

# **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 Softamber Limited, 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.

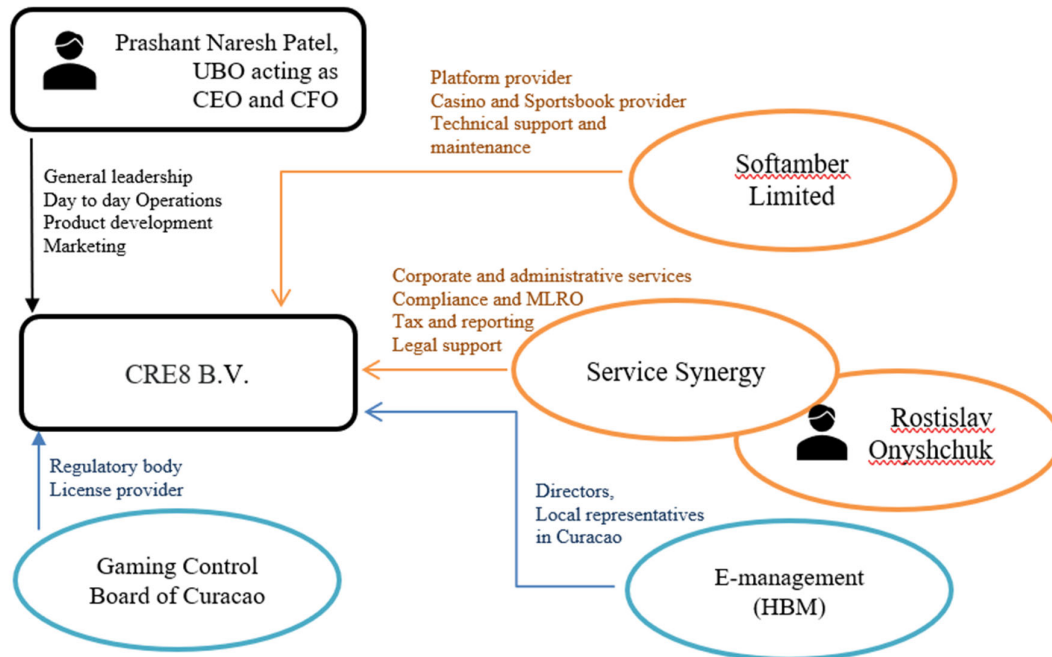
## **Company and Management**

As the company is in its nascent stage, the management team comprises a limited number of personnel. Mr. Prashant Naresh Patel, the new Owner of the company, assumes the dual role of CEO and CFO. With his extensive experience and expertise, Mr. Patel brings strategic leadership and financial acumen to the company's management. As CEO, 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. Patel's leadership ensures efficient and effective operations as the company navigates its early stages of growth and development.

The business model devised for the company aims to leverage the founder's extensive business network to negotiate favorable terms with counterparties such as Platform, Casino, and Sportsbook providers, payment solutions, and technical and customer support services. The core concept is to optimize variable costs to align with revenue generated, thereby minimizing initial investment requirements.

The company has entrusted its routine corporate administration and compliance functions to Service Synergy, a provider with a proven track record of expertise in managing and supporting businesses, particularly within the gaming industry. A dedicated compliance team offers a comprehensive, turnkey solution, ensuring that all regulatory and industry-specific requirements—such as policy drafting, compliance processes, controls, AML (Anti-Money Laundering), KYC (Know Your Customer), and other key areas—are meticulously structured and seamlessly integrated into the business's day-to-day operations. The service provider also maintains a highly capable team dedicated to ensuring the optimal execution of additional non-core functions, including legal support, financial consulting, tax advisory, and reporting. As per requirement of the Gaming Control Board of Curacao, Rostislav Onyshchuk as a member of Service Synergy team was appointed as a Compliance officer for a Company.

In general, the Organizational and functional structure of the company can be described as follows:



As is common in early-stage companies, the majority of operational functions have been outsourced, while core strategic decisions are retained by the Ultimate Beneficial Owner (UBO), who acts as both the business and product owner. This structure aligns with traditional startup models, where the focus remains on agility and core competencies, while leveraging specialized external expertise.

Softamber Limited, serving as the company's technical partner, provides essential platform, casino, and sportsbook services, while Service Synergy takes on the critical role of major sub-contractor. Service Synergy manages all corporate, administrative, and advisory functions, positioning itself as a strategic business partner that ensures smooth operational and governance practices. In addition, Service Synergy provides the company with Compliance and Money Laundering Reporting Officer (MLRO) services, ensuring that the company's policies, procedures, and controls are fully aligned with regulatory requirements. This safeguards the company's adherence to all relevant legal and compliance frameworks.

