

Business Plan

r7.casino

Prepared by: Shareholder, Edgar Ayvazyan

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1. Overview of the Business Products and Services/Brands

Background and History

- Our iGaming project is **r7.casino**.

Our online casino platform is designed to offer a comprehensive and engaging gaming experience for users worldwide. We pride ourselves on providing a diverse range of products and services that cater to the preferences of a broad audience. Here's an overview of what our online casino entails:

Gaming Portfolio

A wide array of classic and modern casino games, including slot machines, table games (such as blackjack, poker, and roulette), and specialty games. Regular updates to introduce new and innovative games to keep users entertained and engaged. Integration of cutting-edge graphics and immersive sound effects for a realistic gaming atmosphere.

Live Dealer Games

Live streaming of real dealers conducting games like live roulette, live blackjack, and live baccarat. Enhanced interaction between players and dealers for an authentic casino experience.

Mobile Gaming

Compatibility with various devices, providing users the flexibility to play on desktops, laptops, tablets, and smartphones. A responsive and user-friendly mobile interface for seamless gaming on the go.

Bonuses and Promotions

A range of enticing bonuses, including welcome bonuses, deposit bonuses, and loyalty rewards. Regular promotions and tournaments to keep the excitement high and encourage user participation.

Security and Fair Play

Implementation of advanced security measures to ensure the safety of user data and financial transactions. Integration of certified Random Number Generators (RNGs) for fair and transparent gaming outcomes.

Payment Options

Diverse and secure payment methods for both deposits and withdrawals, including credit/debit cards, e-wallets, and cryptocurrency options.

Customer Support

24/7 customer support through various channels, including live chat, email, and phone, to address user queries promptly.

Responsible Gaming

Implementation of responsible gaming features, including deposit limits and self-exclusion options, to promote a safe and enjoyable gaming environment.

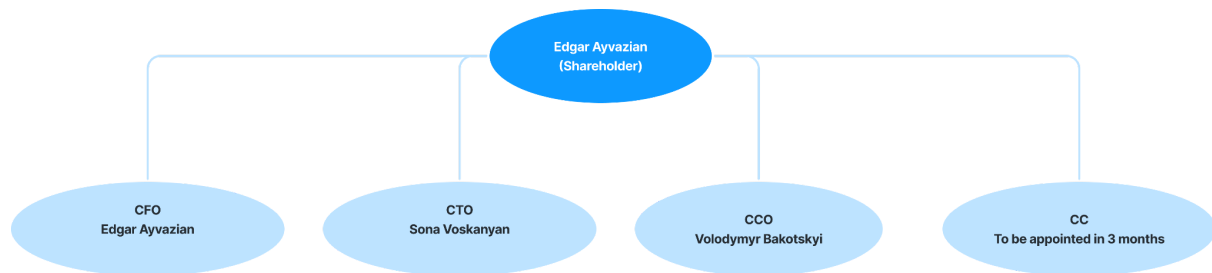
Branding and Marketing

Establishment of a strong brand identity with a memorable logo, color scheme, and consistent branding across all platforms. Strategic marketing campaigns to attract and retain a diverse player base.

In essence, our online casino is committed to providing a thrilling, secure, and responsible gaming environment, ensuring that players have an exceptional experience with each visit.

2. Company Management Structure

Management Structure Organogram



1) Chief Executive Officer (CEO): Edgar Ayvazyan

Responsibilities:

- Providing strategic leadership and direction to the Board.
- Ensuring effective communication between the Board and executive management.
- Overseeing governance and compliance matters.
- Formulating and implementing the company's overall strategy.
- Leading and managing the executive team.
- Ensuring operational excellence and financial performance.

2) Chief Financial Officer (CFO): Edgar Ayvazyan

Responsibilities:

- Managing financial planning and budgeting.
- Overseeing accounting and financial reporting.
- Assessing and managing financial risks.

3) Chief Technology Officer (CTO): Sona Voskanyan

Responsibilities:

- Leading technology strategy and innovation.

- Overseeing product development and IT infrastructure.
- Ensuring the alignment of technology with business goals.

4) **Chief Compliance Officer (CCO):** Volodymyr Bakotskiy

Responsibilities:

- Developing and implementing compliance policies and procedures.
- Monitoring and ensuring adherence to regulatory requirements.
- Providing compliance training and guidance.

