



Business Plan

May 2022

EVOLUT



Executive summary.....	2
Strategy.....	3
Gambling markets review	3
COVID-19 Impact Insights	5
Gaming Type Insights	6
Regional Insights	7
Promotion Strategy:	8
Player Profile	9
Software.....	10
Requirements and Design Considerations	10
System Architecture	11
Transaction processing schema	12
Data Design	12
Infrastructure Architecture	12
User Interface Design	12
The purpose of obtaining the gaming license.....	13
Management & Operation structure	14
Structure	0
Financial projections	1
First Year	1
Financial plan 2022-2027	2

Executive summary

Elena Bolshakova has been involved with the gambling industry for decades. She started her career from a basic position in a Moscow slot-hall and rose to senior positions in the management of the regional gaming business and entire gambling brands. Her experience has allowed her to learn all aspects of the gambling business, to establish close connections with software providers and providers of modern and effective customer acquisition methods.

After years of developing gambling brands through all the world, she has decided to create her own e-gaming brand based on the Curacao gaming license.

The Curacao license was chosen as the starting point for the brand development because of gambling reputation of Curacao (customer's loyalty to the Curacao based companies) and many other advantages, including the main ones:

- Gambling licenses have been issued on the island since 2002, as a result, Curacao can be considered one of the best and most trusted licensors.
- No division of gambling into species and classes.
- License confirmation can be obtained online and posted on the site.
- Curacao requires that each player follows certain rules and is notified in advance of the dangers of gambling (responsible gaming).

To implement the project, a team of professionals with extensive experience in managing the gambling business has been formed.

Our vision of starting EVOLUT is to build a world-class e-gaming brand that can favorably compete with leading e-gaming brands all across the globe.

Our mission for establishing EVOLUT is to contribute our quota in promoting e-gaming activities, and also to make profits from the industry; we want to become the leading e-gaming brand in Southeast Asia and EU.

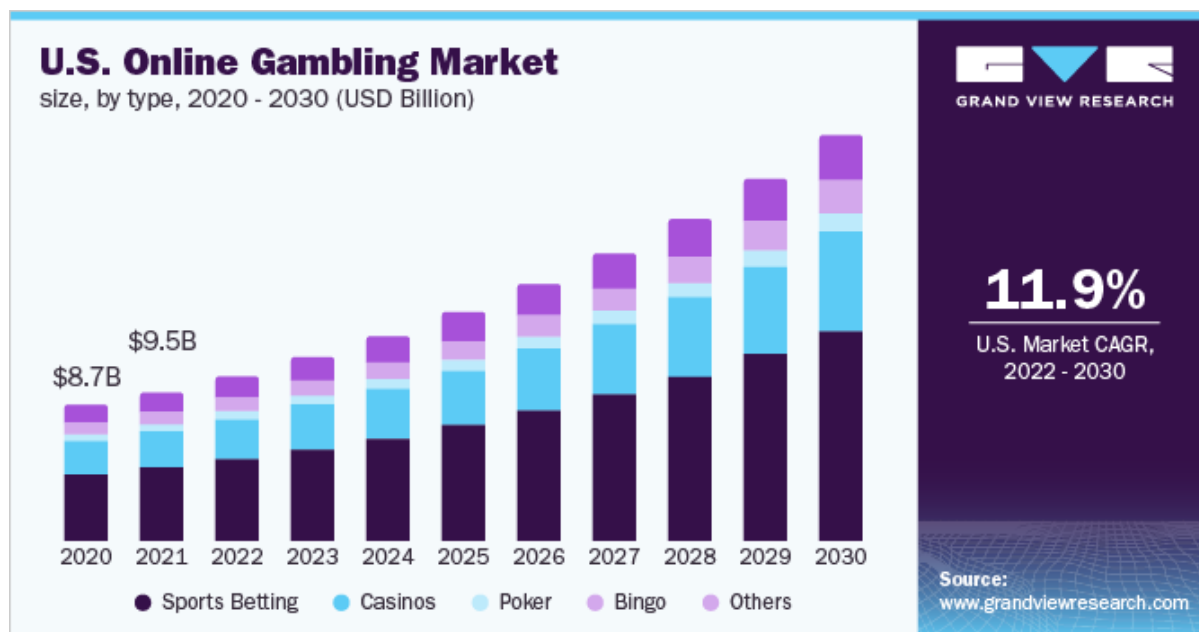
Our team is well aware of the peculiarities of this region and EVOLUT introduction should encounter little resistance.

