

Business Plan

ENTERTAINMENT ART





1 Overview of the business products and services/brands as well as proprietary IP

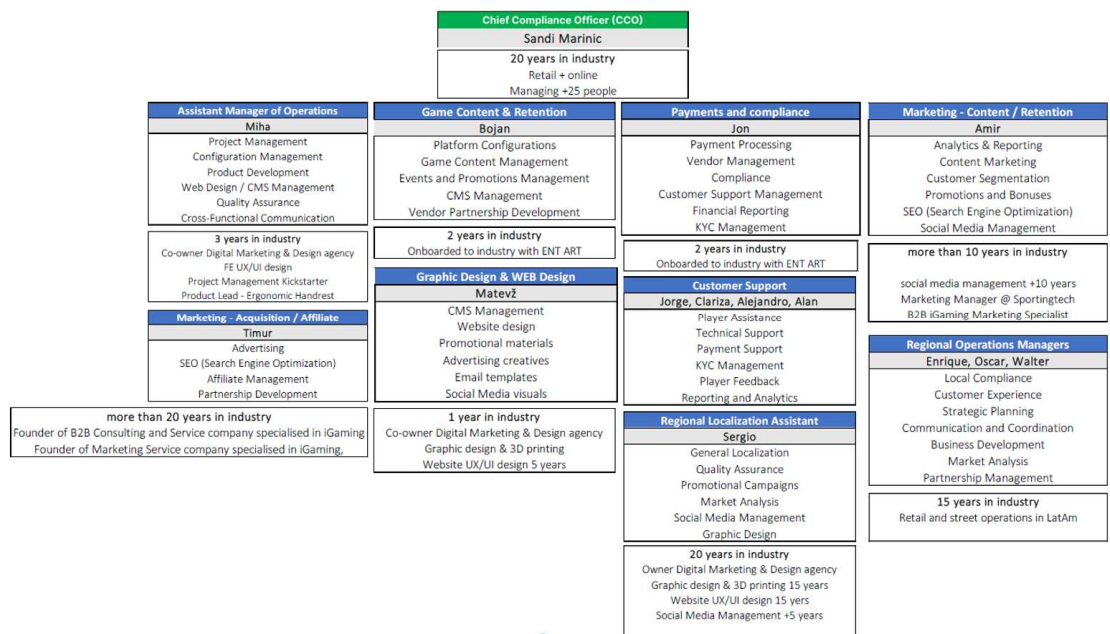
Entertainment Art was founded in 2012 and gathers a team of around 20 people with more than 20 years of experience in the gaming industry. Based in Europe, with regional offices in Mexico, Ecuador and Curacao the company thrives to develop innovative solutions, targeting some of the most demanding gaming jurisdictions in Latin America. Our online operations strictly follow all KYC and AML international regulations. Our brands are strictly operated by our team.

To ensure that our products remain competitive and aligned with the evolving needs of the market, our dedicated and agile in-house team of developers focuses on creating innovative solutions that enhance user experience and engagement. This includes the development and integration of our own DATAHUB – a solution that intertwines player data and backend systems, painting a real-time picture of player behaviour - gamification tools, implementation of internal social media tools that allow players to interact and compete with each other in real-time, as well as a mobile app – Sportkey keyboard - integration which brings a powerful communication bridge directly to the player's smartphones.

ENT ART operates with a 3rd party platform and technology provider – EveryMatrix.

2 Company Management Structure showing key management roles and reporting lines

The top layer of Entertainment Art company is run by E-management N.V. as a managing director, which has been present in Curacao regulated jurisdictions for many years and are experienced in the industry. Just below E-management is the operational team that combines deep industry operational experience and local presence in all of the operating markets in Latin America.



3 Business Forecasts for 3 years.

Over the next three years, ENTERTAINMENT ART anticipates steady growth in revenue and market share as we continue to expand our customer base and enhance our product offerings, as well as to leverage our landbase network and onboard existing players to strictly online. Part of the plan is to merge existing operations/websites into one single-brand entity.

Based on historical data from existing operations within markets the company already operates in, ENT ART conducted a thorough analysis of existing and new markets, assessed regulatory frameworks, developed financial projections and implemented risk mitigation strategies to ensure a smooth transition into the next 3-year period. In conclusion, the biggest risk factor for ENT ART will be specific local market/jurisdiction regulations which could force the company to close down an operation in that specific market or jurisdiction.

Our projections - based on historical data, reports, statistics and analysis from existing operations - include ambitious targets for increasing annual revenue by 5% driven by strategic marketing initiatives, such as Ads networks, Programmatic marketing, Media buying, Affiliate campaigns, Social Networks, Google Ads, Influencers, Brand Ambassadors and similar strategies, as well as new partnerships with local (and world-wide) companies. Marketing budget is disclosed below.

