

Online  
Casino  
VIPPARI  
GEOSIX B.V.  
Business plan



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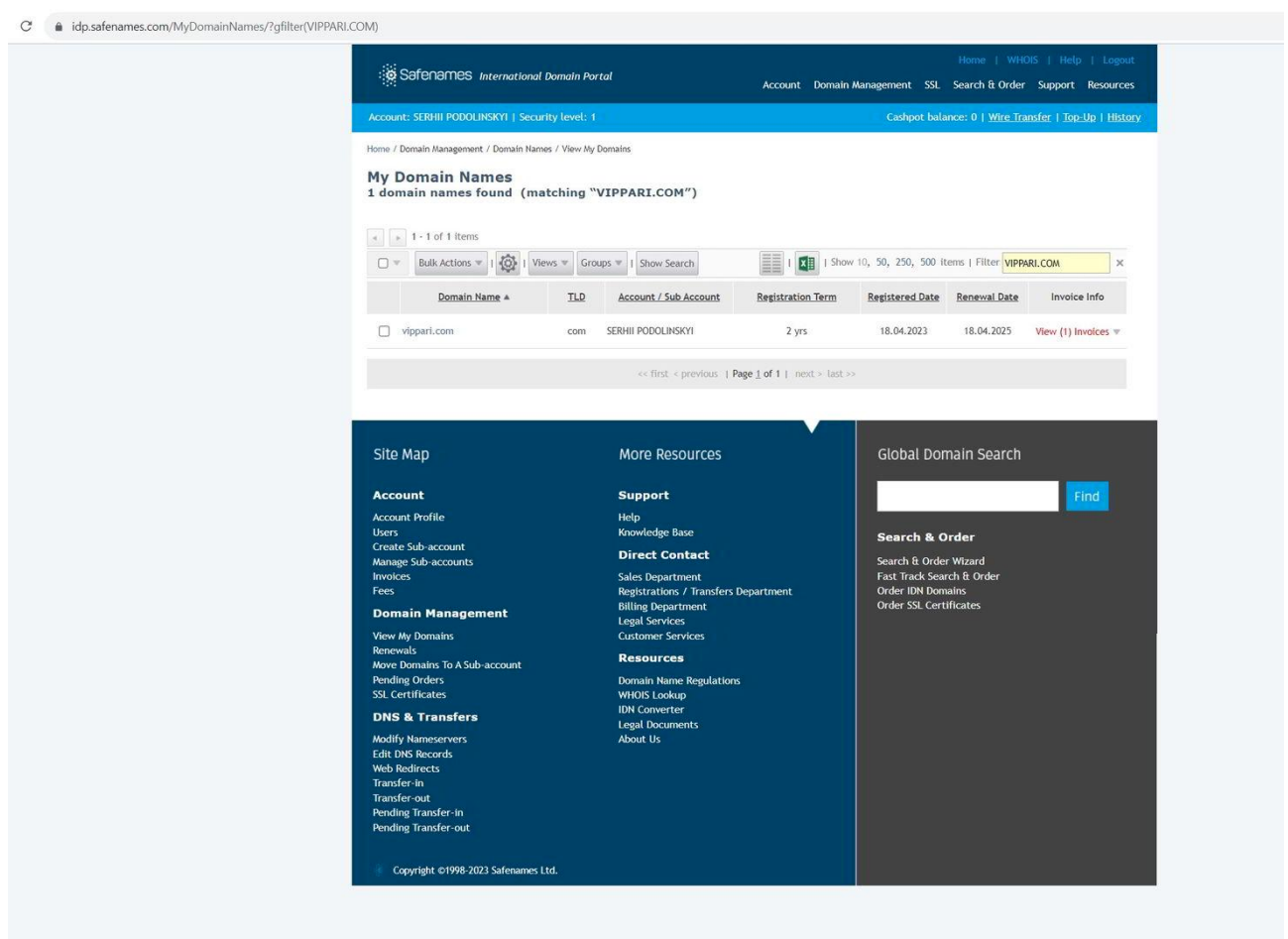
# 1. SUMMARY

## 1.1. GOALS AND OBJECTIVES OF THE PROJECT

The project involves the creation of a company offering online games.

Geosix B.V. is a company incorporated in Curacao.

The domain is vippari.com.



Prospective Regulatory authority starting 2024: Gaming Control Board. The application for the government license is currently in progress.



#### Company Description:

Welcome to the realm of Vippari, an online gambling enterprise transcending boundaries to offer an engaging and responsible gaming venture. We embody innovation, integrity, and excitement in the ever-evolving digital gaming sphere.

#### Vision:

At Vippari, we envision a global gaming community where each player feels empowered, entertained, and secure. Our aim is to redefine the gaming industry by fostering innovation, embracing responsibility, and creating an inclusive environment for players worldwide.

#### Mission:

Our mission at Vippari is driven by the following principles:

- **Innovation Hub:** Pioneering technological advancements and pushing creative boundaries to deliver an unmatched gaming experience through a diverse array of cutting-edge games.
- **Responsible Gaming Advocacy:** Proactively promoting responsible gaming through robust player protection measures, investment in educational resources, and collaboration with organizations dedicated to fostering healthy gaming habits.

- Player-Centric Focus: Placing our players at the forefront, providing personalized experiences, responsive customer support, and continually enhancing our offerings based on player feedback.
- Global Connectivity: Breaking geographical barriers and fostering a global gaming network that embraces players from varied cultures, backgrounds, and regions.

#### Goals:

- Excellence in Entertainment: Committing to excellence in entertainment, ensuring our games offer not just excitement but also serve as platforms for social interaction, skill development, and memorable experiences.
- Innovation Leadership: Aspiring to lead industry innovation, setting new benchmarks for gaming excellence, and consistently surprising our players with fresh and engaging gaming experiences.
- Community Impact: Making a positive difference in the community by supporting charitable causes, local initiatives, and promoting responsible gaming as a cornerstone of our corporate social responsibility.
- Sustainable Growth: Achieving sustainable growth by harmonizing financial success with ethical business practices, environmental stewardship, and a dedication to the well-being of our players.

## 1.2. UBO BACKGROUND

Serhii Podolinskyi, the Ultimate Beneficial Owner (UBO), brings a wealth of experience and expertise to the table. As the CEO and Founder of VIPPARI.COM since May 2023, he demonstrates strategic leadership, board collaboration, and proficiency in financial management, ensuring profitability and stakeholder satisfaction. Previously, he served as Senior Manager at LLC Shans UA, overseeing operational strategies for growth and fostering relationships with key stakeholders. With managerial roles at LLC "Metrojackpot" and Krivorizky iron ore plant, he honed his skills in revenue management, financial analysis, and strategic planning, solidifying his capacity to drive success in the online casino industry.

As a former CEO at Vippari, Serhii possesses unparalleled knowledge of all underlying processes of the project, giving him a distinct advantage in leading the company to success in his role as CEO.



SERHII  
PODOLINSKYI

CONTACT

Kyryyl Rih, Ukraine

+380678168130

podolinskiy.serhii@gmail.com

SKILLS

• Key product reporting

• Store trading data evaluation

• Retail trend and competitor analysis

• Customer journey enhancement

• Disciplinary procedures

• 360-degree feedback implementation

PROFESSIONAL SUMMARY

Customer-driven Manager providing essential support to partners and developing client relationships. Successful at developing teams and contributing to growth of department. Excellent communication skills with drive to grow client base through business developments and services. Results focused employee with experience developing motivated, dependable teams. Communicates and delegates effectively to aid timely, quality completion of projects.

EXPERIENCE

VIPPARI.COM | Cyprus

May 2023 - Present

CEO & Founder

• Strategic leadership and vision.

• Board collaboration and governance.

• Profitability and financial management.

• Stakeholder relationship management.

LLC Shans UA (online casino) | Kyiv

July 2008 - May 2016

Senior Manager

• Developed and implemented operational strategies designed for growth.

• Developed credible relationships with senior key stakeholders and team members.

• Delivered continuous improvement mindset through performance evaluations and KPI management.

LLC "Metrojackpot" (landbased network of slot machine clubs) | Kyiv, Ukraine

May 1994 - July 2008

Manager

• Worked with finance and marketing teams to set annual revenue targets.

• Prepared reports for upper management to review sales, services and foot traffic trends.

• Resolved conflicts across teams and implemented team-building exercises.

Krivoriizky iron ore plant | Kyryyl Rih, Ukraine

June 1985 - May 1994

Accountant

• Managed clients' financial accounts to streamline expense and revenue monitoring.

• Utilised financial analysis to inform business strategy and identify growth opportunities.

• Compiled departmental revenue and expense data to generate budgets for planning purposes.

• Automated repetitive activities to minimise accounting errors and improve productivity.

EDUCATION

July 1985

Specialist in Economics

Lomonosov Moscow State University, Moscow

LANGUAGE

Ukrainian

Advanced (C1)

Russian

Advanced (C1)

English

Intermediate (B1)

Signed on the 06/03/2024 by Serhii Podolinskyi

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### 1.3. A LIST OF THE GAMES

Main types of casino games:

- Type 1 – Games of Chance (RNG-based games such as slots and casino table games)
- Type 2 – Betting (including live betting and virtual-sports betting)
- Type 3 – Live Dealer Games
- Type 4 – Pooled-prize games (such as lotteries and parimutuel)
- Type 5: Promoting peer-to-peer games (such as sport-exchange, bingo and poker)

### 1.4. PROJECT FINANCING

The need for financial resources for the project is 237,3 thousand EUR.

The co-investor's funds are reimbursed after the profit is made.

## 1.5. INDEXES OF THE PROJECT

The economic efficiency of the project was confirmed by calculating traditional financial indicators used in project analysis.

The project calculation horizon is 3 years.

Table 1. Indexes of the project

| Name of the index                                                     | Value of the index |
|-----------------------------------------------------------------------|--------------------|
| Calculation period of the project, year                               | 3                  |
| Laid-down capital (LDC), EUR                                          | 152 944            |
| Sum of proceeds (SP), EUR                                             | 4 066 428          |
| Net average operational receipts per month (NAOR), EUR                | 26 093             |
| Net profit for the project period, EUR                                | 748 317            |
| Average profitability for the project period (net profit to proceeds  | 18,40%             |
| Discounting rate (DR), %                                              | 19,00%             |
| Net present value (NPV), EUR                                          | 251 759            |
| Average Rate of Return of investments (ARR)                           | 117,25%            |
| Return on investment (ROI)                                            | 389%               |
| Profitability index (PI)                                              | 1,6                |
| Internal rate of return (IRR)                                         | 80,40%             |
| Pay back period of the project in whole (PBP), incl. financing scheme | 18 months          |
|                                                                       | 1,5 years          |

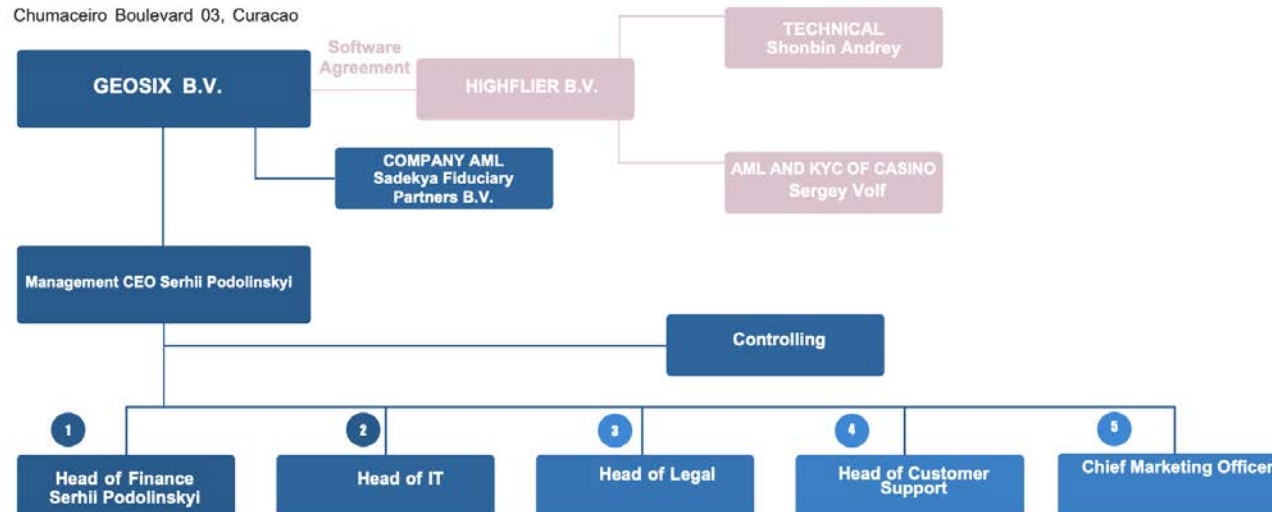
## 2. ORGANIZATIONAL STRUCTURE

Board oversight - The Ultimate Beneficial Owner (UBO) serves as the CEO and sole shareholder of the Operator, actively involved in the day-to-day operations of the business. The CEO takes charge of marketing issues, sets the company's development strategies across various domains, oversees the integration of payment solutions, and drives brand expansion into diverse geographical regions. Key employees of the company, along with the director, may be included in board meetings.

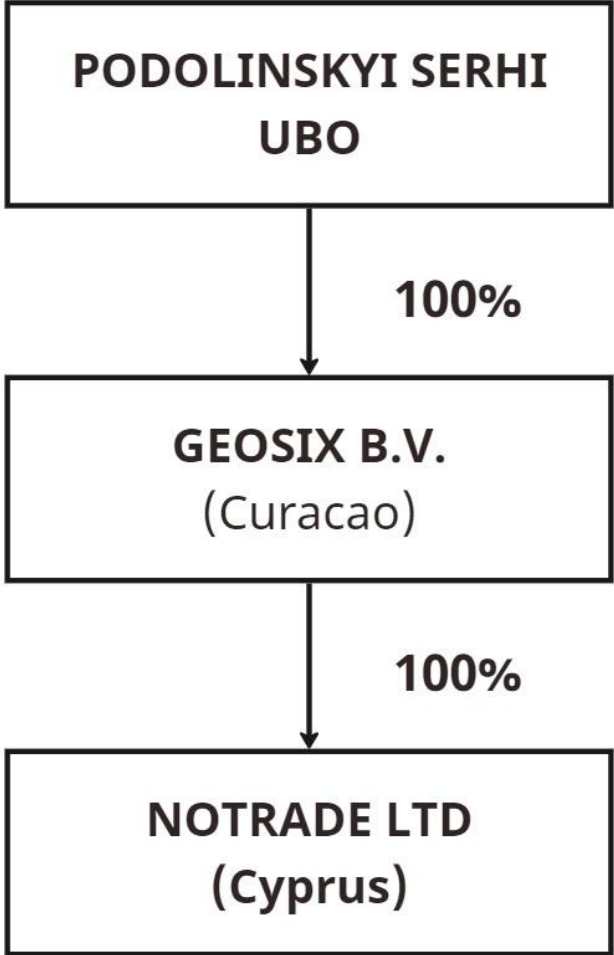
The CEO delegates strategies and decisions directly to departments and functions, ensuring agile decision-making and preventing decision deadlocks. Legal support is internally managed by respective departments and officers. While most decisions are initiated by department heads, final approval rests with the CEO.

### Company control structure

GEOSIX B.V., a company incorporated under the laws of Curaçao with registration number 163931 and registered address at Abraham Mendez Chumaceiro Boulevard 03, Curacao



# OWNERSHIP STRUCTURE



### 3. FINANCIAL SUMMARY

#### 3.1. FINANCIAL ESTIMATION FOR THE FIRST, SECOND AND THIRD YEAR

Table 2. Cash flow for the first year

|                                               | Total for 3 years  | Apr-24         | May-24 | Jun-24 | Jul-24   | Aug-24          | Sep-24          | Oct-24          | Nov-24          | Dec-24          | Jan-25          | Feb-25          | Mar-25          |
|-----------------------------------------------|--------------------|----------------|--------|--------|----------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Month of the project                          |                    | 1              | 2      | 3      | 4        | 5               | 6               | 7               | 8               | 9               | 10              | 11              | 12              |
| Number of days in the period                  |                    | 30             | 31     | 30     | 31       | 31              | 30              | 31              | 30              | 31              | 31              | 28              | 31              |
| Cash flow - INVESTING                         | - 152 944          | - 142 000      | -      | -      | - 10 944 | -               | -               | -               | -               | -               | -               | -               | -               |
| Acquisition of a license and security payment | - 142 000          | - 142 000      | -      | -      | -        | -               | -               | -               | -               | -               | -               | -               | -               |
| Payment for the Amazon server                 | - 8 344            | -              | -      | -      | - 8 344  | -               | -               | -               | -               | -               | -               | -               | -               |
| Office equipment and stationery               | - 2 600            | -              | -      | -      | - 2 600  | -               | -               | -               | -               | -               | -               | -               | -               |
| Cash flow - OPERATING                         | 830 137            | - 4 850        | -      | -      | -        | - 45 748        | - 1 715         | 1 737           | 4 513           | 7 395           | 10 677          | - 32 114        | 14 138          |
| <b>Proceeds</b>                               | <b>4 066 428</b>   | -              | -      | -      | -        | <b>27 335</b>   | <b>34 989</b>   | <b>40 073</b>   | <b>45 199</b>   | <b>50 869</b>   | <b>57 249</b>   | <b>64 455</b>   | <b>72 605</b>   |
| Income from clients                           | 4 066 428          | -              | -      | -      | -        | 27 335          | 34 989          | 40 073          | 45 199          | 50 869          | 57 249          | 64 455          | 72 605          |
| <b>Expenses total</b>                         | <b>- 3 236 291</b> | <b>- 4 850</b> | -      | -      | -        | <b>- 73 083</b> | <b>- 36 704</b> | <b>- 38 336</b> | <b>- 40 686</b> | <b>- 43 474</b> | <b>- 46 572</b> | <b>- 96 569</b> | <b>- 58 467</b> |

|                              |             |         |   |   |   |          |          |          |          |          |          |          |          |
|------------------------------|-------------|---------|---|---|---|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>Direct costs</b>          | - 2 571 416 | - 4 850 | - | - | - | - 63 733 | - 27 354 | - 28 986 | - 30 782 | - 32 757 | - 34 929 | - 43 219 | - 45 848 |
| Advertising costs            | - 1 373 455 | -       | - | - | - | - 28 329 | - 16 323 | - 17 955 | - 19 751 | - 21 726 | - 23 898 | - 26 288 | - 28 917 |
| Additional staff costs       | - 767 000   | -       | - | - | - | -        | -        | -        | -        | -        | -        | - 5 900  | - 5 900  |
| License fees                 | - 142 961   | - 4 850 | - | - | - | - 26 404 | - 2 031  | - 2 031  | - 2 031  | - 2 031  | - 2 031  | - 2 031  | - 2 031  |
| Salary                       | - 288 000   | -       | - | - | - | - 9 000  | - 9 000  | - 9 000  | - 9 000  | - 9 000  | - 9 000  | - 9 000  | - 9 000  |
| <b>Indirect costs</b>        | - 427 200   | -       | - | - | - | - 9 350  | - 9 350  | - 9 350  | - 9 350  | - 9 350  | - 9 350  | - 53 350 | - 9 350  |
| Accounting                   | - 90 667    | -       | - | - | - | - 2 833  | - 2 833  | - 2 833  | - 2 833  | - 2 833  | - 2 833  | - 2 833  | - 2 833  |
| Office equipment maintenance | - 85 333    | -       | - | - | - | - 2 667  | - 2 667  | - 2 667  | - 2 667  | - 2 667  | - 2 667  | - 2 667  | - 2 667  |
| Hosting                      | - 128 000   | -       | - | - | - | -        | -        | -        | -        | -        | -        | - 44 000 | -        |
| Office rent                  | - 27 200    | -       | - | - | - | - 850    | - 850    | - 850    | - 850    | - 850    | - 850    | - 850    | - 850    |
| Legal support                | - 96 000    | -       | - | - | - | - 3 000  | - 3 000  | - 3 000  | - 3 000  | - 3 000  | - 3 000  | - 3 000  | - 3 000  |
| <b>Taxes</b>                 | - 237 675   | -       | - | - | - | -        | -        | -        | - 554    | - 1 367  | - 2 293  | -        | - 3 269  |
| Profit tax                   | - 237 675   | -       | - | - | - | -        | -        | -        | - 554    | - 1 367  | - 2 293  | -        | - 3 269  |

|                             |           |         |   |   |        |        |       |   |       |         |         |        |         |
|-----------------------------|-----------|---------|---|---|--------|--------|-------|---|-------|---------|---------|--------|---------|
| Cash flow -<br>FINANCING    | - 57 562  | 146 850 | - | - | 10 944 | 45 748 | 1 715 | - | - 687 | - 1 696 | - 2 845 | 32 114 | - 4 056 |
| Co-investor's<br>investment | 237 371   | 146 850 | - | - | 10 944 | 45 748 | 1 715 | - | -     | -       | -       | 32 114 | -       |
| Refunds to<br>co-investor   | - 294 933 | -       | - | - | -      | -      | -     | - | - 687 | - 1 696 | - 2 845 | -      | - 4 056 |

|                                     |         |   |   |   |   |   |   |       |       |        |        |        |        |
|-------------------------------------|---------|---|---|---|---|---|---|-------|-------|--------|--------|--------|--------|
| CASH FLOW OF<br>THE PROJECT         | 619 631 | - | - | - | - | - | - | 1 737 | 3 826 | 5 699  | 7 832  | -      | 10 082 |
| progressive total<br>(cash balance) | 619 631 | - | - | - | - | - | - | 1 737 | 5 563 | 11 262 | 19 094 | 19 094 | 29 176 |

