

BUSINESS PLAN

CRE8 B.V.

Introduction

The aim of CRE8 B.V. (hereafter referred to as the “Company”) is to offer our clients an extensive selection of engaging and rewarding online casino and sportsbook options. Our goal is to enhance their enjoyment of sports and games while enabling them to make informed and strategic decisions. Our mission is to emerge as the premier provider of betting products in the region, presenting a diverse array of sports, games, and events tailored to every preference. We are dedicated to employing cutting-edge technology and the latest software, along with delivering outstanding customer service. Our knowledgeable and amiable staff are committed to assisting clients in understanding their choices and making optimal decisions. To fulfill our objectives, the Company intends to leverage the platform of BTB Betlab Holdings, a seasoned software development provider with a global presence. Additionally, we are actively developing a sportsbook platform, planned to be introduced approximately one year from now, to further enrich our offerings and provide our customers with a comprehensive betting experience.

Company and Management

As the company is in its nascent stage, the management team comprises a limited number of personnel. Mr. Frederik Franx, the Owner of the company, assumes the dual role of Director and CFO. With his extensive experience and expertise, Mr. Franx brings strategic leadership and financial acumen to the company's management. As Director, he oversees the overall direction and decision-making of the company, while in his capacity as CFO, he is responsible for financial planning, budgeting, and management, ensuring the company's fiscal health and sustainability. Despite the small team size, Mr. Franx's leadership ensures efficient and effective operations as the company navigates its early stages of growth and development.

Ensuring regulatory compliance, effective risk management, and maintaining integrity within the organization are primary for the Company. To achieve these objectives, the roles of the MLRO (Money Laundering Reporting Officer) and Legal positions are indispensable.

The MLRO plays a main role in overseeing and implementing anti-money laundering (AML) and counter-terrorism financing (CTF) measures within the gambling operator's framework. The responsibilities include conducting risk assessments, developing and updating AML/CTF policies and procedures, monitoring transactions for suspicious activities, and reporting such activities to regulatory authorities. Additionally, the MLRO ensures that the company's staff receive appropriate AML/CTF training and awareness programs to effectively identify and address potential risks.

On the other hand, the Legal position is responsible for managing all legal matters related to the company's operations. This includes ensuring compliance with gambling laws and regulations in the jurisdictions where the company operates, negotiating and drafting contracts with third-party suppliers and partners, handling legal disputes and litigation, managing gambling licenses and regulatory filings, and identifying and mitigating legal risks associated with the company's activities.

Together, the MLRO and Legal positions work collaboratively to uphold regulatory standards, mitigate legal risks, and safeguard the company's reputation and stakeholders' interests. Their expertise and diligent efforts contribute significantly to the Company's overall compliance and operational integrity within the highly regulated gambling industry.

Our Services

The company has identified the burgeoning gambling market of Bangladesh as a prime opportunity for expansion. Recognizing the potential for growth and the

increasing interest in gambling activities within the region, our strategic objective is to establish a foothold and capitalize on emerging opportunities.

The Bangladesh gambling market is expected to grow at a CAGR of 4.7% during the forecast period (2024-2026). The main factors driving this growth are government initiatives to promote the tourism industry, increasing disposable income, and emerging technologies such as virtual reality gaming. Additionally, the introduction of new betting and lottery products will further boost market growth. Furthermore, growing investments in sports infrastructure coupled with rising participation in various sporting activities are expected to offer lucrative opportunities for operators looking to enter the market.

- The revenue generated by the Online Games market in Bangladesh is projected to reach US\$62.14m in 2024.
- It is expected to exhibit an annual growth rate (CAGR 2024-2027) of 9.11%, resulting in a projected market volume of US\$80.72m by 2027.
- The number of users in the Online Games market is expected to reach 20.5m users by 2027.
- The user penetration rate, which measures the percentage of the population using online games, is projected to be 10.0% in 2024 and is expected to increase to 11.7% by 2027.
- In comparison to other countries, in China is anticipated to generate the highest revenue in the Online Games market, with US\$6,532.00m in 2024.
- The average revenue per user (ARPU) in the Online Games market is projected to be US\$3.64 in 2024.
- The online gaming market in Bangladesh is experiencing significant growth, with a surge in local game development and increasing accessibility to high-speed internet.

In the dynamic world of sports and entertainment, the allure of betting and gambling has persisted throughout history. In Bangladesh, a nation with a rich cultural tapestry and a conservative legal stance, the landscape of sports betting and gambling is characterized by a complex interplay of historical legislation, evolving attitudes, and technological advancements.

In an era dominated by digital technology, online sports betting has emerged as a global phenomenon. Bangladesh, however, has yet to develop specific regulations addressing the complexities of online betting. The absence of explicit provisions in the legal framework has created a gray area, leaving room for interpretation and raising questions about the legality of online betting activities.

Technological advancements have significantly contributed to the accessibility of online betting platforms, making them readily available to individuals in Bangladesh. The convenience of accessing these platforms through smart phones and computers has amplified concerns about the potential proliferation of unauthorized and unregulated online betting.

Our Competitive Advantage

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

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

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

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

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

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

Financial Considerations

As for the forecasted financials, for the first five years of operation we foresee the following:

in thousand, USD	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue total including:	5,480	11,257	13,802	16,867	20,409
Sport		4,462	5,444	6,587	7,970
Casino	5,480	6,795	8,358	10,280	12,439
COGS					
Royalties	1,589	3,152	3,726	4,554	5,306
Other direct expenses	712	1,407	1,656	2,024	2,449
Total COGS	2,301	4,559	5,382	6,578	7,755
Gross Profit	3,179	6,698	8,420	10,289	12,654
Operating Expenses (OPEX)					
Administrative Expenses	932	1,914	2,346	2,867	3,470
Marketing Expenses	1,754	3,602	3,864	4,385	5,306
Other Expenses	438	901	1,104	1,349	1,633
Total OPEX	3,124	6,417	7,314	8,601	10,409
Net Profit	55	281	1,106	1,688	2,245

The financial projections encompass both Casino and Sports Betting Gross Gaming Revenue (GGR), detailed in the preceding financial table. It's anticipated that Casino GGR will experience gradual growth compared to Sports Betting each year, with

Casino revenue projected to marginally outpace royalties owed to casino providers annually.

Additionally, Sports Betting is slated to be introduced within a year perspective, contributing to the overall revenue projections.

Initially, marketing expenses will represent 32% of GGR in the first year, gradually decreasing to 26% over time. This adjustment reflects the varying costs associated with user acquisition and retention efforts. Similarly, Other Direct Expenses, including bonuses aimed at extending player lifespan during early stages, and commission fees to Payment Service Providers (PSPs), will align with this reduction.

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

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

Timetable

Now that the company is already operational under a sub-license, our immediate priority after acquiring the main license is to globally announce this achievement to all our partners and clients. To underscore our commitment to transparency and legitimacy, we will ensure that all license information is prominently integrated into our website. This proactive approach not only ensures seamless operations but also strengthens client relationships and fuels sustained growth.

Conclusions

Our vision in the gambling industry is to cultivate and foster an online casino and sportsbook enterprise that not only competes effectively with other leading establishments but also emerges as a formidable competitor against top gambling entities worldwide. Our aim is to establish our online casino business as the premier brand in the industry globally.