

Riviera Entertainment N.V.
(formerly Champion Group Media N.V.)

Financial Statements

for the years ended December 31, 2023 and December 31, 2022

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Riviera Entertainment N.V.
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Statement of financial position

(All amounts in EUR)

		31-Dec	
	Note	2023	2022
Assets			
Current assets			
Cash and cash equivalents	4	1	1
Prepaid expenses		24,189	4,047
Receivable from subsidiary	5	1,183,312	-
Accounts receivable		1,160,779	-
Other receivables		-	274
Total current assets		2,368,281	4,322
Non-current assets			
Investment in subsidiary	6	1,000	1,000
Total non-current assets		1,000	1,000
Total assets		2,369,281	5,322
Equity and liabilities			
Current liabilities			
Accounts payable		165	1,092
Accrued expenses	7	2,700	2,700
Payable to shareholders	8	130,674	94,082
Payable to subsidiary	5	-	35,500
Payable to related party	9	19,253	19,253
Total current liabilities		152,792	152,627
Equity			
Issued capital	10	1	1
Retained earnings / (Accumulated losses)		2,216,488	-147,306
Total equity		2,216,489	-147,305
Total liabilities and equity		2,369,281	5,322

See accompanying notes.

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Statement of profit or loss

(All amounts in EUR)

	Note	2023	2022
Revenue		3,360,216	-
Direct cost	11	-779,547	-43,349
Gross profit / (loss)		2,580,669	-43,349
Advertisement expenses		-180,622	-
Administrative expenses	12	-28,884	-17,649
Profit / (loss) from operations		2,371,163	-60,998
Finance cost	13	-7,369	-
Profit / (loss) before tax		2,363,794	-60,998
Profit tax expense	3	-	-
Profit / (loss) for the year		2,363,794	-60,998
Other comprehensive income		-	-
Total comprehensive income / (loss) for the year		2,363,794	-60,998
Attributable to the owners		2,363,794	-60,998

See accompanying notes.

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Statement of changes in equity

(All amounts in EUR)

	Issued capital	Retained earnings / (Accumulated losses)	Total
Balance, December 31, 2021	1	-86,308	-86,307
Profit / (loss) for the year	-	-60,998	-60,998
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	-60,998	-60,998
Balance, December 31, 2022	1	-147,306	-147,305
Profit / (loss) for the year	-	2,363,794	2,363,794
Other comprehensive income	-	-	-
Total comprehensive income / (loss) for the year	-	2,363,794	2,363,794
Balance, December 31, 2023	1	2,216,488	2,216,489

See accompanying notes.

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Statement of cash flows

(All amounts in EUR)

	Note	2023	2022
Cash flow from operating activities			
Profit / (loss) for the year		2,363,794	-60,998
(Increase) / decrease in prepaid expenses		-20,142	-4,047
(Increase) / decrease in receivable from subsidiary		-1,183,312	6,500
(Increase) / decrease in accounts receivable		-1,160,779	-
(Increase) / decrease in other receivables		274	-
Increase / (decrease) in accounts payable		-927	1,092
Increase / (decrease) in accrued expenses		-	2,700
Increase / (decrease) in payable to shareholders		36,592	-
Increase / (decrease) in payable to subsidiary		-35,500	35,500
Increase / (decrease) in payable to related parties		-	19,253
Net cash generated from operating activities		-	-
Cash flow from investing activities			
(Increase) / decrease in investment in subsidiary		-	-
Net cash generated from investing activities		-	-
Cash flow from financing activities			
Increase / (decrease) in issued capital		-	-
Net cash generated from financing activities		-	-
Net increase / (decrease) in cash		-	-
Cash at the beginning of the year		1	1
Cash at the end of the year	4	<u>1</u>	<u>1</u>

See accompanying notes.

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Notes to financial statements

1. General information

Riviera Entertainment N.V. (the company) was established on February 03, 2021 in Curaçao as a private limited liability company. The address of its registered office is Korporaalweg 10, Curaçao. The company was registered in the Commercial register of Curaçao Chamber of Commerce & Industry under the number 156650.

With effect from March 24, 2023, the name of the company was changed from Champion Group Media N.V to Riviera Entertainment N.V.

The main objectives of the company are -

1. To organize, market, promote, manage, support and operate all types of remote gaming activities, comprising of all types of games, betting and other operation of betting exchange, interactive casinos, bingos, lotteries and other interactive games and entertainment, for clients established or residing outside of Curaçao.
2. The corporation is authorized to perform everything requisite or profitable to the accomplishment of its purpose or incidental thereto or connected therewith in the widest sense of the word.
3. The corporation has no authority to invoke the annulment of legal acts performed by the corporation, which exceeded the corporate objective.

The management of the company is borne by a board of directors. As of December 31, 2023, the management of the company is borne by a single statutory director:

- Xecutive Corporate Management B.V.