Table 3. Cash flow for the second year

|                                               | Total for 3 years  | Apr-25          | May-25          | Jun-25          | Jul-25          | Aug-25           | Sep-25          | Oct-25          | Nov-25          | Dec-25          | Jan-26          | Feb-26           | Mar-26           |
|-----------------------------------------------|--------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|------------------|
| Month of the project                          |                    | 13              | 14              | 15              | 16              | 17               | 18              | 19              | 20              | 21              | 22              | 23               | 24               |
| Number of days in the period                  |                    | 30              | 31              | 30              | 31              | 31               | 30              | 31              | 30              | 31              | 31              | 28               | 31               |
| Cash flow - INVESTING                         | - 152 944          | -               | -               | -               | -               | -                | -               | -               | -               | -               | -               | -                | -                |
| Acquisition of a license and security payment | - 142 000          | -               | -               | -               | -               | -                | -               | -               | -               | -               | -               | -                | -                |
| Payment for the Amazon server                 | - 8 344            | -               | -               | -               | -               | -                | -               | -               | -               | -               | -               | -                | -                |
| Office equipment and stationery               | - 2 600            | -               | -               | -               | -               | -                | -               | -               | -               | -               | -               | -                | -                |
| Cash flow - OPERATING                         | 830 137            | 17 944          | 23 106          | 29 257          | 38 790          | 21 217           | 45 292          | 48 196          | 45 637          | 42 470          | 40 018          | 1 336            | 37 537           |
| <b>Proceeds</b>                               | <b>4 066 428</b>   | <b>80 376</b>   | <b>90 175</b>   | <b>101 559</b>  | <b>114 551</b>  | <b>123 079</b>   | <b>130 372</b>  | <b>134 913</b>  | <b>138 384</b>  | <b>141 499</b>  | <b>139 670</b>  | <b>141 673</b>   | <b>145 136</b>   |
| Income from clients                           | 4 066 428          | 80 376          | 90 175          | 101 559         | 114 551         | 123 079          | 130 372         | 134 913         | 138 384         | 141 499         | 139 670         | 141 673          | 145 136          |
| <b>Expenses total</b>                         | <b>- 3 236 291</b> | <b>- 62 432</b> | <b>- 67 069</b> | <b>- 72 303</b> | <b>- 75 761</b> | <b>- 101 863</b> | <b>- 85 081</b> | <b>- 86 717</b> | <b>- 92 747</b> | <b>- 99 030</b> | <b>- 99 652</b> | <b>- 140 337</b> | <b>- 107 599</b> |
| <b>Direct costs</b>                           | <b>- 2 571 416</b> | <b>- 48 740</b> | <b>- 51 921</b> | <b>- 55 420</b> | <b>- 56 189</b> | <b>- 87 247</b>  | <b>- 63 675</b> | <b>- 64 492</b> | <b>- 71 244</b> | <b>- 78 420</b> | <b>- 79 734</b> | <b>- 86 987</b>  | <b>- 88 380</b>  |
| Advertising costs                             | - 1 373 455        | - 31 809        | - 34 990        | - 38 489        | - 39 258        | - 40 043         | - 40 844        | - 41 661        | - 42 513        | - 43 789        | - 45 103        | - 46 456         | - 47 849         |
| Additional staff costs                        | - 767 000          | - 5 900         | - 5 900         | - 5 900         | - 5 900         | - 11 800         | - 11 800        | - 11 800        | - 17 700        | - 23 600        | - 23 600        | - 29 500         | - 29 500         |

|                              |                  |                |                |                |                 |                |                 |                 |                 |                 |                 |                |                 |                |
|------------------------------|------------------|----------------|----------------|----------------|-----------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|----------------|
| License fees                 | - 142 961        | - 2 031        | - 2 031        | - 2 031        | - 2 031         | - 26 404       | - 2 031         | - 2 031         | - 2 031         | - 2 031         | - 2 031         | - 2 031        | - 2 031         | - 2 031        |
| Salary                       | - 288 000        | - 9 000        | - 9 000        | - 9 000        | - 9 000         | - 9 000        | - 9 000         | - 9 000         | - 9 000         | - 9 000         | - 9 000         | - 9 000        | - 9 000         | - 9 000        |
| <b>Indirect costs</b>        | <b>- 427 200</b> | <b>- 9 350</b> | <b>- 9 350</b> | <b>- 9 350</b> | <b>- 9 350</b>  | <b>- 9 350</b> | <b>- 9 350</b>  | <b>- 9 350</b>  | <b>- 9 350</b>  | <b>- 9 350</b>  | <b>- 9 350</b>  | <b>- 9 350</b> | <b>- 53 350</b> | <b>- 9 350</b> |
| Accounting                   | - 90 667         | - 2 833        | - 2 833        | - 2 833        | - 2 833         | - 2 833        | - 2 833         | - 2 833         | - 2 833         | - 2 833         | - 2 833         | - 2 833        | - 2 833         | - 2 833        |
| Office equipment maintenance | - 85 333         | - 2 667        | - 2 667        | - 2 667        | - 2 667         | - 2 667        | - 2 667         | - 2 667         | - 2 667         | - 2 667         | - 2 667         | - 2 667        | - 2 667         | - 2 667        |
| Hosting                      | - 128 000        | -              | -              | -              | -               | -              | -               | -               | -               | -               | -               | -              | - 44 000        | -              |
| Office rent                  | - 27 200         | - 850          | - 850          | - 850          | - 850           | - 850          | - 850           | - 850           | - 850           | - 850           | - 850           | - 850          | - 850           | - 850          |
| Legal support                | - 96 000         | - 3 000        | - 3 000        | - 3 000        | - 3 000         | - 3 000        | - 3 000         | - 3 000         | - 3 000         | - 3 000         | - 3 000         | - 3 000        | - 3 000         | - 3 000        |
| <b>Taxes</b>                 | <b>- 237 675</b> | <b>- 4 342</b> | <b>- 5 798</b> | <b>- 7 533</b> | <b>- 10 222</b> | <b>- 5 265</b> | <b>- 12 056</b> | <b>- 12 875</b> | <b>- 12 153</b> | <b>- 11 260</b> | <b>- 10 568</b> | <b>-</b>       | <b>-</b>        | <b>- 9 868</b> |
| Profit tax                   | - 237 675        | - 4 342        | - 5 798        | - 7 533        | - 10 222        | - 5 265        | - 12 056        | - 12 875        | - 12 153        | - 11 260        | - 10 568        | -              | -               | - 9 868        |
| Cash flow FINANCING          | - 57 562         | - 5 388        | - 7 195        | - 9 348        | - 12 684        | - 6 534        | - 14 960        | - 15 976        | - 15 081        | - 13 972        | - 13 114        | -              | -               | - 12 246       |
| Co-investor's investment     | 237 371          | -              | -              | -              | -               | -              | -               | -               | -               | -               | -               | -              | -               | -              |
| Refunds to co-investor       | - 294 933        | - 5 388        | - 7 195        | - 9 348        | - 12 684        | - 6 534        | - 14 960        | - 15 976        | - 15 081        | - 13 972        | - 13 114        | -              | -               | - 12 246       |

|                                  |         |        |        |        |         |         |         |         |         |         |         |         |         |
|----------------------------------|---------|--------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| CASH FLOW OF THE PROJECT         | 619 631 | 12 556 | 15 911 | 19 909 | 26 106  | 14 683  | 30 332  | 32 219  | 30 556  | 28 497  | 26 904  | 1 336   | 25 291  |
| progressive total (cash balance) | 619 631 | 41 732 | 57 643 | 77 553 | 103 658 | 118 341 | 148 673 | 180 892 | 211 448 | 239 946 | 266 850 | 268 186 | 293 478 |

Table 4. Cash flow for the third year

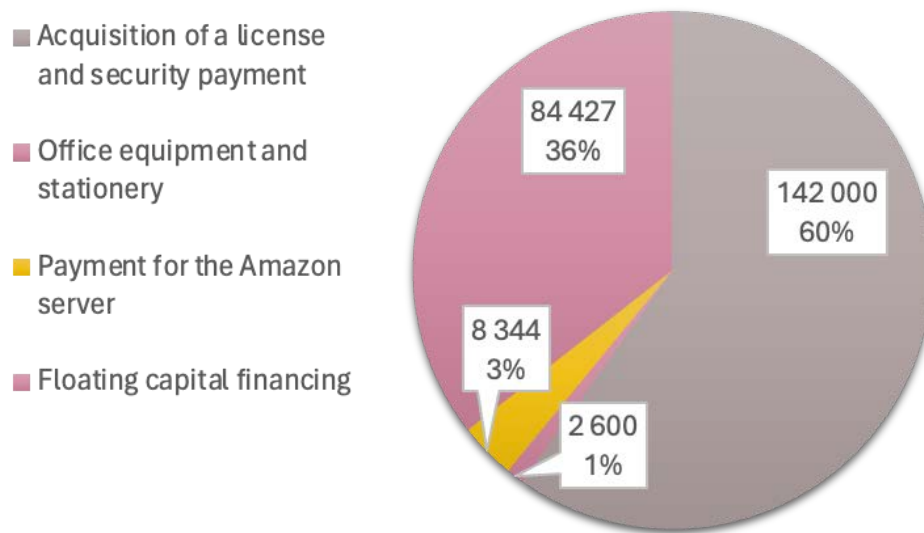
|                                               | Total for 3 years  | Apr-26           | May-26           | Jun-26           | Jul-26           | Aug-26           | Sep-26           | Oct-26           | Nov-26           | Dec-26           | Jan-27           | Feb-27           | Mar-27           |
|-----------------------------------------------|--------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Month of the project                          |                    | 25               | 26               | 27               | 28               | 29               | 30               | 31               | 32               | 33               | 34               | 35               | 36               |
| Number of days in the period                  |                    | 30               | 31               | 30               | 31               | 31               | 30               | 31               | 30               | 31               | 31               | 28               | 31               |
| Cash flow - INVESTING                         | 152 944            | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Acquisition of a license and security payment | 142 000            | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Payment for the Amazon server                 | 8 344              | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Office equipment and stationery               | 2 600              | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Cash flow - OPERATING                         | 830 137            | 41 857           | 40 437           | 43 234           | 43 869           | 23 324           | 41 553           | 47 556           | 48 679           | 54 489           | 41 542           | 15 578           | 43 185           |
| <b>Proceeds</b>                               | <b>4 066 428</b>   | <b>152 109</b>   | <b>157 668</b>   | <b>162 776</b>   | <b>171 059</b>   | <b>170 708</b>   | <b>177 270</b>   | <b>186 680</b>   | <b>195 785</b>   | <b>205 053</b>   | <b>196 226</b>   | <b>204 869</b>   | <b>212 062</b>   |
| Income from clients                           | 4 066 428          | 152 109          | 157 668          | 162 776          | 171 059          | 170 708          | 177 270          | 186 680          | 195 785          | 205 053          | 196 226          | 204 869          | 212 062          |
| <b>Expenses total</b>                         | <b>- 3 236 291</b> | <b>- 110 253</b> | <b>- 117 231</b> | <b>- 119 542</b> | <b>- 127 190</b> | <b>- 147 384</b> | <b>- 135 717</b> | <b>- 139 124</b> | <b>- 147 106</b> | <b>- 150 563</b> | <b>- 154 684</b> | <b>- 189 291</b> | <b>- 168 877</b> |
| <b>Direct costs</b>                           | <b>- 2 571 416</b> | <b>- 89 816</b>  | <b>- 97 194</b>  | <b>- 98 717</b>  | <b>- 106 186</b> | <b>- 132 174</b> | <b>- 115 366</b> | <b>- 117 080</b> | <b>- 124 745</b> | <b>- 126 563</b> | <b>- 134 336</b> | <b>- 136 266</b> | <b>- 148 066</b> |
| Advertising costs                             | - 1 373 455        | - 49 285         | - 50 763         | - 52 286         | - 53 855         | - 55 470         | - 57 135         | - 58 849         | - 60 614         | - 62 432         | - 64 305         | - 66 235         | - 66 235         |
| Additional staff costs                        | - 767 000          | - 29 500         | - 35 400         | - 35 400         | - 41 300         | - 41 300         | - 47 200         | - 47 200         | - 53 100         | - 53 100         | - 59 000         | - 59 000         | - 70 800         |
| License fees                                  | - 142 961          | - 2 031          | - 2 031          | - 2 031          | - 2 031          | - 26 404         | - 2 031          | - 2 031          | - 2 031          | - 2 031          | - 2 031          | - 2 031          | - 2 031          |



### 3.2. INVESTMENT SCHEMATIC SHOWING TYPE OF INVESTMENTS, PROJECTED COSTS, EXPLANATION BY WHOM AND SOURCE OF WEALTH

The need for financial resources for the project is 237,3 thousand EUR.

Diagram 1. Investments structure

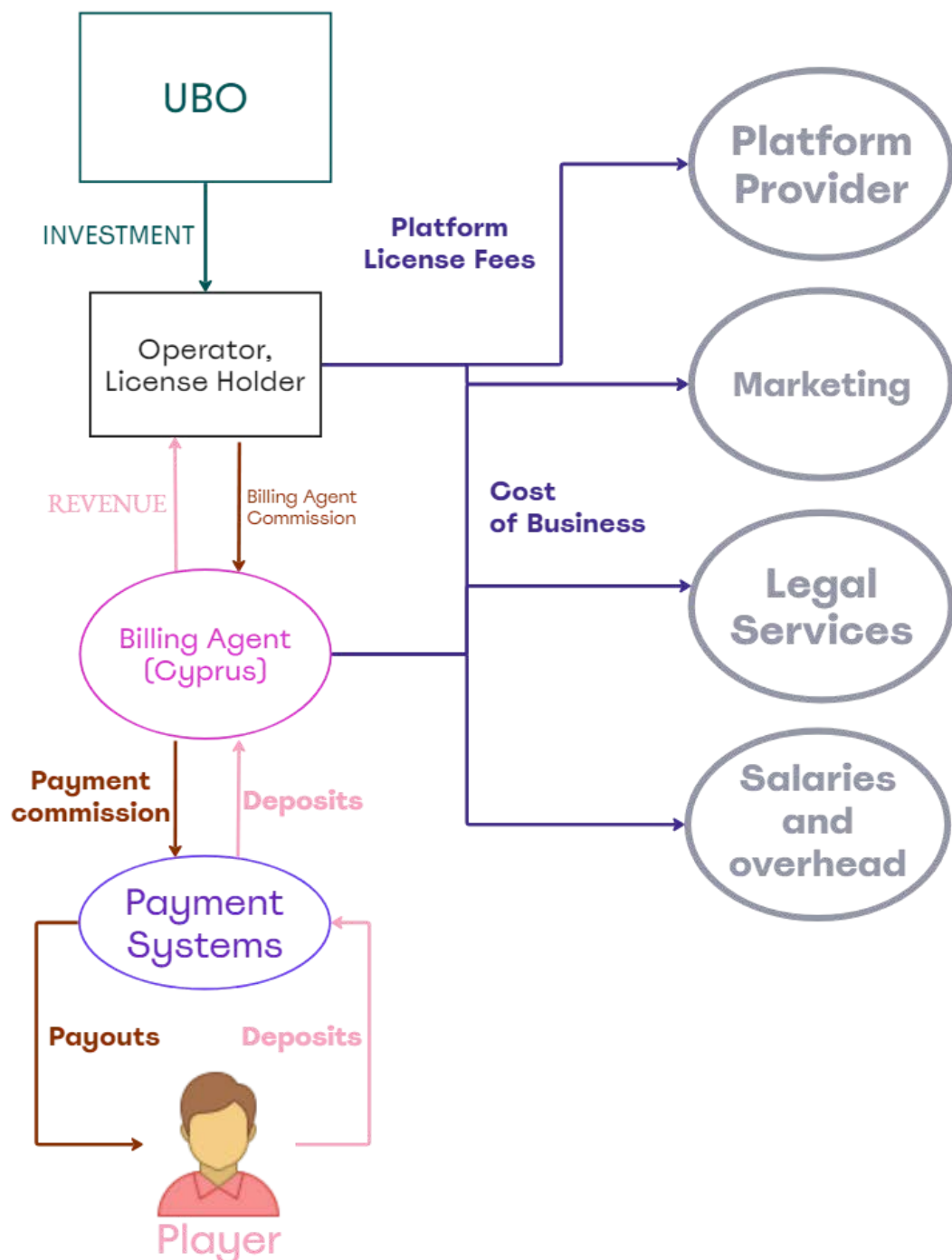


The co-investor's funds are reimbursed after the profit is made.

### 3.3. FLOW OF FUNDS SCHEMATIC

The project's business expenses encompass license fees paid to the Platform provider, web marketing expenses, service fees for employees, and legal fees paid to fiduciary service providers.

## Flow of Funds



## 4. PRODUCTS & SERVICE

### 4.1. REGISTRATIONS AND OPENING OF AN ACCOUNT

The screenshot displays the VIPARI website interface. The top navigation bar includes links for SPORTS, LIVE, VIP GAMES, CASINO, LIVE CASINO, ESPORTS, PROMO, BINGO, MORE, and Indian Poker. A user account section on the right shows a balance of \$1, a gift icon, and buttons for REGISTRATION and LOG IN. The main banner features a "WELCOME PACKAGE UP TO 1500 EUR + 150 FS" offer with a "FIND OUT MORE" button. Below the banner, a "Matches" section lists various sports including Football, Tennis, Basketball, Ice Hockey, Volleyball, Table Tennis, Cricket, Esports, Badminton, and Baseball. A specific match for AFC Champions League is highlighted, showing Ulsan Hyundai vs. Yokohama F. Marinos with betting odds. The right sidebar contains a "REGISTRATION" section with options for "One-click" and "By phone", a country selection (Greece), a currency selection (Euro (EUR)), a promo code field, and a "REGISTER" button. A disclaimer at the bottom of the sidebar states that the site is protected by reCAPTCHA and Google Privacy Policy and Terms of Service apply.