Key stakeholders also include Emanagement (HBM) and the Gaming Control Board of Curaçao (GCB). HBM fulfills the directorship role as well as general corporate services in Curacao, including the mandatory role of local representative in Curaçao, ensuring compliance with the jurisdiction's regulatory framework. The GCB, as the new regulatory authority in Curaçao, is set to replace the previously utilized licensing provider, reflecting the evolving compliance landscape for companies operating under Curaçao law. These partnerships and regulatory bodies are fundamental to maintaining the company's legal standing and operational integrity within the global gaming market.

By entrusting key functions to these specialized partners, the company is able to focus on scaling its core business, while remaining compliant with both local and international regulations.

## **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, Bangladesh 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 are committed to building a strong, competitive edge in the gaming industry by focusing on two key pillars: Marketing and Product Differentiation and Compliance and Responsible Gaming. These strategies ensure that we not only deliver an engaging and tailored gaming experience but also operate in a manner that is ethical, safe, and fair to all players.*

### ***Marketing and Product Differentiation***

Our marketing approach is designed to position us as a leading brand in the gaming industry by adapting our products to local markets, utilizing digital channels, and building partnerships that extend our reach. Key components include:

1. **Product Localization & Tailoring:** We tailor our gaming products to meet the preferences and tastes of local markets. This includes adjusting our game offerings, themes, and features to align with regional player behaviors and cultural trends, ensuring that our platform resonates with a diverse audience globally.
2. **Affiliate Programs:** Affiliate marketing is a cornerstone of our customer acquisition strategy. By partnering with established affiliates who have in-depth knowledge of local gaming markets, we can effectively promote our brand and expand our customer base. These affiliates will drive traffic to our platform by leveraging their existing networks, resulting in targeted and high-quality player acquisition.
3. **Partnerships with Influencers & Industry Leaders:** We plan to collaborate with gaming influencers and thought leaders within the industry to enhance our brand visibility and credibility. These partnerships will help us reach a broader audience, particularly through content-driven strategies like live streaming, gaming reviews, and sponsored social media content, which are popular with gaming enthusiasts.
4. **Social Media & Digital Marketing:** Social media platforms such as Facebook, Instagram, Twitter, and emerging channels will play a key role in our digital marketing strategy. Through targeted advertising, engaging content, and interactive campaigns, we will build a strong online presence that encourages user interaction and strengthens

brand loyalty. Viral marketing campaigns, combined with influencer partnerships, will ensure widespread recognition and engagement.

5. **Localized Outreach:** In addition to digital efforts, we will focus on direct marketing initiatives, sending personalized communications to key demographic groups including sports clubs, households, and corporate organizations. This localized outreach will help build trust and loyalty within specific markets, reinforcing our commitment to offering tailored gaming experiences.

### *Compliance & Responsible Gaming*

Our commitment to compliance and responsible gaming is at the heart of our operations, ensuring that our platform not only offers an entertaining experience but also adheres to the highest standards of fairness, safety, and accountability. We have implemented a range of advanced features and protocols to ensure the integrity of our gaming platform and the well-being of our players:

1. **Responsible Gaming Measures:** Our platform is designed with robust responsible gaming features to ensure player protection. These include:
  - **Loss Limits:** Players can set financial limits on their losses, helping them manage their spending.
  - **Cool-Off Periods:** Players can take short breaks from gaming to prevent impulsive behavior.
  - **Self-Exclusion:** Players have the option to self-exclude for longer periods if needed, giving them full control over their engagement with the platform.
  - **Self-Limitations:** We provide players with options to limit the time they spend on the platform, reducing the risk of excessive play.
2. **Fair Play and RNG (Random Number Generator) Compliance:** We collaborate with tier-one content providers who ensure that all our games operate under a fair and transparent Random Number Generator (RNG) system. These RNG systems are regularly tested and certified by independent auditors to guarantee fair play, building player trust in the fairness of our games.

3. **Certified Payout Rates (PRT):** Our platform offers favorable and transparent payout rates (PRT), ensuring that players have a clear understanding of their potential winnings. This transparency contributes to the trustworthiness of our brand, reinforcing our reputation as a fair and player-centric gaming provider.
4. **Compliance with Regulatory Standards:** Our operations comply with the highest industry standards and regulatory requirements. We have engaged external professionals who specialize in gaming compliance to develop and maintain our policies on Anti-Money Laundering (AML), Know Your Customer (KYC), and reporting obligations. These professionals are certified experts, ensuring our company meets all legal and regulatory obligations, reducing the risks associated with non-compliance.
5. **Third-Party Audits & Certifications:** We regularly subject our platform to independent third-party audits to verify compliance with industry standards and regulatory frameworks. This includes thorough checks of our RNG systems, payout rates, and responsible gaming measures. These audits and certifications provide additional layers of assurance, helping us maintain a reputation as a trustworthy and responsible gaming provider.