Financial analyses show that the company will have both a positive cash flow and profit in the first year.

Strategy

Gambling markets review

The global online gambling market size was valued at USD 57.54 billion in 2021 and is expected to expand at a compound annual growth rate of 11.7% from 2022 to 2030. The increasing use of mobile phones among users for playing online games in public places as well as in their homes, in addition to rising internet penetration, is boosting the market. Furthermore, aspects such as cultural and legal approval, easy access to gambling online, celebrity endorsements, and corporate sponsorships are also propelling the market growth. The market is likely to further expand owing to the availability of cost-effective mobile applications worldwide.



The internet is becoming a universal means of communication and facilitates merchants to provide their offerings in the digital marketplace. Due to increasing smartphone market and internet penetration report, the consumption of services on virtual platforms has increased. For instance, the Southeastern Asia region has experienced an internet growth of more than 93% from 2000 to 2021, providing various business opportunities. Moreover, factors like the increasing number of online gambling applications, online betting offers, and a growth in consumers' disposable income are likely to encourage market expansion.

Trends also suggest that the consumption of services in the global virtual market has risen by 28% annually since the last decade. With the surging use of the internet, the growth rate of online casinos has gone up significantly.



Gambling has been legalized by various countries globally owing to employment opportunities and more tax revenue for local and state governments.

The increasing use of the internet, gambling legalization, significant corporate sponsorships in online gambling, cultural approval, celebrity endorsements, and the growing number of live casinos across the globe are the key factors EVOLUT online casino and betting platform to flourish.



COVID-19 Impact Insights

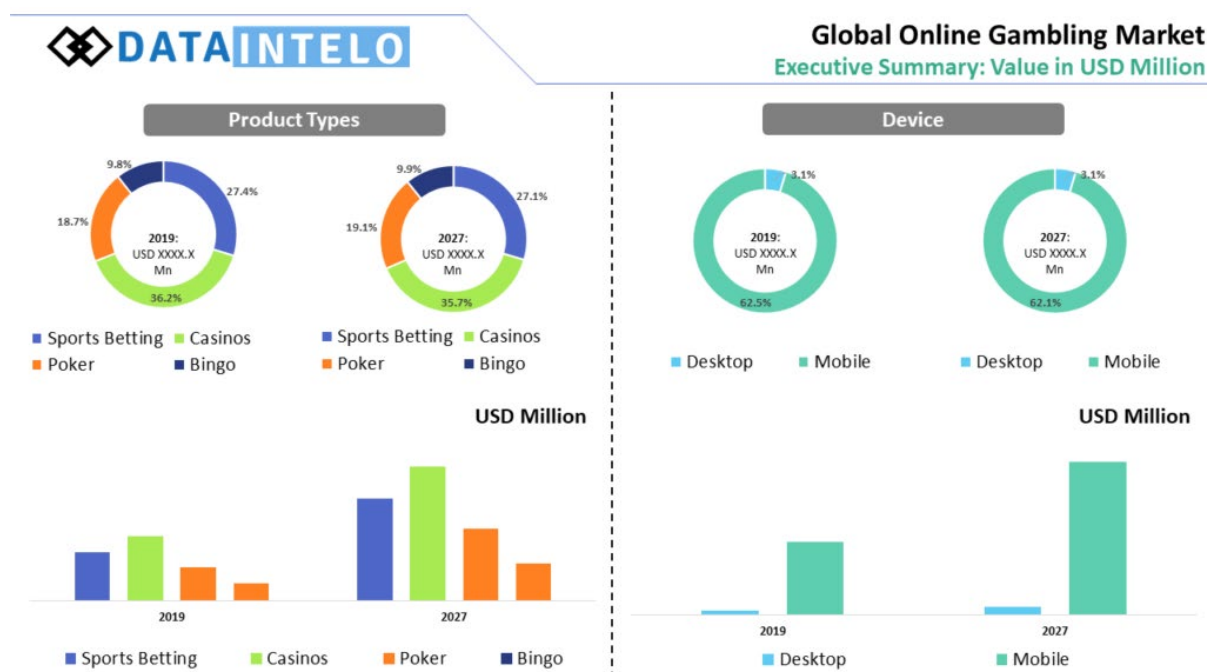
The COVID-19 pandemic challenged the growth of the market. The lockdown and social distancing regulations imposed by the various countries and governments have affected land-based casino operations.