« Collapse block »

Recommended  
Top competitions  
Top Games < 1/5 >

AFC Champions League  
2 Half, 81 minutes / Play-off. Round of 4.  
First match  
Ulsan Hyundai 1  
Yokohama F. Marinos 0  
Detailed score

W1 1.184 X 5.59 W2 28

WELCOME PACKAGE UP TO 1500 EUR  
+ 150 FS  
Make deposits and get bonuses!  
FIND OUT MORE

Matches Recommended Upcoming events 1st period 2nd period

With live streams Football Tennis Basketball Ice Hockey Volleyball Table Tennis Cricket Esports Badminton Baseball

AFC Champions League

|                     | 1 | X | 2 | 1X    | 12   | 2X | 0     | Total | U   | +4   |     |      |      |
|---------------------|---|---|---|-------|------|----|-------|-------|-----|------|-----|------|------|
| Ulsan Hyundai       | 1 | 1 | 0 |       |      |    |       |       |     |      |     |      |      |
| Yokohama F. Marinos | 0 | 0 | 0 | 1.184 | 5.59 | 28 | 1.001 | 1.14  | 4.7 | 2.55 | 1.5 | 1.54 | +110 |

REGISTRATION

One-click By phone

Greece

Euro (EUR)

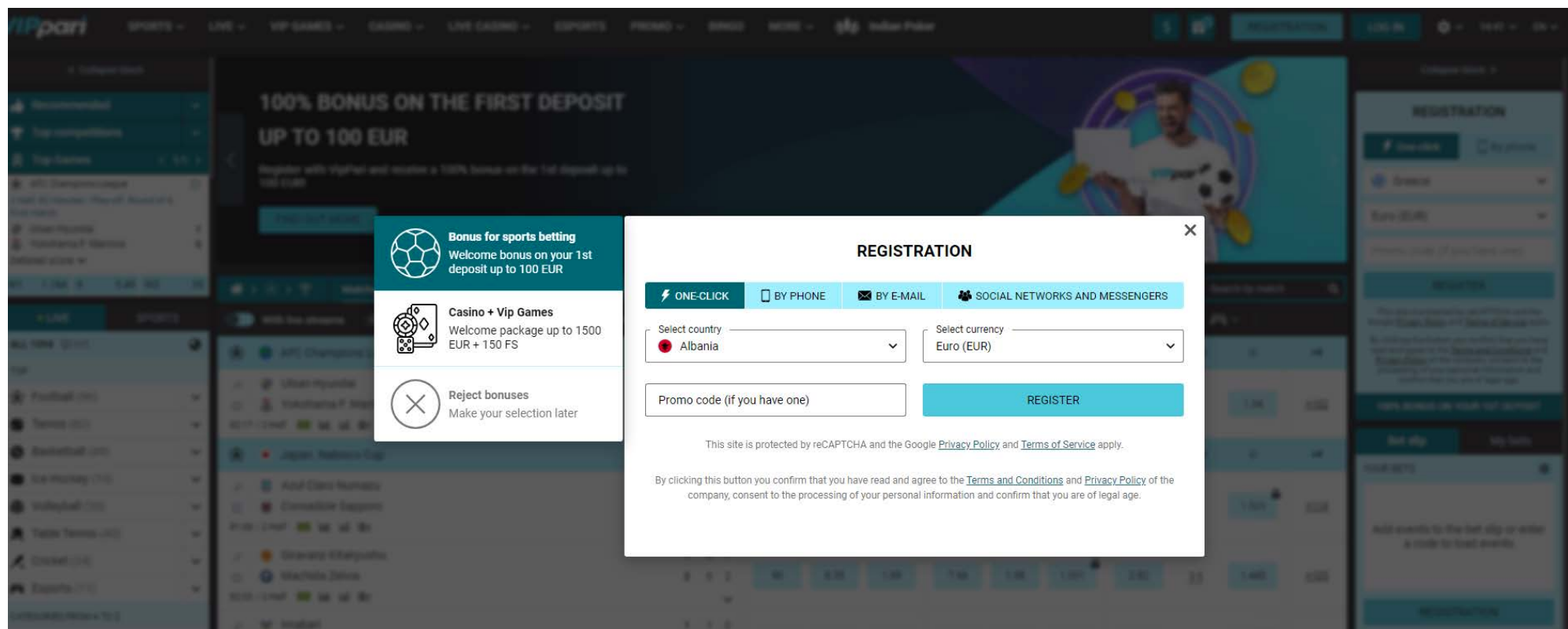
Promo code (if you have one)

REGISTER

This site is protected by reCAPTCHA and the Google Privacy Policy and Terms of Service apply.

By clicking this button you confirm that you have read and agree to the Terms and Conditions and Privacy Policy of the company, consent to the processing of your personal information and confirm that you are of legal age.

100% BONUS ON YOUR 1ST DEPOSIT





## 4.2. LOG IN AND LOGOUT

The screenshot displays the VIPpari website interface. The top navigation bar includes links for SPORTS, LIVE, VIP GAMES, CASINO, LIVE CASINO, ESPORTS, PROMO, BINGO, MORE, and Indian Poker. User account options like REGISTRATION, LOG IN, and a currency selector are on the right. The left sidebar shows a 'Collapse block' button and a list of recommended games: Recommended, Top competitions, and Top Games. The main content area features a 'LIVE' tab and a list of sports: Football (96), Tennis (82), Basketball (49), Ice Hockey (10), Volleyball (20), Table Tennis (40), Cricket (24), and Esports (9). The 'Matches' section is active, showing two live football matches. The first match is AFC Champions League between Ulsan Hyundai and Yokohama F. Marinos, with a score of 1-0 and a time of 85:04 / 2 Half. The second match is Japan. Nabisco Cup between Azul Claro Numazu and Consadole Sapporo, with a score of 1-3 and a time of 83:54 / 2 Half. The right sidebar contains a 'Collapse block' button, a 'REGISTRATION' section with 'One-click' and 'By phone' options, a '100% BONUS ON YOUR 1ST DEPOSIT' offer, and a 'VIPpari MOBILE APPLICATION' download button with a QR code.

« Collapse block »

Recommended

Top competitions

Top Games < 1/1 >

ALL 1074 336

TOP

Football (96)

Tennis (82)

Basketball (49)

Ice Hockey (10)

Volleyball (20)

Table Tennis (40)

Cricket (24)

Esports (9)

With live streams

Football Tennis Basketball Ice Hockey Volleyball Table Tennis Cricket Esports Badminton Baseball

Matches Recommended Upcoming events 1st period 2nd period

Search by match

AFC Champions League

Ulsan Hyundai 1 1 0

Yokohama F. Marinos 0 0 0

85:04 / 2 Half

+84

Japan. Nabisco Cup

Azul Claro Numazu 1 0 1

Consadole Sapporo 3 1 2

83:54 / 2 Half

+82

REGISTRATION

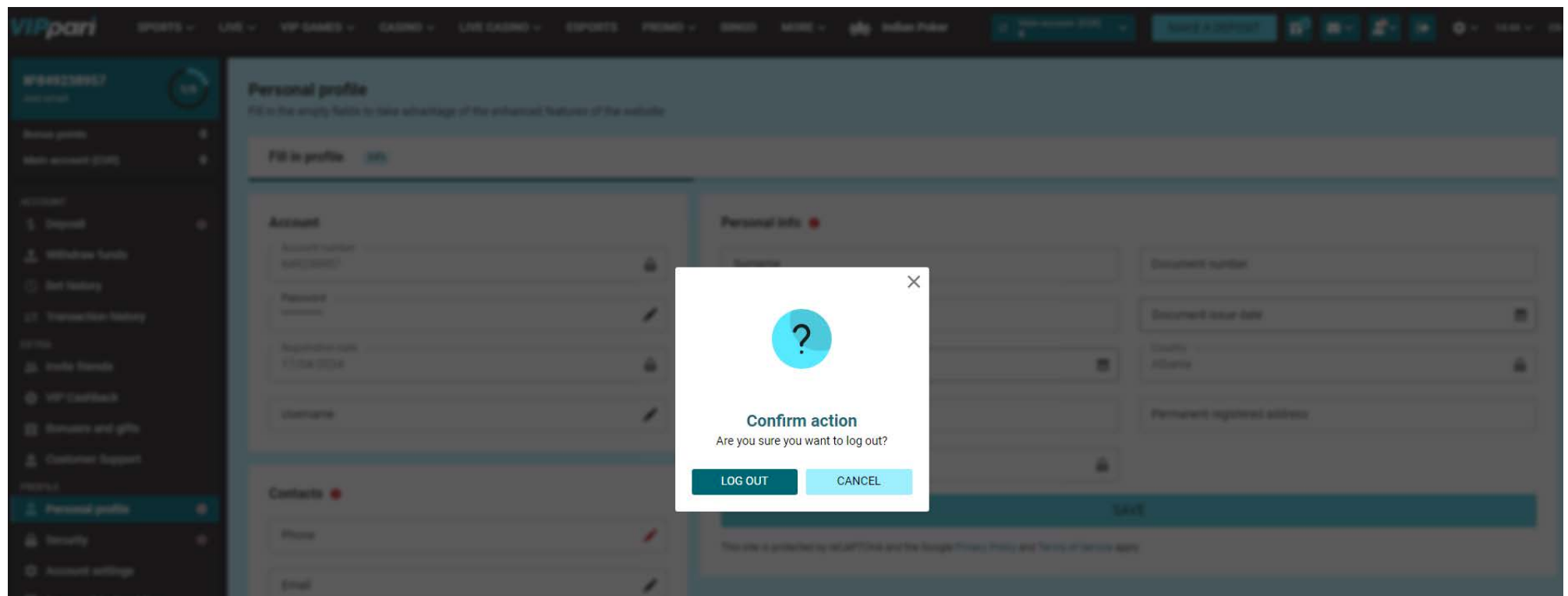
One-click By phone

100% BONUS ON YOUR 1ST DEPOSIT

Android iOS

VIPpari MOBILE APPLICATION

Free download



## 4.3. TERMS AND CONDITIONS/ RULES AND PROCEDURES

Vippari

SPORTS ▾

LIVE ▾

VIP GAMES ▾

CASINO ▾

LIVE CASINO ▾

ESPORTS

PROMO ▾

BINGO

MORE ▾

Indian Poker

\$

REGISTRATION

LOG IN

14:45 ▾

About us

Contacts

Terms of Service

Payments

How to place a bet

Cookie Policy

Anti-Money Laundering

KYC Policies

Dispute resolution

Responsible Gambling

Self-exclusion

Fairness & RNG Testing Methods

Privacy & Management of Personal Data

Accounts, Payouts & Bonuses

Betting rules

Risk warning

Terms of Service

Search

SHOW ALL

1. Terms of Service

2. General Terms

3. Types of bets

4. Live Betting

5. Match Results, Dates and Starting Times

6. Rules on sports

7. Available Markets (Outcomes)

8. Extra bets

9. Examples

10. Main sources of information

11. CALCULATION OF «ACCUMULATOR» AND «SYSTEM» BETS

12. Casino

13. GOLDEN RACE

14. GLOBAL BET

15. REFUND POLICY

1. Terms of Service

Introduction: 1.1. These terms and conditions and the documents referred to below (the "Terms") apply to the use of the current website (the "Website") and its related or connected services (collectively, the "Service"). You should carefully review these Terms as they contain important information concerning your rights and obligations concerning the use of the Website and form a binding legal agreement between you - our customer (the "Customer"), and us. By using this Website and/or accessing the Service, you, whether you are a guest or a registered user with an account ("Account"), agree to be bound by these Terms, together with any amendments, which may be published from time to time. If you do not accept these Terms, you should refrain from accessing the Service and using the Website. The Service is owned by GEOSIX B.V. which is incorporated under the laws of Curaçao with company registration No. 163931 at Abraham Mendez Chumaceiro Boulevard 03, Curaçao. This website is licensed and regulated by Curaçao eGaming, license No. 1668/JAZ. VipPari's payment operations are processed by a facilitating company NOTRADE LTD incorporated under the laws of Cyprus with company registration number HE 448611 and its registered address at Voukourestitou 25, NEPTUNE HOUSE, Floor 1, Flat/Office 11, 3045, Limassol, Cyprus.

The following Betting Rules pertaining to the bookmaker Vippari (hereinafter referred to as the Rules) stipulate the manner of accepting bets, paying winnings and resolving disputes, as well as the specific features of certain bets on certain sports. These Rules shall govern any other relations between the bookmaker Vippari and the customer.

These Rules shall apply to betting on the website and at Vippari betting facilities.

|                         |                                                                                                                                                                                                                                                                                                              |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Bet</b>              | - is a risk-driven agreement for potential winnings entered into between the customer and the bookmaker under the established Rules, where the fulfillment of such agreement is conditioned by an event whose outcome is yet to be determined. Bets are accepted on the conditions offered by the bookmaker. |
| <b>Outcome</b>          | - is the result of the event (events) on which the bet was placed.                                                                                                                                                                                                                                           |
| <b>Customer</b>         | - is an individual placing a bet with the bookmaker on an outcome.                                                                                                                                                                                                                                           |
| <b>Bet Cancellation</b> | - is an outcome on which the bet is not settled and winnings are not paid. As per the Rules, in the event of "bet cancellation", an arrangement between the bookmaker and the customer shall be deemed unconcluded and the stake shall be refunded.                                                          |
| <b>Regular Time</b>     | - is the duration of the match subject to the regulations of the relevant sport, including time added by the referee. Regular time does not include extra time, overtime(s), penalty shootouts, etc.                                                                                                         |

## 4.4. OBLIGATIONS AS A PLAYER

4. The fact that our Website is available in such a country and/or jurisdiction or that it can be displayed in the official language of any of those countries cannot be considered official authorization or legal grounds for using our Website and depositing funds into your account or withdrawing your winnings. The availability of the Website does not mean that it contains any proposals, incitement or invitation to use or subscribe to betting, gambling or any of the other services in any jurisdiction where such activity is illegal.
5. You are responsible for determining whether your accessing and/or use of the Website is compliant with applicable laws in your jurisdiction and you warrant to us that gambling is legal in the territory where you reside. When opening an account and/or using our Website you must make sure that your actions are legal in the territory in which you reside. You also guarantee and agree that you have received legal advice before registering on our Website. If we become aware that you are a resident in a country where the use of our Website is considered illegal, we will have the right to close your account and refund any remaining balance on your account at the moment of its closure (after the deduction of any winnings credited after your most recent deposit was made).
6. The bookmaker shall be entitled to refuse bets from customers who fail to abide by these Rules. The bookmaker reserves the right to refuse to accept a bet of any type from any customer should they violate social standards of conduct and public order.
7. The bookmaker reserves the right to refuse to accept a bet from any individual without giving a reason. All bets shall be settled based on the data provided by the processing center.
8. Winnings shall be paid to the bettor within 30 (thirty) calendar days from the date of official publication of the results of the latest event on the bet slip.
9. A bet placed by the Customer shall be deemed won if all outcomes specified in such bet have been predicted correctly.
10. Betting terms (odds, handicaps, totals, maximum stake limits, etc.) may be subject to variation after a bet has been made, but this does not affect the terms at the time the bet was placed. Before entering into an arrangement, the customer shall check all changes in the current pre-match markets.
11. In the case of technical failures and unfinished streams, etc. bets on Esports Live will be refunded only if the event in question does not occur or bets on the event are not settled by the bookmaker.
12. If an employee makes an error while accepting a bet (obvious misprints on the list of events, inconsistency of odds between offered betting markets and the bet, etc), or a bet is accepted in violation of these Rules, or if there are any other indications that the bet is wrong, the bookmaker reserves the right to declare such bets void. Returns on such bets shall be paid at odds of 1.
13. In the event of obviously erroneous odds, such bet shall be settled based on the final result at the effective odds applicable to the certain market.
14. In the event of suspicions in the unsportsmanlike format of matches the company reserves the right to block bets on sport event before final conclusion of an international organization and declare bets as invalid if the fact of an unsportsmanlike game is determined. Payment of these bets is made with odds "1". The administration is not obliged to present evidence and conclusions to the customers.
15. Vippari is committed to ensuring fair play in sport and is fully aware that the manipulation of sporting events (as well as other events) is linked to committing criminal acts (organized match fixing, corruption etc.) including organized criminal activities, as well as transnational and cross-border organized crime. Consequently, Vippari fully complies with the goals and main objectives of the "Council of Europe Convention on the Manipulation of Sports Competitions" (CETS No.215), as well as relevant legislative requirements.  
The bookmaker is entitled to void bets if there is any suspicion or confirmation of foul play (match fixing), bets being placed using another customer's account, the use of a customer's account by a third party or any unusual betting activity (i.e. any differences in the type, size, volume and manner of bets placed).  
The term "foul play" refers to the favorite intentionally losing a match or match fixing as defined by the rules of a competition for financial, competitive or other reasons.

## 4.5. PAYOUTS

## Accounts, Payouts & Bonuses

[SHOW ALL](#)[Accounts, Payouts & Bonuses](#)[1. Accounts](#)[2. Deposits and Payouts](#)[3. Bonuses](#)

### 1. Accounts, Payouts & Bonuses

#### 1. Accounts

1. Each registered customer is allowed to have only one account. Customers are allowed to register only one account per family, address, e-mail address, IP address, credit/debit card, e-wallet or electronic payment method. Persons otherwise associated with a customer will not be allowed to register on the website.

2. No registered customer is allowed to be re-registered as a new customer (under a new name, with a new email address, etc.).

3. In the event of

duplicate registration (including registering under a new name), the submission of someone else's, invalid, or forged documents (including those that have been edited by using any kind of software or graphic editor)

multiple breaches of the Betting Company's T&C

doubts about the identity of the customer or the information they have provided (i.e. address, credit/debit card details, other data)

any types of fraud committed either by you or by another person acting in your interests or in collusion with you, including but not limited to:

a) refund or rake fraud

b) your use of a stolen or unverified bank card as a source of funds

c) any actions you have carried out or attempted to carry out which may reasonably be considered illegal in any applicable jurisdiction, which were committed deliberately or with the intention to deceive and/or circumvent constraints set in law regardless of whether this action or attempt ultimately causes loss or damage to your account

when the customer placed the bet, they had information about the result of that event

the customer was able to influence the outcome of an event due to their direct participation in the match (sportspeople, coaches, referees, etc.) or because they acted on behalf of the participants

bets were placed by a group of bettors acting in concert (as a syndicate) in order to exceed the limits set by the bookmaker, as well as colluding with others in order to obtain an unfair advantage through bonus schemes or any other promotions offered by us

the bettor is suspected of using special software or hardware which facilitate automated betting, including but not limited to the use of glitches, faults or errors in our software in connection with the Services we offer (including betting); your use of rogue equipment and programs or analytical systems, including but not limited to software that allows you to place bets without human intervention (for example, bots), etc.

unfair means of any kind were used to obtain information or circumvent restrictions imposed by the company.

The company's management is entitled to request at their discretion any documents from the bettor substantiating their identity or other data they have provided (for example, passport details, residential address), as well as to cancel any payments until all such details have been verified.

