

BUSINESS PLAN

COMPANY NAME: BITTECH
B.V

I. EXECUTIVE SUMMARY

Services

BITTECH B.V. is an experienced company that is designed to offer online - gaming entertainment for clients around the world.

BITTECH B.V. recognizes its risks. We are the company with experience in online gaming for a period of 3 Years. The company is working to determine trends in the industry, the needs of the customer, and how best to address the needs of the customer.

Market

We expect to compete as a thriving company in the online-gaming industry. The online- gaming market has long been one of the fastest growing markets.

Our target markets are Estonia, Latvia, Germany, Italy, Philippines, Thailand, India, South Korea and South Africa.

Southeast Asia generated game revenues of USD 4.4. billion in 2019 (growth +16 %), where 70 % of the market use mobiles (www.newzoo.com). 82 % of the Southeast Asia urban online population are gamers. Therefore we expect to reach major percentage of our prospect customers. We see South Africa and several European countries as very promising market as well, however in our opinion we will need more struggle find our market place there.

The company has a moderate start-up investment. Bittech B.V. expects to achieve profitability during the first year of beginning operations.

Company

Bittech B.V. (hereinafter referred to as Company) has been incorporated on May 25, 2020, Reg. Number of the company 153870 in Curacao.

Bittech B.V. ultimate beneficial owner is Michailidis Theodoros. Mr. Michailidis Theodoros has a long standing experience in gambling market including in position of director of business development.

II. BUSINESS DESCRIPTION

We are going to enter the international online-gaming market. We have developed an online gaming site according to the latest trends of the gaming industry. Currently, the site supports a range of languages to cater to as many customers as possible, striving to broaden the choice of languages and addressing a wider market share.

The strengths of our online casino venture is the wide choice of gaming experience. Most of the online casino websites offer only RNG-based games, but we however are going to also provide a live casino - offering experience similar to land based gaming, which is prohibited in some of our target markets. We will be offering tournaments with substantial prize funding, which, as per our observations based on previous experience, is a very high motivation for poker players among our customers.

To broaden the choice of RNG games, we are going to offer more branded slot games, which is rare among our competitors. We intend to gradually introduce new slot products as the pool of software providers grows.

Another strong factor to ensure success in the gaming industry is offering clients attractive bonus and loyalty programs. We have already developed a very competitive bonus system for our clients, however we are still seeking to improve our approach and continue to release additional benefits to players.

The protection of our clients is our top priority. Our client support is available 24/7, we have implemented a range of instruments to combat fraud, chargebacks and money-laundering from the use of our website.

III. PRODUCTS AND SERVICES

The software we use is sourced from the most popular and most reliable gaming providers known by the following trademarks – Booongo, Playson, 777, Spade Gaming, Spinomenal, Habanero, Costi, Apollo, Ezugi, Blackjack / 21, Dice.

All of them have fairness certificates issued by recognised game-labs (e.g. eCogra, GLI etc.)

As mentioned here and above BITTECH B.V. online gaming website www.888starz.bet will be offering a wide range of gaming experience and betting facilities to our clientele. The website displays games from a wide range of game providers.

Examples of Spinomenal slot games:



Examples of Playson slot games:



Examples of Habanero slot games:



The pricing of stakes has been chosen so that our products are interesting to the widest possible range of customers, like competitive and attractive bonuses to the first and second deposit.

We intend to introduce a bonus program and offer to our clients loyalty programs and a range of extra privileges, like birthday bonuses and other seasonal offers.

IV. MARKETING PLAN

The EU, South-East Asia and South Africa are some of the biggest markets in the world. The estimations indicate that there are currently over 150 mln active online gamblers globally. With over 1 bln people of population in these regions combined, we have 500 mln people minimum falling into the potential adult demographic, and at least 50 mln active users for us to target.

We see big potential in this market - and almost no competition with land-based gambling, which was devastated by COVID-19.

As far as online competition is concerned, many online casinos have a poor reputation, and thus are not perceived as reliable or safe to use. Our website www.888starz.bet will engage exclusively well-known and reliable payment systems. We are currently working to broaden the choice of payment methods, thus making the site more accessible and payments secure to our customers.

We plan to outsource most of our marketing effort. Sales and marketing services shall comprise a substantial portion of our expenditure.

V. OPERATIONAL PLAN

The Company itself is located in Curacao.

Online gaming services are generally serviced by the customers themselves. The customers process payments and use services (choose games and put stakes) on their own. Therefore, most of the Company's daily operation will be connected with sales, marketing, support and monitoring.

Much like the marketing, most of the functions necessary for everyday operation of the Company (back office, customer support, sales/marketing, IT) will be outsourced. This will release the Company's resources from recruiting employees, employee loyalty programs and other supplementary costs and risks related to hiring, HR, depreciation, office expenditure etc.

