

Risk Factors Comparison 2024-05-28 to 2023-05-25 Form: 10-K

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You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report, including the section titled “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations, ” and our consolidated financial statements and the related notes, included elsewhere in this Annual Report. Our business, financial condition, results of operations, or prospects could also be adversely affected by risks and uncertainties that are not presently known to us or that we currently believe are not material. See the summary of our risk factors under the section titled “ Cautionary Note Regarding Forward- Looking Statements ” under Part I of this Annual Report. Risks Specific to Our Business We have a history of net losses, may incur substantial net losses in the future, and may not achieve or sustain profitability in the future. We expect to continue to increase expenses as we implement initiatives designed to continue to grow our business, including, among other things, the development and marketing of new products and services, further international and domestic expansion, expansion of our infrastructure, growing our number of employees, development of systems and processes, acquisition of content, and general and administrative expenses associated with being a public company. If our revenue does not increase sufficiently to offset these expected increases in operating expenses, we will incur losses and may not be able to achieve profitability in the future. If there are delays in the distribution of our products or if we are unable to successfully negotiate with advertisers, application developers, carriers, mobile operators, or OEMs, or if these negotiations cannot occur on a timely basis, we may not be able to generate revenue sufficient to meet the needs of the business. We have a limited operating history for our current portfolio of assets, which may make it difficult to evaluate our business. Evaluation of our business and our prospects must be considered in light of our limited operating history with our combined business following our acquisitions of Appreciate on March 2, 2021, AdColony on April 29, 2021, and Fyber on May 25, 2021, and the risks and uncertainties encountered by companies in our stage of development in the emerging mobile application advertising industry. To continue to grow our business, we must do the following: • maintain our current, and develop new, wireless carrier, OEM, application developer, advertiser, and marketplace exchange relationships, in both international and domestic markets; • retain or improve our current revenue- sharing arrangements; • continue to develop new high- quality products and services that achieve significant market acceptance; • continue to develop and upgrade our technology; • continue to enhance our information processing systems; • execute our business and marketing strategies successfully; • respond to competitive developments; • address increasing regulatory requirements, including data protection and consumer privacy compliance; and • attract, integrate, retain, and motivate qualified talent. We may be unable to accomplish one or more of these objectives, which could cause our business to suffer. In addition, accomplishing many of these efforts may be **costly** ~~very expensive~~ and these efforts may not yield the anticipated returns, which could adversely impact our operating results and financial condition. ~~The failure to successfully integrate the business and operations of our recent acquisitions or delays in such integration may adversely affect our future results. We recently completed the acquisitions of Appreciate, AdColony, and Fyber. We believe these acquisitions will result in certain benefits, including providing vertical integrations essential to achieving the Company’ s strategic goal of being a powerful, best- in- class, end- to- end solution for mobile brand acquisition, advertising, and monetization. To realize these anticipated benefits, the businesses of Appreciate, AdColony, and Fyber must continue to be successfully integrated. The success of the acquisitions will depend on our ability to realize these anticipated benefits from integrating all three businesses. The acquisitions may fail to realize the anticipated benefits for a variety of reasons, including the following: • difficulties integrating and harmonizing operations, systems, technologies, products, personnel, and other key functions, and inefficiencies and lack of control that may result if such integration is delayed or not implemented; • diversion of our management’ s attention in the acquisition and integration process, including oversight over acquired businesses that continue their operations under contingent consideration provisions in acquisition agreements; • difficulties in implementing internal controls and disclosure controls, procedures, and policies appropriate for a larger, U. S.- based public company at companies that prior to acquisition may not have as robust internal controls and disclosure controls, procedures, and policies, in particular, with respect to the effectiveness of internal controls, cyber and data security practices and incident response plans, compliance with privacy and other regulations protecting the rights of customers and users, and compliance with U. S.- based economic policies and sanctions which may not have previously been applicable to the acquired company’ s operations; • difficulties in implementing remediation of the material weakness in our internal control over financial reporting related to the presentation of certain revenue net of license fees and revenue share expense and the classification of certain hosting costs described; • difficulties integrating operations across different cultures and languages and to address the particular economic, currency, political, and regulatory risks associated with specific countries as well as tax risks that may arise from the acquisitions; and • the increasing legal, regulatory, and compliance exposure, and the additional costs related to mitigate each of those, as a result of adding new offices, employees and other service providers, benefit plans, job types, and lines of business globally. The integration may result in additional and unforeseen expenses or delays. If we are unable to successfully integrate the business and operations of our recent acquisitions, or if there are delays in integrating the businesses, the anticipated benefits of the acquisitions may not be realized or realized in full or may take longer to realize than expected.~~ Growth may place significant demands on our management and our infrastructure. Managing our growth will require significant expenditures and allocation of valuable management resources. If we fail to achieve the necessary level of efficiency in our organization as it grows, our business, operating results, and financial condition could be harmed. **In recent years, we have significantly grown the scale of our business. In addition, during** **During** 2021, we consummated the acquisitions of Appreciate, AdColony, and Fyber, which have

significantly grown the size and scope of our business. The growth and expansion of our business places significant strain on our management and our operational and financial resources. As we expand our product and service offerings and the usage of our platform grows, we will need to devote additional resources to improving its capabilities, features and functionality, and scaling our business, IT, financial, operating, and administrative systems. Even if we are successful in our expansion and integration efforts, they will be expensive and complex and require the dedication of significant management time and attention. We may also suffer inefficiencies or service disruptions because of our efforts to scale our internal infrastructure. Our operations are global in scope, and we face added business, political, regulatory, legal, operational, financial, and economic risks as a result of our international operations and distribution, any of which could increase our costs and hinder our growth. We have operations in North America, Germany, Israel, India, South America, Singapore, and Turkey and a sales presence—and customers all over the world. We are continuing to adapt to and develop strategies to address global markets, but we cannot assure such efforts will be successful. We expect our business will ~~continue return to grow growth for in~~ the foreseeable future as we continue to pursue opportunities globally, which will require the dedication of management attention and financial resources. We expect international sales and growth to continue to be an important component of our revenue and operations. Risks affecting our international operations include:

- challenges caused by distance, language and cultural differences;
- the burdens of complying with multiple and conflicting foreign laws and regulations, including complications due to unexpected changes in these laws and regulations;
- higher costs associated with doing business internationally;
- difficulties in staffing and managing international operations;
- greater fluctuations in sales to customers, end users, and through carriers in developing countries, including longer payment cycles and greater difficulty collecting accounts receivable;
- protectionist laws and business practices that favor local businesses in certain countries;
- foreign exchange controls that might prevent us from repatriating income earned outside the U. S.;
- **geopolitical actions targeting or addressing international regions or countries, including China;**
- the servicing of regions by many different carriers;
- imposition of public sector controls, including price controls;
- political, economic, and social instability;
- restrictions on the export or import of technology;
- trade and tariff restrictions;
- variations in tariffs, quotas, taxes, and other market barriers; and
- reduced protection for intellectual property rights in some countries and practical difficulties in enforcing intellectual property rights in countries other than the U. S.

In addition, developing user interfaces that are compatible with other languages or cultures can be expensive. As a result, our ongoing international expansion efforts may be more costly than we expect. Further, expansion into developing countries subjects us to the effects of regional instability, civil unrest, and hostilities, and could adversely affect us by disrupting communications and making travel more difficult. These risks could harm our international expansion efforts, which, in turn, could materially and adversely affect our business, operating results, and financial condition. Our financial results could vary significantly from ~~quarter period - to- quarter period~~ and are difficult to predict. Our revenue and operating results could vary significantly from ~~quarter period - to- quarter period~~ because of a variety of factors, many of which are outside of our control, including the seasonal nature of advertiser spending. As a result, comparing our operating results on a period- to- period basis may not be meaningful. In addition, we are not able to accurately predict our future revenue or results of operations. We base our current and future expense levels on our internal operating plans and sales forecasts, and our operating costs are to a large extent fixed. As a result, we may not be able to reduce our costs sufficiently to compensate for an unexpected shortfall in revenue, and even a small shortfall in revenue could disproportionately and adversely affect financial results for that quarter. **Additionally,** individual products and services, and carrier and OEM relationships, represent meaningful portions of our revenue and margins in any **quarter, and the loss of one or more could cause a shortfall in revenue that could adversely affect financial results for that** quarter. In addition to other risk factors discussed in this section, factors that may contribute to the variability of our results include:

- the number of new products and services released by us and our competitors;
- the timing of release of new products and services by us and our competitors, particularly those that may represent a significant portion of revenue in a period;
- the popularity of new products and services, and products and services released in prior periods;
- changes in prominence of deck placement for our leading products and those of our competitors;
- the timing of charges related to impairments of goodwill and intangible assets;
- changes in pricing policies by us, our competitors, our vendors or our carriers and other distributors;
- changes in the mix of direct versus indirect advertising sales, which have varying margin profiles;
- changes in the mix of CPI, CPP, CPA, and license fee sales, which have varying revenue and margin profiles;
- the seasonality of our industry;
- fluctuations in the size and rate of growth of overall consumer demand for mobile products and services and digital advertising;
- changes in advertising budget allocations or marketing strategies;
- changes to our product, media, customer or channel mix;
- changes in the economic prospects of advertisers, app developers, or the economy generally, which could alter advertisers' or developers' spending priorities, or could increase the time or costs required to complete advertising inventory sales;
- changes in the pricing and availability of advertising inventory through real- time advertising exchanges or in the cost of reaching end consumers through digital advertising;
- disruptions or outages on our platform;
- strategic decisions by us or our competitors, such as acquisitions, divestitures, spin- offs, joint ventures, strategic investments or changes in business strategy;
- our success in entering new geographic markets;
- decisions by one or more of our partners and / or customers to terminate our business relationship (s);
- foreign exchange fluctuations;
- accounting rules governing recognition of revenue;
- charges associated with impairment of any assets on our balance sheet or changes in our expected estimated useful life of property and equipment and intangible assets;
- changes in regional or global business, political, macroeconomic and market conditions, including as a result of **conflicts, hostilities,** the COVID- 19 pandemic, inflation, and rising interest rates, which may impact the other factors described above.
- the timing of compensation expense associated with equity compensation grants; and
- decisions by us to incur additional expenses for product and service development.