4 Overview of intended strategy for the business growth and to secure/maintain/grow market share with specific financial and marketing plans

ENTart	2024	2025	2026	2027
	\$'000s	\$'000s	\$'000s	\$'000s
Operating cash inflows				
Receipts from customers	4,634	22,945	49,726	76,306
	4,634	22,945	49,726	76,306
Operating cash outflows				
Payments to suppliers and others	(6,196)	(20,000)	(34,934)	(49,717)
VAT and other tax payments	-	-	-	-
	(6,196)	(20,000)	(34,934)	(49,717)
Net operating cash flow	(1,562)	2,945	14,792	26,589
Cash flow from investing activities				
Purchase of fixed assets	(338)	(350)	(350)	(350)
Sale of fixed assets	-	-	-	-
Net cash flow from investing	(338)	(350)	(350)	(350)
Cash flow from financing activities				
Interest payments	-	-	-	-
Drawdown on new loans	-	-	-	-
Principal payments	-	-	-	-
Subsidy	-	-	-	-
Capital raise	-	-	-	-
Net cash flow from financing	-	-	-	-
Net cash flow in period	(1,900)	2,595	14,442	26,239
Cash b/f	(287)	(2,187)	408	14,851
Cash c/f	(2,187)	408	14,851	41,090



Advertising budget for ENT ART

Performance	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25
Ads Networks	\$2,800	\$4,200	\$28,000	\$30,800	\$35,500	\$29,400	\$24,500	\$20,300	\$20,300	\$20,300	\$20,300	\$23,800	\$25,000	\$26,300	\$27,615
Programmatic	\$1,000	\$1,500	\$10,000	\$13,000	\$15,600	\$14,200	\$12,900	\$9,900	\$9,900	\$9,900	\$9,900	\$12,900	\$13,600	\$14,300	\$15,015
Media Buying	\$1,400	\$2,100	\$14,000	\$15,400	\$18,500	\$16,800	\$12,900	\$10,700	\$10,700	\$10,700	\$10,700	\$12,800	\$13,500	\$14,200	\$14,910
Rev Share Fix	\$1,400	\$2,100	\$14,000	\$15,400	\$18,500	\$16,800	\$15,300	\$12,700	\$12,700	\$12,700	\$12,700	\$16,500	\$17,400	\$18,300	\$19,215
Telegram	\$350	\$500	\$3,500	\$4,500	\$5,800	\$4,800	\$4,400	\$3,400	\$3,400	\$3,400	\$3,400	\$4,400	\$4,700	\$5,000	\$5,250
Affiliates CPA	\$2,100	\$3,100	\$21,000	\$25,200	\$32,800	\$29,800	\$23,000	\$17,700	\$17,700	\$17,700	\$17,700	\$23,000	\$24,200	\$25,400	\$26,670
Social Networks	\$350	\$500	\$3,500	\$3,800	\$4,900	\$4,500	\$3,500	\$3,200	\$3,200	\$3,200	\$3,200	\$3,500	\$3,700	\$3,900	\$4,095
Google Ads	\$1,000	\$1,500	\$10,000	\$13,000	\$15,600	\$13,000	\$10,000	\$8,300	\$8,300	\$8,300	\$8,300	\$10,000	\$11,000	\$11,600	\$12,180
Brand															
Influencers	\$1,400	\$2,100	\$14,000	\$18,200	\$21,900	\$28,500	\$34,200	\$44,500	\$44,500	\$44,500	\$44,500	\$37,000	\$38,850	\$40,793	\$42,832
Brand Ambassador	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Activations	\$0	\$0	\$0	\$0	\$0	\$10,000	\$11,000	\$14,300	\$14,300	\$14,300	\$14,300	\$12,000	\$12,600	\$13,230	\$13,892
Total	\$11,800	\$17,600	\$118,000	\$139,300	\$169,100	\$267,800	\$151,700	\$145,000	\$145,000	\$145,000	\$145,000	\$155,900	\$164,550	\$173,023	\$181,674



5 Who are the key suppliers and material dependencies?

ENT ART is working with a leading global platform provider EveryMatrix, delivering iGaming software, solutions, content and services for casino, sports betting, payments, and affiliate/agent management. The platform is highly modular, scalable and fully compliant.

The technology and services from the platform provider have been fully adopted by ENT ART, customised for each individual market and linked to the in-house built front end, in-house built DATA HUB as well as to an external CRM system.

This all-around tightly interconnected system of data, stored all on in-house servers, provides an excellent groundplan which diminishes any heavy reliance on the platform and its products and services – especially useful in case of a potential migration of its operations.

Our business model with our technology and content providers is based on revenue share.