By integrating responsible gaming measures, fair play compliance, and strong regulatory oversight into our operations, we not only protect our players but also strengthen our brand's reputation as a fair, loyal, and safe gaming platform. Combined with our strategic marketing efforts, these elements form the foundation of our long-term success in the highly competitive gaming industry.

## Financial Considerations

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

| Thsd USD                  | Year1 | Year2 | Year3 | Year4 | Year5 |
|---------------------------|-------|-------|-------|-------|-------|
| Revenue total Incl:       | 1,190 | 1,940 | 2,386 | 2,936 | 3,584 |
| Casino                    | 1,190 | 1,464 | 1,815 | 2,251 | 2,768 |
| Sport                     | -     | 476   | 571   | 685   | 816   |
| COGC                      |       |       |       |       |       |
| Royalties                 | 333   | 543   | 668   | 822   | 1,003 |
| Other Direct expenses     | 167   | 252   | 286   | 352   | 430   |
| Gross Profit              | 690   | 1,144 | 1,432 | 1,762 | 2,150 |
| Operating expenses (OPEX) |       |       |       |       |       |
| Administrative expenses   | 143   | 233   | 310   | 382   | 430   |
| Licensing Expenses        | 65    | 70    | 90    | 100   | 100   |
| Marketing Expenses        | 428   | 698   | 787   | 881   | 896   |
| Other Expenses            | 60    | 116   | 143   | 176   | 215   |
| Total OPEX                | 696   | 1,117 | 1,331 | 1,539 | 1,641 |
| PBIT                      | (6)   | 27    | 101   | 223   | 509   |

The financial projections provide a detailed analysis of both Casino and Sports Betting Gross Gaming Revenue (GGR), as illustrated in the previous financial table. Projections indicate that while Casino GGR is expected to experience steady and consistent growth, Sports Betting is forecasted to deliver stronger annual performance. The growth in Casino revenue, however, is anticipated to slightly outpace the percentage of royalties owed to casino providers each year, contributing positively to the overall profitability.

Royalties represent the direct expenses and are expected to remain stable at 28% of Casino GGR. Similarly, other direct costs, primarily consisting of bonuses aimed at boosting player engagement in the early phases, will be driven by commission fees paid to Payment Service Providers (PSPs). These costs, initially set at 14%, are forecasted to gradually decrease to 12% over time as the company leverages loyalty and volume discounts from PSPs, reflecting an optimization of operational

expenses.

Marketing expenses are projected to constitute 36% of the GGR in the first year, with a gradual reduction to 25% as the company matures. This reduction reflects the fluctuating costs associated with user acquisition and retention, as early-stage investments are expected to taper off with the growth of a loyal customer base. Administrative expenses are anticipated to remain steady at around 12-13% of revenue per year, largely due to the company's strategic focus on product development rather than diversification into new markets or product lines. This steady rate of administrative costs should sufficiently support any additional needs as revenue increases. Licensing expenses are mostly related to the license cost and extra costs that might be associated with the reporting obligations of the company, including the potential recruitment of the dedicated employee as a replacement for current outsourcing model.

In the first two years of operations, the owner plans to adopt a cost-efficient strategy aimed at generating modest net profits while aggressively expanding market share. This approach highlights the company's commitment to building a strong market presence during its formative years, setting the stage for sustainable growth in the long term.

## **Timetable**

Now that the company is already operational under a sub-license of CIL that is valid until January 2025 (or until the new legislation is in force), 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**

In conclusion, our business plan presents a comprehensive strategy for building a successful and responsible gaming company, with a primary emphasis on regulatory compliance. A key component of this plan is obtaining a gaming license through the Curaçao Gaming Control Board, a vital step in ensuring that our operations meet the highest legal and regulatory standards. Securing this license is essential for positioning the company as a credible and compliant entity within the gaming industry.

By following Curaçao's strict licensing procedures and maintaining full compliance with its gaming regulations, we are laying a solid foundation of transparency and integrity, which is critical for long-term success. This license will not only validate our platform but also provide assurance to players, partners, and stakeholders that we operate in a highly regulated and secure environment.

Our overall strategy—encompassing product localization, data-driven marketing, and collaborations with leading content providers—is designed to work in tandem with our compliance efforts. By combining operational excellence with regulatory adherence, we aim to create a gaming platform that is not only innovative but also safe and fair. This holistic approach guarantees that we meet market demands while upholding the highest standards of responsible gaming and player protection.

Moving forward, the successful acquisition of the Curaçao gaming license will be a cornerstone of our business. It will allow us to build a brand that is trusted for its dedication to compliance, integrity, and delivering an exceptional customer experience.