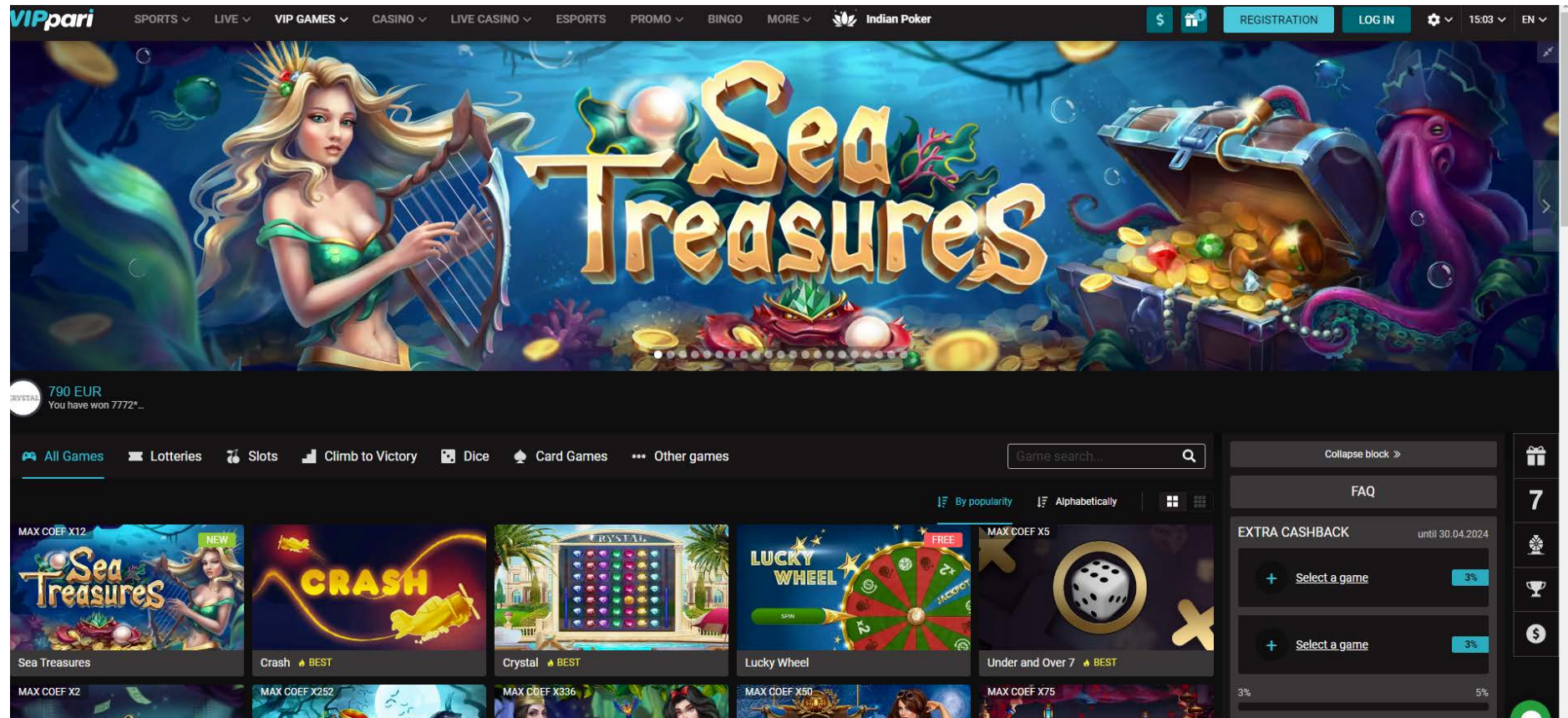
The company's management reserves the right to conduct a video conference as a part of the identity verification process, and/or request for the documents to be sent by post. Verification may take up to 72 hours from the receipt of the documents. The outcome of the video conference can be provided to the customer within 5

## 4.6. WITHDRAWING

Withdrawals are available using the designated payment methods as outlined below:

- For FIAT: Withdrawals are permitted if the deposit was originally made using FIAT currency.
- For CRYPTO: Withdrawals are allowed if the deposit was initially made using cryptocurrency.

#### 4.7. A LIST OF THE GAMES THAT WILL BE PROVIDED



Q search

[Show all](#)

- ALL
- POPULAR
- ROULETTE
- OTHER
- JACKPOT GAME
- BINGO
- MEGAWAYS
- CLASSIC SLOTS
- CLUSTER
- HOLD AND WIN
- NEW
- POKER
- BLACKJACK
- 3D SLOTS
- BACCARAT
- KENO
- BUY BONUS
- CASCADE
- "BOOK OF" SLOTS

[Show all](#)

## 5. KEY SUPPLIERS, MATERIAL DEPENDENCIES

### 5.1. PLATFORM DESCRIPTION

HIGHFLIER B.V., a company registered under the laws of Curacao under registration number 149996 ("HIGHFLIER") has developed the bet-b2b Platform ("Platform") - a software solution for betting companies with 24/7 stream of data and technical support. The Platform provides betting website operators with a reliable software solution designed to deliver high performance and security. Built on advanced technologies, it offers a diverse range of features, including real-time data updates, support for multiple types of bets, huge selection of sports and flexible customization options.

#### 1. Platform specifications

##### 1.1. General specifications

##### 1.1.1. The Platform's structure

The functional structure of the Platform includes the following modules:

- a) the option to register as a customer
- b) the option to log in and reset the password
- c) the option to make deposits and withdrawals
- d) the option to place bets
- e) the option to view betting history
- f) the option to view deposit history
- g) the option to receive bonuses
- h) the option to view bonus history
- i) the option to contact the customer support team
- j) the option to self-exclude
- k) the option to place limits on deposits
- l) deployment of two-factor authentication
- m) deployment of secret phrase authentication
- n) databases and tables of real events containing established statistics or dynamic odds
- o) service for obtaining odds on events through an API
- p) service for tracking customer money – records of deposits, bets, and withdrawals
- q) service for integrating the Platform with the payment services of other third-party providers through an API
- r) service for notifying customers about a future event, changes, adverts, and marketing for promotions by email, text message and pop-up message on mobile devices
- s) tool for protecting and restricting access and assigning competences to Highfliier's employees (BackOffice) and displaying an employee's level of access in their profile

- t) profiles for the technical service departments of remote operating units (B2C) including the department structure, information about the SLA and the serviced business units of the operator or affiliates
- u) technical support service including the systems for logging in, registration, and recording and resolving questions and problems from service contractors when using email services or live communication
- v) display of short messages to customers (primarily the status of their account and customer legal compliance)
- w) the option for customers to put forward and discuss customer ideas to improve the platform's services and install new services, and the option to introduce ratings
- x) document management – files received from customers – loading files and exchanging them with colleagues securely, tagging, the option to add comments and information about users that downloaded files, version control
- y) cookie service – storage and sharing of useful links to various online resources, customer recommendations and content on the basis of information accumulated about a customer, improvement and suggestions for customers to make using the platform easier and more efficient
- z) responsible gaming service – a service for customers to set up their own limits and self-exclude with the option to customize these to suit the different requirements of the various jurisdictions
- aa) Anti-fraud and AML service – the option to connect third-party resources through an API from government bodies in different jurisdictions to verify customers when they register and if they engage in suspicious activity
- bb) service for monitoring suspicious customer activity, such as using different payment methods and a large number of small deposits, bets, and withdrawals
- cc) voting service – the opportunity for customers to vote for the operator's various marketing or informational promotions posted and sent to customers through the Platform's services
- dd) service for issuing ratings – mechanisms for determining the activity and popularity of Platform users and creation of reports on VIP customers

### **Compatibility with related platforms**

The Platform is compatible with third-party betting platforms and individual slots, casino, corporate back-office portal sufficient for general navigation and information research, a payment system aggregator, and a customer support module.

The Platform also supports:

- a) marketing modules from third parties
- b) integration with the business solutions including CMS, CRM, and BackOffice

- c) integration with external platforms such as Microsoft Office, business email, tasks and calendars, and a platform for sending mass messages by email and SMS
- d) integration with additional structures providing prior verification services on customers, KYC, AML, fraud prevention, and PEP lists to help the operator decide whether to accept certain users
- e) provision of API for several modules
- f) integration with system managing access to information resources for providing the betting odds.
- g) integration with AWS and other data storage services that have security certificates and are located within the EU.

### **Ergonomic features**

It is possible to modify the Platform's interface according to the developed and agreed designs.

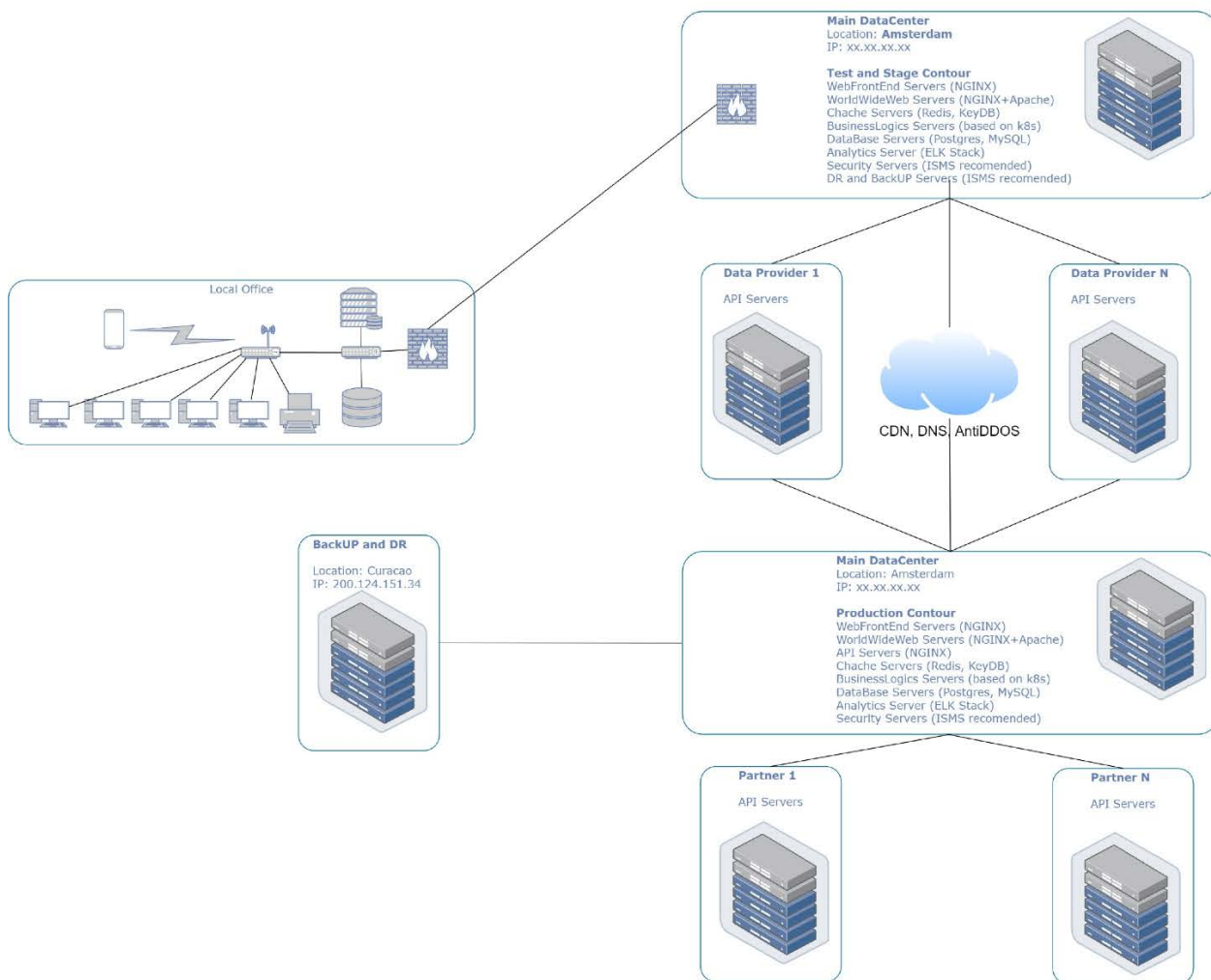
The Platform supports access from the following mobile platforms:

- a) iOS
- b) Android
- c) Windows

The Platform supports adaptive web design (or an adaptive user interface) capable of carrying out W3C CSS3 requests with a changing proportion grid and also support flexible changes to image proportions.

### **Platform Risk Management**

Our robust disaster preparedness plan and resilient infrastructure minimize risks associated with platform implementation. We utilize stringent protocols for data backup and restoration, including redundant server systems to mitigate service disruptions and minimize data loss. Regular testing and refinement of our disaster plan, crucial for adapting to evolving threats and technological advancements, ensure its effectiveness when needed. Collaborating with cybersecurity experts and regulatory bodies provides valuable insights, ensuring that our platform remains at the forefront of disaster preparedness for online casino platforms, safeguarding operations and customer trust.



## 5.2. PAYMENT SERVICE PROVIDERS

Withdrawals can be made using the payment methods specified below, as follows: FIAT - provided that the deposit was made in FIAT, and CRYPTO - provided that the deposit was made in cryptocurrency.

Payment service provider (at the connection/planning stage): Payment.Center, Fatpay, iSettle, Flexify, Getapays, Monnify.



**FLEXIFY**



Similarly, stringent compliance measures are in place to mitigate the risk of losing banking services on our end. By utilizing the services of 2 to 3 banks concurrently, we fortify ourselves against inherent banking risks.

Moreover, diversifying our banking relationships bolsters our negotiating power for favorable terms and services. This proactive stance not only shields us from potential disruptions but also cultivates resilience in our financial framework. Through strategic dispersion of our banking affiliations, we optimize our risk management strategy, fostering stability and longevity in our financial operations.

### 5.3. LEGAL AND CORPORATE PROVIDERS

In the field of legal and corporate service providers, there are numerous experienced providers who have extensive experience in gambling. These specialists assist us in complying with all regulatory, payment, and banking requirements, ensuring full compliance. In the field of legal and corporate service providers, there are numerous experienced providers who have extensive experience in gambling. These specialists assist us in complying with all regulatory, payment, and banking requirements, ensuring full compliance.

## 6. RISK EVALUATION AND MANAGEMENT

Every department monitors its specific risks on a daily basis.

### 6.1. RISK AUDITING

Annually, internal audits, managed by the Audit Committee comprising the Heads of IT, Legal, and Finance, cover all risk areas. External audits, conducted every three years, offer an impartial assessment of business and financial operations.

Regular audits scrutinize the platform, its software suppliers, infrastructure, and financial health. A detailed risk register is regularly updated and scrutinized quarterly by the Audit Committee, enhancing daily interdepartmental communication.

Moreover, all companies within the organizational structure undergo mandatory annual financial audits.

### 6.2. RISK OVERVIEW

A) **Legal Oversight (Oversight by Head of Legal):** Given the ever-changing landscape of legal regulations in online gambling, continuous monitoring is essential. We ensure all staff members are informed about legal changes through regular updates disseminated across departments. Our legal team collaborates closely with compliance and operations to understand legal obligations and streamline implementation processes. By maintaining open communication with regulatory bodies and industry associations, we demonstrate our commitment to adhering to legal standards in online gambling.

- **Legality and Licensing:** Establishing and operating an online casino requires obtaining licenses from relevant regulatory bodies across different jurisdictions. Regulatory requirements vary, and non-compliance can result in fines, legal actions, or cessation of operations. Currently, we operate under the Curacao eGaming license No. 1668/JAZ and are pursuing a new GCB license.

**Mitigation:** The Operator presently operates under the Curacao eGaming license No. 1668/JAZ and is in the process of applying for a new GCB license.

- **Data Protection and Privacy Laws:** Online casinos manage large amounts of sensitive customer data. Adhering to data protection regulations, like the EU's General Data Protection Regulation (GDPR), is essential to avoid fines and maintain customer trust.

**Mitigation:** To mitigate this, only gather and handle the minimum necessary personal data for providing gambling services, and ensure data isn't held longer than necessary. Develop and implement a data breach response plan to efficiently address and mitigate the effects of data breaches, including procedures for notifying affected individuals and regulatory authorities within mandated timeframes. Integrate privacy principles into the development of new products, features, or services from the outset, following privacy by design and default practices.

- **Advertising and Marketing Restrictions:** Many jurisdictions enforce strict regulations on advertising and marketing for online gambling services to protect vulnerable groups, including minors and those with gambling addictions. Failure to comply with advertising standards can result in regulatory fines and public backlash.

**Mitigation:** To mitigate this issue, maintain vigilant monitoring of advertising and marketing efforts to ensure compliance with pertinent laws, regulations, and industry standards regarding gambling advertising. Provide transparent disclosure of all terms, conditions, restrictions, or limitations linked to promotions, bonuses, or other marketing offers to prevent consumer deception and potential regulatory consequences. Conduct thorough vetting of third-party advertising partners, agencies, or affiliates to confirm their adherence to advertising and marketing regulations and dedication to responsible advertising practices.

- **Cross-Border Regulatory Challenges:** Operating in multiple jurisdictions can expose online casinos to complex regulatory environments and legal uncertainties. Differences in gambling laws and enforcement approaches across borders can create obstacles in maintaining compliance, often requiring significant legal assistance.

**Mitigation:** To mitigate this challenge, establish strategic partnerships with local entities, legal professionals, or industry associations in targeted jurisdictions to gain insights into local regulations, navigate regulatory processes, and build relationships with regulatory authorities. Conduct thorough due diligence on potential business partners, affiliates, suppliers, and other external entities to ensure compliance with regulatory standards and minimize compliance risks in cross-border operations. Stay vigilant about changes in gaming regulations and enforcement strategies in targeted jurisdictions by consistently monitoring regulatory updates, industry publications, and legal counsel advisories.

- **Changes in Regulation:** Regulatory changes in the online casino industry are ongoing, with new laws, regulations, and enforcement measures frequently emerging. Operators must stay updated on these developments and adapt their operations accordingly to manage compliance risks effectively.

**Mitigation:** To tackle this issue, conduct thorough assessments to understand how new regulations may affect the casino's operations, finances, and risk exposure. Identify areas of compliance vulnerability and develop proactive strategies to address them. Implement agile compliance approaches that enable quick adaptation to changing regulatory requirements. This may include developing modular compliance solutions, leveraging technology for automation and efficiency, and fostering a culture of continuous improvement and innovation. Provide regular training and educational programs for employees on emerging regulations and best practices for compliance. Empower staff to identify and respond to regulatory changes effectively within their roles.

- **Enforcement Actions:** Regulatory authorities may initiate investigations or audits to verify compliance with gambling regulations. Enforcement actions, such as fines, license revocation, or legal proceedings, can carry significant consequences for iGaming operators found in breach of regulatory requirements.

**Mitigation:** To tackle this issue, regularly conduct internal audits and reviews of compliance practices, operations, and procedures to pinpoint areas of non-compliance, evaluate risks, and take proactive corrective actions. Establish transparent communication channels with regulatory authorities, industry associations, and other stakeholders to build relationships, seek advice on compliance matters, and address concerns promptly. Maintain thorough documentation and records of compliance activities, including policies, procedures, training materials, audits, and enforcement actions, to demonstrate compliance efforts and assist in regulatory inquiries or investigations.

- **Political and Public Perception:** Public opinion on gambling can shape regulatory decisions and public policies. Negative publicity or public backlash against iGaming operators may result in heightened regulatory scrutiny and calls for more stringent regulations.

**Mitigation:** Maintain transparency in business operations, regulatory compliance, and corporate governance to establish trust with regulators, customers, and the public. Offer educational materials about the online casino industry, responsible gambling practices, and associated risks to the public. Increase awareness of problem gambling helplines, support services, and resources. Monitor online and offline platforms for discussions about the casino brand and promptly address any negative feedback or misconceptions through targeted communication and engagement efforts.