Intended Process and Timelines for Unfilled Roles

Recruitment Process:

- Engage professional recruitment agencies to identify suitable candidates for key roles.
- Conduct a thorough review of resumes and applications.
- Shortlist potential candidates based on qualifications and experience.
- Conduct interviews and assessments to evaluate candidates' suitability.

Timelines:

- Initiate the recruitment process within the next 30 days.
- Aim to complete the shortlisting process within 60 days.
- Conduct final interviews and assessments within the subsequent 30 days.
- Target to finalize key appointments within the next 90 to 120 days.

Qualifications Sought:

- Seek candidates with proven experience and expertise in operations management, marketing and sales, finance and accounting,

regulatory compliance, customer relationship management, strategic planning.

- Emphasize qualities such as strategic thinking, leadership, and adaptability.

This proactive approach to recruitment reflects our commitment to securing top talent for key roles, ensuring a seamless transition into our leadership team and promoting the success of r7.casino.

3. Business Forecasts for 3 Years

We recognize the abundance of business opportunities in sectors like casinos and game centers. Being well-positioned, especially in the online space, we are confident about meeting our income targets within the initial six months of operation. Our optimism for business growth and expanding our customer base is high.

After a thorough analysis of the global online casino and online gambling industry, considering our unique position, we've formulated a sales forecast. These projections, grounded in field data and certain startup-specific assumptions, outline our expected net profit over the coming years:

- Year 1: €900,000
- Year 2: €3,000,000
- Year 3: €6,000,000

Profit and Loss / Cash Flow

Under optimal conditions, we anticipate the online casino and related gambling offerings to generate a net profit surpassing 200,000 EUR in the initial year. Consequently, our projections envision a net profit growth of over 800,000 EUR in the second year and 1,600,000 EUR in the third year.

Financial projections

	Year 1	Year 2	Year 3
UBO Investments	190,000	-	-
NGR	20 000	29,200	36,400
GGR	5 000 000	10 000 000	20 000 000
Net Profit	937,000	2,953,000	5,953,000
Expenses:			
Platform Fee	1 000 000	2,000,000	4,000,000
License Fee	63,000	47,000	47,000
Marketing	2 500 000	5,000,000	10,000,000
Total expenses	3,563,000	7,047,000	14,047,000

To launch the platform, we will utilize funding from UBO Investments, which will cover all operational and development costs for the first three months. This includes platform development, licensing, integration of payment and game providers, and initial marketing efforts. The goal during this period is to build user acquisition momentum through targeted marketing campaigns.

By the end of the third month, we project the platform will reach break-even point, allowing it to become self-sustaining moving forward. This financial model is supported by performance-based marketing strategies, user retention initiatives, and affiliate partnerships designed to generate steady revenue growth.

4. Strategic Approaches for Business Expansion and Market Dominance

Market Growth and Sustainability

r7.casino is poised for strategic growth by implementing a multifaceted approach. Our market growth plan centers on attracting and retaining a diverse user base through innovative gaming experiences. Leveraging the anticipated revenue streams outlined in the forecast, we aim to reinvest profits into continuous improvement, technology upgrades, and expansion into untapped markets.

Financial and Marketing Plans

Financially, our strategy involves judicious budgeting to ensure sustainable growth. We allocate resources for ongoing technological advancements, marketing initiatives, and user acquisition efforts. A portion of our budget is dedicated to strategic partnerships, allowing us to collaborate with renowned game developers and enhance our gaming portfolio.

Marketing plans include targeted campaigns to increase brand awareness, attract new users, and foster customer loyalty. As the user base expands, we intend to implement data-driven marketing strategies, leveraging user preferences and behavior to provide personalized gaming experiences.

Our distinctive value proposition lies in our strategic positioning, easy accessibility, and the utmost reliability of our payment platforms. Our marketing and sales strategies encompass various initiatives:

- Launching our online casino with a grand celebration.
- Online promotion of our casino and game center through our official website and across all available social media platforms.
- Conducting a marketing campaign featuring special welcome bonuses during the launch period.
- Participating in the upcoming SIGMA conference in 2024 (Dubai).