As a result of these and other factors, including seasonality attributable to the holiday seasons, our operating results may not meet the expectations of investors or public market analysts ~~who choose to follow our company~~. Our failure to meet market expectations would likely result in ~~decreases a decline~~ in the trading price of our common stock. A significant portion of our revenue is currently being derived from a limited number of wireless carriers

and customers. If any one of these carriers or customers were to terminate their agreement with us or if they were unable to fulfill their payment obligations, our financial condition and results of operations would suffer. In our **ODS On-Device Solutions** business, we rely on wireless carriers and OEMs to distribute our products and services. A significant portion of our **ODS On-Device Solutions** business is derived from a limited number of wireless carriers. Our failure to maintain our relationships with these carriers, establish relationships with new carriers, or a loss or change of terms could materially reduce our revenue and thus harm our business, operating results, and financial condition. Our contracts with ~~its~~ advertiser and publisher customers do not generally include long-term obligations requiring them to purchase our services and are cancellable upon short or no notice and without penalty. We have both exclusive and non-exclusive carrier and OEM agreements. Historically, our carrier and OEM agreements have had terms of one or two years with automatic renewal provisions upon expiration of the initial term, absent a contrary notice from either party, but going forward terms in carrier and OEM agreements may vary. In addition, some carrier and OEM agreements provide that the parties can terminate the agreement early and, in some instances, at any time without cause, which could give them the ability to renegotiate economic or other terms. The agreements generally do not obligate the carriers and OEMs to market or distribute any of our products or services. We cannot give any assurance that our advertiser and publisher customers will continue to use our services or that we will be able to replace, in a timely or effective manner, departing customers with new customers that generate comparable revenue. A significant portion of our revenue is also impacted by the level of advertising spend. If advertising spend is lower than our expectations-- a factor over which we have no control as we do not determine our customers' advertising budgets-- our revenue will be impacted negatively, ~~and this impact may be significant~~. From time-to-time, we expect that a limited number of our advertising customers will account for a significant share of our advertising revenue. This customer concentration increases the risk of quarterly fluctuations in our revenue and operating results. Our advertiser customers may reduce or terminate their business with us at any time for any reason, including **changing economic conditions**, changes in their financial condition or other business circumstances. If a large advertising customer representing a substantial portion of our business decided to materially reduce or discontinue its use of our platform, it could cause an immediate and significant decline in our revenue and negatively affect our results of operations and financial condition. If our goodwill becomes impaired, we may be required to record a significant charge to earnings. We test goodwill for impairment at least annually or sooner if an indicator of impairment is present. If such goodwill is deemed impaired, an impairment loss would be recognized. We may be required to record a significant charge in our financial statements during the period in which any impairment of our goodwill is determined, which would negatively affect our results of operations. The effects of the current and any future general downturns in the U. S. and the global economy, including financial market disruptions, could have an adverse impact on our business, operating results, or financial condition. Our business depends on the overall demand for advertising and on the economic health of advertisers that benefit from our platform. Our operating results also may be affected by uncertain or changing economic conditions such as the challenges that are currently affecting economic conditions in the U. S. and the global economy, including the **conflict in Israel, the** Russia- Ukraine Conflict, **the impact of U. S.- China relations**, inflation and global supply constraints. Current or future global market uncertainties or downturns and associated macroeconomic conditions, such as growing inflation, rising interest rates, recessionary fears, changes in foreign currency exchange rates, the impact of global instability in many parts of the world and public health crises, may disrupt the operations of our clients and partners and cause advertisers to decrease or pause their advertising budgets, which could reduce spend through our platform and adversely affect our business, financial condition and results of operations. If global economic and market conditions, or economic conditions in the United States or other key markets, remain uncertain or persist, spread, or deteriorate further, we may experience material impacts on our business, operating results, and financial condition in a number of ways including negatively affecting our profitability and causing our stock price to decline. Our products, services, and systems rely on software that is highly technical, and if it contains errors or viruses, our business could be adversely affected. Our products, services, and systems rely on software, including software developed or maintained internally and / or by third parties, that is highly technical and complex. In addition, our products, services, and systems depend on the ability of such software to transfer, store, retrieve, process, and manage large amounts of data. The software on which we rely has contained, and may now or in the future contain, undetected errors, bugs, or vulnerabilities. Some errors may only be discovered after the code has been released for external or internal use. Errors or other design defects within the software on which we rely may result in a negative experience for customers and marketers who use our products, delay product introductions or enhancements, result in measurement or billing errors, or compromise our ability to protect the data of our users and / or our intellectual property. Any errors, bugs, vulnerabilities, or defects discovered in the software on which we rely could result in damage to our reputation, loss of users, loss of revenue, or liability for damages, any of which could adversely affect our business and financial results. Our business may involve the use, transmission, and storage of confidential information and personally identifiable information, and the failure to properly safeguard such information could result in significant reputational harm and monetary damages. We may at times collect, store, **process**, and transmit information of, or on behalf of, ~~its our~~ customers that may include certain types of confidential information that may be considered personal or sensitive and that are subject to laws that apply to data breaches. We intend to take reasonable steps to protect the security, integrity, and confidentiality of the information ~~it we collects-~~ **collect, process,** and ~~stores-~~ **store**, but there is no guarantee that inadvertent or unauthorized disclosure will not occur or that third parties will not gain unauthorized access to this information despite our efforts to protect this information. If ~~such~~ unauthorized disclosure or access ~~does occur~~ **occurs**, we may **need be required** to notify **the affected individuals, persons whose information was disclosed or our accessed business partners, or regulators, as mandated by relevant laws and regulations**. Most states have enacted data breach notification laws and, in addition to federal laws that apply to certain types of information, such as financial information, federal legislation has been proposed that would establish broader federal obligations with respect to data breaches. Further, certain foreign countries have adopted laws applicable to personal **data** identifiable information and data breaches. We may also be subject to claims of breach

of contract for such disclosure, investigation and penalties by regulatory authorities, and potential claims by persons **or business partners** whose information was disclosed. The unauthorized disclosure of information may result in the termination of one or more of **its the** commercial relationships **with such partner** or a reduction in customer confidence and usage of **its our** services. We may also be subject to litigation alleging the improper use, **processing**, transmission, or storage of confidential information, which could damage **its our** reputation among **its our** current and potential customers, require significant expenditure of capital and other resources, and cause **it us** to lose business and revenue. **Our business and reputation are impacted by information technology system failures and network disruptions. We and our products are dependent on complex information technology systems and could be exposed to information technology system failures or network disruptions caused by natural disasters, accidents, power disruptions, telecommunications failures, acts of terrorism or war, computer viruses, physical or electronic break-ins, ransomware or other cybersecurity incidents, or other events or disruptions. System upgrades, redundancy and other continuity measures may be ineffective or inadequate, and our or our vendors' business continuity and disaster recovery planning may not be sufficient for all eventualities. Such failures or disruptions can adversely impact our business by, among other things, preventing access to our online services, interfering with customer transactions or impeding the development of our products. These events could materially adversely affect our business, reputation, results of operations and financial condition.** System security risks, data protection breaches, cyberattacks, and systems integration issues could disrupt our internal operations or information technology services provided to customers, and any such disruption could reduce our expected revenue, increase our expenses, damage our reputation, and adversely affect our stock price. **Experienced computer programmers Malicious software like ransomware, viruses, and hackers may be able to penetrate social engineering tactics such as phishing attacks are increasingly common in advertising and mobile app environments. Any successful our- or network attempted security breaches could result in and misappropriate or compromise our confidential information or that of third parties, create system disruptions, degrade user experiences, and impair or our cause shutdowns internal operations.** Computer programmers **Moreover, these incidents could damage our reputation, financial stability, and hackers also may be able overall business performance. Despite our efforts to develop safeguard data and deploy respond to threats, challenges like software bugs, human errors, cyberattacks, or physical breaches may undermine our defenses. Consequently, clients and users may lose confidence in our products, leading to reputational harm and market setbacks. As cyber threats advance in complexity and frequency, they may remain undetected for extended periods. While we've implemented systems and protocols to safeguard our data, user information, and collaborations, and to mitigate risks such as data loss and unauthorized activities, we cannot guarantee absolute security. Despite our efforts, we may not always identify breaches promptly or respond effectively. Therefore, we cannot always ensure the efficacy of our security measures or the success of our remedial actions. The expenses incurred to mitigate cyber or security issues, such as viruses, worms, and malware other malicious software programs that attack our products or otherwise exploit any security vulnerabilities of our products. The costs to us to eliminate or alleviate cyber or other security problems, viruses, worms, malicious software programs, and security vulnerabilities could be significant, and substantial. Despite our efforts to address, resolving these problems issues may not always be successful and could result in lead to service interruptions, delays, or the cessation of service, and loss of existing or potential customers. We handle manage and store proprietary information and sensitive or confidential data relating related to our business operations, and any Breaches breaches of our- or security measures or the accidental loss, inadvertent disclosure disclosures, or unapproved dissemination of proprietary information or sensitive or confidential data about us or our customers, including the potential loss or disclosure of such information or data as a result of fraud, trickery, or other forms of deception, could expose us, our customers, or the individuals affected to a risk of loss or misuse of this information, including due to fraud or deception, could pose significant risks. Such incidents may result in litigation, and potential liability, damage to our brand, or harm to our business and reputation. We are bound by numerous laws and regulations in the United States and internationally concerning cybersecurity and data protection. Some of these laws allow individuals to take legal action against us. Many regions have imposed obligations regarding breach notifications, and our agreements with specific customers or partners may necessitate us to inform them or fulfill other duties in case of a security breach. Individuals affected by breaches or governmental bodies may pursue legal or regulatory measures against us for actual us, damage our- or perceived breaches brand and reputation, or otherwise harm our- or business unauthorized access or disclosure of data.** Our business and growth may suffer if we are unable to hire and retain key talent who are in high demand. We depend on the continued contributions of our domestic and international senior management and other key talent. The loss of the services of any of our executive officers or other key employees could harm our business. Because not all of our executive officers and key employees are under employment agreements or are under agreements with short terms, their future employment with the Company is uncertain. Additionally, our workforce is comprised of a relatively small number of employees operating in different countries around the globe who support our existing and potential customers. Given the size and geographic dispersion of our workforce, we could experience challenges with execution as our business matures and expands. Our future success also depends on our ability to identify, attract, and retain highly skilled technical, managerial, financial, marketing, and creative talent. We face intense competition for qualified individuals from numerous technology, marketing, and mobile entertainment companies. Further, we conduct international operations in North America, Germany, Israel, India, South America, Singapore, and Turkey, areas that, similarly to our headquarters' region, have high costs of living and consequently high compensation standards and / or intense demand for qualified individuals, which may require us to incur significant costs to attract **and retain** them. We may be unable to attract and retain suitably qualified individuals who are capable of meeting our growing creative, operational, and managerial requirements, or may be required to pay increased compensation in order to do so. Volatility or lack of performance in our stock price may also affect our ability to attract and retain our key employees. Some of our senior management and other key employees have become, or will soon become, vested in a substantial amount of stock or stock

