



Business Plan

October 2023

WildWinz.com

Executive summary

The founder and his team, relying on their previous extensive experience in iGaming, marketing and business operations, are going to launch a new engaging online casino project - WildWinz. Our project will provide players with an extensive portfolio of games, including slots and table games, seamless payment methods, and a secure environment. Our strategy revolves around providing a superior gaming experience, high-quality content and a user-friendly interface, leveraging Softgamings business expertise, as our online casino software provider.

We plan to focus our operations primarily on Latin America countries and Brazil in particular, given its size and potential for online gaming growth.

At present, our primary objective is to secure a Curacao gaming license, ensuring legal compliance and player trust. Our next step is the launch the first iteration of our website, which will pave the way for subsequent phases of our business rollout.

Business model

Monetization Strategy

Our primary revenue streams will be derived from player participation in our online casino games via making deposits to later be used as bets in games available on WildWinz.

Marketing and Promotion

Effective marketing and promotion are crucial for acquiring and retaining players in the highly competitive online casino industry:

- Player Acquisition - online advertising campaigns, including SEO, social media advertising, and display ads as well as affiliate networks to attract new players.
- Player Retention - comprehensive loyalty program that rewards players for their activity with regular promotions, bonuses and free spins and ultimately encourages them to return.

Partnerships

Collaboration with key partners in the online casino industry will be instrumental to our success:

- Software and game providers
- Affiliate Marketing Networks
- Payment Processors

We have partnered with Softgamings (<https://www.softgamings.com/>) as our key software provider, that also offers all top game providers and payment methods under a single integration.

Costs outline

To ensure profitability, it's essential to manage our costs effectively. There are three major cost groups we consider within our budget:

- Operational (expenses related to technology infrastructure; staffing costs, including salaries for customer support, marketing, and development teams)
- Marketing (budget for marketing campaigns, online advertising, and affiliate commissions; brand awareness, promotional offers and loyalty programs rewards budgets)
- Regulatory (budget for obtaining and maintaining necessary licenses and compliance with gambling regulations).

Product and services

WildWinz will be a state-of-the-art online casino offering a wide range of games, including slots and table games, with exceptional graphics and captivating gameplay to cater to the diverse preferences of players within Latin America region.

User experience

We aim to gain competitive edge through delivering an exceptional user experience to our players, including but not limited to:

- Intuitive Interface - easy-to-navigate website for seamless gameplay on all devices.
- Mobile Compatibility - full mobile optimization to ensure that players can enjoy our games on smartphones and tablets, whether iOS or Android.
- Gamification - incorporation of gamification elements, such as loyalty programs, achievements, and leaderboards, to enhance player engagement and retention.

Further, we are committed to providing top-notch customer support to assist players with their inquiries and concerns through multiple support channels:

- 24/7 customer support through various channels, including live chat and email.
- Comprehensive FAQ sections to address common player queries.
- Prompt response times to ensure that players receive assistance when they need it most.
- A well-trained support team with expertise in casino operations and player inquiries.

Technology and software

We will partner with Softgamings as our software provider to leverage their more than a decade of professional experience in assisting of creation online casino businesses worldwide. Softgamings platform offers a comprehensive suite of features, including integration with leading game providers, connection to the most secure payment systems, and a robust backend system for seamless operations.

Softgaming's gambling software package also includes powerful tools for monitoring and management of players' activities including segmentation tools, advanced reporting, payment and security. In addition, it also offers key statistics on every player, customizable loyalty and bonus systems, insightful analytics with transaction and business reports.

Key software casino features:

- Complex platform with user-friendly controls
- Multi-currency and multi-language solutions
- 10,000+ games from top-tier providers
- Quality design and technical support
- Tailor-made payment system
- Affiliate and CRM systems

Responsible gambling

We are committed to provide players with the information and tools that can help them gamble safely and responsibly as well as comply with the regulations The Curaçao Gaming Control Board set forth.

Our self-exclusion options will allow player to stop playing completely for a certain period and will be provided through the website's interface:

- Temporary – limited in time; the user can set a specific period for exclusion;
- Permanent – unlimited in time until further notice from the user.