- Implementing gamification elements like leaderboards and tournaments.
- Ensuring consistent delivery of positive customer experiences, especially for first-time users.

Collaborating with branding and publicity consultants, we've devised comprehensive publicity and advertising plans to resonate with our target market. Our promotional efforts will extend across various platforms:

- Placing advertisements on electronic media platforms such as:
 - <https://casino.guru/>
 - <https://www.askgamblers.com/>
- Sponsoring relevant community-based gaming or sports events and competitions.
- Leveraging internet and social media platforms including Instagram, Facebook, Twitter, YouTube, and Telegram for brand promotion.
- Direct outreach to corporate organizations, social clubs, and sports clubs through calls to introduce our company and services.
- Advertising our online casino on our official website and implementing strategies to drive traffic.
- Sponsoring popular casino streamers on live streaming platforms such as YouTube, Kick, and Twitch.

Funding and Market Exclusions

To fuel this growth strategy, we are seeking funding to support technology investments, marketing campaigns, and international expansion. The funding will play a crucial role in achieving our ambitious goals outlined in the business forecast.

Growth and Sustainability Approach

The success of a business hinges on factors such as the number of loyal customers, the competence of employees, the investment strategy, and

the business structure. Our paramount objective at r7.casino is to establish a self-sustaining business that relies on internal cash flow without the need for external financial injections once operational. We recognize that a key method of gaining approval and attracting customers to our online casino is by offering cutting-edge games, online slots, live dealers, and ensuring robust security measures.

r7.casino is committed to laying the right foundation, establishing sound structures, and implementing effective processes to prioritize the well-being of our staff. Our corporate culture is crafted to propel our business to new heights, with a strong emphasis on continuous training and development for our workforce.

To further incentivize and retain top talent, a profit-sharing program will be extended to all management staff, contingent on their performance over a period of ten years or more. This approach aims to attract the industry's best professionals who will be dedicated to helping us realize the vision of our dream business.

Excluded Markets

While our goal is to extend our global footprint, we have identified certain markets that we will omit from our operations due to regulatory and compliance considerations. Adhering to international standards and regulations, we refrain from engaging in markets with elevated risks associated with financial crimes and money laundering, including those flagged by organizations like the Financial Action Task Force (FATF).

Furthermore, we recognize the distinctive legal and regulatory frameworks of specific countries, leading us to adopt a cautious approach. The following markets are slated for exclusion: Aruba, Austria, Bonaire, Curacao, France, Netherlands, Australia, UK, Spain, Saba, Statia, St. Martin, USA, and any other jurisdiction where gambling is deemed illegal or blacklisted in accordance with the existing license conditions of Gaming Curacao.

5. Main Suppliers and Material Reliance

During the initial phase, r7.casino will collaborate exclusively with certified top-tier gambling providers and games studios. The games will be made available through direct integration with game providers as well as through game integrators.

This diversified approach will enable (Casino Name) to offer users a diverse selection of games right from the outset, ensuring comprehensive coverage in the selected regions.

Types of Games to be Offered by r7.casino

r7.casino will generate revenue by providing a variety of casino games, including:

- Live dealers
- Slots
- Sports Betting
- Lotteries
- Table games
- Virtual sports betting

Cooperation with Game Providers

For realization of the above-mentioned games on its website r7.casino will cooperate with the following gaming providers:

- 1) 1x2 Network
- 2) Atmosfera
- 3) Ainsworth
- 4) Amatic
- 5) Authentic Gaming
- 6) Apollo

- 7) Belatra
- 8) BetConstruct
- 9) BeterLive
- 10) BetGamesTV
- 11) BetRadarVS
- 12) BetSoft
- 13) Betsolutions
- 14) BF Games/ BeeFee
- 15) BGaming
- 16) BigTime
- 17) Blueprint
- 18) Booming Games
- 19) Concept Gaming
- 20) CQ9
- 21) CT Gamings
- 22) Digitain
- 23) EDICT
- 24) Amusnet Interactive
- 25) Elk Studios
- 26) Endorphina
- 27) Evolution Gaming
- 28) EVOplay
- 29) Ezugi
- 30) Fugaso
- 31) Gamzix
- 32) Ganapati
- 33) GoldenRace
- 34) Green Jade