Since online gaming is not offered on credit, the Company does not have to assess creditworthiness of the clients.

Payments will be processed by payment systems, electronic money institutions and banks.

VI. MANAGEMENT & ORGANIZATION

CEO of Bittech B.V. is Michailidis Theodoros. He will manage the business activity of the company on a day-to-day basis. Michailidis Theodoros. has outstanding experience in management, AML, online gaming and IT. Starting from technical issues (as hardware – computer equipment, network equipment, office equipment), including software issues, interaction with developers, up to support of customers (formation and organization of work of support team). His specialty is AML of ficer and managing specialist.

VII. FINANCIAL PLAN

3-YEAR PROFIT AND LOSS PLAN (PROJECTED)

	Q3 Y2023, EUR	Q4 Y2023, EUR	Y2023 MON AVG, EUR	Y2023 TOTAL, EUR	Y2024 MON AVG, EUR	Y2024 TOTAL, EUR	Y2025 MON AVG, EUR	Y2025 TOTAL, EUR	Y2026 MON AVG, EUR	Y2026 TOTAL, EUR
Gross Revenue	105,000	170,000	137,500	275,000	527,500	6,330,000	700,000	8,400,000	700,000	8,400,000
Total Expenditure	96,000	158,000	127,000	254,000	505,833	6,070,000	670,000	8,040,000	670,000	8,040,000
Profit/loss	9,000	12,000	10,500	21,000	21,667	260,000	30,000	360,000	30,000	360,000

3-YEAR COST STRUCTURE (PROJECTED)

	Q3 Y2023, EUR	Q4 Y2023, EUR	Y2023 MON AVG, EUR	Y2023 TOTAL, EUR	Y2024 MON AVG, EUR	Y2024 TOTAL, EUR	Y2025 MON AVG, EUR	Y2025 TOTAL, EUR	Y2026 MON AVG, EUR	Y2026 TOTAL, EUR
GAMING REVENUE	105,000	170,000	137,500	275,000	527,500	6,330,000	700,000	8,400,000	700,000	8,400,000
Cost of sales (% Providers)	16,800	27,200	22,000	44,000	84,400	1,012,800	112,000	1,344,000	112,000	1,344,000
Other (% commission)	12,600	20,400	16,500	33,000	63,300	759,600	84,000	1,008,000	84,000	1,008,000
TOTAL COST OF SALES	29,400	47,600	38,500	77,000	147,700	1,772,400	196,000	2,352,000	196,000	2,352,000
Gross margin	75,600	122,400	99,000	198,000	379,800	4,557,600	504,000	6,048,000	504,000	6,048,000
Gross margin %	72.00%	72.00%	72.00%	72.00%	72.00%	72.00%	72.00%	72.00%	72.00%	72.00%

	Q3 Y2023, EUR	Q4 Y2023, EUR	Y2023 MON AVG, EUR	Y2023 TOTAL, EUR	Y2024 MON AVG, EUR	Y2024 TOTAL, EUR	Y2025 MON AVG, EUR	Y2025 TOTAL, EUR	Y2026 MON AVG, EUR	Y2026 TOTAL, EUR
EXPENSES, including:										
Sales and marketing expenses	44,170	73,219	58,694	117,389	237,518	2,850,222	314,363	3,772,352	314,363	3,772,352
Salaries	7,937	13,156	10,547	21,093	42,679	512,149	56,487	677,845	56,487	677,845
Depreciation	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Research and development	10,352	17,161	13,756	27,513	55,668	668,021	73,679	884,145	73,679	884,145
Utilities (hosting, domains etc)	3,106	5,148	4,127	8,254	16,701	200,406	22,104	265,244	22,104	265,244
Insurance	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rent	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Licensing	690	1,144	917	1,834	3,711	44,535	4,912	58,943	4,912	58,943
Other	345	572	459	917	1,856	22,267	2,456	29,472	2,456	29,472
TOTAL EXPENSES	66,600	110,400	88,500	177,000	358,133	4,297,600	474,000	5,688,000	474,000	5,688,000
Profit before tax and interest	9,000	12,000	10,500	21,000	21,667	260,000	30,000	360,000	30,000	360,000
Taxes	270	360	315	630	650	7,800	900	10,800	900	10,800
Net profit	8,730	11,640	10,185	20,370	21,017	252,200	29,100	349,200	29,100	349,200

VAT is not applied to igaming. The Company has no plans to have business operations in the UK. According to the UK tax legislation in this case profit tax is not applicable either.

The income projections have been made based on average start up incomes for similar online gaming operators.

Owner/Director:

A handwritten signature in blue ink, appearing to read 'Michailidis', written over a horizontal line.

Michailidis Theodoros

Date: October 10th, 2023