

BUSINESS PLAN

For operators of games of chance
under license 365/JAZ

GLADIA N.V

Business Plan Version: 1.0

Contents

Contents

Our Mission	3
Company and Management	3
Our Services.....	3
Our Competitive Advantage	5
Financial Considerations.....	6
Timetable	7
Conclusions.....	7

Our Mission

The purpose of Gladia N.V (hereinafter referred to as the “Company”) is to provide to our clients with a wide range of exciting, entertaining, and rewarding online casino and sportsbook options that help them enjoy the thrill and challenge of sports, games, and have fun while making informed and strategic decisions. Our mission is to become the leading provider of betting products in the region, offering a wide range of sports, games, and events to suit every taste and preference. We are committed to using only the finest technology and latest software, and to providing exceptional customer service, with knowledgeable and friendly staff who can help clients understand their options and make the best choices for their needs. To accommodate our goals the Company is planning to use the platform of the Softamber Limited (UK), which is an experienced software development provider, operating in countries all over the world.

Company and Management

Since the company is a new and will be acting as a start-up, the company’s management team will have limited personnel, which will hold Managerial positions at the Company.

The Owner of the company is Mr Frederik Franx who intends to apply to the Gaming Curacao for a sublicense.

The main source of investments will be from Shareholder – Mr. Frederik Franx, who has shown as a successful uncommon entrepreneur and already has huge experience in payments and gambling industries which will allow him to hold a position as a Director of the Company and CFO

Initial investments planned for USD 75 000 to set-up and start operating.

Our Services

Over the past half-decade, the Global Casinos and Online Gambling industry has witnessed a significant transformation in its key markets.

At the outset, the Company aimed to tap into the LATAM market, with a particular focus on **Ecuador**.

While this presents an attractive opportunity for operators and bookmakers to reach a diverse audience, entering the online gambling sector can be daunting due to the dynamic legal environment. In this discussion, we will delve into the present state of the South American online gambling market, its emerging patterns, possible prospects, challenges, and delve into the intricate legal landscape surrounding iGaming in the region.

Latin America has long captured the attention of the global online gambling community. Despite obstacles like inconsistent jurisdictional regulations and payment processing issues, industry experts foresee this region emerging as a significant player in the field.

Several factors underline why The Company is poised to enter this market:

The Online Games market in Ecuador is expected to generate a revenue of US\$25.48m by 2025.

This revenue is projected to experience an annual growth rate (CAGR 2024-2027) of 6.58%, resulting in a market volume of US\$30.85m by 2027.

Furthermore, the number of users in the Online Games market is estimated to reach 2.3m users by 2027.

The user penetration rate, which is currently at 11.7% in 2024, is expected to increase to 12.1% by 2027.

In comparison to other countries, in China is anticipated to generate the highest revenue in the Online Games market, reaching US\$6,532.00m in 2024.

Lastly, the average revenue per user (ARPU) in the Online Games market is projected to be US\$11.80 in 2024.

Ecuador's online gaming market is experiencing a surge in popularity as more local gamers embrace virtual reality technology. Growing middle class: The rapid expansion of the middle class in Latin America means more disposable income for leisure activities, including online gambling.

High mobile adoption: With over 70% smartphone penetration, mobile gaming holds significant potential as a popular form of entertainment.

Sports betting fervor: Sports betting holds immense popularity in Latin America, often rivaling or surpassing interest in traditional casinos. The region's passion for sports fuels demand for sports betting services, driven by the desire to support favorite teams.

Cultural affinity: Gambling has been deeply ingrained in the cultural fabric of Latin America for centuries, with activities like lotteries, bingo, and horse race betting forming integral parts of daily life in many countries. This enduring cultural connection to gambling fosters a loyal customer base over generations.

Gladia N.V. is planning to offer a new place where the customers alienated from their home country could enjoy spending their time.

We plan to offer not only sport book on the website, but casino games included. Being based on the platform, this allows us to quickly integrate the required providers and their games.

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:

thsd USD	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	3 354	10 547	21 806	42 925	77 264
Casino	3 354	7 110	14 932	29 864	53 755
Sport		3 437	6 874	13 061	23 509
COS	1 677	5 327	10 903	20 818	36 314
Royalties	805	2 479	5 015	9 658	16 998
Bonuses and promotions	436	1 371	2 835	5 151	8 499
Other direct expenses	436	1 477	3 053	6 009	10 817
Gross Profit	1 677	5 220	10 903	22 107	40 950
Operating Expenses	1 542	4 851	9 921	18 028	31 679
Administrative Expenses	503	1 529	3 162	6 009	10 817
Marketing Expenses	771	2 531	5 015	9 014	15 453
Other Expenses	268	791	1 744	3 005	5 409
Net Profit	135	369	982	4 079	9 271

The calculations include both Casino GGR and Sportbook GGR, as shown on the above Financial table. The revenue predictions for Casino GGR from year to year are expected to be higher than the Sportsbook operations as demonstrated for each year. The expected income growth from casino will slightly reduce the percentage of royalties on casino providers every consecutive year.

Marketing costs are expected at average 22% of GGR and bonuses and promotions – 12%. Other direct expenses mostly consist of commission fees to PSPs paid by the Company instead of the players. Administrative costs assumed to grow from year to year as it will reflect the number of new employees joining and potential plans to start development of own software on 4-5 years perspective. For the first 2 years, the owner plans to direct almost all net profit on marketing to maximize growth of its market share

Timetable

After obtaining of the license, we plan to start having the first clients within one to two weeks period. One of the first steps will be the inclusion of the license validator in the footer of the website. Meanwhile we will have to commence our marketing campaign in order to communicate to the new players on the market.

Conclusions

Our gambling industry vision is to create and nurture an online casino business that will not only compete well with other leading online casino businesses but will also become a key rival to top gambling businesses all over the world. We want to establish our online casino business model as the number one online casino brand in the entire business.

To achieve the goal we create a motivated and enthusiastic team with strong believe in what to do to be success.