1X2 NETWORK 1X2 Network	ALISWORTH Alisworth	AMATIC Amatic	APOLLO GAMES Apollo Games	Asia Live Tech Asia Live Tech	AG Asia Gaming Asia Gaming	August Gaming August Gaming
Authentic Gaming Authentic Gaming	BETCONSTRUCT BetConstruct	betgames.tv Betgames.tv	betradar Betradar	BETSOFT Betsoft	BOOMING GAMES Booming Games	Booongo Booongo
CONCEPT GAMING Concept Gaming	CC9 CC9	DIGITAIN Digitain	edict Edict	ECT Interactive ECT Interactive	Endorphina Endorphina	EverBet EverBet
Evolution Gaming Evolution Gaming		ezugi Ezugi	Flow Gaming Flow Gaming	GG NETWORK GG Network	GAMEART GameArt	gamevy Gamevy
Ganapati Ganapati	genii Genii	GOLDEN RACE Golden Race	HABANERO™ Habanero	Igrosoft Igrosoft	IMAGINA play smart Imagina Gaming	iSOFTBET IsoftBet
KIRON Interactive Kiron Interactive	Leander Leander	LUCKY STREAK Lucky Streak	MEDIA LIVE Medialive Casino	Mr Slotty Mr. Slotty	Microgaming Microgaming	NETENT NetEnt
no limit No Limit City	OMI™ OMI gaming	ORIENTAL GAME Oriental Game	pariplay Pariplay	patagonia entertainment Patagonia	Pinnacle Pinnacle	platipus Platipus Gaming
PLAY'n GO Play'n GO	PLAYSON Playson	PG POKET™ GAMES SOFT Pocket Games Soft	PRAGMATIC PLAY Pragmatic Play	QUICKSPIN Quickspin	RED RAKE Red Rake Gaming	RED TIGER Red Tiger Gaming
RELAX GAMING Relax Gaming	REVOLVER Revolver Gaming	SA GAMING SA Gaming	Spadegaming™ Spade Gaming	Spigo Spigo	spinmatic Spinmatic	Spinomenal Spinomenal
tom horn Tom Horn	VIVO GAMING Vivo Gaming	WAZZAN Wazzen	WE ARE CASINO WeAreCasino	WM WorldMatch	XPG XPro Gaming	YOGGIBET Yggibet

Cooperation with Game Aggregators

In addition, we have previously reached an agreement on cooperation with SoftGaming, a game aggregator.



Cooperation with Payment Service Providers

- 1) Worldline
- 2) Paysafe
- 3) Xprizo
- 4) Khipu
- 5) Stripe
- 6) Adyen
- 7) Dwolla

8) 2Checkout



The aforementioned list comprises the initial set of payment service providers with whom we plan to initiate collaboration. Moving forward, we aspire to expand and diversify our network of partnerships.

6. Risk Assessment and Management

Acknowledging the potential challenges stemming from AML regulations, we are instituting a standardized compliance protocol for all new players. The account creation process involves a four-step registration form, encompassing essential details such as:

- country of residence,
- email,
- password,
- password confirmation,
- first name,
- last name,
- gender,
- nickname,
- date of birth,

- address,
- phone number.

This information undergoes an automated check against a restricted country list and age availability.

Upon successful account registration and email confirmation, the account undergoes a temporary suspension. During this period, players have limited access until the completion of KYC and Age verification procedures, for which we plan to engage a third-party provider such as Onfido (onfido.com).

Risk Evaluation

Risk management is a vital component of our gaming enterprise, and we recognize the significance of efficiently identifying, assessing, and managing risks. Our comprehensive risk assessment process integrates regular internal and external evaluations and audits.

Audit and Compliance Processes

Regular audits constitute an integral aspect of our risk mitigation strategy. These audits play a pivotal role in validating the efficacy of our internal controls, policies, and procedures. Concurrently, compliance processes ensure alignment with the dynamic regulatory landscape.

Our commitment to rigorous risk assessment and mitigation is deeply ingrained in our corporate culture. Through meticulous assessments, the implementation of robust internal controls, and ongoing audits, we strive to fortify our business, safeguard our players, and uphold the highest standards of integrity and compliance in the iGaming industry.

Furthermore, with an eye on the evolving regulatory landscape, we are poised to adapt and make necessary adjustments to our operations in response to upcoming regulatory changes in Curacao.