Multiple gambling market participants shifted towards online gambling due to the lockdown. Attributing to more free time and boredom, significant amount of people turned towards online gambling. By also due to the cancellation and postponement of major sports events, the gambling activities on online platforms has also decreased.

However, post COVID-19, the industry is experiencing a surge in online gambling due to ease in lockdown restrictions and resumption of live sports events worldwide.

Gaming Type Insights

The market is segmented into casinos, sports betting, bingo, poker, and others, with the sports betting segment, dominating the market with a revenue share of approximately 50% in 2021. The rising popularity of sports betting on sports such as football, and casino, coupled with increased internet penetration, has fueled the market growth in Europe and Asia. The collaboration between third-party software suppliers and private firms to provide user-friendly UI gaming solutions has resulted in a market expansion.



EVOLUT is willing to invade the market of sports betting and casinos with the plan to cover more than 15% of market demands.

Regional Insights

Europe dominated the market in 2021 with market size of USD 23.63 billion. The development can be explained by the legalization of gambling in various European countries, including Italy, Malta, France, Spain, and Germany. Other drivers for the market growth include the availability of high-speed internet, the rising popularity of online casinos, and the rising use of smartphones. Furthermore, the Gambling Act 2005 imposed by the UKGC (U.K. Gambling Commission) has enabled companies to promote their gambling websites, which also assists in expanding the market in the region.



However, the increased use of internet services and modification of restrictions related to online gambling and betting is anticipated to promote the development of the market in the Asia Pacific region over the forecast period. The region is expected to grow with approximately 13% CAGR over the forecast period. Countries like India and China are emerging into the market due to technological advancements in the gaming industry, high-speed networks, and affordable and easy access to internet data.

The gambling audience is increasing across the world, especially in the emerging markets of Latin America, the Middle East & Africa, and Southeast Asia, mainly due to urbanization and development of IT infrastructure.



China, the United States, Brazil, and South Korea are expected to have the largest number of e-sports enthusiasts in 2022, thus posing an enormous opportunity for the e-sports sub-segment in online betting.

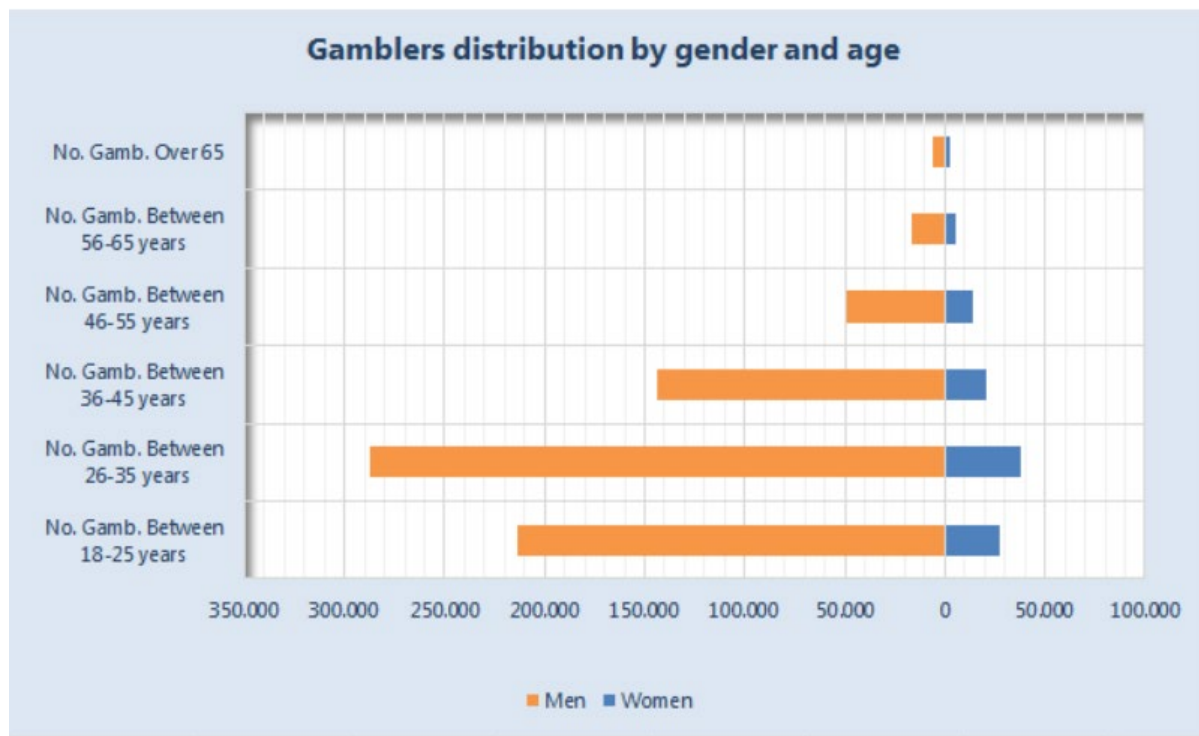
Nevertheless, EVOLUT in 2022 is targeting two global markets of Southeast Asia and Europe as these markets are showing both significant growth results and mild legislation policies in most countries in the region which will help EVOLUT to avoid unnecessary risks like clashing with major players on the highly regulated markets like Northern America.