B) **Regulatory Risks (Responsible: Compliance Officer):** Mitigating regulatory risks associated with Anti-Money Laundering (AML) and Know Your Customer (KYC) compliance is critical for businesses across various sectors, especially in financial and gambling industries. The AML&KYC department plays a pivotal role in upholding relevant laws and regulations aimed at preventing money laundering and terrorist financing activities. This entails establishing robust protocols to verify customer identities, monitor transactions for suspicious behavior, and promptly report any anomalies to the appropriate authorities. Non-compliance with AML&KYC regulations can lead to severe consequences, including substantial fines, reputational damage, and potential criminal charges. Therefore, maintaining steadfast adherence to these standards is crucial for mitigating regulatory risks and preserving the organization's credibility. The AML&KYC department is central to supervising compliance efforts, conducting comprehensive risk assessments, and implementing necessary controls to minimize the organization's exposure to regulatory pitfalls. Additionally, continuous training initiatives are vital to keep employees updated on evolving AML&KYC mandates and industry best practices. In summary, effective management of regulatory risks associated with AML&KYC compliance requires a proactive and comprehensive approach, with the AML&KYC department serving as a cornerstone in the organization's compliance framework.

- **Compliance and Anti-Money Laundering (AML) Regulations:** Online casinos must strictly adhere to compliance standards to prevent money laundering, terrorist financing, and other illicit activities. Inadequate implementation of Anti-Money Laundering (AML) controls can result in regulatory penalties, damage to reputation, and legal consequences.
- **Mitigation:** Develop a comprehensive AML policy outlining procedures for customer due diligence, transaction monitoring, and reporting suspicious activities. Ensure that the policy aligns with regulatory mandates and industry best practices. Implement regular training and awareness programs for casino staff to educate them on AML regulations, help them recognize red flags of suspicious behavior, and understand their role in preventing money laundering and terrorist financing activities.

C) **Technical Risks (Responsible: Technical):** Infrastructure maintenance, platform integration, cybersecurity, and data security are critical areas of focus. The technical department is responsible for ensuring regular upkeep of infrastructure to minimize downtime and mitigate risks related to hardware or software malfunctions. Prioritizing the implementation and updating of cybersecurity protocols and technologies is essential to defend against cyber threats such as hacking, data breaches, and malware attacks. The technical department plays a vital role in vigilantly monitoring for potential security breaches and promptly responding to incidents to mitigate risks and

minimize the impact of cybersecurity breaches. Conducting routine audits and security assessments helps identify vulnerabilities and deficiencies in the infrastructure, enabling the technical team to proactively address potential risks before they escalate.

- **Data Security:** Unauthorized access to customer information, including personal details and financial data, exposes risks such as identity theft, fraud, and legal repercussions.
- **Mitigation:** Implement multi-layered cybersecurity protocols, including firewalls, intrusion detection systems, and encryption mechanisms. Ensure regular updates of software and security patches to address vulnerabilities and strengthen defenses against emerging threats.

D) **Financial Risks (Overseen by Head of Finance):** Financial risks are inherent in all business operations and require diligent management to ensure sustainability and growth. As the individual responsible for financial matters, the Head of Finance plays a central role in identifying, assessing, and mitigating these risks. Implementing robust financial controls, monitoring cash flow, and optimizing capital allocation are key responsibilities to minimize exposure to these risks. Additionally, close collaboration with other departments is essential to develop and execute financial strategies aligned with the organization's objectives. Through proactive risk management and strategic planning, the Head of Finance aims to protect the company's financial health and enhance shareholder value. Regular financial analysis and reporting are crucial for identifying emerging risks and opportunities, enabling timely adjustments to financial strategies.

- **Taxation:** Tax policies related to online gambling vary significantly across jurisdictions and have a significant impact on the profitability of iGaming operators. Changes in tax laws or unexpected tax obligations can present financial risks to casino operators.

**Mitigation:** Collaborate with tax professionals, accountants, and legal experts skilled in international taxation to ensure compliance with local tax laws and regulations. Utilize tax treaties and agreements between countries to mitigate double taxation and enhance tax planning strategies. These treaties may provide provisions for tax credits, exemptions, or reduced tax rates for cross-border transactions. Maintain accurate financial records, robust accounting systems, and meticulous tax filings to adhere to local tax laws and regulations in each jurisdiction where the casino operates. This includes timely submission of tax returns, payments, and compliance with reporting requirements.

E) **Litigation Risks (Overseen by Customer Service):** Mitigating customer service-related risks involves ensuring compliance with relevant laws and regulations to reduce the potential for litigation arising from regulatory breaches. Customer Service establishes clear communication protocols to effectively manage customer expectations, minimizing misunderstandings and potential legal disputes. Thorough documentation of

customer interactions and resolutions serves as crucial evidence of adherence to service standards, aiding in amicably resolving disputes and mitigating litigation risks. Regular reviews and refinement of customer service processes, based on feedback and performance metrics, address recurring issues, thereby reducing the risk of customer dissatisfaction leading to litigation. Cultivating a culture of transparency and accountability within the customer service team fosters trust with customers and diminishes disputes arising from perceived unfairness or ambiguity. Establishing clear escalation procedures ensures swift resolution of unresolved customer concerns by appropriate management levels, averting the escalation of grievances into potential litigation.

- **Responsible Gaming Practices:** Casino operators are often required by regulatory bodies to uphold responsible gambling standards and implement measures to deter problem gambling behaviors. Non-compliance with responsible gaming regulations can result in regulatory penalties and damage the operator's reputation.

**Mitigation:** Implement self-exclusion tools that allow players to voluntarily exclude themselves from gambling activities for specified periods. Ensure the accessibility and prominent display of these tools on the casino's website and gaming platforms. Provide players with options to set deposit limits and timeouts on their accounts, empowering them to manage their gambling behaviors and curb excessive gambling. Customize and enforce these limits to ensure compliance. Utilize data analytics and monitoring tools to identify players exhibiting signs of potential gambling problems, such as frequency and amount of wagers. Implement appropriate interventions and support measures for these players as needed.

### 6.3. RISK OF POTENTIAL CAPITAL LOSS

In the initial phase, there's a risk of potential losses of funds allocated for registration, rent, and office equipment. If the online casino closes due to internal or external factors, the security deposit is refunded to the casino owners. However, it's essential to preserve this amount untouched during the casino's operation, serving solely as a reserve for jackpot wins, minimizing losses.

**Mitigation:**

With a collective 25 years of experience in the online casino industry among the founders and co-owners, combined with the seasoned managerial expertise of the project mentor, the project is strategically positioned to mitigate risks associated with market entry to the fullest extent.

## 7. POLICIES AND PROCEDURES

### 7.1. KNOW YOUR CUSTOMER

The KYC (Know Your Customer) policy consists of procedures and guidelines designed to verify and authenticate the identity of clients. Its main goal is to prevent financial crimes such as money laundering, terrorist financing, and fraud by ensuring that casinos have precise information about their customers and their financial activities. By adhering to KYC protocols, casinos build trust, meet regulatory requirements, and reduce the risks associated with illicit activities in the financial system.

### 7.2. ANTI-MONEY LAUNDERING

The main goal of the Anti-Money Laundering (AML) policy is to deter the illegal hiding of the sources of funds obtained through criminal activities. AML policies and procedures are developed to detect and prevent money laundering, terrorist financing, and other illicit financial activities within financial institutions.

### 7.3. DATA PRIVACY

The aim of the Data Privacy Policy is to outline how an organization collects, uses, retains, and safeguards the personal data of individuals. Its goal is to ensure compliance with data protection regulations, safeguard the privacy rights of customers and employees, and build trust with stakeholders. By defining clear guidelines and protocols for handling sensitive data, the policy seeks to minimize the risk of data breaches, unauthorized access, and misuse of personal information, thereby promoting transparency and accountability in data management practices.

### 7.4. RESPONSIBLE GAMING

The aim of the Responsible Gaming Policy is to promote safe and balanced gambling habits while reducing the risks associated with excessive or problematic gambling. It outlines strategies and principles to protect players from the negative consequences of gambling addiction, including financial difficulties, mental health issues, and social consequences. By providing resources for self-exclusion, setting limits on gambling activities, and offering support to those in need, the policy strives to create a responsible and sustainable gambling environment, prioritizing player well-being and maintaining the integrity of the gaming industry.

### 7.5. TERMS OF USE

The Terms of Use policy for an online casino outlines the guidelines, regulations, and terms that users must adhere to while using the platform. It covers various aspects, including user responsibilities, account management, payment procedures, conflict resolution, and compliance with relevant laws and regulations. By agreeing to these terms, users acknowledge their understanding of the rules governing their interaction with the casino, ensuring transparency, fairness, and compliance with legal standards throughout their gaming experience.

## 7.6. SELF-EXCLUSION

This delineates the process for individuals to voluntarily exclude themselves from participating in gambling activities on the platform for a specified duration, typically to manage their gambling habits or address addiction issues.

## 7.7. DISPUTE RESOLUTION

This section provides details on the processes and mechanisms available for resolving conflicts or disputes that may arise between the casino and its users, usually outlining steps for escalation and resolution.

## 7.8. FAIRNESS & RNG TESTING METHODS

This section discusses the fairness of the casino's games, confirming their randomness and impartiality, often emphasizing the use of Random Number Generators (RNGs) and the methods used to evaluate and verify their fairness.

## 7.9. ACCOUNTS, PAYOUTS & BONUSES

This section expands on the protocols for account management, payout methods, and the conditions related to bonuses, covering wagering requirements and restrictions.

## 7.10. BETTING RULES

This section provides specific rules and regulations governing betting activities on the platform, including game-specific guidelines, maximum and minimum wagering limits, and any additional terms relevant to different types of bets.

## 7.11. INTERNAL POLICIES

The Human Resources Policy covers guidelines for recruitment, orientation, performance evaluation, staff development, diversity, disciplinary actions, and termination procedures.

The Financial Policy outlines procedures for budget allocation, expenditure oversight, financial statement preparation, auditing, procurement practices, and adherence to accounting standards.

The Communication and Social Media Policy delineates protocols for both internal and external communication channels, including email usage, social media directives, media interactions, and branding guidelines.

The Information Security Policy addresses the protection of sensitive data, including protocols for data handling, cybersecurity measures, password management, and strategies for preventing data breaches.

Internal Policies are designed to uphold external policies, with periodic review and updates, while the latter undergo continual adaptation, modification, and discontinuation as necessary.

7.12. The necessity to implement and maintain these policies stems from our dedication to long-term operations, especially given the significant initial investment. We aim to sustain operations for a minimum of three years under the GCB license, with renewal contingent upon attaining investment returns and meeting key performance indicators outlined in our financial forecasts.

7.13. To comply with established policies and procedures, the project leverages a diverse range of resources, both internally and externally. The Ultimate Beneficial Owner (UBO) brings valuable expertise in gambling and IT, making her an ideal overseer. Essential departments such as Legal, IT, Human Resources, and Finance possess significant experience in managing large-scale gambling operations sustainably. Additionally, jurisdictions like Curacao, Cyprus, and others offer ample opportunities for engagement with advisors, experts, and independent auditors.

The Gaming Control Board (GCB) supports operators by providing guidance and assistance in policy development. This collaborative effort ensures that operators can tailor their policies to meet regulatory requirements and industry standards. By leveraging the GCB's expertise and resources, operators can establish robust and effective policies that promote compliance and integrity within the gambling sector. Moreover, the GCB offers ongoing support and updates to help operators adapt their policies to evolving regulations and emerging challenges. In summary, the assistance provided by the GCB empowers operators to establish and uphold a solid framework for responsible gambling practices.

## 8. ONLINE GAMBLING MARKET OVERVIEW

### 8.1. Income of online gambling market

2021 has become a successful year for online casinos around the world due to the pandemic and self-isolation. In many countries the revenue of the entire gambling market has grown by a third - at least in relation to the previous 2020. This indicates the robustness and promise of this business model.

Over the past few years 85 countries around the world have legalized online gambling. Online betting and betting in slot machines and other gambling games together account for 70% of the income of all Internet gambling.

Gambling on the global network is very popular due to the wide variety of offers and comfortable gaming process without any restrictions.

Research firm Juniper has calculated that online gambling betting turnover will reach \$ 950 billion by 2024 and will continue to grow, Yogonet reports.

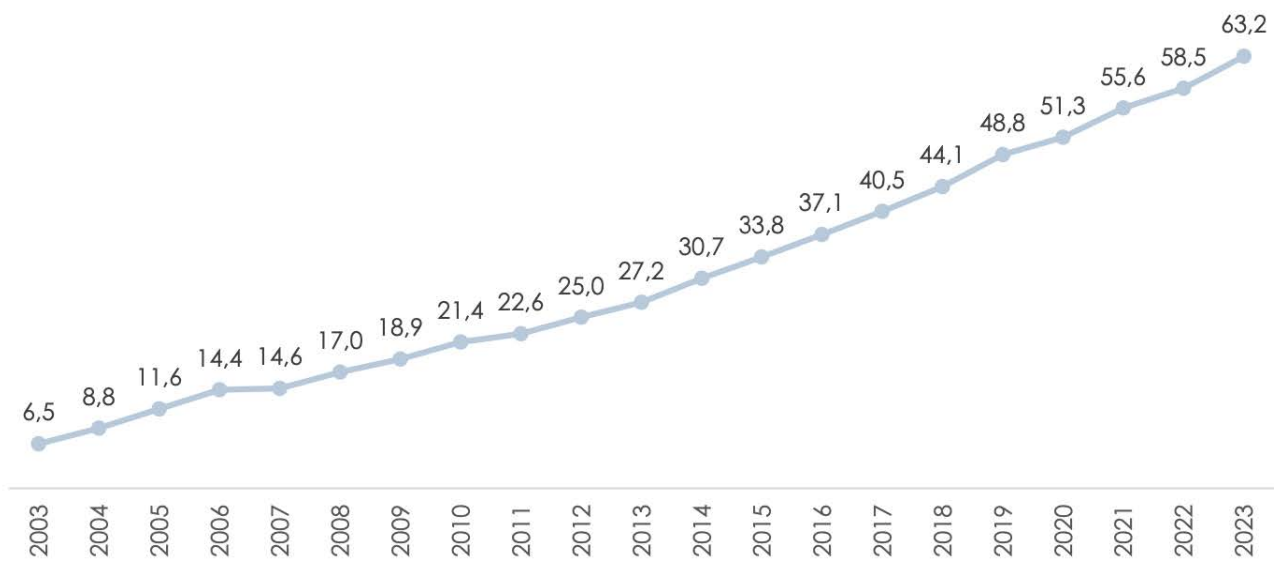
According to Juniper research, gambling is increasingly moving to the online environment. Moreover, the greatest activity is shown by mobile applications. The share of bets made using mobile phones is constantly growing.

The authors of the study also noted that, despite the general trend towards the regulation of national gambling markets, a few countries are moving towards the prohibition of gambling via the Internet and mobile applications.

The global online gambling market already accounts for 13% of the total global legal gambling market and this figure is constantly growing.

About 85 countries have allowed online gambling.

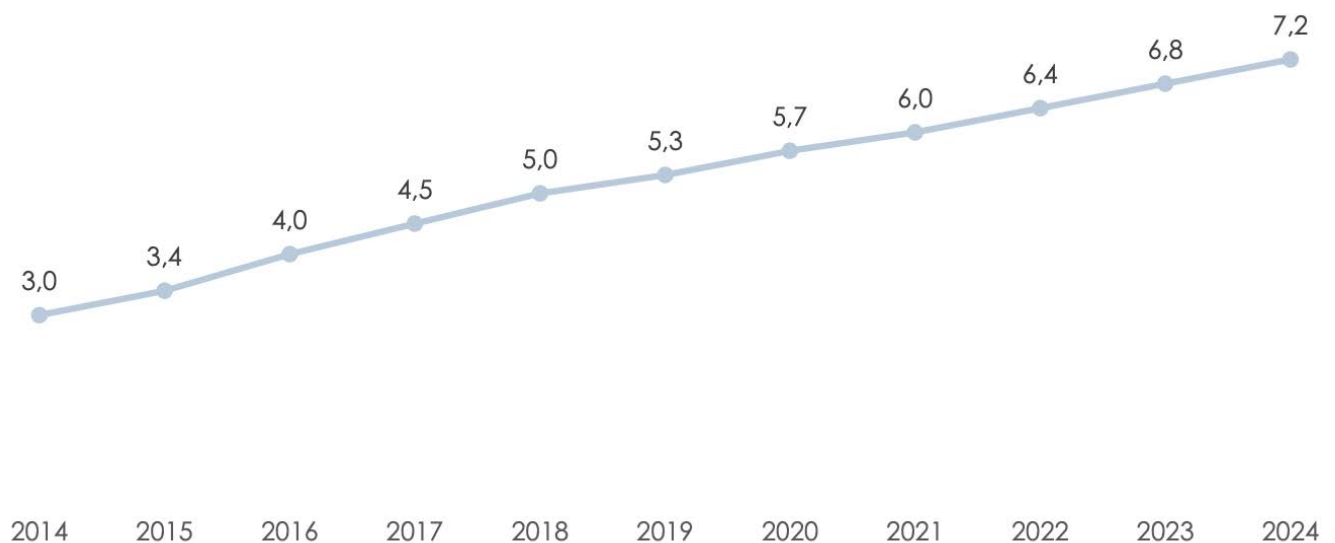
Diagram 2. Volume of global online gambling market, billion EUR



Gross Gaming Revenue is a financial indicator that determines the gross revenues of a gambling establishment. The GGR parameter allows you to track the dynamics of the behavior of gambling players around the world.

BV1sion presented an overview of the online casino market in 2019, including the GGR market predictions. In 2019, GGR was \$ 5.3 billion (up from \$ 5 billion in 2018). It is predicted that GGR will grow further and will reach \$ 5.7 billion in 2024, and \$ 7.2 billion in 2025.

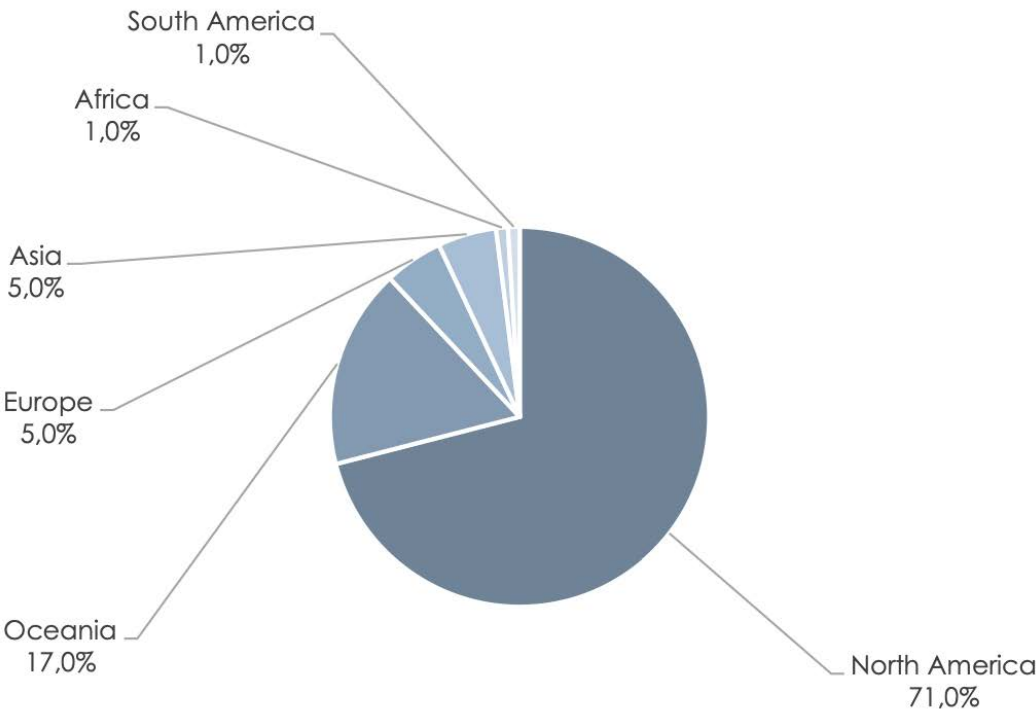
Diagram 3. Forecast of Gross Gaming Revenue, \$ billion



In terms of geographic division, North America continues to dominate the online casino industry, representing 71% of the total market.

