

BUSINESS PLAN
For operators of games of chance
under license 365/JAZ

LEONTODO N.V.
Business Plan Version: 1.0

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Our Mission

The purpose of Leontodo 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 100 000 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 **Brazil**.

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:

Customer preferences: Brazilian customers have shown a growing interest in online gambling, as it offers convenience and accessibility. With the proliferation of smartphones and improved internet connectivity, more Brazilians are accessing online gambling platforms from the comfort of their homes. Additionally, the wide variety of games and betting options available online cater to different customer preferences, making it an attractive option for entertainment.

Trends in the market: One of the key trends in the Brazilian online gambling market is the increasing popularity of sports betting. Brazilians are known for their passion for football, and this translates into a high demand for sports betting. Online gambling platforms have capitalized on this trend by offering a wide range of sports betting options, including popular football leagues and tournaments. This has attracted a large number of customers and contributed to the growth of the market. Another trend in the market is the emergence of online casinos. While sports betting remains the dominant segment, online casinos are gaining traction among Brazilian customers. These platforms offer a variety of casino games, such as slots, poker, and roulette, providing a diverse and engaging gambling experience. The convenience of playing these games online, without the need to visit a physical casino, has made online casinos an appealing option for many Brazilians.

Local special circumstances: The legalization of online gambling in Brazil has had a significant impact on the market. Previously, online gambling was largely unregulated, leading to a proliferation of illegal gambling sites. However, the Brazilian government recognized the potential tax revenue and consumer protection benefits of legalizing and regulating the industry. As a result, the government passed legislation allowing online gambling operators to obtain licenses and operate legally in the country. This has created a more secure and transparent

environment for customers, boosting their confidence in online gambling platforms.

Underlying macroeconomic factors: Brazil's growing middle class and increasing internet penetration have played a crucial role in the development of the online gambling market. As more Brazilians gain access to the internet and disposable income, they are seeking new forms of entertainment and leisure activities. Online gambling provides an attractive option for entertainment, offering the possibility of winning money while enjoying various games and betting options. The growing middle class and increasing internet penetration have therefore created a favorable market environment for the growth of online gambling in Brazil. In conclusion, the Online Gambling market in Brazil is experiencing significant growth due to customer preferences for convenience and accessibility, the emergence of sports betting and online casinos, the legalization and regulation of the industry, and underlying macroeconomic factors such as the growing middle class and increasing internet penetration. These factors have contributed to the development of a thriving online gambling market in Brazil.

Our 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.