We also provide the following options from the company's side:

- Temporary – limited in time, the website admins can exclude the user for a temporary period, either after the user's inquiry or based on their latest activity.
- Permanent – initiated by website admins and is unlimited in time until further notice.

Our players will also have an ability to disable or suspend marketing communication for certain period of time. During this period, they will not receive any promotional materials or other types of incentive to play.

We also plan to introduce reality check tool that gives players information about their gambling session:

- How much time has passed since you started playing;
- How much money you have won or lost since you started playing.

We also consider offering the option to limit how much our players can lose during a selected period of time (loss limits) and other types of limits, such as wagering and session-length.

Management & Operation structure

UBO, CEO | Andrii Pozdniakov

The founder of the project is Andrii Pozdniakov whose extensive background spans of more than 15 years of running and development online gaming and entertainment businesses. He started as a manager in one of Europe's largest gaming and entertainment venues operators and then proved himself as an entrepreneur by establishing and successfully growing a chain of video lottery terminals in Kyiv, Ukraine. As a private consultant for established bookmaking and online casino operators, Andrii demonstrated expertise in elevating player experiences and optimizing client services. Andrii's profound understanding of player dynamics, bonusing and loyalty management, coupled with his entrepreneurial acumen will provide a reliable background for WildWinz's success.

Head of Acquisition & Marketing | Yuriy Yurchenko

<https://www.linkedin.com/in/yuriy-yurchenko-445386138/>

Yuriy Yurchenko possesses over 6 years of diverse experience in user acquisition, marketing, investment banking, and consulting. Yuriy is currently engaged as a business consultant to identify growth opportunities, execute product and marketing improvements for a few iGaming projects targeting diverse markets. Previously as the Head of Marketing for AlphaNovel (<https://alphanovel.io/>) created by Ukraine's largest venture builder SKELAR (<https://www.skelar.tech/en/>), he significantly improved user acquisition performance and contributed to a notable increase in ROI and the overall project's growth. With a strong strategic mindset and a proven track record of driving revenue and profit growth, Yuri is expected to make a significant impact on business development.

Head of Operations | Maksym Kamina

<https://www.linkedin.com/in/kamina-max/>

Maksym Kamina will oversee our business operations to run smoothly. He is a seasoned executive with a proven track record of than 10 years in leadership roles, including Chief Product Officer, Chief Technology Officer, and Chief Information Officer across iGaming, software development, microfinance & payment businesses. Maksym's expertise in strategic planning, budget and IT system management as well as automation of business processes will be a valuable contribution to the effective management and development of WildWinz.

Market analysis and user acquisition strategy

WildWinz will be targeting one of the fastest growing and most promising online gambling regions - Latin America. The region has positioned itself as a thriving territory in the industry, with a 640m population and a growing economy.

Among the countries with the most developed iGaming industry on the continent, we highlight Brazil, Argentina, Chile, and Peru with millions of players gamble online daily. We consider operations in those LatAm countries, where Curacao license is applicable for running online casino operations.

During his private consultancy practice Andrii Pozdniakov advised a client with online casino operations in Brazil that allowed him to gain some insights on user acquisition, retention strategies and type of games preferred by locals. Additionally, Yuri Yurchenko as CMO for global literacy marketplace, established relations with a wide range of marketing agencies operating across various domains worldwide and extensive exposure to LatAm market. The further market analysis and strategy relies, in many aspects, on their previous experience.

Macroeconomic view

Brazil is the largest and most populous country in Latin America, with a total area of 3m square miles and a population of more than 215 million people (it is the fifth-largest country in the world in terms of size and population). This favorable landscape is shaped by a combination of demographic, social, and economic terms - thus, we envisage Brazilian market overview for general reference of LatAm online casino market.

Table 1. Brazil - key macroeconomic indicators

\$1,609b	GDP, 2022	6.0%	Average inflation, 2018-2022
215m	Population	32.4	Median age
\$8.5k	GDP per capita, 2022	\$528	Average salary, 2022
62%	Mobile internet penetration	84%	Smartphones penetration

Market regulation

Gambling, in general, is not regulated in Brazil. In fact, since the 1940s, Brazil has been a closed market for gambling, with only state-owned lotteries and horse-race betting. However, Brazil has policies that favor the arrival of offshore iGaming companies to the country. One such policy, which is positive for the iGaming industry, lets companies that want to set up in Brazil to do so without having to physically be present in the country, as the process can be completed through power of attorney.