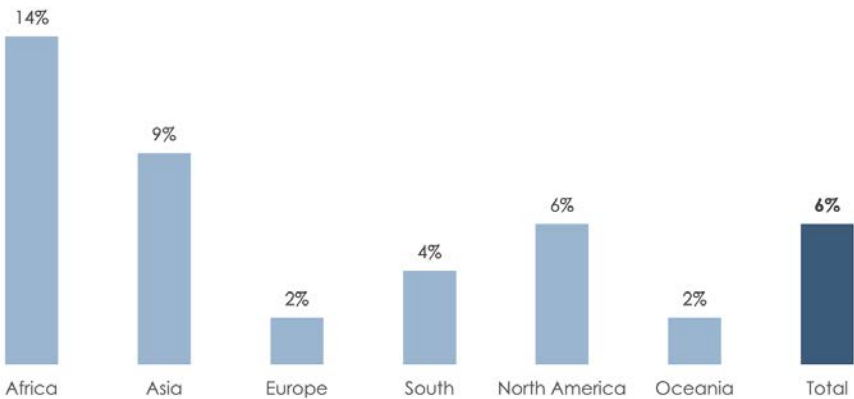
At the same time, Oceania (Fiji, New Zealand, Polynesia, New Guinea, etc.) also has a strong presence with 17% of the global GGR in 2019, significantly ahead of Asia and Europe with 5%.

Diagram 4. Regional structure of gross income of the gambling business in 2021



Africa posted the fastest growth rate in 2021 at 14% YoY, while Europe experienced very modest growth.

Diagram 5. Growth in gross income by region in 2021

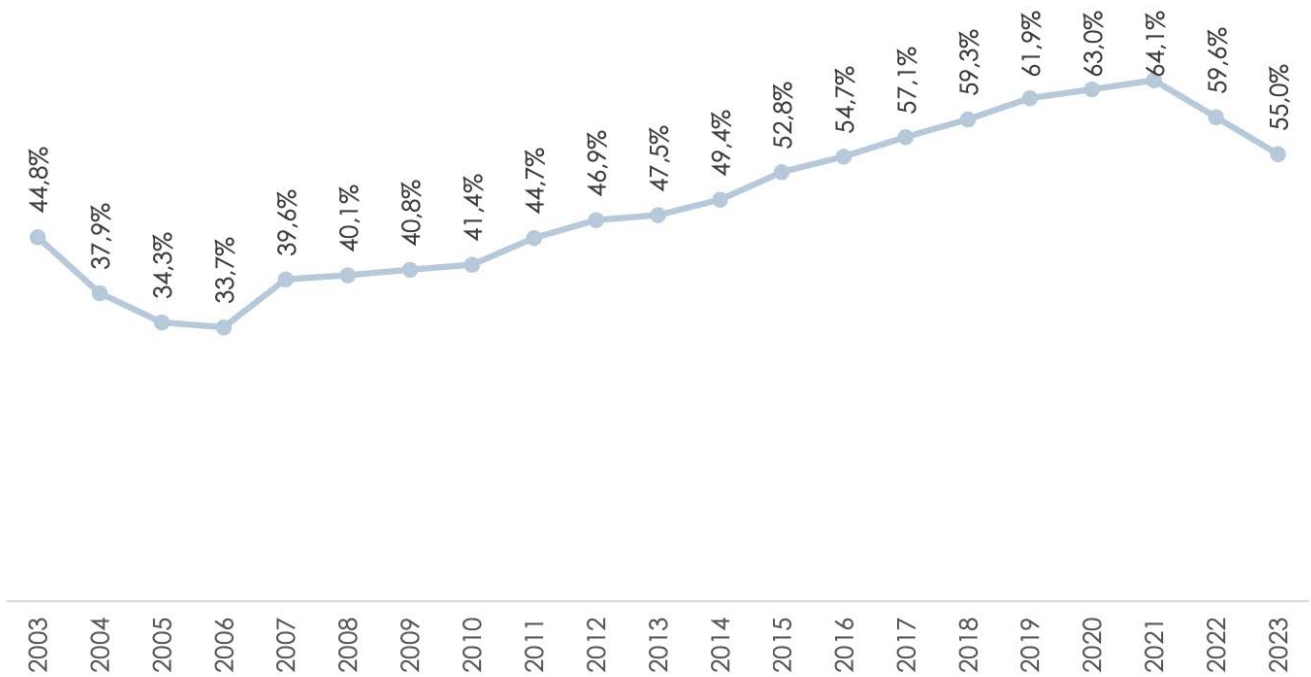


The European Union is the largest regulated market in the industry. For comparison, players from Iran are only restricted in about 30% of casinos.

The European Commission reports that today the online gambling industry is worth \$ 14.7 billion and continues to grow. Online casino gambling is the fastest growing gambling segment in the European Union with an annual growth rate of 15%.

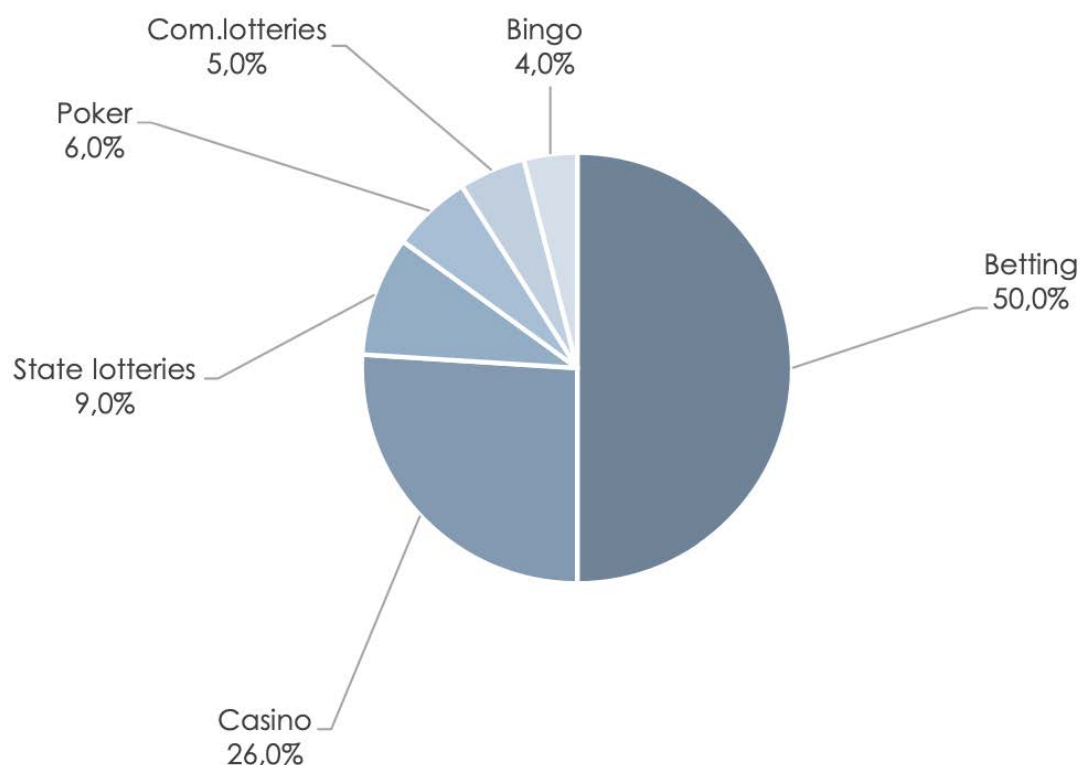
There was also talk about simplifying the rules. Last year, the European Commission said: "Operators of online gambling operating in the European Union are forced to obtain licenses in several countries, which require licensing. But a more general approach would be better for them. More compliance requirements create unnecessary infrastructure duplication and costs, which adds unnecessary administrative burdens for regulators."

Diagram 6. The share of the "white market" in online gambling revenue worldwide



Since 2003, the market has grown by an average of 23% annually. The dominant elements were betting, casino and poker. Online gaming is becoming more and more popular, and its progress is driven by factors such as the spread of the Internet, the emergence of new markets and new groups of players.

Diagram 7. Online gambling income by game type



## 8.2. New groups of players

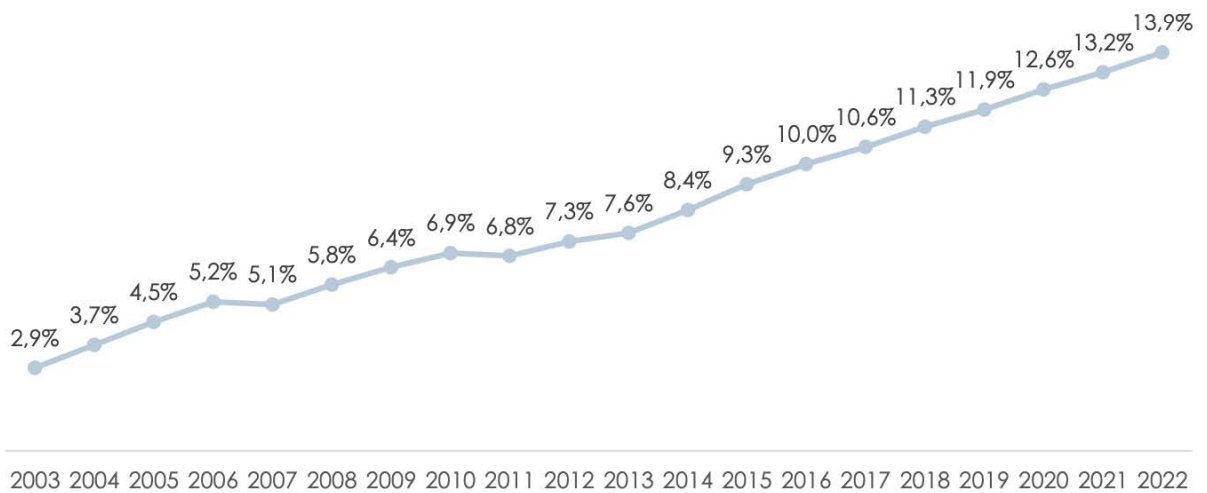
Since 2004, the number of female Internet users aged 18 to 74 has increased by more than 80%, and men by 60%. Online gambling attracted mostly young men, but now it is becoming more popular among women and older people.

Different types of players have different preferences and reasons to play. Most people do it for fun, others do it to win money, and some do it to relax. Whatever the reason, operators and developers should keep an eye on player preferences. Age differences between players are also increasing as the Internet continues to spread in society. The image of the average male player between the ages of 25 and 35 is becoming increasingly blurred.

According to a study by GP Bullhound, 43% of all online gamblers in 2019 were women. Their favorite segment is still bingo, but they play in different directions. Research shows that the play behavior of men and women is different. Women tend to play longer and bet lower, while men do it more often and bet more, but the games are shorter.

Bingo is becoming more and more popular because the game offers the opportunity to relax in a social society.

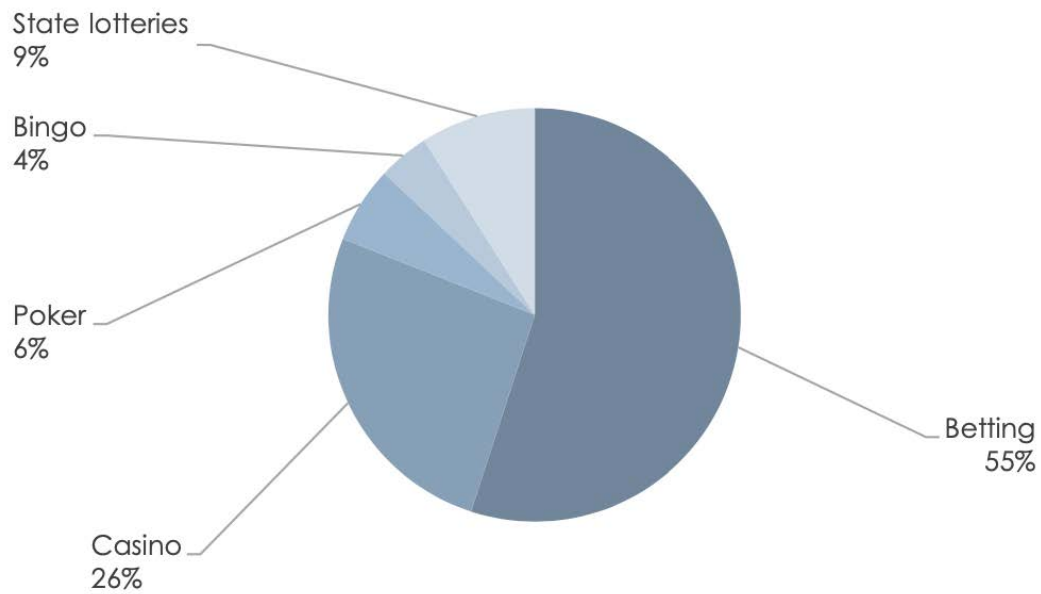
Diagram 8. Share of online gambling income from total gambling income in the world



It is important to note that most of the popular forms of remote gambling today are traditional casino games, betting and poker variations. The popularity of different types of online gambling depends on gender. The bingo industry is expected to have the highest growth rates as more women are interested in the iGaming industry and bingo.

Nevertheless, online gambling is still more popular among men. Young men are especially prone to gambling. Women enjoy playing just as much, but they choose simpler games like lotteries and slots. The difference can be explained by the socialization of the roles of men and women. Betting, casino games and skill games are traditionally associated with male audiences, while women are more accustomed to playing, having fun, rather than getting an adrenaline rush.

Diagram 9. Online gaming revenue by type, 2021



### 8.3. Trends in online casinos

Online gambling is an industry that's prone to explosive growth. Smaller companies operate at the periphery of the law, and grow fast enough to get unfriendly attention from regulators. And even large companies are vulnerable when the rules change. This constant churn means that there's always room for new sites to arise.

Online gambling, compared to the real-world variety, offers fewer opportunities for some kinds of cheating and advantage play; card-counting doesn't work when shuffling is no longer imperfect, for example. The low overhead from online casinos means that they can offer higher payouts, and sign-up bonuses. A real-world casino has a near zero "bounce rate": almost everyone who shows up will bet on something. Websites in high-monetization verticals have to pay up for traffic, and they use sign-up bonuses and favorable odds to keep their bounce rate low.

Meanwhile, the low cost of software relative to hardware means that they can rapidly extend gambling to new kinds of bets. Gamblers can wager on casino games and sports games, but they can also place bets on the outcome of reality TV shows. For example, search interest in online casinos doubled during the three-month run of Big Brother's 13th season. Flexible gambling sites can take advantage of the dynamics of TV: when sports aren't available, reality TV is an affordable source of live entertainment.

Online gambling relies on trusted payment networks, and the cost of payments is often a significant component of their cost structure. Gambling, like adult content, is a high-risk

payments category where chargebacks are more common and the incidence of fraud is high, so the cost of processing payments is higher than for other kinds of commerce. For sites like Onlyfans, the payment processing fee is almost double that of Stripe's standard rate. As payment companies get more comfortable with gambling, the number of payment options has risen, which acts as an implicit subsidy to the industry.

A spike in online gamblers and an increased interest from middle-aged users means that there is no sign of gambling slowing anytime soon globally. However, just like any other industry, the gambling sector is facing severe challenges when it comes to KYC and ID verification.

Duplicate accounts, using screenshots instead of real-time face, are just some of the ways fraudsters are employed to bypass the system. Let's see what 2024 holds for the gambling sector.

### *Decline in the popularity of land-based casinos*

For decades, land-based casinos, slots, and poker games had been the hallmark of the gambling industry. However, COVID-19 changed everything. Today, it is easier to open an online casino with little overheads than a physical one. This has revolutionised the industry, but also increased the cases of fake identities, raising a number of KYC challenges for online casinos and sports betting websites.

Slotegrator analysed a 15% increase in interest in opening up an online casino in 2024.

### *Mobile Casino Games will Increase in Popularity*

Mobile casino gaming is offering something that the land-based physical casinos aren't; convenience. Mobile apps for slots and table games during the COVID-19 skyrocketed in popularity, with promising growth in the future.

Consider it like a battle between online streaming platforms like Netflix and Amazon Prime vs. Cinemas. Although the latter won't be getting obsolete, the former has managed to disrupt the viewing experience of users.

Registering, depositing funds, and playing poker online is the easiest and the most convenient way for anyone to gamble from anywhere.

### *IoT and Virtual Reality to Shape Up the Industry*

Internet of Things (IoT), and Virtual Reality (VR) have the power to disrupt the gambling industry.

VR Headsets have slowly but steadily grown in popularity, and will soon revolutionise the online gambling experience. It is like the Metaverse of poker.

A user can enter a virtual casino without having to physically travel. This allows users to interact with players from all around the world in a virtual reality world.

Several gambling websites have been accused in the past of not addressing transparency and cybersecurity. These challenges can be overcome by the use of blockchain technology.

### *Cryptocurrency will Lead to Anonymous Gambling*

Despite the collapse of FTX, cryptocurrency is here to stay.

The anonymity provided by cryptocurrencies is second to none, making it lucrative for users to gamble without paying through credit cards. Cryptocurrency gambling provides a unique experience to players who want to feel secure using cryptocurrencies, instead of traditional payment methods.

### *Legalisation of the Gambling Industry*

Among all other trends, one that paves the way for the gambling industry's higher adoption rates, is its legalisation. It was only that the US federal government legalised gambling in 2018, but every state has its own set of laws and regulations that govern its legality.

In the coming years, specifically 2025, we can see a number of states in the US and countries across the world, legalising the gambling industry. This will lead to higher adoption rates with more and more people enjoying sports bettings online and offline.

### *Digital Horse Racing To Make a Comeback*

Until 1978, horse racing was considered a legalised form of gambling outside of Las Vegas in the US.

But with the advent of internet and cable TV, popularity of horse racing tanked fuelled by animal cruelty and multiple other options of gambling.

Zed Run is bringing horse racing back in digital form. This is akin to play2earn games where you invest using cryptocurrencies and earn rewards after selling your characters. The same is true for Zed Run. Players breed horses, based on which there are different odds of winning the race. The company charges a small share of "stud fee" for breeding.

Players breed their horses, and pay to enter the digital races. In case they win, they earn their share of the prize money.

### *Brick-and-mortar casinos to diversify their offerings*

Brick-and-mortar casinos are still stuck to the decades old offerings of poker, blackjack, slots, and roulette.

One thing we've learned while in the business, is to always diversify your risks and make calculated decisions. Just because something is popular today, is never a guarantee that it will have the same popularity levels tomorrow.

Trends change, and only those who manage to diversify their risks and adapt to these trends, remain floating in an otherwise competitive space. The vast majority of poker players are 40+ and while they love playing legacy games, times have changed. To keep millennials and people of the older generation hooked, casinos need to adapt as fast as possible and introduce skill-based games.