Promotion Strategy:

EVOLUT is planning to attract a large number of users via social media and online promotion and advertisements on Facebook, Twitter, Google+, and local social networking sites to promote our offerings and spread awareness regarding new launches. The main instrument in this approach will be our website with additional promotional landing pages.

Player Profile

Distribution by age and gender Demographic analysis (according to European figures) of active players reveals that there are more men than women players (men make up 87% of the players) and that most of the players (88%) are younger than 46 years old. The most representative age profile for both men and women players is the one between 26 and 35 years (representing 39.4% of the total).



Men make up 87% of the total number of players and the average stake played is 8,165 euros. The number of women is lower and they have a lower average stake total of 5,128 euros. Combining these two variables: the number of players and average player participation means the share of total share for men is 91.4%, compared to 8.6% for women. Men have a greater weight in the number of players in all segments. In Betting, Casino, and Poker the number of men is eight times the number of women and the average stake is higher.

That's why EVOLUT is planning to target mostly men between the age of 18-35 as the core target audience around the globe. The exact share of age and gender will be specified upon the test periods in each country individually.



Software

EVOLUT is planning to enter into sublicense agreement with MIRAX as the main distributor of licensed games and software.

As additional distributors we are going to engage ALEA, WESTHART, SMARTSOFT.

Requirements and Design Considerations

EVOLUT system automates common business operations of client management, balance operations, and e-gaming. Each operation block function is implemented in a separate module or service.

The client follows the e-gaming process:

1. Registration of a new user
2. Authorization
3. Top up deposit
4. Make bets and get e-gaming results
5. Withdraw money from account

To manage e-gaming processes it has an Administration area that includes tools for managing users, money transaction information, and gaming transactions.