Current Brazilian iGaming market regulation rests on the following:

- The only legal lottery in the country is the one run by the state monopoly – Caixa
- The legalization of betting took place in 2018, however, in fact, betting has not yet been legalized (it was planned to approve the law before the start of the World Cup in Qatar, however, this has not yet been done)
- Casino games such as slots, bingo, blackjack or baccarat has been a legal grey area around foreign iGaming companies, as the Brazilian law does not regulate contracts between parties, which are not present in Brazil, such as online gambling sites and local players.

Based on the above legal collision, a user can register and play at an online casino without breaking the law:

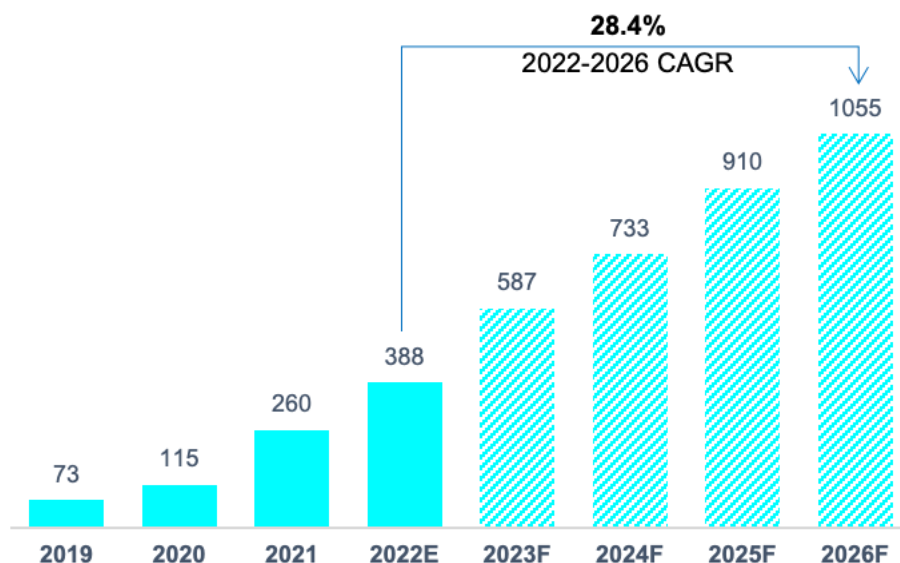
- The offense only applies to activities carried out in the physical territory of Brazil
- Therefore, when it comes to operations online, sanctions are not applied to companies without local registration.

Market size and competition

In 2022, the revenue of the iGaming industry is estimated at \$388m (growing at a CAGR of 74% since 2019), and by 2026 it is expected to reach \$1b.

Currently, Brazil presents high and positive statistics that position it as one of the largest markets in the world. In fact, in 2022, the estimation of Brazilians participating in some activity related to sports betting and online casinos was more than 46%.

Brazilian online iGaming market size (excl. betting and lotteries), USD m



The Brazilian online casino market has witnessed a surge in competition in recent years, driven by a growing interest in online gambling among the nation's diverse and dynamic population.

Nowadays, Brazilian online casino landscape is a mix of domestic and international operators vying for market share. Domestic players leverage local insights and brand recognition, while international entrants bring global experience and diverse game portfolios. To differentiate themselves, operators focus on game variety, mobile accessibility, and customer-centric approaches. Amid regulatory developments, staying attuned to evolving player preferences will be pivotal in this dynamic market.

Key players on Brazilian iGaming market



User acquisition and reactivation strategy

Based on our analysis of LatAm iGaming market, we identified the following channels where to focus our player acquisition efforts:

Affiliate marketing

Our team deduced that LatAm market substantively differs in terms of marketing approaches and ads consumption patterns from the rest of the world, reflected primarily in unique media mix (prevalence of influencer-driven traffic) and non-conventional brand promotion strategies. Thus, we have identified a number of local affiliate partners and Influencer marketing agencies based on their experience working with other casino brands in the region.