Diversification isn't limited to just adding new offerings, but also allowing users to play casino games online.

## 8.4. Market Forecasts

The online gambling industry is poised to adjust with the ever-changing trends as the industry is legalised and more players jump the bandwagon. Sports betting and online poker will revolutionise the industry. But hackers are also taking advantage of this opportunity to game the system and cheat casinos.

That is where Shufti Pro's AML Screening solution comes in to help online casinos to safeguard their systems. Shufti Pro helps you remain compliant by offering screening solutions that verify user identity across 1,700+ international watchlists.

Research company Juniper calculated that betting turnover in the online gambling segment will reach \$ 950 billion by 2024 and will continue to grow even before the pandemic, according to Yogonet.

According to Juniper research, gambling is increasingly moving to the online environment. Moreover, the greatest activity is shown by mobile applications. The share of bets made via mobile phones is constantly growing.

The authors of the study also noted that, despite the general trend towards the regulation of national gambling markets, a few countries are moving towards a complete ban on gambling via the Internet and mobile applications.

The global online gambling market already accounts for more than 13% of the total global legal gambling market and this figure is constantly growing.

Niche revenue is expected to reach \$ 65 billion by 2024, and the niche itself will undergo a series of changes and reforms depending on the market.

The Asian market is the largest in the world in terms of volume, and every year the demand for gambling is only growing. 2021 showed softening in the field of law - more and more countries are legalizing online betting and even casinos. This trend has moved into 2024, which opens new perspectives for the industry.

In Africa, the online gambling market is now at the stage of rapid development and growth. The main problem is that currently, in most countries of the continent, casino activities are not regulated in any way (but they are not prohibited at the legislative level either). Therefore, it will take time to fully unleash the potential of this market.

## 9. ONLINE CASINO RISKS

### *Unstable legislation*

Each country has its own rules regarding gambling, which change quite often. You need to understand that, perhaps, the casino owner will need to decide how to reformat the establishment in the event of changes in the law.

### *Instability of equipment operation*

Since the main locale is the internet, it's important that everything runs like clockwork. If the site or server goes down, the casino will suffer serious losses.

### *Software*

The structure of an online casino is a kind of constructor consisting of three types of software (software, or so-called software): a gaming platform, a payment solution, and gaming content.

Payment systems are the least risky category. All payment solutions are seriously tested by regulatory authorities, banks, etc. Here the risk of getting low-quality software is minimized.

The biggest risk for operators is non-original, or so-called pirated, software. As a result, you can lose experienced and serious players who understand software. They will choose the casino that has the original software. Because it guarantees both payouts and a clear return to player (RTP) percentage. Another aspect that operators often overlook is the back doors. Backdoors is a malicious algorithm that programmers often "screw" onto handicraft software to simply steal money from unsuspecting operators. In addition to backdoor, there is a huge number of errors, bugs, which also entail financial losses.

"Pirate" software is an illegal thing. Clients simply cannot know either the final provider or who they are contracting with, because there is a whole chain of intermediaries. At a certain moment, when you invested money in the development of a casino, installed software, launched a project, spent money on marketing, your provider will simply disappear. This will not happen with the original software, because you always know with whom you have a contract, who is behind this contract and to whom in case of something to contact with problems.

The last aspect is a violation of the copyright law, which is often ignored, but in our country, there is still a possibility to prosecute a person under this law.

A very important aspect when choosing software is security. Serious software development companies spend colossal resources on it. Creation of secure software requires additional time and human resources. Companies deliberately do this in order to end up with a product that will provide security to all customers. And that's something worth working for.

Another very important aspect is the so-called usability, which is often neglected when developing software, because people are chasing functionality. Forgetting about usability, you can face a problem when a lot of unsystematic functionality accumulates on one platform. It is necessary to think about ease of use at all stages: both when drawing up a technical assignment for software development, and subsequently, during modernization and upgrades.

### *High competition*

The owner of a gambling business can receive a lot of money, since this type of service is in great demand. Many seek to occupy a niche, but only casinos with the right approach to business achieve success. You need to tune in to the fact that you must work hard to earn.

### *Money laundering*

Regulatory organizations conduct constant checks about money laundering by criminal structures, financing of terrorism through online casinos. If evidence of inadequate anti-money laundering activities is found, casinos may have their license revoked.

### *Advertising*

Regulatory organizations ensure that gambling advertising is socially responsible, with attention to protecting children, young people and other vulnerable persons from harm or exploitation. This applies to the images of toys, comic book characters, cartoons, fairy tales, brands that children like.

### *Loss of funds*

At the first stage, losses of funds spent on registration, rent and office equipment are possible.

The security payment, in the event of the closure of the online casino for internal reasons or other objective reasons, is returned to the casino owners, but must remain unused during the operation of the online casino as a deposit in case of winning the jackpot, i.e. losses can be minimal.

### *Risk insurance*

Thanks to the combined 10 years of experience in the field of online casinos of the founders and co-owners of the project and the managerial experience of the project mentor, the risks of entering the market will be minimized as much as possible.

## 10. INVESTMENT PLAN

### 10.1. Volume and structure of investments

The total investment required for the project is 237,2 thousand EUR.

The funds raised under the project are planned to be distributed in the following areas of financing:

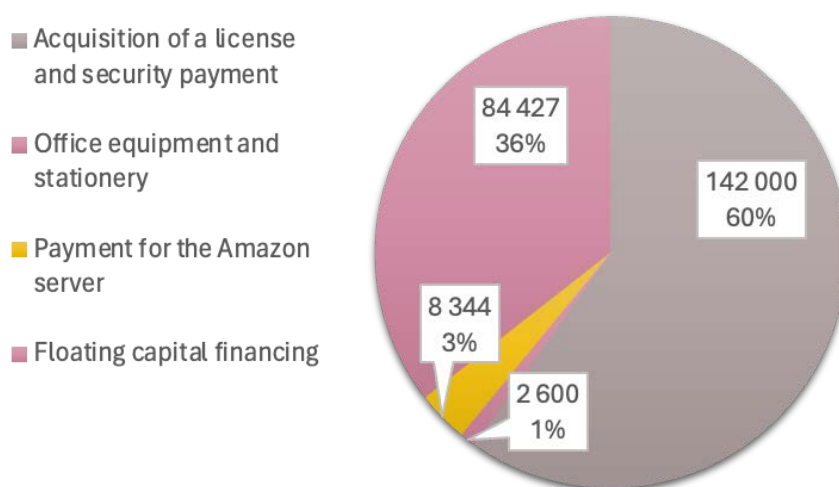
- acquisition of the platform core (back office);
- floating capital financing.

Table 5. Investment budget

| №                                             | Name                                          | Value   |
|-----------------------------------------------|-----------------------------------------------|---------|
| 1                                             | Acquisition of a license and security payment | 142 000 |
| 2                                             | Payment for the Amazon server                 | 8 344   |
| 3                                             | Office equipment and stationery               | 2 600   |
| 4                                             | Floating capital financing                    | 84 427  |
| Invested capital total (actual need for cash) |                                               | 237 371 |

The largest share in investment costs is floating capital financing (about 60%).

Diagram 10. Investment cost structure



## 10.2. Project Milestones and Implementation of Investments Schedule

The total project implementation period is 36 months (3 years). The duration of the investment period (before the launch of the project) is 0,3 years.

Table 6. Financial plan

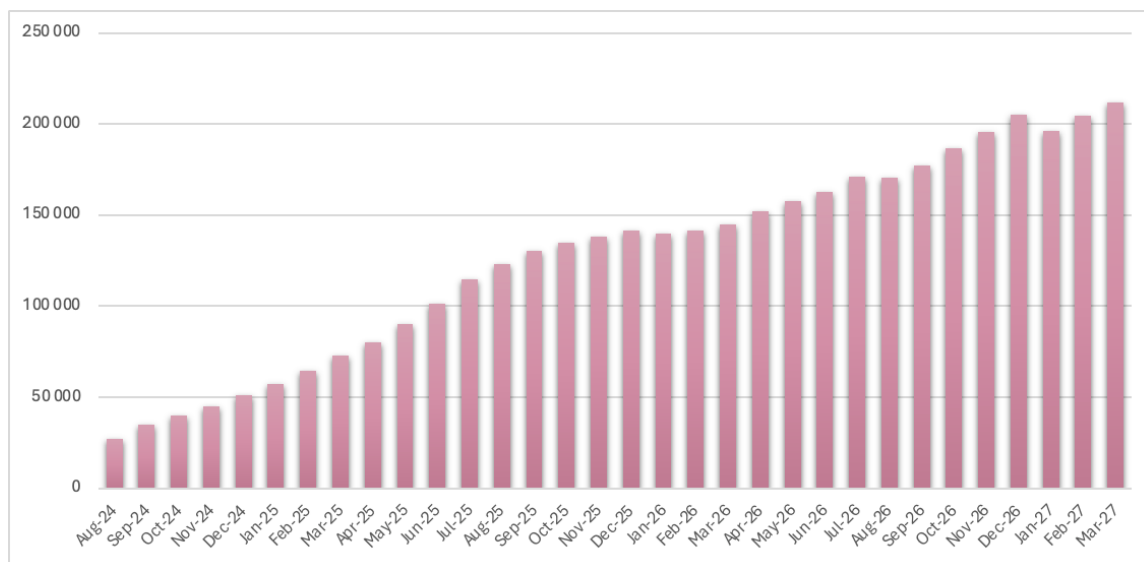
|   |                                               | Total for 3<br>years | Apr-24  | Jul-24 | Aug-24 | Sep-24 | Feb-25 |
|---|-----------------------------------------------|----------------------|---------|--------|--------|--------|--------|
|   |                                               |                      |         |        |        |        |        |
| 1 | Acquisition of a license and security payment | 142 000              | 142 000 | -      | -      | -      | -      |
| 2 | Payment for the Amazon server                 | 8 344                | -       | 8 344  | -      | -      | -      |
| 3 | Office equipment and stationery               | 2 600                | -       | 2 600  | -      | -      | -      |
| 4 | Floating capital financing                    | 84 427               | 4 850   | -      | 45 748 | 1 715  | 32 114 |
|   | Investment total excl. floating capital       | 152 944              | 142 000 | 10 944 | -      | -      | -      |
|   | Invested capital total (actual need for cash) | 237 371              | 146 850 | 10 944 | 45 748 | 1 715  | 32 114 |

## 11. INCOME PLAN

### 11.1. Volume of income

The average monthly income for the project period (3 years).

Diagram 11. Dynamics of Sales Proceeds in Euros



The total amount of proceeds for the project period (3 years) will amount to 4 066,4 thousand EUR.

An aggregate plan for generating income and financing direct costs is presented in the table below.

Diagram 12. Dynamics of income and net profit in Euros

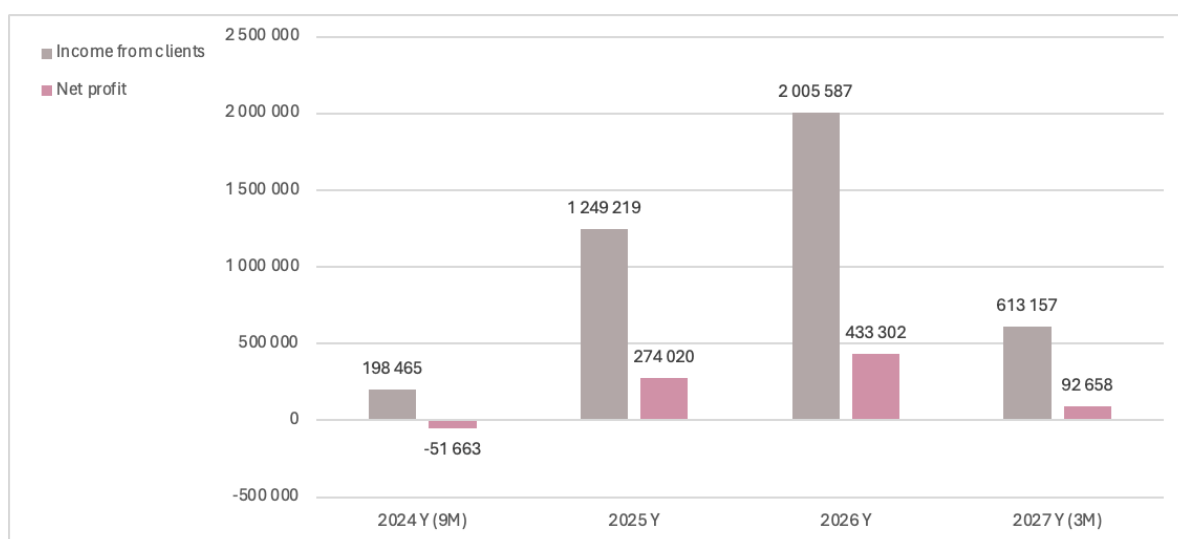


Table 7. Income and direct cost plan (before reaching design capacity)

| Physical indicators       | Unit | Total for 3 years | 2024 (9M) | 2025   | 2026   | 2027 (3M) |
|---------------------------|------|-------------------|-----------|--------|--------|-----------|
|                           |      |                   |           |        |        |           |
| Total number of clients   | ppl  | 105 622           | 5 155     | 32 447 | 52 093 | 15 926    |
| Number of new clients     | ppl  | 68 801            | 4 335     | 21 602 | 32 708 | 10 156    |
| Number of current clients | ppl  | 36 820            | 820       | 10 845 | 19 385 | 5 770     |

|                     |       |           |         |           |           |         |
|---------------------|-------|-----------|---------|-----------|-----------|---------|
|                     |       |           |         |           |           |         |
| Proceeds            |       | 4 066 428 | 198 465 | 1 249 219 | 2 005 587 | 613 157 |
| Income from clients | 38,50 | 4 066 428 | 198 465 | 1 249 219 | 2 005 587 | 613 157 |

|                        |       |           |         |         |           |         |
|------------------------|-------|-----------|---------|---------|-----------|---------|
| Direct costs           |       | 2 653 236 | 201 457 | 731 934 | 1 293 530 | 426 315 |
| Advertising costs      | 19    | 1 373 455 | 104 084 | 432 500 | 640 096   | 196 775 |
| Additional staff costs | 1 180 | 767 000   | 0       | 112 100 | 466 100   | 188 800 |
| Salary                 |       | 288 000   | 45 000  | 108 000 | 108 000   | 27 000  |
| License fees           |       | 143 211   | 39 628  | 48 745  | 48 745    | 6 093   |
| Depreciation           | 60 m  | 81 570    | 12 745  | 30 589  | 30 589    | 7 647   |

|                |  |         |        |         |         |        |
|----------------|--|---------|--------|---------|---------|--------|
| Indirect costs |  | 427 200 | 46 750 | 156 200 | 156 200 | 68 050 |
|----------------|--|---------|--------|---------|---------|--------|

|                              |  |         |        |        |        |        |
|------------------------------|--|---------|--------|--------|--------|--------|
| Accounting                   |  | 90 667  | 14 167 | 34 000 | 34 000 | 8 500  |
| Office equipment maintenance |  | 85 333  | 13 333 | 32 000 | 32 000 | 8 000  |
| Hosting                      |  | 128 000 | 0      | 44 000 | 44 000 | 40 000 |
| Office rent                  |  | 27 200  | 4 250  | 10 200 | 10 200 | 2 550  |
| Legal support                |  | 96 000  | 15 000 | 36 000 | 36 000 | 9 000  |

## 12. MARKETING PLAN

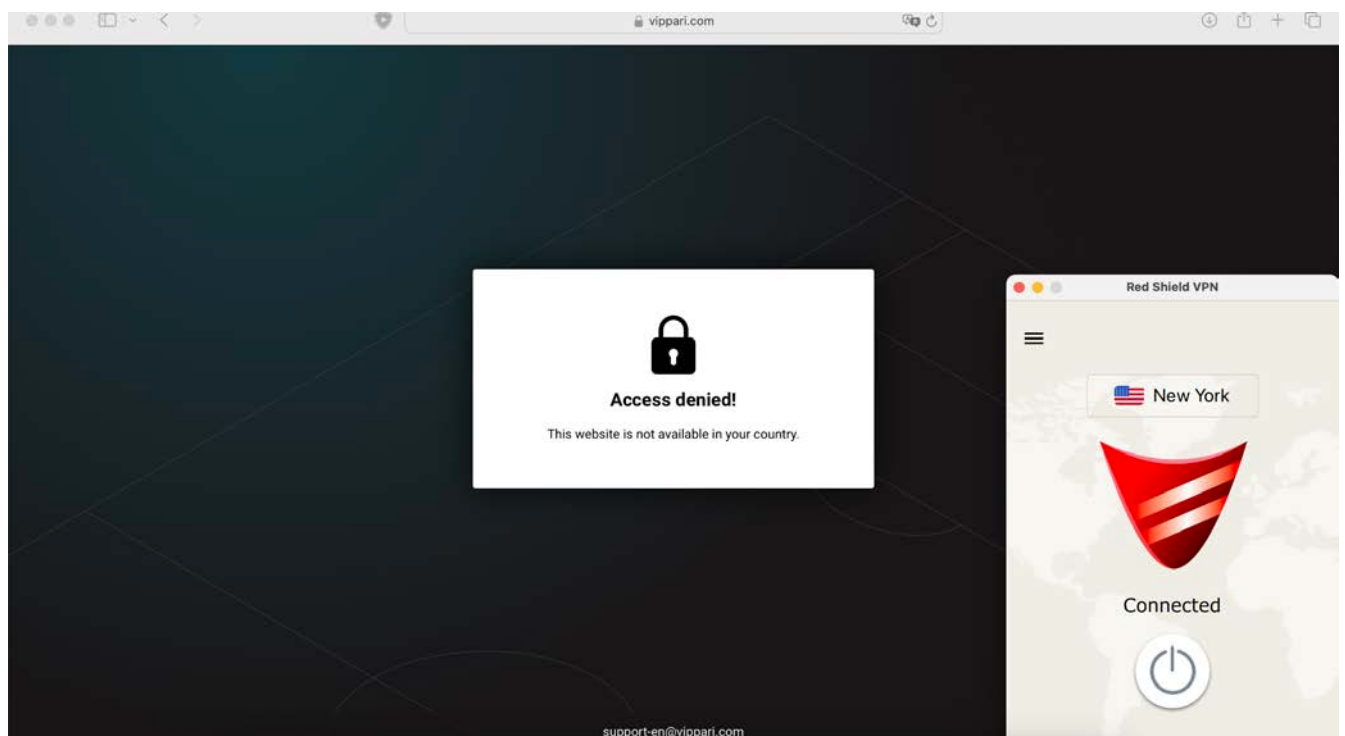
Vippiari is designed to cater to discerning individuals aged 18 and above who are seeking a unique and responsible gaming experience. This comprehensive marketing strategy outlines initiatives aimed at building brand loyalty, engaging the target audience, and driving sales growth through innovative and ethical practices.