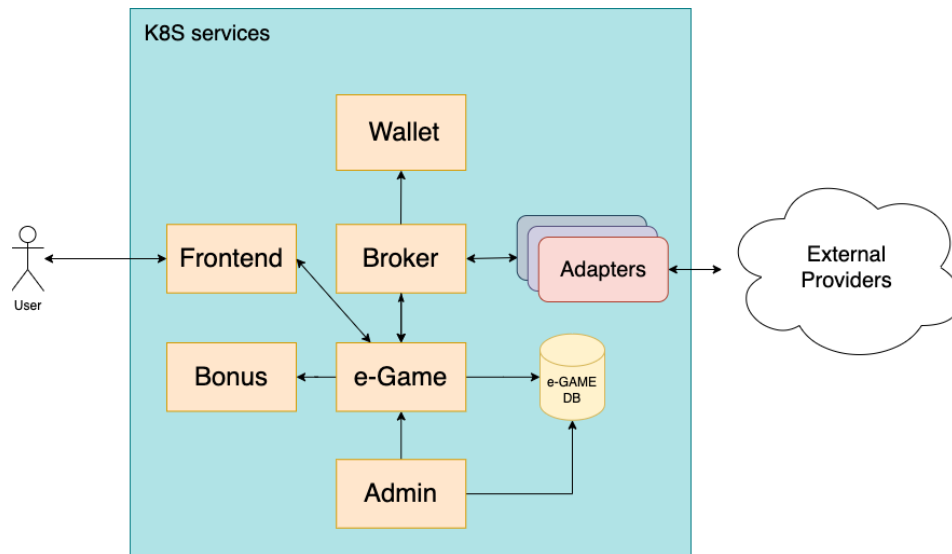
Software can be integrated with external gaming providers. Gaming partners can integrate different e-gaming segments such as poker, bingo, sports betting, casinos, and others. System show partner games in a window that is integrated into the user interface. Because of that clients believe e-gaming services are a part of EVOLUT website.

The system can serve over 5000 users simultaneously. Data storage allows storing transaction history for more than 5 years.

The security level of each component denies all unauthorized requests and users can get only permitted data.

System Architecture

The following schema shows the connected services of EVOLUT. Each service implemented in Java 17 in the Kubernetes cluster. K8S service allows to scale automatically each service if it will be necessary.



Wallet service - store account balance information and transaction history.

Broker service - register providers' information (spin) and linked transactions.

Frontend service – shows the user interface of e-games in the interface of EVOLUT.

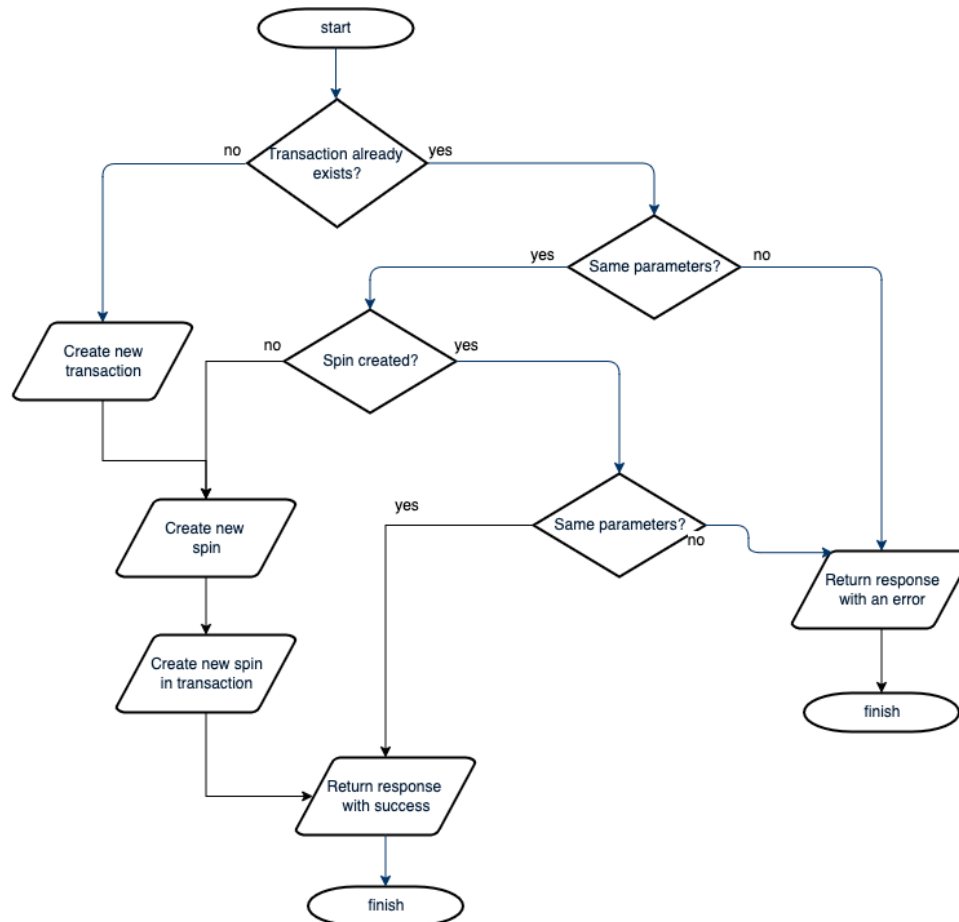
Adapters – make API requests to External Providers in the way they expect it.

e-Game service – contains the main logic of the application, which managed by the Admin service.

