.

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We optimize websites while ensuring that minors are protected.

In order to raise brand awareness and attract as many potential clients as possible, we will run a series of promotions.

Our games have also been integrated, so our partners can enjoy them.

Our client area is also Implemented in the website.

Acquisition Channels

A number of industry events will be attended by us, such as: Sigma, SBC, ICE and many others.

Sales Methodology

We have hired a highly professional person to lead the sales and marketing team. With over 15 years' experience in the industry, our CCO will lead the marketing and sales team. In addition to her high degree of expertise and extensive network in the iGaming industry, she will also be a valuable source of tiered A platforms and aggregators to supply our games to the operators.

Sales Organization Structure

Our CCO will oversee the sales and marketing teams.

New clients are brought to the company by a sales manager.

The marketing manager is responsible for the company's marketing activities.

Our plan is to have one Sales Manager and one Marketing Manager in the first year, and to triple the teams in the second year.

During the first year, we plan to work in Malta and Bulgaria.

We plan to add three new markets to our target in the second year.

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To achieve the company's goals, those two teams work closely together.

To increase sales, the marketing team will encourage the target clients.

Sales Channels

We will sell our products through sales representatives.

8. Financial forecast for Balkan International

Additional file with Financial forecast