Key suppliers and dependencies (directly from the platform provider):

Casino content: Casino Engine - Development and provision of casino games and related gaming content. EveryMatrix portfolio of gaming content is of the highest standard, fully compliant, certified by standard international gaming labs.

Sports tech: OddsMatrix - Sports betting software, risk management, odds feed/management, etc.

Payment processors: MoneyMatrix – Payment processing and integration with PSPs.

Essential Business Suppliers:

Banking Partners: We collaborate with major European banks and financial institutions to ensure smooth financial operations.

Legal and Compliance Advisors provide crucial guidance on regulatory requirements, licensing, and compliance matters in the jurisdictions where we operate. These advisors help mitigate legal risks and ensure adherence to industry regulations.

Local Marketing and Advertising agencies support our promotional efforts by providing localised creative services, digital marketing campaigns, and media buying services to reach our target audience effectively for the specific markets we operate in.



6 Risk evaluation and management.

ENT ART conducts regular risk assessments as per the company's internal risk management policies to identify potential risks across various aspects of operations, including regulatory compliance, cybersecurity, financial stability, and operational efficiency.

Once risks are identified and analyzed, ENT ART develops comprehensive risk mitigation strategies to address and minimize potential negative impacts. These strategies may include implementing controls, adopting insurance coverage, diversifying suppliers, and developing contingency plans.

Risks are continuously monitored and periodically reviewed to ensure that mitigation strategies remain effective and responsive to evolving threats and opportunities.

ENT ART conducts regular internal audits to assess compliance with internal policies, procedures, and regulatory requirements. Internal audits are conducted by independent auditors or internal audit teams to ensure objectivity and thoroughness.

External audits are conducted by third-party audit firms to provide independent assessments of financial statements, internal controls, and compliance with regulatory requirements. External audits enhance transparency and credibility for stakeholders, including investors, regulators, and business partners.

7 Legal and governance framework.

Given the small size of the company, one person 100% UBO and serves as the company's senior management. This structure allows for direct oversight and involvement in day-to-day operations. The board is assisted by the C-level management team and convenes regular meetings to review strategic initiatives, financial performance, operational matters such as product development, marketing strategies, customer support, etc.

Due to a small size of the company and its senior level structure, the company cannot be deadlocked.

Legal advice is provided by an external law firm which works tightly with the industry. They provide advice and counsel on strategic decision-making, contract negotiation, regulatory compliance, or other legal matters affecting the company.

8 Target KPIs and business objectives

At ENT ART, we believe in setting clear and measurable objectives to track our progress towards long-term success. Below are our target KPIs categorized by key focus areas:

Financial Performance:

Revenue Growth Rate: Annual percentage increase in revenue compared to the previous year, reflecting our ability to generate sustainable income and drive business growth.

Profit Margin: Ratio of net profit to revenue, indicating the efficiency of our cost management and revenue generation strategies.

Customer Lifetime Value (CLV): Average revenue generated from a customer over their entire relationship with our company, demonstrating the effectiveness of our customer acquisition and retention efforts.

Customer Acquisition and Retention:

Customer Acquisition Cost (CAC): Average cost incurred to acquire a new customer, relative to the revenue generated from that customer, highlighting the efficiency of our marketing and sales efforts.



Customer Churn Rate: Percentage of customers who stop using our services over a specified period, reflecting our ability to retain customers and foster long-term relationships.

Operational Efficiency:

Time to Market: Average time taken to launch new products or features, indicating our ability to adapt to market demands and innovate quickly.

Customer Support Response Time: Average time taken to respond to customer inquiries or issues, reflecting the effectiveness of our customer support operations.

Website/App Performance Metrics: Metrics such as uptime, page load speed, and user engagement, ensuring a seamless and satisfying user experience.

Strategic Growth:

Market Share: Percentage of total market sales or customers captured by our company, demonstrating our competitive position and market dominance.

Expansion Metrics: Number of new markets entered, partnerships established, or acquisitions made, reflecting our strategic growth initiatives and expansion efforts.



9 Policies and Procedures

Fundamental policies related to company culture, employee conduct, and basic operational procedures are developed and managed internally, as well as day-to-day operational procedures, workflow processes, and guidelines for various departments (such as customer support, marketing, and product development).

The company will follow the GCB regulations and requirements regarding timelines and commitment. The company will continue to be fully compliant with local laws and regulations.

ENT ART's risk team constantly monitors player liability, ensuring sufficient funds are always available for withdrawals of players' winnings.

With 20 years of industry experience and a background in managing their own company, the senior management is uniquely qualified to develop policies and procedures for this industry, aligned with strategic goals and regulatory requirements, while mitigating conflicts of interest.

Business plan was carefully and thoroughly prepared by the experienced internal C-level management and all other members of ENT ART team combined.

Signed,

Sandi Marinic


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