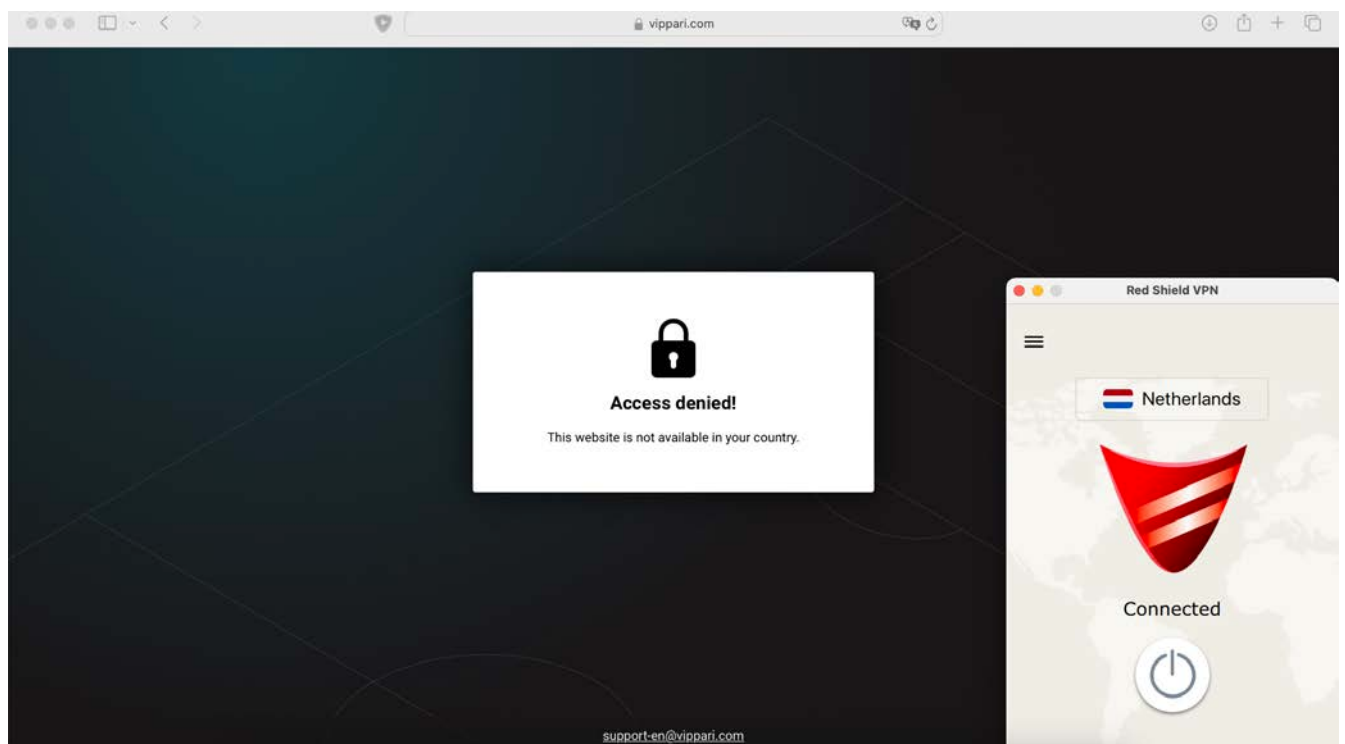
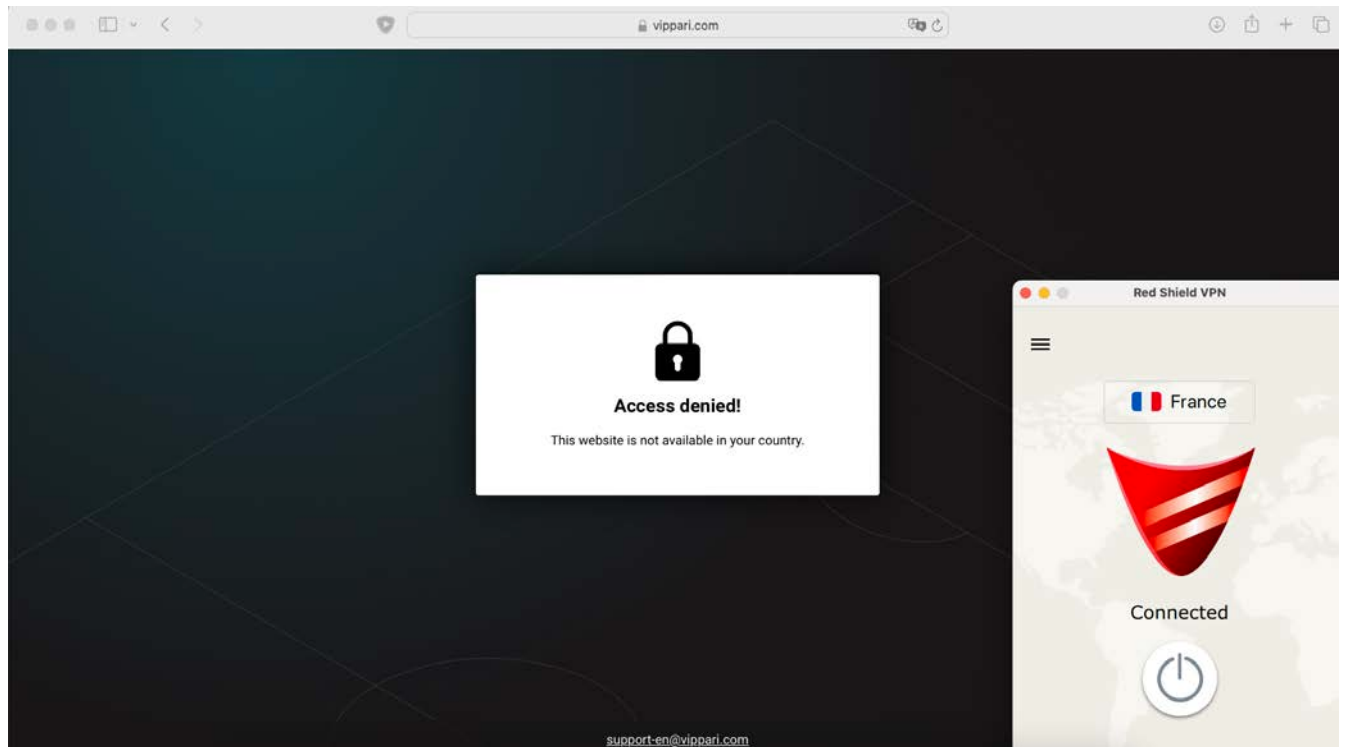
Target Audience:

Demographics: Our primary focus is on adults aged 18 and above, with a particular emphasis on the 25-35 age group.

Geographics: Our target markets include Croatia, Poland.

Geoblock: Access from the USA, France, and The Netherlands, as well as the Dutch Caribbean Islands (Curacao, Aruba, Bonaire, St. Martin, St. Eustatius, and Saba), is restricted.





Psychographics: Our target audience consists of individuals who are enthusiastic about cutting-edge technology, passionate gamers, and prioritize responsible gaming principles.

Marketing Strategies:

a. Brand Identity:

Craft a compelling brand narrative highlighting our commitment to revolutionizing the gaming industry through innovation, excitement, and a strong foundation in responsible gaming.

Position VIPPARI as a hub for cutting-edge technology, diverse gaming experiences, and a vibrant gaming community.

b. Digital Realm Dominance:

Enhance the website for a seamless user experience, ensuring easy navigation across all platforms.

Utilize social media platforms for targeted advertising, engaging content distribution, and community-building efforts.

c. Content Journey:

Develop a content strategy featuring informative blog posts, interactive tutorials, and exclusive developer insights to foster community engagement and sustained player interest.

Forge partnerships with gaming influencers and content creators to expand NexusGamer Ventures' reach and influence.

d. Advocacy for Responsible Gaming:

Integrate responsible gaming messages naturally into marketing materials and gaming interfaces.

Incorporate features such as session duration reminders, spending limits, and voluntary self-exclusion tools to empower players.

Sales Strategies:

a. Launch Excitement:

Introduce captivating launch promotions and exclusive bonuses to captivate early adopters.

Utilize strategically timed limited-time offers to create anticipation and urgency.

b. Partnership Journey:

Establish strategic partnerships with gaming affiliates, influencers, and complementary brands to increase visibility and attract a wider audience.

Create an enticing affiliate program to incentivize third-party promotion.

c. Data-Driven Optimization:

Utilize analytics tools to gain insights into player behavior, preferences, and the effectiveness of various acquisition channels.

Implement data-driven optimizations in marketing strategies, targeting precision, and overall user experience.

d. Customer Relationship Mastery:

Deploy an agile Customer Relationship Management (CRM) system to personalize communications, promotions, and offers based on individual player preferences.

Leverage targeted email marketing campaigns for personalized promotions and real-time updates.

Evaluation Criteria:

Continuously monitor key metrics, including customer acquisition cost, conversion rates, player lifetime value, and overall customer satisfaction.

Conduct regular reviews and agile adjustments based on performance analytics.

## 13. PROJECT EXPENDITURES

### 13.1. Fixed costs

#### *Staffing and salary*

According to the staffing table, the total estimated number of personnel is 6 people with a standard workload with an average salary of 1800 EUR per month.

The total payroll will amount to 288,0 thousand EUR for three years.

Table 8. Staffing table

| No | Position               | Number of people | Salary | Total per month |
|----|------------------------|------------------|--------|-----------------|
| 1  | Director               | 1                | 2 100  | 2 100           |
| 2  | Site developer         | 1                | 1 700  | 1 700           |
| 3  | Designer               | 1                | 1 500  | 1 500           |
| 4  | Advertising specialist | 1                | 1 500  | 1 500           |
| 5  | Employee               | 2                | 1 100  | 2 200           |
|    | <b>Total</b>           | <b>6</b>         |        | <b>9 000</b>    |

5 additional staff are employed for every 6000 new clients. The cost of additional personnel is shown in variable costs.

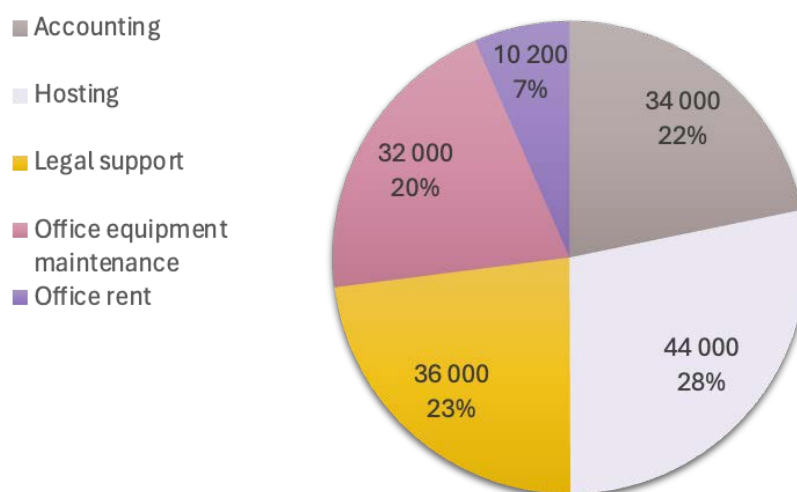
### 13.2. Direct costs

A complete list of current variable costs is presented in the table below.

Table 9. Direct costs

| № | Item of expense              | Total per year |
|---|------------------------------|----------------|
| 1 | Accounting                   | 34 000         |
| 2 | Office equipment maintenance | 32 000         |
| 3 | Hosting                      | 44 000         |
| 4 | Office rent                  | 10 200         |
| 5 | Legal support                | 36 000         |
|   | <b>Total</b>                 | <b>156 200</b> |

Diagram 13. The structure of direct costs

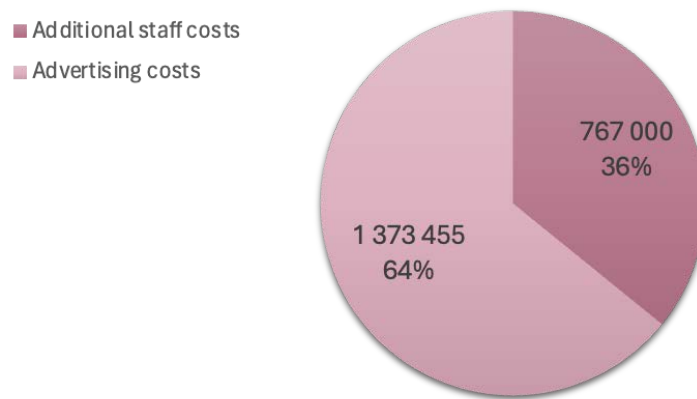


### 13.3. Variable costs

Table 10. Variable costs, euro

| № | Item of expense        | Per unit, total | Calculation base |
|---|------------------------|-----------------|------------------|
| 1 | Advertising costs      | 19              | for 1 client     |
| 2 | Additional staff costs | 1 180           | for 1 person     |

Diagram 14. Structure of variable costs (to the total volume of variable costs)



## 14. FINANCIAL PLAN

### 14.1. Conditions for attracting investment resources

#### *Financial resource requirements and financing structure*

The need for financial resources for the project is 237,3 thousand EUR.

It is planned that the financing of this project will be carried out at the expense of the investor and the company's expense.

#### *Conditions for reimbursement of investor funds*

The amount of payments to the investor for the period of the project will be 294,9 thousand euro.

### 14.2. Cash flow plan

#### *Operating activities*

Positive cash flows from operating activities are generated by sales proceeds. Negative cash flows are the company's operating costs.

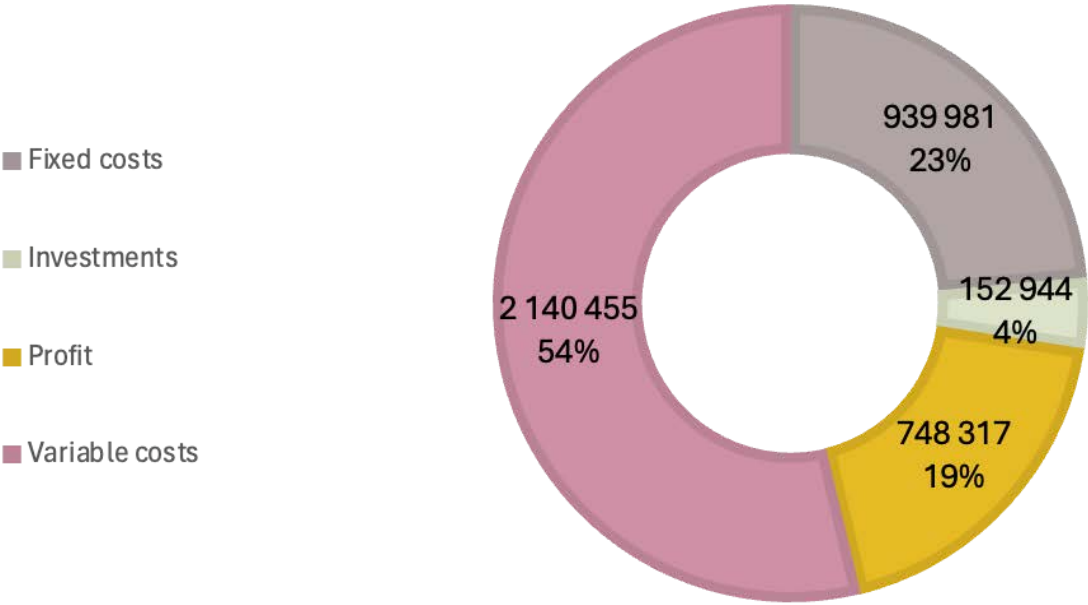
The amount of proceeds for the period of the project reaches 4 066,4 thousand EUR.

Negative cash flow reaches 3 236,2 thousand EUR and consists of the following main components:

- direct costs - 2 653,2 thousand EUR total for three years
- indirect costs - 427,2 thousand EUR total for three years
- taxes - 237,6 thousand EUR total for three years

Thus, the balance on operating activities at the end of the project will be equal to the amount of net profit and will be 748,3 thousand EUR.

Diagram 15. Distribution Structure of Sales Proceeds to Costs and Profit

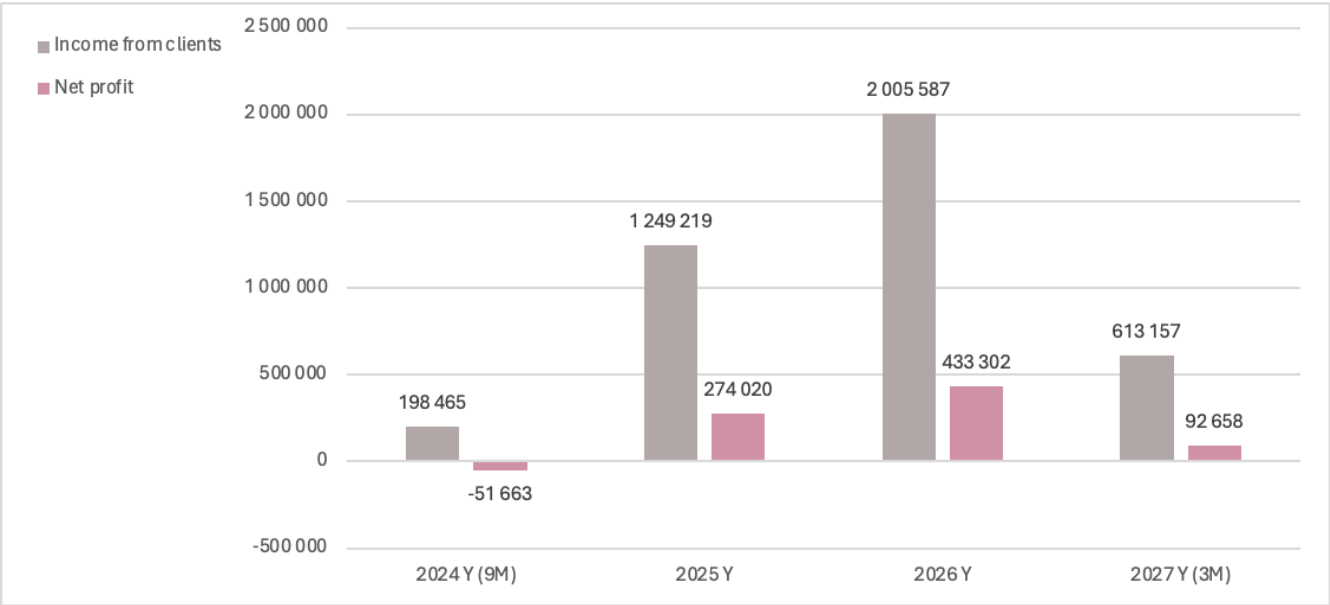


### 14.3. Project Financial Performance

The project calculation horizon is 36 months (3 years).

Net profit upon completion of the project will amount to 748,3 thousand EUR.

Diagram 16. Dynamics of income and net profit in Euros



## 15. PROJECT RISK ANALYSIS

### 15.1. SWOT analysis

Table 11. SWOT analysis

| Strengths                                                                                                                                                                                                                                                                                                                                                      | Weaknesses                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Significant experience of the project managers and team members in the field of communications and casino management</li> <li>• High quality service</li> <li>• Strict policy against any type of fraud, which protects players from any potential troubles during the game</li> <li>• Wide range of games</li> </ul> | <ul style="list-style-type: none"> <li>• Competitors can quickly offer similar products or services</li> <li>• Limited pricing flexibility</li> <li>• Not available in all countries</li> <li>• Online content requires high internet speed</li> <li>• Lack of a clearly formulated long-term strategy (due to the nature of the business)</li> </ul>      |
| Opportunities                                                                                                                                                                                                                                                                                                                                                  | Threats                                                                                                                                                                                                                                                                                                                                                    |
| <ul style="list-style-type: none"> <li>• Growing popularity of mobile gambling</li> <li>• Constant emergence of new technologies</li> <li>• Global trend towards legalizing online casinos</li> </ul>                                                                                                                                                          | <ul style="list-style-type: none"> <li>• Instability of the political environment</li> <li>• High competition</li> <li>• Impossibility of local placement of equipment and/or bans on the use of international services in some countries</li> <li>• Decrease in disposable income of the population against the backdrop of economic recession</li> </ul> |