options. Employees may be more likely to leave us if the shares they own or the shares underlying their options have significantly appreciated in value relative to the original purchase prices of the shares or the exercise prices of the options, or if the exercise prices of the options they hold are significantly above the market price of our common stock. If we are unable to retain our employees, our business, operating results, and financial condition could be harmed. Our corporate culture has contributed to our success and, if we are unable to maintain it as we grow, our business, financial condition, and results of operations could be harmed. We have experienced and may continue to experience rapid expansion of our employee ranks. We believe our corporate culture has been a key element of our success. However, as our organization grows, it may be difficult to maintain our culture, which could reduce our ability to innovate and operate effectively. The failure to maintain the key aspects of our culture as our organization grows could result in decreased employee satisfaction, increased difficulty in attracting top talent, increased turnover, and could compromise the quality of our customer service, all of which are important to our success and to the effective execution of our business strategy. In the event we are unable to maintain our corporate culture as we scale, our business, financial condition, and results of operations could be harmed. We plan to continue to review opportunities and possibly make acquisitions, which could require significant management attention, disrupt our business, result in dilution to our stockholders, and adversely affect our financial condition and results of operations. As part of our business strategy, we have made and intend to continue to review opportunities and possibly make acquisitions to add specialized employees and complementary companies, products, technologies, or distribution channels. In some cases, these acquisitions may be substantial and our ability to acquire and integrate such companies in a successful manner will be challenging. The failure to successfully integrate an acquired business could disrupt operations and divert management's attention. Any acquisitions we announce could be viewed negatively by mobile network operators, users, customers, vendors, marketers, developers, or investors. In addition, we may not successfully evaluate, integrate, or utilize the products, technology, services, operations, or talent we acquire. The integration of acquisitions may require significant time and resources, and we may not manage these integrations successfully. In addition, we may discover liabilities or deficiencies that we did not identify in advance associated with the companies or assets we acquire. The effectiveness of our due diligence with respect to acquisitions, and our ability to evaluate the results of such due diligence, is dependent upon the accuracy and completeness of statements and disclosures made or actions taken by the companies we acquire or their representatives. We may also fail to accurately forecast the financial impact of an acquisition transaction, including accounting charges. We may also incur substantial costs in making acquisitions. We may pay substantial amounts of cash or incur debt to pay for acquisitions, which could adversely affect our liquidity. The incurrence of indebtedness would also result in increased fixed obligations and interest expense, and could also include covenants or other restrictions that would impede our ability to manage our operations. Additionally, we may issue equity securities to pay for acquisitions or to retain the employees of the acquired company, which could increase our expenses, adversely affect our financial results, and result in dilution to our stockholders. In addition, acquisitions may result in our recording of substantial goodwill and amortizable intangible assets on our balance sheet upon closing, which could adversely affect our future financial results and financial condition. These factors related to acquisitions may require significant management attention, disrupt our business, result in dilution to our stockholders, and adversely affect our financial results and financial condition. International acquisitions involve risks related to integration of operations across different cultures and languages, currency risks, and the particular economic, political, and regulatory risks associated with specific countries.

~~If we fail to implement or are delayed in the implementation of our new ERP system platform, we may not be able to effectively transact our business or produce our financial statements on a timely basis and without incurrance of additional costs, which would adversely affect our business, results of operations and cash flows. We are currently implementing Oracle Enterprise Resource Planning, or ERP, to manage accounting functions for all of our operations globally. This integration involves significant complexity, requiring us to move and reconfigure all of our current system processes, transactions, data and controls to a new platform. Due to this complexity and the scope and volume of changes involved in this implementation, we may experience delays and higher than planned resource needs in our migration efforts. Although we will conduct testing, assessments and validation to ensure that our internal financial and accounting controls will be effective post-implementation, we may nevertheless experience difficulties in transacting our business due to system challenges, delays or process deficiencies following the initial launch of the system, which could impair our ability to conduct our business or to produce accurate financial statements on a timely basis. If our ability to conduct our business or to produce accurate financial statements on a timely basis is impaired, our business, results of operations and cash flows would be adversely affected.~~

Adverse developments affecting the financial services industry, including events or concerns involving liquidity, defaults, or non-performance by financial institutions, could adversely affect our business, financial condition, or results of operations. We regularly maintain cash balances at banks and other financial institutions that would exceed any applicable Federal Deposit Insurance Corporation insurance limits. Should events, including limited liquidity, defaults, non-performance or other adverse developments occur with respect to the banks or other financial institutions that hold our funds, or that affect financial institutions or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, our liquidity may be adversely affected. If any banks or financial institutions enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, our operations may be negatively impacted, including our ability to access cash, cash equivalents or investments. In addition, investor concerns regarding the U. S. or international financial systems could result in less favorable financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources and could have a material adverse effect on our business, financial condition or results of operations. In addition, if any of our customers, suppliers or other parties with whom we conduct business are unable to access funds pursuant to instruments or lending arrangements with a financial institution, such parties' ability to pay their obligations to us could be adversely affected.

~~offerings to be successful and profitable, could have a material adverse effect on our financial condition and results of operations.~~ Litigation may harm our business. We are and may in the future become subject to legal

proceedings and claims that arise from time to time, such as claims brought by our customers in connection with commercial disputes, employment claims made by our current or former employees, or securities class action litigation suits. Substantial, complex or extended litigation could cause us to incur significant costs and distract our management. Lawsuits by employees, stockholders, collaborators, distributors, customers, vendors, competitors, end-users or others could be very costly and substantially disrupt our business. Disputes from time to time with such companies, organizations or individuals are not uncommon, and we cannot assure you that we will always be able to resolve such disputes on terms favorable to us. For example, on June 6, 2022 and July 21, 2022, stockholders of the Company filed class action complaints against the Company and certain of its officers in the Western District of Texas related to Digital Turbine, Inc.'s announcement in May 2022 that the Company would restate some of its financial results. The claims allege violations of certain federal securities laws. Carriers and customers have and may try to include us as defendants in suits brought against them by their own customers or third parties. In such cases, the risks and expenses would be similar to those where we are the party directly involved in the litigation. Any litigation or dispute, whether meritorious or not, and whether or not covered by insurance, could harm our reputation, will increase our costs and may divert management's attention, time and resources, which may in turn harm our business, financial condition and results of operations.

Risks Related to the Mobile Advertising Industry The mobile advertising business is an intensely competitive industry and we may not be able to compete successfully. We operate in a highly competitive and fragmented mobile app ecosystem composed of divisions of large, well-established companies as well as public and privately-held companies. The large companies in our ecosystem may play multiple different roles given the breadth of their businesses. • Our primary competition for media distribution comes from the Google Play application store. Broadly, our media distribution platform faces competition from existing operator solutions built internally, as well as companies providing application and content media products and services, such as: Facebook, Snapchat, **Unity (IronSource-ironSource)**, WPP, Omnicom, Criteo, QuinStreet, InMobi, Cheetah Mobile, Baidu, Tremor International, Magnite, Brightcove, **Applovin-AppLovin**, and others. These companies can be customers for Digital Turbine products, but also competitors in certain cases. Our more material competition is internally developed operator solutions and specific media distribution solutions built in-house by OEMs and wireless carriers. Some of our existing wireless carriers could make a strategic decision to develop their own solutions rather than continue to use our suite of products, which could be a material source of competition. • Advertisers typically engage with several advertising platforms and networks to purchase advertisements on mobile devices and apps, looking to optimize their marketing investments. Such advertising platform companies vary in size and include players such as Facebook, Google, Amazon, and Unity Software, as well as various private companies. Several of these platforms are also our partners and customers. Competitors could also seek to gain market share from us by reducing the prices they charge to advertisers or publishers or by introducing new technology tools for advertisers or developers. Moreover, increased competition for mobile advertising space from developers could result in an increase in the portion of advertiser revenue that we must pay to developers to acquire that advertising space. Our business will suffer to the extent that **its-our** developers and advertisers purchase and sell mobile advertising directly from each other or through other companies that are able to become intermediaries between developers and advertisers. Any of these developments would make it more difficult for us to sell **its-our** services and could result in increased pricing pressure, reduced profit margins, increased sales and marketing expenses, or the loss of market share. The markets for our products and services are rapidly evolving and may decline or experience limited growth. The industry in which we operate is characterized by rapid technological change, new features, tools, solutions and strategies, evolving legal and regulatory requirements, changing customer needs, and a dynamic competitive market. Our future success will depend in large part on the continued growth of our markets and our ability to improve and expand our products and services to respond quickly and effectively to this growth. Wireless network and mobile device technologies are undergoing rapid innovation. New mobile devices with more advanced processors and advanced programming languages continue to be introduced. In addition, networks that enable enhanced features are being developed and deployed. We have no control over the demand for, or success of, these products or technologies. If we fail to anticipate and adapt to these and other technological changes, the available channels for our products and services may be limited and our market share and operating results may suffer. Our future success will depend on our ability to adapt to rapidly changing technologies and develop products and services to accommodate evolving industry standards with improved performance and reliability. In addition, the widespread adoption of networking or telecommunications technologies or other technological changes could require substantial expenditures to modify or adapt our products and services. We must constantly make investment decisions regarding offerings and technology to meet customer demand and evolving industry standards. We may not achieve the anticipated returns on these investments. If new or existing competitors have more attractive offerings, we may lose customers or customers may decrease their use of our platform. New customer demands, superior competitive offerings, or new industry standards could require us to make unanticipated and costly changes to our platform or business model. We must be able to keep pace with rapid regulatory changes in order to compete successfully in our markets. Our revenue growth depends on our ability to respond to frequently changing data protection regulations, policies, and user and customer demands and expectations, which will require us to incur additional costs to implement. The regulatory landscape in this industry is rapidly shifting, and we may become subject to new regulations that restrict our operations or materially and adversely affect our business, financial condition, and results of operations. The markets for our products and services could fail to grow significantly or there could be a reduction in demand for our products or services as a result of a lack of customer acceptance, technological challenges, competing products and services, decreases in spending by current and prospective customers, weakening economic conditions, and other causes. If our markets do not continue to experience growth or if the demand for our products and services decreases, then our business, financial condition, and results of operations could be materially and adversely affected. Our business is dependent on the continued growth in usage of smartphones, tablets, and other mobile connected devices. Our business depends on the continued proliferation of mobile connected devices, such as smartphones and tablets, which can connect to the internet over a cellular, wireless, or other network,