Bonus service – store bonus information, validate bonuses.

Admin service – manage system configuration, allow to change the configuration.

Transaction processing schema



Data Design

Data objects contain numerous fields. Primary and Foreign keys used to link information between objects. The domain-driven architecture allows the group of objects in each service.

Infrastructure Architecture

Kubernetes cluster based on 2 servers powerful enough to perform expected load. Providers and user packages are also pass DDOS filter and balancer before reaching kubernetes.

User Interface Design

UI created in figma.com service and rendered in the dynamic interface based on the Vue.js framework. Single-page applications allow the service to work offline for a short time even if the connection is lost.



The purpose of obtaining the gaming license

Our vision of starting EVOLUT is to build a world-class e-gaming brand that can favorably compete with leading e-gaming brands all across the globe.

Our mission for establishing EVOLUT is to contribute our quota in promoting e-gaming activities, and also to make profits from the industry; we want to become the leading e-gaming brand in Southeast Asia and EU.

The Curacao license was chosen as the starting point for the brand development because of gambling reputation of Curacao (customer's loyalty to the Curacao based companies) and many other advantages:

- Gambling licenses have been issued on the island since 2002, as a result, Curacao can be considered one of the best and most trusted licensors.
- No division of gambling into species and classes.
- Short term for obtaining a license.
- License confirmation can be obtained online and posted on the site.
- Curacao requires that each player follows certain rules and is notified in advance of the dangers of gambling (responsible gaming).
- Affordable license cost.
- Payment solutions — all major payment systems including cryptocurrency solutions.
- Low taxes.

Management & Operation structure

UBO

Elena Bolshakova

Started her career from a basic position in a Moscow slot-hall Vulkan (Ritzio Entertainment Group's gaming brand in Russia till 2009).

Gradually, thanks to her hard work, Elena became an important member of the Ritzio team in Russia, and after 2000, when she moved to Cyprus, she acquired new experience with Ritzio International (EU gambling brands VULKAN, Fortuna Palace, Million) as regional coordinator/head of business department in EU.

In 2020, Elena was invited as a lead consultant to the 4H Agency LTD, a team of international experts

supporting the growth of gambling business community.

Elena has extensive experience in the development of international gambling business and direct management of companies.

In the initial period of the project, Elena will directly manage the business development.

Key team members

Aleksei Samusikov – Chief Operating Officer

Aleksei has vast experience in business analysis and management of companies, including start-ups in the IT and gambling industries.