Internal Audits

Regular internal audits are conducted by our dedicated internal audit team to assess operations, ensuring compliance with internal policies and industry standards. These audits cover various aspects, including financial controls, data security, and adherence to regulatory requirements.

External Audits

Independent audit firms with expertise in the iGaming industry conduct external audits. These firms provide unbiased evaluations of our operations, financial records, and compliance with legal and regulatory standards. External audits are engaged to ensure transparency and alignment with industry best practices.

Methodologies

Our risk assessment employs established methodologies and frameworks designed to identify potential risks across various business areas. This includes quantitative and qualitative methods to ensure a thorough analysis, covering financial, operational, and compliance risks.

Risk Registers

A cornerstone of our risk mitigation efforts is the maintenance of comprehensive risk registers. These registers meticulously document identified risks, their potential impact, and the measures taken to mitigate them. Serving as a centralized repository, they facilitate the tracking and management of risks throughout the organization.

Key Risk Areas

Our risk assessment process addresses key areas specific to the iGaming industry, encompassing regulatory compliance, data security, financial stability, and adaptation to market volatility. This proactive approach helps us meet legal requirements, safeguard player data, maintain financial stability, and navigate market dynamics effectively.

Risk Mitigation Approaches

Beyond identifying risks, our unwavering commitment extends to the implementation of effective mitigation strategies aimed at reducing or eliminating these identified risks.

Internal Controls

Robust internal controls form a crucial part of our strategy to address identified risks. These controls are strategically crafted to preempt, identify, and rectify issues before they escalate. For instance, to counter financial risks, we have established financial controls monitoring expenditures, cash flow, and financial reporting.

7. iGaming Trends Analysis

Key Metrics of the Latin American Gaming Market

- 1) The Latin American gaming market, valued at approximately \$2.7 billion, is projected to experience a 10% year-on-year growth through 2028, reaching \$4.3 billion.
- 2) In 2022, Latin America boasted around 316 million gamers, exhibiting a 5% year-on-year growth.
- 3) A report by Visa and Newzoo unveiled that 82% of individuals in Latin America and the Caribbean play games, with 80% spending money on video games—surpassing the global average of 69%.
- 4) Latin American gamers, on average, dedicate 1 hour and 12 minutes daily to gaming, comparable to North America (1 hour and 14 minutes)

and APAC (1 hour and 17 minutes). Notably, 51% of Brazilian gamers spend over 20 hours per week gaming.

- 5) The majority of Latin American gamers prefer mobile devices. A survey by PagBrasil reported that the mobile gaming market in Brazil generated \$1.65 billion in revenue the previous year.
- 6) Game content discovery in Latin America is distinctly influenced by an influencer-led culture. About one in three internet users follows an influencer, and 39% of gamers discover games through online video channels, 38% via social media networks, 35% through influencers, and 33% through word-of-mouth.

Venture Capital Ecosystem

Despite a robust gaming population, Latin American gaming companies have lagged in securing venture capital funding. Between 2019 and Q2 2023, only 21 reported companies received venture capital funding (\$260 million). Notably, studios account for 13 of the 21 funded companies.

Factors Driving Growth in Latin America

- 1) Growing smartphone adoption: over 70% of the Latin American population owns a smartphone, expected to increase to 83% by 2025.
- 2) Influencer-led culture: Latin America exhibits a similar influencer density (3%) to the United States, fostering a strong sense of community among gamers.
- 3) Youth population: with a significant and growing youth population, Brazil and Mexico lead the region, with 20.6% and 25.4% of their populations classified as youth, respectively. This demographic trend aligns with higher video game engagement and spending among younger generations.

These compelling factors position Latin America as a promising and dynamic market for the gaming industry.

8. Conclusion

r7.casino emerges with immense potential, strategically positioned to capitalize on burgeoning markets, notably in Latin America. The incorporation of cutting-edge trends within the iGaming industry, such as gamification and AI-driven player management, reflects our commitment to innovation. With a seasoned team of senior managers steering the ship, our project is poised to not only meet but surpass its financial projections. The blend of forward-looking strategies and a skilled leadership team positions Alec Casino as a frontrunner in the dynamic and thriving landscape of online gaming.