as well as the increased consumption of content through those devices. Consumer usage of these mobile connected devices may be inhibited for a number of reasons, such as: • inadequate network infrastructure to support advanced features beyond just mobile web access; • users' concerns about the security of these devices; • inconsistent quality of cellular or wireless connections; • unavailability of cost-effective, high-speed Internet service; • changes in network carrier pricing plans that charge device users based on the amount of data consumed; and • new technology which is not compatible with our products and offerings. For any of these or other reasons, users of mobile connected devices may limit the amount of time they spend on these devices and the number of applications or amount of content they download on these devices. If user adoption of mobile connected devices and consumer consumption of content on those devices do not continue to grow, our total addressable market size may be significantly limited, which could compromise our ability to increase our revenue and our ability to become profitable. Wireless communication technologies are changing rapidly, and we may not be successful in working with these new technologies. Technology changes in the wireless industry require us to anticipate, sometimes years in advance, which technologies we must implement and take advantage of to make our products and services, and other mobile entertainment products, competitive in the market. Further, policy changes or restrictions applied to mobile operating systems might affect our ability to implement our products and services. We usually start our product development with a range of technical development goals that we hope to be able to achieve. We may not be able to achieve these goals, or our competitors may be able to achieve them more quickly and effectively than we can. In either case, our products and services may be technologically inferior to those of our competitors, less appealing to customers or end users, or both. If we cannot achieve our technology goals within our original development schedule, then we may delay their release until these technology goals can be achieved, which may delay or reduce our revenue, increase our development expenses, and harm our reputation. Alternatively, we may increase our product development resources in an attempt either to preserve our product launch schedule or to keep up with our competition. In either case, our business, operating results, and financial condition could be materially affected. The complexity of and incompatibilities among mobile devices may require us to use additional resources for the development of our products and services. To reach large numbers of wireless subscribers, application developers, and wireless carriers, we must support numerous mobile devices and technologies. Keeping pace with the rapid innovation of mobile device technologies together with the continuous introduction of new, and often incompatible, mobile device models by wireless carriers requires us to make continuous investments in product development and maintenance, including talent, technologies, and equipment. In the future, we may be required to make substantial investments in our development if the number of different types of mobile device models continues to proliferate. In addition, as more advanced mobile devices are introduced that enable more complex, feature-rich products and services, we anticipate our product development and maintenance costs will increase. If wireless subscribers do not continue to use their mobile devices to access mobile content and other applications, our business growth and future revenue may be adversely affected. We operate in a developing industry. Our success depends on growth in the number of wireless subscribers who use their mobile devices to access data services we develop and distribute. New or different mobile content applications developed by our current or future competitors may be preferred by subscribers to our offerings. In addition, other mobile platforms may become widespread, and end users may choose to switch to these platforms. If the market for our products and services does not continue to grow or we are unable to acquire new customers or end users, our business growth and future revenue could be adversely affected. If customers or end users switch their advertising or entertainment spending away from the kinds of offerings that we provide, or switch to platforms or distribution where we do not have comparative strengths, our revenue would likely decline and our business, operating results and financial condition would suffer. A shift of technology platform by wireless carriers and mobile device manufacturers could lengthen the development period for our offerings, increase our costs, and cause our offerings to be of lower quality or to be published later than anticipated. Mobile devices require multimedia capabilities enabled by operating systems capable of running applications, products, and services such as ours. Our development resources are concentrated in today's most popular operating systems, and we have experience developing applications for these operating systems. If these operating systems falls out of favor with mobile device manufacturers and wireless carriers and there is a rapid shift to a new technology where we do not have development experience or resources, the development period for our products and services may be lengthened, increasing our costs, and the resulting products and services may be of lower quality and may be published later than anticipated. In such an event, our reputation, business, operating results, and financial condition might suffer. Actual or perceived security vulnerabilities in mobile devices or wireless networks could adversely affect our revenue. Maintaining the security of mobile devices and wireless networks is critical for our business. There are individuals and groups who develop and deploy viruses, worms, and other illicit code or malicious software programs that may attack wireless networks and mobile devices. Security experts have identified computer "worm" programs that target mobile devices running on certain operating systems. Although these worms have not been widely released and do not present an immediate risk to our business, we believe future threats could lead some end users to reduce or delay future purchases of our products or reduce or delay the use of their mobile devices. Wireless carriers and OEMs may also increase their expenditures on protecting their wireless networks and mobile device products from attack, which could delay adoption of new mobile device models. Any of these activities could adversely affect our revenue and this could harm our business, operating results, and financial condition. We may be subject to legal liability (including potential issues with the use of intellectual property) associated with providing mobile and online services. We provide a variety of products and services that enable carriers, manufacturers, application developers, advertisers, and users to engage in various mobile and online activities both domestically and internationally. Laws relating to the liability of providers of these mobile and online services and products for such activities is still unsettled and constantly evolving in the U. S. and internationally. Claims have been threatened and have been brought against us in the past for breaches of contract, copyright or trademark infringement, data privacy regulatory violations, tort, or other theories based on the provision of these products and services. In addition, we have been and may again in the future be subject to domestic or international actions alleging that certain content we have generated or third-party

content that we have made available within our services violates laws in domestic and international jurisdictions. We may be subject to claims concerning these products, services, or content by virtue of our involvement in marketing, branding, broadcasting, or providing access to them, even if we do not ourselves host, operate, provide, own, or license these products, services, or content. While we routinely insert indemnification provisions into our contracts with these parties, such indemnities to us, when obtainable, may not cover all damages and losses suffered by us and our customers from covered products and services. In addition, recorded reserves and / or insurance coverage may be exceeded by unexpected results from such claims. Defending such actions could be costly and involve significant time and attention of our management and other resources, may result in monetary liabilities or penalties, and may require us to change our business in an adverse manner. Public health issues, such as a major epidemic or pandemic, could adversely affect our business or financial results. The U. S. and other countries have experienced, and may experience in the future, outbreaks of contagious diseases that affect public health and public perception of health risk. In December 2019, a novel coronavirus (COVID- 19) emerged and subsequently spread worldwide. **A future major epidemic or** ~~The World Health Organization declared COVID-19 a pandemic ; could resulting~~ **result** in foreign, federal, state, and local governments and private entities mandating various restrictions , requiring closure of non-essential businesses and ~~recommending~~ **recommendations that** people remain at home. ~~There is~~ **Such an event may come with** significant uncertainty regarding the extent to which and how long ~~it~~ **COVID-19 will disrupt** ~~disrupts~~ the U. S. **and / or global** economy. **Disruption** ~~COVID-19 and efforts to control its spread have curtailed the movement of people, goods, and services worldwide, including in the regions in which we and our customers and partners operate. The extent to which COVID-19 ultimately impacts our operational and financial performance will depend on future developments, including the duration and spread of the outbreak and the impact on carriers, OEMs, customers, and employees, all of which are highly uncertain and cannot be predicted. We will continue to actively monitor the situation and may take further actions that alter our business operations~~ **as a result of war and hostilities in Israel and other conditions in Israel that affect our operations may limit our ability to develop, produce and sell our products. Our operations and personnel located in Israel may be required affected by foreign** ~~the ongoing hostilities the region is facing. Accordingly , federal political , state economic , and military conditions in Israel directly affect us. Israel has been and is currently involved in several armed conflicts and is the target of terrorist activity, including threats from Hezbollah militants in Lebanon, Iranian militia in Syria, and others. While or our local authorities offices are open worldwide , or that including in Israel, and, to date, we have not had disruptions to~~ **determine are in the best interests of our employees, ability to operate and deliver products to customers, partners, suppliers, a prolonged war or and an stockholders escalation of the current conditions in Israel could adversely affect our business. Since October 7, 2023, the hostilities in Israel and the Gaza Strip have further heightened global tensions and instability. At this time, it is unknown whether hostilities in this region will escalate into an even larger conflict. We have a significant business presence in the region, and therefore, continuation or escalation of the conflict could cause significant adverse financial impacts, due to reductions in demand and / or interruptions in business operations** . Russia’ s invasion of and ongoing war in Ukraine has caused, and is currently expected to continue to cause, negative effects on geopolitical conditions and the global economy, including financial markets, inflation, and the global supply chain, which could have an adverse impact on our business, operating results, and financial condition. On February 24, 2022, Russia launched an invasion of Ukraine that has resulted in an ongoing military conflict between the two countries (the “ Russia- Ukraine Conflict ”). The Russia- Ukraine Conflict has caused, and is currently expected to continue to cause, political, economic, and social instability, significant disruptions to the regional and the global economy, financial system, international trade, and the transportation and energy sectors, among others. In addition, the Russia- Ukraine Conflict has displaced millions of people, causing an acute refugee crisis in Europe, and has increased the threat of nuclear accidents or attacks, cyberattacks, and further regional or global conflicts (including a potential expansion of the Russia- Ukraine Conflict to other countries as well as other unrelated potential conflicts), among other potentially dire consequences. In response to Russia’ s actions, multiple countries and governing bodies, including the U. S. and the European Union, have put in place global sanctions and other severe restrictions or prohibitions on the activities of certain individuals and businesses connected to Russia and / or Belarus. Companies have also implemented restrictions that severely limit, and in some cases, reverse or cancel, business transactions in or involving certain individuals and / or businesses connected to or associated with Russia and / or Belarus. Further, some companies have moved to divest of Russia- based subsidiaries and assets. In addition, the impacts of the Russia- Ukraine Conflict on the supply chain and commodity prices are expected to be profound and may result in substantial inflation in one or more countries (or globally). The ultimate impact of the Russia- Ukraine Conflict and its effect on the geopolitical environment and global economic and commercial activity and conditions, and on our operations, financial condition, and performance, and the duration and severity of those effects, is impossible to predict. Adverse changes in the geopolitical relationship between the U. S. and China or changes in China’ s economic and regulatory landscape could have an adverse effect on business conditions. Adverse changes in economic and political policies relating to China could have an adverse effect on our business. An escalation of recent trade tensions between the U. S. and China has resulted in trade restrictions that harm our ability to participate in Chinese markets. For example, U. S. export control regulations relating to China have created restrictions with respect to the sale of certain products to Chinese companies and further changes to regulations could result in additional restrictions. Sustained uncertainty about, or worsening of, current global economic conditions and further escalation of trade tensions between the U. S. and its trading partners, especially China, could result in a global economic slowdown and long- term changes to global trade, including retaliatory trade restrictions that further restrict our ability to operate in China. Governmental agencies in any of the countries in which we, our customers or end users are located, such as China, could block access to or require a license for our platform, our website, mobile applications, operating system platforms, application stores or the Internet generally for a number of reasons, including security, confidentiality or regulatory concerns. If companies or governmental entities block, limit or otherwise restrict customers from accessing our platform, or end users from playing games developed or operated on our