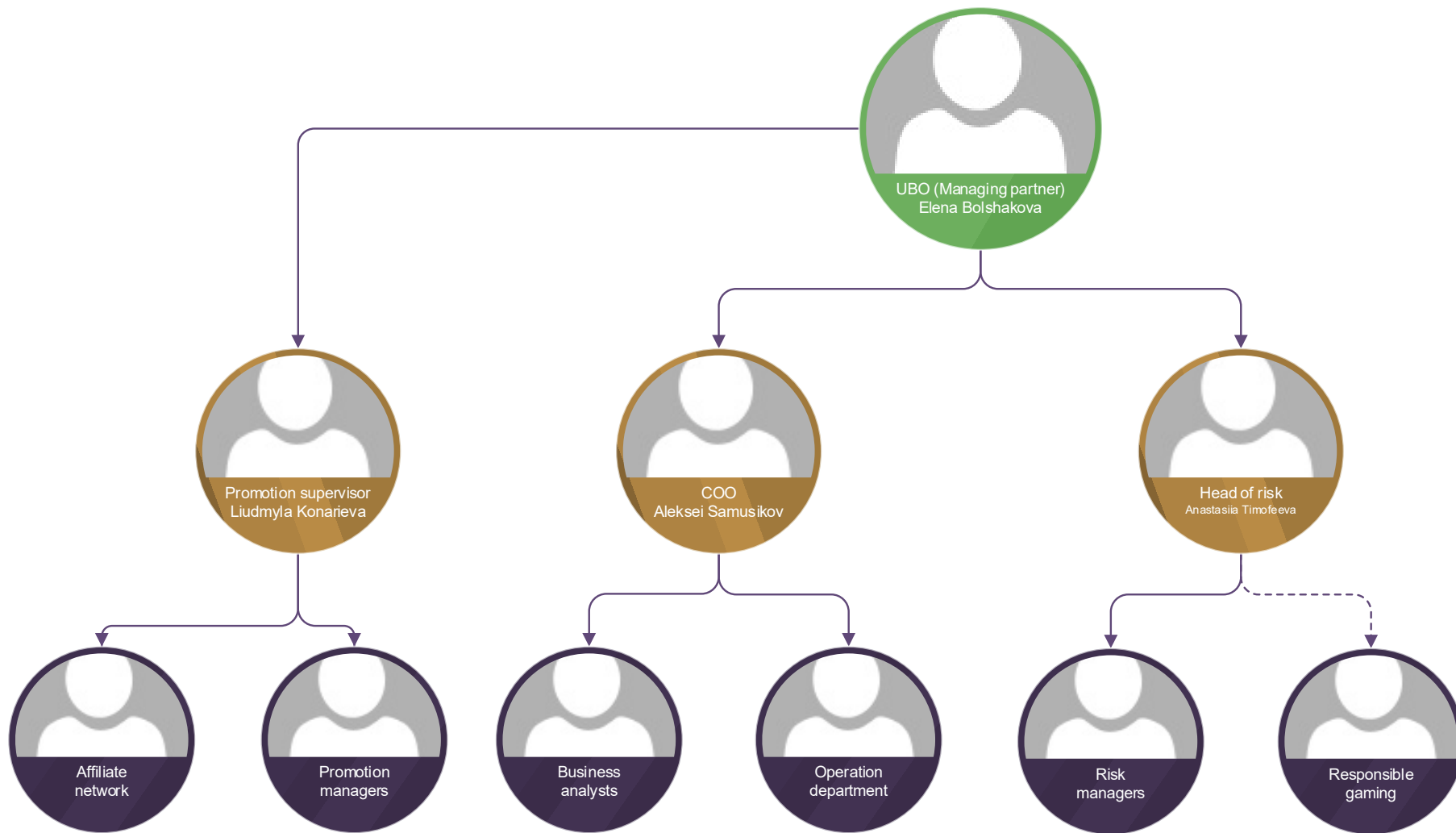
Anastasiia Timofeeva – Head of risk

Anastasia previously worked with Elena in RITZIO group projects and has proved herself as an excellent risk analyst.

Liudmyla Konarieva – Promotion supervisor

Lyudmila's experience in promoting gambling sites and attracting players will provide the project with a quick start and fulfill the immediate goals of the business plan.

Structure





Financial projections

First Year

2022/2023	Monthly revenues (EUR)	Monthly expenses (EUR)	Profit/Loss () (EUR)
Month 1	50 000	100 000	(50 000)
Month 2	75 000	30 000	45 000
Month 3	85 000	80 000	5 000
Month 4	70 000	20 000	50 000
Month 5	80 000	20 000	60 000
Month 6	150 000	100 000	50 000
Month 7	125 000	30 000	95 000
Month 8	100 000	20 000	80 000
Month 9	100 000	20 000	80 000
Month 10	150 000	100 000	50 000
Month 11	175 000	20 000	155 000
Month 12	150 000	30 000	120 000
Total Year 2022/2023	1 310 000	570 000	740 000



Financial plan 2022-2027

	Monthly revenues (EUR)	Monthly expenses (EUR)	Profit/Loss () (EUR)
Total Year 2022/2023	1 310 000	570 000	740 000
Total Year 2023/2024	2 855 000	740 000	2 115 000
Total Year 2024/2025	5 587 000	2 115 000	3 472 000
Total Year 2025/2026	7 515 950	3 300 000	4 215 950
Total Year 2026/2027	9 722 330	4 100 000	5 622 330
Total 5 Years	26 990 280	10 825 000	16 165 280