This channel offers a highly cost-efficient means of promotion for us, as we only pay for player who have made a qualifying deposit amount – we estimate most of our players will be acquired through affiliate marketing.



SEO

In our SEO strategy, we will focus on optimizing for gambling-related keywords to attract relevant traffic to our website and complement our Affiliate efforts.

Retention

Apart from third-party marketing, we envisage using own media mainly to retain and reactivate churned players. Based on our analysis of active retention channels in LatAm, we will be using the following channels to retain players:

- Email marketing
- Notification center (web-based push notifications)

Financial projections

Based on our previous business experience, we have estimated a high-level financial plan for the project.

During Year 1 we expect to invest aggressively in player base growth to reach ~€450k in monthly revenue by year end. We expect to incur costs in the first two months of operations (~€50k being covered with funds preliminary assigned by UBO to finance this project) and expect growing positive cash flow afterwards.

As our player base scales and starts paying off, we expect to end the first year with monthly profit of ~€125k and total positive net profit of ~€400k for the year. This will also allow us to further increase substantially our marketing budgets to fuel the respective growth in number of players.

During Year 3-5 we expect operations to mature maintaining marketing budgets at a steady level and leveraging boosted brand awareness to keep ever-growing CAC at bay and drive economic efficiency for the business.

Financial projections for the first year of operations

	Monthly revenue	Monthly expenses	Operating profit/(Loss)
Month 1	31,195	(77,617)	(46,422)
Month 2	54,334	(57,695)	(3,361)
Month 3	68,217	(61,080)	7,137
Month 4	73,136	(59,359)	13,777
Month 5	82,098	(66,743)	15,356
Month 6	100,363	(81,238)	19,125
Month 7	126,482	(102,744)	23,738
Month 8	160,131	(121,002)	39,129
Month 9	202,149	(151,530)	50,619
Month 10	262,907	(194,889)	68,018
Month 11	346,886	(258,192)	88,694
Month 12	461,650	(335,820)	125,830

Long-term financial projections are presented below:

Financial projections for 5 years of operations

	Year 1	Year 2	Year 3	Year 4	Year 5
Active users	27,256	143,632	175,074	188,458	188,873
FTD	27,256	138,077	160,282	171,432	171,432
Recurring	-	5,555	14,792	17,026	17,441
Deposits	€3,046,362	€19,785,831	€25,350,869	€27,625,579	€27,750,836
Withdrawals	(€1,076,814)	(€7,196,332)	(€9,306,881)	(€10,158,785)	(€10,208,888)
Revenue	€1,969,549	€12,589,499	€16,043,988	€17,466,794	€17,541,948
<i>change</i>	<i>n/a</i>	<i>539%</i>	<i>27%</i>	<i>9%</i>	<i>0%</i>
Expenses	(€1,567,910)	(€8,769,193)	(€10,046,615)	(€10,511,092)	(€10,717,816)
Marketing expenses	(€902,169)	(€5,642,761)	(€6,000,000)	(€6,000,000)	(€6,000,000)
Payment processing	(€148,775)	(€971,342)	(€1,246,707)	(€1,358,993)	(€1,365,256)
Personnel expenses	(€181,000)	(€182,700)	(€264,915)	(€384,127)	(€576,000)
License, software, legal	(€315,753)	(€1,888,425)	(€2,406,598)	(€2,620,019)	(€2,631,292)
Website development, hosting	(€11,000)	(€6,000)	(€6,000)	(€6,000)	(€6,000)
Taxes	(€9,213)	(€77,965)	(€122,395)	(€141,953)	(€139,268)
Net income	€401,639	€3,820,306	€5,997,373	€6,955,702	€6,824,132

Please see key performance indicators of the business throughout 5 years of operations in the table below.

	Year 1	Year 2	Year 3	Year 4	Year 5
ADPU	€112	€138	€145	€147	€147
ARPU	€72	€88	€92	€93	€93
Retention, y/y	n/a	20%	10%	10%	9%
Organic share	5%	14%	25%	30%	30%
CAC (blended)	€33	€41	€37	€35	€35
Gross ROI 12m	209%	150%	173%	192%	192%