platform, our business could be harmed. Further, some countries may block data transfers as a result of businesses collecting data within a country's borders as part of broader privacy-related concerns, which could affect our business. For example, companies and governmental agencies could block the distribution of several applications of Chinese origin. Because we rely on wireless carriers and OEMs to distribute our product and services, if wireless carriers and mobile device manufacturers restrict certain Chinese apps from being downloaded onto their platforms this could negatively impact our business and our financial condition and results of operations would suffer. Any actions and policies adopted by the government of the People's Republic of China ("PRC"), particularly with regard to intellectual property rights and existing cloud-based and Internet restrictions for non-Chinese businesses, or any prolonged slowdown in China's economy could have an adverse effect on our business, results of operations and financial condition. In particular, PRC laws and regulations impose restrictions on foreign ownership of companies that engage in internet, market survey, cloud-based services and other related businesses from time to time. In August 2021, China passed a new data privacy law known as Personal Information Protection Law and Data Security Law, effective November 1, 2021, which adopts a stringent data transfer regime requiring, among other things, data subject consent for certain data transfers. **Further, various U. S. federal and state governmental agencies continue to examine the distribution and use of apps developed and / or published by China based companies. In some cases, government agencies have banned certain apps from mobile devices. Further actions by U. S. federal or state governmental agencies or other countries to restrict or ban the distribution of China based apps could negatively impact our business, financial condition, and results of operations.** Industry Regulatory Risks We are subject to rapidly changing and increasingly stringent laws, contractual obligations, and industry standards relating to **data governance, privacy and, data protection, data security ; and the protection of children.** The restrictions and costs imposed by these **legal** requirements, or our actual or perceived failure to comply with them, could harm our business. Our platform relies on our ability to **process the collect, use, and share** information of **our** customers **and end** users **and others.** These activities are regulated by a variety of federal, state, local, and international privacy, **data protection governance,** and data security laws and regulations, which have become increasingly stringent in recent years. Most jurisdictions in which we or our customers operate have **enacted adopted, or are in the process of enacting adopting, privacy, data protection governance,** and data security laws **and regulations.** In this regard, it is important to highlight the European Union's GDPR **and the UK,** which went into effect in May 2018. The GDPR **that regulates regulate** the collection, control, processing, sharing, disclosure, and other uses of data relating to personal data. Further, after the UK's exit from the EU on January 31, 2020, the GDPR ceased to apply in the UK at the end of the transition period on December 31, 2020. However, as of January 1, 2021, the UK's European Union (Withdrawal) Act 2018 incorporated the GDPR (as it existed on December 31, 2020, but subject to certain UK specific amendments) into UK law (referred to as the "UK GDPR"). The UK GDPR and the UK Data Protection Act 2018 set out the UK's data protection regime, which is independent from but aligned with the GDPR. The GDPR, UK GDPR, and national implementing legislation in European Economic Area ("EEA") member states and **in the UK. Both** impose a strict data protection compliance regime **including:** • providing detailed disclosure about how personal data is collected and processed and how data subjects can exercise their rights (in a concise, intelligible and easily accessible form); • demonstrating that an appropriate legal basis is in place or otherwise exists to justify data processing activities; • granting new rights for data subjects in regard to their personal data (including the right to be "forgotten" and the right to data portability), as well as enhancing current rights such as data subject access requests; • introducing the obligation to notify data protection regulators or supervisory authorities (and in certain cases, affected individuals) of personal data breaches that is likely to result in a risk to the rights and freedoms of individuals; • defining for the first time pseudonymized (key-coded) data; • imposing limitations on retention of personal data; • maintaining a record of data processing; • requiring appropriate technical and organizational measures to be implemented to ensure a level of security appropriate to the level of risk; • restricting transfers of personal data outside the EEA and UK unless an adequate transfer mechanism has been implemented to legitimize such transfers; and • complying with the principal of accountability and the obligation to demonstrate compliance through policies, procedures, training and audit. We are subject to the supervision of local data protection **and data governance** authorities in those EEA and UK jurisdictions where we are established or otherwise subject to the GDPR and the UK GDPR. Fines for certain breaches of the GDPR are significant, **including fines up to the greater of € 20 million or 4 % of global turnover.** The UK GDPR mirrors the fines under the GDPR including fines up to the greater of € 20 million (£ 17.5 million) or 4 % of global turnover. In addition to the foregoing, a breach of the GDPR could result in regulatory investigations, reputational damage, orders to cease or change our processing of **personal** data, enforcement notices, or assessment notices for a compulsory audit. We may also face civil claims including representative actions and other class action type litigation **(where individuals have suffered harm),** potentially amounting to significant compensation or damages liabilities, as well as associated costs, diversion of internal resources, and reputational harm. **This private right** Similar to GDPR, in September 2020, Brazil enacted the Brazilian General Data Protection Law, to which we are also subject. U. S. privacy and data security laws are also complex and changing rapidly. Many states have enacted laws regulating the online collection, use, and disclosure of **action may increase** personal information and requiring companies implement reasonable data security measures. Laws in all states and U. S. territories also require businesses to notify affected individuals, governmental entities, and / or credit reporting agencies of the occurrence **likelihood** of certain security breaches affecting personal information. These laws are not consistent, and compliance **risks associated** with them in the event of a widespread data breach **litigation** is complex and costly. **In addition** States have also begun to **increasing our compliance costs and potential liability** introduce more comprehensive privacy legislation. For example, California enacted the California Consumer Privacy **privacy** Act ("CCPA"), which took effect on January 1, 2020, and became enforceable by the California Attorney General on July 1, 2020. The CCPA creates new individual privacy rights for California consumers (as defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA gives California residents expanded rights to access and delete their personal information, opt out of sale of their personal