Statutory Director

2. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of presentation

The separate financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention. The financial statements are presented in EUR and all values are presented in actual, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

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Foreign currency transactions

The financial statements are presented in EUR, which is the company's functional and presentation currency. Transactions denominated in foreign currencies are translated at the exchange rate prevailing when the transaction is realized. The exchange results are recorded in the statement of profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates prevailing at the end of the year.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Investments

Investment in subsidiary is valued at cost, less impairment losses, if any.

Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, loans and receivables or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The company's financial assets include cash and cash equivalents, accounts receivable, prepaid expenses and other assets.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The company's financial liabilities include accounts payable, accrued expenses and other payables.

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Subsequent measurement

The subsequent measurement of financial assets and liabilities depends on their classification.

Revenue recognition

Casino revenue is represented by the difference between the amounts of bets placed by customers less amounts won, net of bonuses and loyalty points, if any. The revenue is recognized at the fair value of the consideration.

Impairment of long-lived assets

Long-lived assets, other than goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Recoverability of assets is measured by comparison of the carrying amount of the asset to the net undiscounted future cash flows expected to be generated from the asset. If the future undiscounted cash flows are not sufficient to recover the carrying value of the assets, the assets' carrying value is adjusted to fair value. The company regularly evaluates its long-lived asset for indicators of possible impairment. To date no impairment has been recorded.

Concentration of credit risk and certain other risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed to perform as contracted. The company does not have significant exposure to any individual client or counter party. Management of credit risk involves a number of considerations, such as financial profile of the counter party, specific terms and duration of the contractual agreement. There exists a risk of non-performance, however management believes that the company's exposure to credit risk associated with non-performance of its counter party is minimum.

New standards, amendments and interpretations issued but not effective for the financial year beginning January 01, 2023 and not early adopted

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the company.

3. Profit taxes

The company is subject to a territorial tax system, wherein the income earned in Curacao is subject to 15% taxes on income up to 500,000 ANG and 22% above it and the foreign source of income is subject to 0% of profit taxes.

4. Cash and cash equivalents

	2023	2022
Cash in hand	1	1
	1	1

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5. Receivable / payable to subsidiary

The amount receivable / payable to subsidiary does not carry any interest and repayable on demand.

6. Investment in subsidiary

As at December 31, 2023 and December 31, 2022, the company holds 100% investment in CPG Management Ltd, a company incorporated and domiciled in Republic of Cyprus.

	<u>2023</u>	<u>2022</u>
CPG Management Ltd (1,000 equity shares of EUR 1 each)	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

The company has elected not to present consolidated financial statements. Its owners have been informed and do not object to presenting separate financial statements.

7. Accrued expenses

	<u>2023</u>	<u>2022</u>
Annual compliance fees	2,700	2,700
	<u>2,700</u>	<u>2,700</u>

8. Payable to shareholders

Payable to shareholders represents expenses incurred by the shareholders on behalf of the company, net of amounts due from them. The payable does not carry any interest and is repayable on demand.

9. Payable to related party

	<u>2023</u>	<u>2022</u>
Champion Group Ltd.	19,253	19,253
	<u>19,253</u>	<u>19,253</u>

The above payable does not carry any interest and is repayable on demand.

10. Issued capital

The issued capital of the company as at December 31, 2023 and December 31, 2022, consists of 1 share with a nominal value of EUR 1 and subscribed for EUR 1.

No dividends were declared in 2023 and 2022.

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11. Direct cost

	2023	2022
Software expense	734,900	-
Cost per SLA	42,000	42,000
License and server fees	2,647	1,349
	779,547	43,349

12. Administrative expenses

	2023	2022
Professional fees	8,186	-
Management fees	7,797	14,949
Subscription fees	3,714	-
Rent expenses	3,044	-
Annual compliance fees	2,750	2,700
Compliance fees	2,700	-
Other expenses	693	-
	28,884	17,649

13. Finance cost

	2023	2022
Bank charges	7,369	-
	7,369	-

14. Fair value

Fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to arrive at the fair value:

Cash and cash equivalents, prepaid expenses, accounts payable, accrued expenses, other assets and other payables approximates the carrying amount largely due to the short-term maturity.

15. Contingencies, commitments and legal proceedings

The company has no contingent or future purchase liabilities and is not involved in any legal actions.

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16. Subsequent events

In connection with the preparation of the financial statements, the company evaluated subsequent events after the balance sheet date of December 31, 2023. Based on their evaluation there are no subsequent events that have a significant effect on the financial statements as at December 31, 2023.

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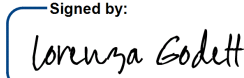

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17. Authorization for issue

These financial statements for the year ended December 31, 2023 were approved by the board of directors and authorized for issue on December 30, 2024.

Board of Directors:

<u>Name</u>	<u>Function</u>	<u>Signature</u>
Xecutive Corporate Management B.V.	Statutory Director	DocuSigned by:  3508179679034CB...
		Signed by:  E9C1A4A3F74E4ED...