information, and receive detailed information about how their personal information is used. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information. This private right of action may increase the likelihood of, and risks associated with data breach litigation. In addition to increasing our compliance costs and potential liability, the CCPA created restrictions on “ sales ” of personal information that may restrict the disclosure of personal information for advertising purposes. Our advertising business relies, in part, on such disclosure and could be materially and adversely affected by the CCPA’s restrictions. We will also be subject to the forthcoming CPRA, which was passed into law on November 3, 2020, but will not take substantial effect until January 1, 2023. The CPRA imposes additional obligations on companies covered by the legislation and will significantly modify the CCPA, including by expanding consumers’ rights with respect to certain sensitive personal information, such as increasing regulation on online advertising and particularly cross-context behavioral advertising. The CPRA also creates a new state agency that will be vested with authority to implement and enforce the CCPA and the CPRA. The CPRA potentially results in further uncertainty and requires us to incur additional costs and expenses in an effort to comply. Certain other state laws impose similar privacy obligations. For example, Virginia has passed the Virginia Consumer Data Protection Act which will take effect on January 1, 2023. Colorado has passed the Colorado Privacy Act that will take effect on July 1, 2023. Utah has passed the Utah Consumer Privacy Act that will take effect on December 31, 2023. We also expect that more states may enact legislation similarly to the CCPA, which provides consumers with new privacy rights and increases the privacy and security obligations of entities handling certain personal information of such consumers. The CCPA has prompted a number of proposals for new federal and state-level privacy legislation. Such proposed legislation, if enacted, may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment of resources in compliance programs, impact strategies and the availability of previously useful data and could result in increased compliance costs and / or changes in business practices and policies. Data privacy legislation imposes restrictions the on cross-border transfer of personal data and transfers, with some countries introduced enacting data localization into their laws. Specifically, Notably, the GDPR, the UK GDPR, and other European and UK data protection laws statutes generally bar prohibit the transfer of personal data transfer from the EEA, the UK, and Switzerland to the U. S. and most many other nations, except to entities in countries offering unless the transfer is to an entity established in a country deemed to provide adequate protection (such as Israel) or with the parties to the transfer have implemented specific safeguards in place to protect the transferred personal data. When Where we transfer transferring personal data outside the EEA or the UK to non-“ a country that is not deemed to be “adequate ” countries, ” we ensure compliance we comply with applicable relevant laws , potentially utilizing including where we can rely on derogation (e. g., where the transfer is necessary for or implementing the performance of a contract) or we may put in place standard contractual clauses. Since November 2023, we’ ve participated in the EU- US Data Privacy Framework (“ EU- US DPF ”), UK Extension to the EU- US DPF (“ UK Extension ”), and Swiss- US Data Privacy Framework (“ Swiss- US DPF ”) per the US Department of Commerce. We have previously also relied on relevant third parties’ Privacy Shield’ ve certified adherence to the EU- US DPF Principles for data received from the EU and UK (including Gibraltar as defined below) certifications. Recent legal developments in the EU have created complexity and uncertainty regarding transfers of personal to the Swiss- US DPF Principles for data received from Switzerland the EEA to the U. Should the DPF be invalidated by S. Most recently, on July 16, 2020, in a case known as Schrems II, the Court of Justice of the European Union (“ CJEU ”) invalidated in the future, we may face challenges in EU- US Privacy Shield Framework (“ Privacy Shield ”) under which personal data could be transferred from the EEA to U. S. entities who had self-certified under the Privacy Shield scheme. While the CJEU upheld the adequacy of the standard contractual clauses (a standard form of contract approved by the European Commission as an adequate personal data transfer mechanism, and potential alternative to the Privacy Shield), it made clear that reliance on them alone may not necessarily be sufficient in all circumstances. Use of the standard contractual clauses must now be assessed on a case-by-case basis taking into account the legal regime applicable in the destination country, in particular applicable surveillance laws and rights of individuals and additional measures and / or contractual provisions may need to be put in place, however, the nature of these additional measures is currently uncertain. The CJEU went on to state that if a competent supervisory authority believes that the standard contractual clauses cannot be complied with in the destination country and the required level of protection cannot be secured by other means, such supervisory authority is under an obligation to suspend or prohibit that transfer. In response to this decision, the data protection authority in Berlin, Germany has encouraged companies under its supervision to stop transfers of personal data to the U. S. and switch to service providers based in the European Union or other countries providing adequate data protection. Authorities in the United Kingdom and Switzerland may similarly issue guidance that precludes or complicates our lawful use of the Standard Contractual Clauses. There are few viable alternatives to the standard contractual clauses, and the law in this area remains dynamic. These recent developments will require us to review and may require us to amend the legal mechanisms by which we make and / or receive personal data transfers to / in the U. S. As supervisory authorities issue further guidance on personal data export mechanisms, necessitating including circumstances where the implementation standard contractual clauses cannot be used, and / or start taking enforcement action, we could suffer additional costs, complaints and / or regulatory investigations or fines, and / or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner in which we provide our products and services, the geographical location or segregation of a CJEU our relevant systems and operations, may reduce demand for our products and services from companies subject to EU data protection laws and could materially and adversely affect our financial results. On March 25, 2022, the U. S. and the EU announced an “ agreement in principle ” with respect to trans- approved Atlantic transfers that could take the place of the EU- US Privacy Shield Framework framework . However, it is not clear when this development will become available and / or whether it will withstand judicial and / or administrative review. Additionally, other countries outside of the EU have enacted or are considering enacting similar cross-border data transfer restrictions and laws requiring local data residency, which could increase the cost and complexity of delivering our

solutions and operating our business. In addition, we are also subject to the Israeli Privacy Protection Law 5741-1981 (the “PPL”), and its regulations, including the Israeli Privacy Protection Regulations (Data Security) 2017 (the “Data Security Regulations”), which came into effect in Israel in May 2018 and impose obligations with respect to the manner personal data is processed, maintained, transferred, disclosed, accessed and secured, as well as the guidelines of the Israeli Privacy Protection Authority. In this respect, the Data Security Regulations may require us to adjust our data protection and data security practices, data security measures, certain organizational procedures, applicable positions (such as an data security manager) and other technical and organizational security measures. Failure to comply with the PPL, its regulations and guidelines issued by the Israeli Privacy Protection Authority, may expose us to administrative fines, civil claims (including class actions) and in certain cases criminal liability. Current pending legislation may result in a change of the current enforcement measures and sanctions. The Israeli Privacy Protection Authority may initiate administrative inspection proceedings from time to time without any suspicion of any particular breach of the PPL, as the Israeli Privacy Protection Authority has done in the past with respect to dozens of Israeli companies in various business sectors. In addition, to the extent that any administrative supervision procedure is initiated by the Israeli Privacy Protection Authority that reveals certain irregularities with respect to our compliance with the PPL, we may need to take certain remedial actions to rectify such irregularities, which may increase our costs and may also expose us to administrative fines, civil claims (including class actions) and in certain cases, criminal liability. In August 2021, China passed a new data privacy law known as Personal Information Protection Law and Data Security Law, effective November 1, 2021, which adopts a stringent data transfer regime requiring, among other things, data subject consent for certain data transfers. Children’s **online** privacy has been a focus of recent enforcement activity under longstanding privacy laws as well as privacy and data protection laws enacted in recent years **worldwide**. EU and UK regulators focus, among other things, on the processing of personal data relating to children, with **With** increased enforcement pending as well as additional guidance. **The of children’s online privacy in the EU and the UK, the** U. S. Federal Trade Commission (“**FTC**”) and state attorneys general have **also**, in recent years, increased enforcement of the Children’s Online Privacy Protection Act (“**COPPA**”), **and** which requires companies to obtain parental consent before collecting personal information from children under the age of 13 for purposes not permitted by COPPA. COPPA also sets forth, among other **US State laws that** things, a number of restrictions **--- restrict** related to what information may be collected with respect to children under the age of 13. In addition, the GDPR and UK GDPR address the processing of children’s personal **information without a** data, and specifically require that if processing of personal data of individuals is based on such individuals’ consent, and such individuals are children under the age of 13 to 16 (depending on the specific legislation of the UK or each EU member state), parental consent must be obtained. **We are also** subject In addition, the CCPA requires companies to **Regulation** obtain the consent of children in California under 16 (**EU**) **2022 / 2065 (the Digital Services Act, or parental consent “DSA”), effective as of November 2022 and was fully implemented on February 17, 2024, which is a comprehensive piece of legislation for children under 13) before selling consumer protection. The DSA focuses on content governance and moderation and applies to various online services. The DSA addresses several critical aspects related to online services, including providing a consistent framework for digital services offered in their-- the personal information-EU, preventing illegal and harmful online activities, and protecting service recipients’ fundamental rights**. Apart from the requirements of privacy, data **protection-governance**, and data security laws, we have obligations relating to privacy, data **protection-governance** and data security under our published policies **and documentation**, contracts, and applicable industry standards. Although we endeavor to comply with these obligations, we may have failed to do so in the past and may be subject to allegations that we have failed to do so or have otherwise processed data improperly. We could be subject to enforcement action or litigation alleging that our methods of data collection or our other data processing practices violate our published policies, federal or state laws prohibiting unfair or deceptive business practices or other privacy laws. In response to the increasing restrictions of global privacy and data security laws, our customers have sought and may continue to seek increasingly stringent contractual assurances regarding our handling of personal information and may adopt internal policies that limit their use of our platform. In addition, privacy advocates and industry groups have regularly proposed, and may propose in the future, self-regulatory standards upon which we may be legally or contractually bound. If we fail to comply with these contractual obligations or standards, we may face substantial contractual liability or fines. Various jurisdictions around the world continue to propose new laws that regulate the privacy, **data governance** and / or security of certain types of **personal-data or information**. Complying with these laws, if enacted, would require significant resources, and leave us vulnerable to possible fines and penalties if we are unable to comply. Our obligations under privacy and data security laws, our contracts and applicable industry standards (including requirements by operating system platforms or app stores) are increasing, becoming more complex and changing rapidly, which has increased and may continue to increase the cost and effort required to comply with them. The privacy and data security compliance challenges we and our customers face in the EU, the UK, the U. S., and other jurisdictions may also limit our ability to operate, or offer certain product features, in those jurisdictions, which could reduce demand for our solutions from customers subject to their laws. We may also be required to adapt our solutions to comply with changing regulations. Despite our efforts, we may not be successful in achieving compliance with these rapidly evolving requirements. We could be perceived to be in non-compliance with applicable privacy laws, especially when acquiring new companies and before we have completed our gap analysis and remediation. Any actual or perceived non-compliance could result in litigation and proceedings against us by governmental entities, customers, individuals, or others; fines and civil, criminal, or administrative penalties for us or company officials; obligations to cease offering or to substantially modify our solutions in ways that make them less effective in certain jurisdictions; negative publicity; harm to our brand and reputation and reduced overall demand for our solutions or reduced revenue. Such occurrences could materially and adversely affect our business, financial condition, and results of operations. We are subject to anti-bribery, anti-corruption and similar laws and non-compliance with such laws can subject us to criminal penalties or significant fines and harm our business and reputation. We are subject to anti-bribery and similar laws, such as the

U. S. Foreign Corrupt Practices Act of 1977, as amended, the U. S. domestic bribery statute contained in 18 U. S. C. § 201, the USA PATRIOT Act, U. S. Travel Act, the U. K. Bribery Act 2010 and Proceeds of Crime Act 2002, and possibly other anti-corruption, anti-bribery and anti-money laundering laws in countries in which we conduct business. Anti-corruption laws have been enforced with great rigor in recent years and are interpreted broadly. Such laws prohibit companies and their employees and their agents from making or offering improper payments or other benefits to government officials and others in the private sector. We have operations, deal with carriers, and make sales in countries known to experience corruption, particularly certain emerging countries in Eastern Europe, Latin America, and Asia. Further international expansion may involve more of these countries. Our activities in these countries create the risk of unauthorized payments or offers of payments by one of our employees, consultants, sales agents or distributors that could be in violation of various laws including the FCPA, even though these parties are not always subject to our control. As we increase our international sales and business, particularly in countries with a low score on the Corruption Perceptions Index, of Transparency International, and increase our use of third parties such as sales agents, distributors, resellers or consultants, our risks under these laws will increase. We adopt appropriate policies and procedures and conduct training, but cannot guarantee that improprieties will not occur. Noncompliance with these laws could subject us to investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, suspension and / or debarment from contracting with specified persons, the loss of export privileges, reputational harm, adverse media coverage, and other collateral consequences. Any investigations, actions and / or sanctions could have a material negative impact on our business, financial condition and results of operations. We are subject to governmental economic sanctions requirements and export and import controls that could impair our ability to compete in international markets or subject us to liability if we are not in compliance with applicable laws. As a U. S. company, we are subject to U. S. export control and economic sanctions laws and regulations, and we are required to export our technology and services in compliance with those laws and regulations, including the U. S. Export Administration Regulations and economic embargo and trade sanctions programs administered by the Treasury Department's Office of Foreign Assets Control. U. S. economic sanctions and export control laws and regulations prohibit the shipment of specified products and services to countries, governments, and persons targeted by U. S. sanctions. While we take precautions to prevent doing any business, directly or indirectly, with countries, governments, and persons targeted by U. S. sanctions and to ensure that our technology and services are not exported or used by countries, governments, and persons targeted by U. S. sanctions, such measures may be circumvented. Any such violation could result in significant criminal or civil fines, penalties, or other sanctions and repercussions, including reputational harm that could materially adversely impact our business. Complying with export control and sanctions regulations may be time-consuming and may result in the delay or loss of opportunities. In addition, various countries regulate the import of encryption technology, including the imposition of import permitting and licensing requirements, and have enacted laws that could limit our ability to offer our platform or could limit our customers' ability to use our platform in those countries. Changes in our platform or future changes in export and import regulations may create delays in the introduction of our platform to international markets or prevent our customers with international operations from deploying our platform globally. We rely on our current understanding of regional regulatory requirements pertaining to the marketing, advertising, and promotion of our products and services, and any adverse change in such regulations, or a finding that we did not properly understand such regulations, may significantly impact our ability to market, advertise, and promote our products and services and thereby adversely impact our revenue, our operating results, and our financial condition. Some portions of our business rely extensively on marketing, advertising, and promoting our products and services, requiring us to have an understanding of local laws and regulations governing our business. Additionally, we rely on the policies and procedures of wireless carriers and should those change, there could be an adverse impact on our products. In the event we have relied on inaccurate information or advice, and engage in marketing, advertising, or promotional activities that are not permitted, we may be subject to penalties, restricted from engaging in further activities, or altogether prohibited from offering our products and services in a particular territory. Changes in government regulation of the media and wireless communications industries may adversely affect our business. Furthermore, the growth and development of the market for electronic commerce may prompt calls for more stringent consumer protection laws that may impose additional burdens on companies such as ours conducting business through wireless carriers. We anticipate that regulation of our industry will increase and that we will be required to devote legal and other resources to address this regulation. A number of studies have examined the health effects of mobile phone use, and the results of some of the studies have been interpreted as evidence that mobile phone use causes adverse health effects. The establishment of a link between the use of mobile phone services and health problems, or any media reports suggesting such a link, could increase government regulation of, and reduce demand for, mobile phones and, accordingly, the demand for our products and services, and this could harm our business, operating results, and financial condition. Government regulation of our marketing methods could restrict our ability to adequately advertise and promote our content, products, and services available in certain jurisdictions. The governments of some countries have sought to regulate the methods and manner in which certain of our products and services may be marketed to potential end-users. Regulation aimed at prohibiting, limiting, or restricting various forms of advertising and promotion we use to market our products and services could also increase our cost of operations or preclude the ability to offer our products and services altogether. Risks Related to Our Intellectual Property and Potential Liability Third parties may obtain and improperly use our intellectual property; and if so, our competitive position may be adversely affected, particularly if we do not, or are unable to, adequately protect our intellectual property rights. Our intellectual property is an essential element of our business. We rely on a combination of copyright, trademark, trade secret, patent, and other intellectual property laws and restrictions on disclosure to protect our intellectual property rights. We face risks associated with our trademarks. For example, there is a risk that our international trademark applications may be considered too generic or that the words "Digital" or "Turbine" could be separately or compositely trademarked by third parties with competitive products who may try and block our applications or sue us for trademark dilution, which could have adverse effects

on our financial status **and operations**. We also seek to maintain certain intellectual property as trade secrets. The secrecy could be compromised by **outside third** parties or by our employees, which could cause us to lose the competitive advantage resulting from these trade secrets. Despite our efforts to protect our intellectual property rights, unauthorized parties may attempt to copy or otherwise to obtain and use our intellectual property. Monitoring unauthorized use of our intellectual property **, and enforcing our rights,** is difficult and costly, and we cannot be certain the steps we have taken will prevent infringement, piracy, and other unauthorized uses of our intellectual property, particularly internationally where the laws may not protect our intellectual property rights as fully as in the U. S. **In the future, we or where our intellectual property is not registered. We** may have to resort to litigation to enforce our intellectual property rights, which could result in substantial costs and diversion of our management and resources. In addition, although we require third parties to sign agreements not to disclose or improperly use our intellectual property, it may still be possible for third parties to obtain and improperly use our intellectual properties without our consent. Third parties may sue us for intellectual property infringement, which may prevent or limit our use of the intellectual property and disrupt our business and could require us to pay significant damage awards. Third parties may sue us for intellectual property infringement or initiate proceedings to invalidate our intellectual property, either of which, if successful, could prevent or limit our use of the intellectual property and disrupt the conduct of our business, cause us to pay significant damage awards or require us to pay licensing fees. In the event of a successful claim against us, we might be enjoined from using such intellectual property, we might incur significant licensing fees, and we might be forced to develop alternative technologies. Our failure or inability to develop non- infringing technology or software or to license the infringed or similar technology or software on a timely basis could force us to withdraw products and services from the market or prevent us from introducing new products and services. In addition, even if we are able to license the infringed or similar technology or software, license fees could be substantial and the terms of these licenses could be burdensome, which might adversely affect our operating results. We might also incur substantial expenses in defending against third- party infringement claims, regardless of their merit. Successful infringement or licensing claims against us might result in substantial monetary liabilities and might materially disrupt the conduct of our business. Our platform contains third- party, open- source software components, which may pose particular risks to our proprietary software, technologies, and solutions in a manner that could negatively affect our business. Our platform contains software modules by third- party authors that are publicly available under “ open- source ” licenses, and we expect to use open- source software in the future. **Use While the use and distribution of open- source software is common in the industry, it** may entail greater risks than use of third- party commercial software, as open- source licensors generally do not provide support, warranties, indemnification, or other contractual protections regarding infringement claims or the quality of the code. To the extent our platform depends on the successful operation of open- source software, any undetected errors or defects in such open- source software could prevent the deployment or impair the functionality of our platform, delay introductions of new solutions, result in a failure of any of our solutions, and injure our reputation. **While our developed software undergoes testing, Undetected-undetected** errors or defects in open- source software could render it vulnerable to breaches or security attacks and make our systems more vulnerable to data breaches. The public availability of such software may make it easier for others to compromise our platform. Some open- source software licenses contain requirements that we make available source code for modifications or derivative works we create based on the type of open- source software we use or grant other licenses to our intellectual property. If we combine our proprietary software with open- source software in a certain manner, we could, under certain open- source licenses, be required to release the source code of our proprietary software to the public. While our open- source policies are meant to prevent such misuse, there can be no assurances such incidents will not occur. This would allow our competitors to create similar offerings with lower development effort and time and ultimately could result in a loss of our competitive advantages. Alternatively, to avoid the public release of the affected portions of our source code, we could be required to expend substantial time and resources to re- engineer our software. Although we monitor our use of open- source software to avoid subjecting our platform to conditions we do not intend, there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to provide or distribute our solutions. From time- to- time, there have been claims challenging the ownership of open- source software against companies that incorporate open- source software into their products or platforms. As a result, we could be subject to lawsuits by parties claiming ownership of what we believe to be open- source software. Moreover, we cannot assure that our processes for controlling our use of open- source software in our platform will be effective. If we are held to have breached or failed to fully comply with all the terms and conditions of an open- source software license, we could face infringement or other liability, or be required to seek costly licenses from third parties to continue providing our solutions on terms that are not economically feasible, to re- engineer our solutions, to discontinue or delay the provision of our solutions if re- engineering could not be accomplished on a timely basis, or to make generally available, in source code form, our proprietary code, any of which could materially and adversely affect our business, financial condition, and results of operations. **Litigation may harm our business. We..... financial condition and results of operations.** Indemnity provisions in various agreements potentially expose us to substantial liability for intellectual property infringement, damages caused by malicious software, and other losses. In the ordinary course of our business, most of our agreements with carriers, customers, and other distributors include indemnification provisions. In these provisions, we agree to indemnify them for losses suffered or incurred in connection with our products and services, including as a result of intellectual property infringement and damages caused by viruses, worms, and other malicious software. The term of these indemnity provisions is generally perpetual after execution of the corresponding ~~license~~ agreement, and the maximum potential amount of future payments we could be required to make under these indemnification provisions is generally unlimited. Large future indemnity payments could harm our business, operating results, and financial condition. Risks Relating to Our Common Stock and Capital Structure We have secured and unsecured indebtedness, which could limit its financial flexibility. Our outstanding secured indebtedness of \$ **413-386, 134-000** as of March 31, **2023-2024**, and our ability to borrow additional amounts under its \$ 600, 000 revolving credit facility, could have significant negative consequences

including: • increasing our vulnerability to general adverse economic and industry conditions; • increasing our exposure to interest rate risk; • limiting our ability to obtain additional financing; • violating a financial covenant, resulting in the indebtedness being due immediately and negatively impacting our liquidity; • requiring additional financial covenant measurement consents or default waivers without enhanced financial performance in the short term; • requiring the use of a substantial portion of any cash flow from operations to service indebtedness, thereby reducing the amount of cash flow available for other purposes, including capital expenditures; • limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which it competes; and • placing us at a possible competitive disadvantage to less leveraged competitors that are larger and may have better access to capital resources. Our borrowings under our credit facility are subject to variable interest rates and thus expose us to interest rate fluctuations, depending on the extent to which we utilize the credit facility. If market interest rates continue to increase, our results of operations could be adversely affected. Any refinancing of our debt could be at higher interest rates and could require us to comply with more onerous covenants, which could further restrict our business operations. In addition, we cannot assure you that we will be able to refinance any of our indebtedness on commercially reasonable terms, or at all. Our credit facility also contains a maximum consolidated secured net leverage ratio and minimum consolidated interest coverage ratio. If we fail to satisfy these covenants, the lender may declare a default, which could lead to acceleration of the debt's maturity. Any such default would have a material adverse effect on us. The collateral pledged to secure our secured debt, consisting of substantially all of our and our U. S. subsidiaries' assets, would be available to the secured creditor in a foreclosure, in addition to many other remedies. Accordingly, any adverse change in our ability to service our secured debt could result in an event of default, cross default, and foreclosure or forced sale. Depending on the value of assets, there could be little, if any, assets available for common stockholders in any foreclosure or forced sale. To service our debt and fund our other capital requirements, we will require a significant amount of cash and our ability to generate cash will depend on many factors beyond our control. Our ability to meet our debt service obligations and to fund working capital, capital expenditures, and investments in our business will depend on our future performance, which will be subject to financial, business, and other factors affecting our operations, many of which are beyond our control, availability of borrowing capacity under our credit facility, and our ability to access capital markets. We cannot ensure we will generate cash flow from operations, or that future borrowings or capital markets will be available in an amount sufficient to enable us to pay our debt or to fund our other liquidity needs. We could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional indebtedness or equity capital, or restructure or refinance our indebtedness. We may not be able to ~~affect~~ **accomplish** any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternative actions may not allow us to meet our scheduled debt service obligations. The market price of our common stock is likely to be highly volatile and subject to wide fluctuations, and you may be unable to resell your shares at or above the current price. The market price of our common stock is likely to be highly volatile and could be subject to wide fluctuations in response to a number of factors that are beyond our control, including the risk factors described in this Annual Report and announcements of new products or services by our competitors. In addition, the market price of our common stock could be subject to wide fluctuations in response to a variety of factors, including: • quarterly variations in our revenue and operating expenses; • developments in financial markets, and global or regional economies; • announcements of innovations or new products or services by us or our competitors; • price and volume fluctuations in the overall stock market from time- to- time; • significant volatility in the market price and trading volume of technology companies in general and of companies in the digital advertising industry in particular; • whether our results of operations **and forecasts** meet the expectations of securities analysts or investors; • litigation involving us, our industry, or both; • significant sales of our common stock or other securities in the open market; and • changes in accounting principles. In the past, stockholders have often instituted securities class action litigation after periods of volatility in the market price of a company's securities. If a stockholder were to file any such class action suit against us, we would incur substantial legal fees and our management's attention and resources would be diverted from operating our business to respond to the litigation. **In addition, employees may be more likely to leave us if the shares they own or the shares underlying their options have significantly appreciated in value relative to the original purchase prices of the shares or the exercise** We may choose to raise additional capital to finance the purchase price of acquisitions or to otherwise accelerate the growth of our business, and we may not be able to raise capital to grow our business on terms acceptable to us or at all. Should we choose to pursue alternative strategies to accelerate growth or enhance our existing business, we may require significant cash outlays and commitments. Our business strategy may include expansion through internal growth or external growth by acquiring complimentary businesses, acquiring or licensing additional brands, or establishing strategic relationships with targeted customers and suppliers. If our cash, cash equivalents, short- term investments, and cash generated from operations are not sufficient to meet our cash requirements, we may seek additional capital, potentially through debt or equity financings, to fund our growth. We may not be able to raise needed cash on terms acceptable to us or at all. Financings, if available, may be on terms that are dilutive or potentially dilutive to our stockholders, and the prices at which new investors would be willing to purchase our securities may be lower than the fair market value of our common stock. The holders of new securities may also receive rights, preferences, or privileges that are senior to those of existing holders of our common stock. If securities or industry analysts do not publish research or reports about our business, or if they downgrade their recommendations regarding our common stock, our stock price and trading volume could decline. The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about our business or us. If any of the analysts who cover us downgrade our common stock, our common stock price would likely decline. If analysts cease ~~coverage~~ **covering** us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our common stock price or trading volume to decline. We do not anticipate paying dividends. Our secured and unsecured indebtedness essentially prevents all payments of dividends to our stockholders. Even if such dividends were permitted by the applicable lenders, we have never paid cash or other

dividends on our common stock. Subject to the restrictions in our senior credit facility, payment of dividends on our common stock is within the discretion of our Board of Directors and will depend upon our earnings, our capital requirements and financial condition, and other factors deemed relevant by our Board of Directors. However, the earliest our Board of Directors would likely consider a dividend is if we begin to generate excess cash flow. Our Board of Directors does not intend to declare dividends for the foreseeable future. **Failure to maintain effective** We have identified a material weakness in our internal control over financial reporting **could result in material misstatements in our financial statements,** and **disclosure controls a failure to meet its reporting** and procedures **financial obligations, each of** which could, if not remediated, result in additional material misstatements in our financial statements. If we are unable to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in us and materially and adversely affect our business and operating results **of operations and financial condition**. Effective internal controls are necessary for us to provide reliable financial reports and prevent fraud. In addition, Section 404 of the Sarbanes- Oxley Act of 2002, or the Sarbanes- Oxley Act, requires us to maintain, evaluate and report on disclosure controls and procedures and internal control over financial reporting, that meet the applicable standards. We have **During fiscal year 2022, we** identified a material weaknesses -- **weakness** in our internal control over financial reporting related to the presentation of certain revenue net of license fees and revenue share expense and the classification of certain hosting costs described. Management concluded that our internal controls over financial reporting and disclosure controls and procedures were not effective as of March 31, 2022. We are **During fiscal year 2023, management** actively engaged in implementing a remediation plan designed to address the material weakness, **and the material weakness in our internal control over financial reporting was fully remediated as of March 31, 2023**. We **In the event management identifies a future material weakness in internal control over financial reporting, we** cannot be certain that measures we take to remediate the material weakness will be successful. Also, we cannot be certain that we will be able to implement and maintain adequate controls over our financial processes and reporting in the future. **In For additional information on the event foregoing, see "Item 9A — Controls and Procedures — Management management" 's Report on successfully remediates a future material weakness in Internal internal Control control over Financial financial Reporting reporting and consequently** .” Even if we are able to conclude **concludes** that our internal control over financial reporting provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, because of its inherent limitations, internal control over financial reporting may not prevent or detect fraud or misstatements. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm our operating results or cause us to fail to meet our reporting obligations. **Further** If we discover additional material weaknesses in our internal controls or are unable to remediate our existing material weakness, the disclosure of those matters **such an event and subsequent remediation or lack of remediation** could reduce the market’ s confidence in our financial statements and harm our stock price. In addition, if we fail to comply with the applicable portions of the Sarbanes- Oxley Act, we could be subject to a variety of civil and administrative sanctions and penalties, including ineligibility for short form resale registration, action by the SEC, **shareholder litigation**, and the inability of registered broker-dealers to make a market in our common stock. Maintaining and improving our financial controls and the requirements of being a public company may strain our resources, divert management’ s attention, and affect our ability to attract and retain qualified members for our Board of Directors. As a public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934 and the Sarbanes- Oxley Act. Additionally, the time and effort required to maintain communications with stockholders and the public markets can be demanding on senior management, which can divert focus from operational and strategic efforts. The requirements of the public markets and the related regulatory requirements have resulted in an increase in our legal, accounting, and financial compliance costs, may make some activities more difficult, time- consuming, and costly, and may place undue strain on our talent, systems, and resources. The Sarbanes- Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. This can be difficult to do. For example, we depend on the reports of wireless carriers for information regarding the amount of sales of our products and services and to determine the amount of royalties we owe branded content licensors and the amount of our revenue. These reports may not be timely, and in the past they have contained, and in the future they may contain, errors. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we expend significant resources and provide significant management oversight. We have a substantial effort ahead of us to implement appropriate processes, document our system of internal control over relevant processes, assess their design, remediate any deficiencies identified and test their operation. As a result, management’ s attention may be diverted from other business concerns, which could harm our business, operating results and financial condition. These efforts will also involve substantial accounting- related costs. The Sarbanes- Oxley Act makes it more difficult and more expensive for us to maintain directors’ and officers’ liability insurance, and we may be required in the future to accept reduced coverage or incur substantially higher costs to maintain coverage. If we are unable to maintain adequate directors’ and officers’ insurance, our ability to recruit and retain qualified directors —and officers will be significantly curtailed. Anti- takeover provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management, and limit the market price of our common stock. Provisions in our certificate of incorporation and bylaws may have the effect of preventing a change of control or changes in our management. Our certificate of incorporation and bylaws include provisions that: • authorize our board of directors to issue, without further action by the stockholders, shares of undesignated preferred stock with terms, rights, and preferences determined by our board of directors that may be senior to our common stock; • specify that special meetings of our stockholders can be called only by our board of directors, the chairperson of our board of directors, our chief executive officer, or our president, or holders of a majority of our outstanding common stock; • establish an advance notice procedure for stockholder proposals to be brought before an annual meeting,

including proposed nominations of persons for election to our board of directors; • prohibit cumulative voting in the election of directors. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally, subject to certain exceptions, prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any “interested” stockholder for a period of three years following the date on which the stockholder became an “interested” stockholder. Any of the foregoing provisions could limit the price that investors might be willing to pay in the future for shares of our common stock, and they could deter potential acquirers of our company, thereby reducing the likelihood that you would receive a premium for your shares of our common stock in an acquisition. Our bylaws designate the Court of Chancery of the State of Delaware as the exclusive forum for certain disputes between us and our stockholders. Our bylaws provide that the Court of Chancery of the State of Delaware is the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, or other employees to us or our stockholders; (iii) any action or proceeding asserting a claim arising out of or pursuant to any provision of the Delaware General Corporation Law; and (iv) any action or proceeding asserting a claim that is governed by the internal affairs doctrine, in all cases to the fullest extent permitted by law. These choice of forum provisions may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees.