

Risk Factors Comparison 2025-02-14 to 2024-04-01 Form: 10-K

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Below is a Risk Factors Summary We are providing the following summary of the principal risk factors contained in this Annual Report on Form 10-K to enhance the readability and accessibility of our risk factor disclosures. We encourage you to carefully review the full risk factors contained in this Annual Report on Form 10-K in their entirety for additional information regarding the material factors that make an investment in our securities common stock speculative or risky. This summary does not address all of the risks that we face. Additional discussion of the risks summarized in this risk factor summary, and other -- **the following:** risks that we face, can be found below under the heading "Risk Factors" and should be carefully considered, together with other information in this Form 10-K and our other filings with the SEC before making an investment decision regarding our common stock. Summary Risks Related to TMTG's Business **and Industry** • TMTG has a limited operating history, making it difficult to evaluate TMTG's business and prospects and may increase the risks associated with your investment. • **TMTG's actual financial position will continue to seek to improve its business model by developing its technology as and an results of early stage company. TMTG expects to incur operations- operating losses for may differ materially from the foreseeable future** expectations of TMTG's management. • If Truth Social **or Truth** fails to develop and maintain followers or a sufficient audience, **or** if adverse trends develop **for in the social media platforms or streaming services** generally, **or** if President Trump were to cease to be able to devote substantial time to Truth Social, TMTG's business would be adversely affected. • **Digital World previously TMTG has placed emphasis on building a platform for all Americans to freely express themselves through Truth Social. Failure to realize this vision, or if First Amendment speech is no longer believed to be suppressed by other similar platforms, could adversely affect TMTG's brand and business prospects.** • TMTG may not be successful in its efforts to grow and monetize the Truth ecosystem. • TMTG may need additional capital, and TMTG cannot be sure that additional financing will be available. • TMTG's business is highly competitive. Competition presents an ongoing threat to the success of TMTG's business. • TMTG's new products, services and initiatives and changes to existing products, services and initiatives could fail to attract sufficient users and advertisers or generate revenue. • If TMTG's efforts to build and maintain strong brand identity, improve the user base for Truth Social and Truth, and develop additional products are not successful, TMTG may not be able to attract or retain users, and TMTG's operating results will be affected adversely. If events occur that damage TMTG's reputation and brand, TMTG's ability to expand TMTG's base of users, developers and advertisers may be impaired, and TMTG's business and financial results may be harmed. • False, misleading, and unfavorable media coverage could negatively affect TMTG's business. • TMTG's software is highly technical, and if it contains undetected errors, TMTG's business could be adversely affected. TMTG's business and operating results may be harmed by a disruption in TMTG's service, or by TMTG's failure to timely and effectively scale and adapt TMTG's existing technology and infrastructure. • Computer malware, viruses, hacking, and phishing attacks, scamming and spamming could harm TMTG's business and results of operations. Excessive scamming activity or spam could diminish the user experience on TMTG's platform, which could damage TMTG's reputation and deter TMTG's current and potential users from using TMTG's products and services. • If TMTG encounters issues with the rollout and implementation of its streaming content plans, TMTG may delay or decide not to fully implement the service, which may affect TMTG's growth strategy and operations. • In connection with the preparation of its financial statements as of and for the year ended December 31, 2024, TMTG identified material weaknesses in its internal control over financial reporting, and TMTG may identify additional material weaknesses in its previously issued **the future or otherwise fail to maintain an effective system of internal controls over financial reporting** statements and in the future, which may cause TMTG to fail to meet its reporting obligations **or,** result in material misstatements of its **consolidated** financial statements. • TMTG's independent registered public accounting firm has indicated that TMTG's financial condition raises substantial doubt as to its ability to continue as a going concern. • TMTG's estimates of market opportunity and forecasts of market growth may be inaccurate. • TMTG's business is subject to complex and evolving U. S. and foreign laws and regulations regarding privacy, data protection, and other matters. • In the future, TMTG may be involved in numerous class action lawsuits and other lawsuits and disputes. • Computer malware, viruses, hacking, and phishing attacks, and spamming could adversely affect TMTG's business and results of operations. Risks Related to President Donald J. Trump • TMTG's success depends in part on the popularity of its brand and the reputation and popularity of President Trump. Adverse reactions to publicity relating to President Trump, or the loss of his services, could adversely affect TMTG's revenues and results of operations. • President Trump is the subject of numerous legal proceedings. An adverse outcome in one or more of the ongoing legal could negatively impact TMTG. • The terms of a license agreement with President Trump is not terminable by TMTG when it may be desirable to TMTG. The license agreement does not require President Trump to use Truth Social in certain circumstances, including in connection with posts that President Trump deems, in his sole discretion, to be politically related. • Because President Trump is a candidate for president, he may divest his interest in Truth Social and may cease any involvement in its management. • TMTG depends on numerous third- parties to operate successfully, and many of these third parties may not want to engage with TMTG to provide any services. Risks Related to Ownership of TMTG Common Stock • Nasdaq may delist TMTG's securities from trading on its exchange, which could subject TMTG to trading restrictions. • The market price of TMTG's common stock may decline as a result of the Business Combination. • TMTG has discretion in the use of the net proceeds post- Closing and may not use them effectively. • TMTG stockholders may experience dilution in the future. •

President Trump holds approximately 57.6% of the outstanding TMTG Common Stock, which limits other stockholders' ability to influence the outcome of matters submitted to stockholders for approval. We operate in a dynamic and rapidly changing environment that involves numerous risks and uncertainties. Certain factors may have a material adverse effect on our business and the market price of TMTG's common stock.

- TMTG carries a large amount of cash, cash equivalents and short-term investments on its balance sheet, which could expose it to additional risks.
- Risks Related to President Donald J. Trump • TMTG's success depends in part on the popularity of its brand and the reputation and popularity of President Donald J. Trump. The value of TMTG's brand may diminish if the popularity of President Donald J. Trump were to suffer, which could adversely affect TMTG's revenues, results of operations and its ability to maintain or generate a consumer base. Additionally, the death or incapacity of President Donald J. Trump, or discontinuation or limitation of his use of TMTG's products, would negatively impact TMTG's business.
- An adverse outcome in one or more of the ongoing legal proceedings in which President Donald J. Trump is involved could negatively impact TMTG and its Truth Social platform.
- The License Agreement does not require President Donald J. Trump to use Truth Social in certain circumstances, including with respect to posts that he determines, in his sole discretion, to be politically-related. TMTG lacks any meaningful remedy with respect to such determination — which could have a material adverse effect on the business and / or operations of TMTG.
- Risks Related to Intellectual Property • TMTG's intellectual property may be infringed upon, and others have and may continue to accuse TMTG of infringing on their intellectual property, either of which could adversely affect TMTG's business and result in protracted and expensive litigation.
- TMTG must comply with licenses related to the use of free, publicly-available software incorporated in Truth Social products; failure to do so could cause the loss of the ability to use such software which could in turn adversely affect TMTG's revenues and results of operations.
- Many of TMTG's products and services rely on, incorporate, and / or license open source software, which may pose particular risks to TMTG's proprietary software, products, and services in a manner that could have a negative effect on TMTG's business.
- Legal, Regulatory, Compliance, and Governance Risks • TMTG's reputation, competitive advantage, financial position and relationships with its users could be materially harmed if TMTG is unable to comply with complex and evolving data protection and privacy, security, and breach of notification laws and regulations, and the costs and resources required to achieve compliance may have a materially adverse impact.
- TMTG may face lawsuits or incur liability as a result of content published on the Truth ecosystem.
- In the future, TMTG may be involved in numerous class action lawsuits and lawsuits and disputes that are expensive and time consuming, and, if resolved adversely, could harm TMTG's business, financial condition and/or results of operations.
- Delaware law and TMTG's Amended Charter and Bylaws contain certain provisions, including anti-takeover provisions, that limit the ability of stockholders to take certain actions and could delay or discourage takeover attempts that stockholders may consider favorable.
- Ongoing litigation over the "conversion ratio" could adversely affect TMTG's business, financial condition and stock price.
- The Trust holds approximately 52.1% of the outstanding TMTG common stock, which control limits or precludes other stockholders' ability to influence the outcome of matters submitted to stockholders for approval, including the election of directors, the approval of certain employee compensation plans, the adoption of amendments to TMTG's organizational documents and the approval of any merger, consolidation, sale of all or substantially all of its assets, or other major corporate transaction requiring stockholder approval.
- Market Risks • The market prices of TMTG's Common Stock and Public Warrants have been and may continue to be extremely volatile, which could cause purchasers of TMTG's securities to incur substantial losses.
- TMTG stockholders may experience significant dilution in the future.
- Warrants may continue to be exercised for TMTG common stock, which would increase the number of shares eligible for future resale in the public market and result in dilution to TMTG's stockholders.
- Future sales, or the perception of future sales, by TMTG or its stockholders in the public market could cause the market price for TMTG's common stock to decline.
- TMTG's securities may be subject to market manipulation and unlawful trading activity.

Risks Related to Our Operations as a New Public Company

- If TMTG fails to maintain and an effective system of disclosure controls and internal controls over financial reporting, TMTG's ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.
- TMTG incurs and will continue to incur significant increased expenses and administrative burdens as a public company, which could have an adverse effect on its business, financial condition and results of operations.

Investing in our common stock involves risk. You should carefully consider them the - Accordingly, in evaluating our business, we encourage you to consider the following discussion of risk risks described below as well as all the factors in its entirety, in addition to other information contained in this Annual Report on Form 10-K and our , including other -- the consolidated financial statements and public filings with the SEC. Other -- the events that related notes included in this report. The risks and uncertainties described below are not the only risks and uncertainties we do face. Additional risks and uncertainties not currently anticipate presently known to us or that we currently deem immaterial may also affect may impair our business operations. If any of the following risks actually occur , prospects our business , results of operations and financial condition could suffer. In that event, the trading price of our common stock could decline, and you may lose all or part of your investment. The risks discussed below also include forward- looking statements, and our actual results of operations may differ substantially from those discussed in these forward- looking statements . TMTG has a limited operating history, making it difficult to evaluate TMTG's business and prospects and may increase the risks associated with your investment. Private TMTG was formed on February 8, 2021 and started formulating its business plan at that time. Private TMTG did not begin developing the Truth Social platform until June 2021. Private TMTG made Truth Social available for general use in the first quarter of 2022. We pride ourselves on building Truth is nascent, and Truth Social without relying on hostile technology companies. Working exclusively Fi remains in development. TMTG has a limited operating history with these products (collectively " the alternative technology firms that share our commitment to

free speech, Private TMTG fully launched Truth **ecosystem** Social for iOS in April 2022. Private TMTG debuted the Truth Social web application in May 2022, and the Truth Social Android App became available in the Samsung Galaxy and Google Play stores in October 2022. Private TMTG introduced direct messaging to all versions of Truth Social in 2022, released a new “Groups” feature for users in May 2023, and announced the general availability of Truth Social internationally in June 2023. TMTG cannot assure you that it will be able to operate its business successfully or implement its operating policies and strategies as described elsewhere in this **Annual** Report. TMTG may encounter risks and challenges frequently experienced by growing companies in rapidly developing industries, including risks related to its ability to: • build a reputation for providing a superior platform and customer service, and for creating trust and long-term relationships with its potential customers; • implement a revenue model allowing it to develop predictable revenues; • distinguish itself from competitors and navigate political issues; • develop and offer a competitive platform that meets TMTG’s customers’ needs as they change; • improve TMTG’s current operational infrastructure and non-platform technology to support its growth and to respond to the evolution of TMTG’s market and competitors’ developments; • develop, maintain and expand TMTG’s relationships with suppliers of quality advertising; • respond to complex, evolving, stringent, contradictory industry standards and government regulation on an international scale that impact TMTG’s business; • **identify, complete and integrate acquisitions;** • prevent, detect, respond to, or mitigate failures or breaches of privacy and security; and • hire and retain qualified and motivated employees. If TMTG is unable to do so, its business may suffer, its revenue and operating results may decline and TMTG may not be able to achieve further growth or sustain profitability. ~~Since inception, Private TMTG has continuously sought to, broad discretion in the use of its available cash and following may not use it effectively.~~ **TMTG cannot specify with any certainty the particular uses of the net proceeds that TMTG either received pursuant to the Business Combination or will receive under the SEPA and / or due to the exercise of certain outstanding TMTG warrants. TMTG’s Management has broad discretion in the use of TMTG’s available cash, including working capital, possible acquisitions, and the other Closing general corporate purposes, and TMTG may spend or invest this cash in a way with which the stockholders disagree. The failure by TMTG’s Management to apply these funds effectively could harm TMTG’s business and financial condition. Pending their use, TMTG may invest the net proceeds from the offering in a manner that does not produce income or that loses value.** TMTG will continue to seek to improve its business model by developing its technology as an early stage company. TMTG expects to incur operating losses for the foreseeable future. ~~Truth Social has been generally available only since the first quarter of 2022. Further, although~~ **Although** Private TMTG targeted and assembled certain intellectual property and real or intangible property rights, ~~our~~ **TMTG’s** business plan is still developing. Accordingly, TMTG has no way to evaluate the likelihood that its business will be successful. Potential investors should be aware of the difficulties normally encountered by a new social media platform and the high rate of failure for such enterprises. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the operations that TMTG plans to undertake. These potential problems include, but are not limited to, unanticipated problems relating to the development of **the Truth Social ecosystem**, lack of widespread acceptance of **the Truth Social ecosystem** by users, and challenges attracting potential vendors to participate in **the Truth Social ecosystem**’s development, and any additional costs and expenses that may exceed current estimates. TMTG expects to incur significant losses into the foreseeable future. TMTG recognizes that if the effectiveness of its business plan is not forthcoming it will not be able to continue business operations. There is limited operating history upon which to base any assumption as to the likelihood that TMTG will prove successful, and TMTG may never generate sufficient operating revenues to achieve profitable operations. If TMTG is unsuccessful in addressing these risks, its business ~~will most~~, **prospects and operations may be adversely affected, and its business may** likely fail. **TMTG’s actual financial position and results of operations may differ materially from the expectations of TMTG’s Management Team.** TMTG’s actual financial position and results of operations may differ materially from management’s expectations. As a result, TMTG’s revenue, net income and cash flow may differ materially from TMTG’s expected revenue, net income and cash flow. The process for estimating TMTG’s revenue, net income and cash flow requires the use of judgment in determining the appropriate assumptions and estimates. These estimates and assumptions may be revised as additional information becomes available and as additional analyses are performed. ~~TMTG does not currently, and may never, collect, monitor and / or report certain key operating metrics used by companies in similar industries. Since its inception~~ **Prior to the closing of the Business Combination**, Private TMTG focused on developing Truth Social by enhancing features and user interface rather than relying on traditional performance metrics like average revenue per user, ad impressions and pricing, or active user accounts, including monthly and daily active users. While many industry peers may ~~gather and~~ report on these or similar metrics, given the early development stage of Truth Social, ~~Private TMTG’s management and board did~~ **does** not rely on, and ~~TMTG’s management and board~~ does not anticipate relying on, any particular key performance metric to make business or operating decisions. ~~Concurrent with access to new capital and resources following the Business Combination, TMTG is~~ **will continue** actively evaluating the most relevant, reliable and appropriate key operating metrics **(if any)** that align with its evolving business model. At this juncture in its development, TMTG believes that adhering to traditional key performance indicators **(“ KPIs ”)**, such as signups, average revenue per user, ad impressions and pricing, or active user accounts including monthly and daily active users, could potentially divert its focus from strategic evaluation with respect to the progress and growth of its business. TMTG believes that focusing on these KPIs might not align with the best interests of TMTG or its ~~shareholders~~ **stockholders**, as it could lead to short-term decision-making at the expense of long-term innovation and value creation. Therefore, TMTG believes that this strategic evaluation is critical and aligns with its commitment to a robust business plan that includes introducing innovative features ~~and~~, **new products**, new technologies. In connection with such evaluation, and consistent with SEC guidance, TMTG will consider whether it has effective controls and procedures in place to process information related to the disclosure of key performance indicators and metrics to ensure consistency as well as accuracy period over period, or the feasibility of implementing any such controls and procedures. If so, TMTG may decide to collect and report such metrics if they

are deemed to significantly enhance investors' understanding of TMTG's financial condition, cash flows, and other aspects of its financial performance. However, TMTG may find it difficult or resource-prohibitive to implement such effective controls and procedures and may never collect, monitor or report any or certain key operating metrics, which is likely to make it difficult for stockholders in TMTG to evaluate and compare TMTG's performance to that of companies in similar industries. If the use of third-party cookies or other tracking technology is restricted by third parties outside of TMTG's control, rejected by **TMTG Truth Social's** users, or otherwise subject to unfavorable regulation, TMTG's ability to tailor, improve and provide a consistent experience to **TMTG Truth Social's** users would be negatively impacted, which could materially and adversely affect TMTG's growth prospects and financial performance. **Third-party cookies and other tracking technologies have been a fundamental part of the web for nearly three decades, aiding platforms in generating relevant ads, among other functions.** TMTG's **products and service offerings such as the Truth Social platform Platform is and Truth are** still in an early development stage, however, as other similar companies in the space, TMTG expects to generate substantial revenue from advertisements. Accordingly, **TMTG Truth Social's** ability to use third-party cookies to provide advertising companies relevant data for their advertisements is critical to its revenue generation potential. However, with increasing restrictions on third-party cookies, **TMTG Truth Social** may lose the ability to track user behavior across its platform, which could negatively affect its ability to retain advertisers on its platform and effectively advertise their services. **Truth Social-TMTG, its service providers and business partners use tracking technologies, including cookies, device identifiers, and related technologies, to help TMTG manage and track users' interactions with TMTG platforms, services, websites and content, and deliver relevant advertising and personalized content. Further, TMTG's** use of cookies aids its development and ability to improve its services in response to user preferences and to provide its users with relevant offers from advertisers. Recently, web and mobile browser developers, such as Apple, Microsoft or Google, have implemented and may continue to implement changes, including requiring additional user permissions, in their browsers or device operating systems that impair **TMTG Truth Social's** ability to track cookies and improve the effectiveness of advertising on its platform. Such changes include limiting the use of first-party and third-party cookies and related tracking technologies, such as mobile advertising identifiers, and other changes that limit **TMTG Truth Social's** ability to collect information that allows it to attribute members' actions on advertisers' websites to the effectiveness of advertising campaigns run on the platform. For example, Apple launched its Intelligent Tracking Prevention ("ITP") feature in its Safari browser. ITP blocks some or all third-party cookies by default on mobile and desktop and ITP has become increasingly restrictive over time **and**. Similarly, on January 4, 2024, Google **previously proposed phasing out** began testing a new feature on its Chrome browser called "Tracking Protection." This feature limits cross-site tracking by restricting website access to third-party cookies by default. Google is expected to implement the Tracking Protection Tool in all Chrome browsers by the end of the second quarter of 2024, essentially no longer supporting third-party cookies in its Google Chrome browser. **These and Third-party cookies have been a fundamental part of the web for nearly three decades, aiding platforms in generating relevant ads, among other functions.** These web and mobile browser developers have also implemented and may continue to implement changes and restrictions in browser or device functionality that limit TMTG's ability to communicate with or understand its business and users. As such, the implementation of these changes could significantly impair TMTG's ability to tailor, improve and provide a consistent experience to its users, which in turn could materially and adversely affect its growth prospects and financial performance. In addition, federal, state and international governmental authorities continue to evaluate the privacy implications inherent in the use of proprietary or third-party cookies and other methods of online tracking for behavioral advertising and other purposes. U. S. and foreign governments have enacted, have considered or are considering legislation or regulations that could significantly restrict the ability of companies and individuals to engage in these activities, such as by regulating the level of consumer notice and consent required before a company can employ cookies or other electronic tracking tools or the use of data gathered with such tools. **Additionally, some providers of consumer devices and web browsers have implemented, or announced plans to implement, means to make it easier for internet users to prevent the placement of cookies or to block other tracking technologies, which could if widely adopted significantly reduce the effectiveness of such practices and technologies.** The regulation of the use of cookies and other current online tracking and advertising practices or a loss in TMTG's ability to make effective use of services that employ such technologies could increase its costs of operations and limit its ability to acquire new customers on cost-effective terms and consequently, materially adversely affect its business, financial condition and operating results. **If Truth Social or Truth fails to develop and maintain followers or a sufficient audience, or if adverse trends develop for social media platforms or streaming services generally, TMTG's business would be adversely affected. Social media platforms and streaming services are speculative businesses because revenues and income derived from them depend primarily upon the continued acceptance of that platform. Public acceptance of a particular platform depends upon, among other things, the ease of use of the platform, promotion of that platform, and the quality and acceptance of competing platforms. A user decline could make it economically inefficient to continue providing for the use of the platform. If the customer base were to not adopt Truth Social or Truth, or cease using these platforms, such developments could result in a write-down of TMTG's capitalized development costs and adversely affect TMTG's business prospects. The amount of any write-down would vary depending on a number of factors, including when the product or service ceased. TMTG has placed emphasis on building a platform for all Americans to freely express themselves through Truth Social. Failure to realize this vision, or if First Amendment speech is no longer believed to be suppressed by other similar platforms, could adversely affect TMTG's brand and business prospects. TMTG aspires to build a media and technology powerhouse to rival the liberal media consortium and promote free expression. TMTG was founded to fight back against the Big Tech companies- Meta (Facebook, Instagram, and Threads), X (formerly Twitter), Netflix, Alphabet (Google), Amazon and others- that it believes have colluded to curtail debate in America and censor voices that contradict "woke" ideology. TMTG aims to safeguard public debate and open dialogue, and to provide a platform for all users to freely express**

themselves. Truth Social is designed to a global platform for public self-expression and conversation in real time, and the market for Truth Social is relatively new and may not develop as expected. People who are not Truth Social users may not understand the value of Truth Social. Convincing potential new users, especially users who oppose Big Tech censorship, of the value of Truth Social is critical to increasing TMTG's user base and to the success of TMTG's business. In addition, other social media platforms, including those that previously engaged in widespread censorship, could embrace free speech and target the same audience as Truth Social. For example, as a private company under new ownership, X may demonstrate a sustained commitment to free speech principles that will heighten competition for users who prioritize such principles. Failure to attract and retain a sufficient user base as a result of such competition could adversely affect TMTG's business prospects. Truth Social has implemented what TMTG believes to be a robust, fair, and viewpoint-neutral content moderation system to prevent illegal and other prohibited content from contaminating its platform. There is a risk that TMTG's moderation practices will be criticized as inconsistent with its promotion of free-speech principles, which may negatively impact TMTG's ability to attract and retain a sufficient user, which could adversely affect TMTG's business prospectus. To foster a flourishing digital public forum, TMTG seeks to prevent illegal and other prohibited content from contaminating its platform. In accordance with Truth Social's terms of service, illegal and prohibited content includes, but is not limited to, depictions or threats of violence, harassment, incitement of or threats of physical harm. Using human moderators and an artificial intelligence vendor known as HIVE, Truth Social has developed what TMTG believes is a robust, fair, and viewpoint-neutral moderation system and that its moderation practices are consistent with, and indeed help facilitate, TMTG's objective of maintaining "a public, real-time platform where any user can create content, follow other users, and engage in an open and honest global conversation without fear of being censored or cancelled due to their political viewpoints." However, there is a risk that TMTG's moderation practices will be criticized as inconsistent with its promotion of free-speech principles, which may negatively impact TMTG's ability to attract and retain a sufficient user, which could adversely affect TMTG's business prospects. If TMTG's users do not continue to contribute content or their contributions are not valuable to other users, TMTG may experience a decline in the number of users accessing its products and services and user engagement, which could result in the loss of advertisers and revenue. TMTG's success depends on its ability to provide users with products, which in turn for Truth Social and Truth depends on the content contributed by TMTG's users. TMTG believes that one of the Truth ecosystem's competitive advantages will be the quality, quantity and real-time nature of the content on the ecosystem, and that access to unique or real-time content is one of the main reasons users may visit Truth Social and utilize Truth . TMTG seeks to foster a broad and engaged user community, and TMTG intends to encourage high-profile individuals and entities to use TMTG's products and services to freely express their views to broad audiences without the fear of being censored or cancelled for any unpopular or non-woke opinions. TMTG may also encourage media outlets to use its products and services to distribute their content. If users, including influential users, do not contribute content to the Truth ecosystem, and it is unable to provide users with valuable and timely content, TMTG's user base and user engagement may decline. Additionally, if TMTG is not able to address user concerns regarding the safety and security of the Truth ecosystem or if TMTG is unable to successfully prevent abusive or other hostile behavior on the Truth ecosystem, the size of the Truth ecosystem user base and user engagement may decline. TMTG may rely on the sale of advertising services for the substantial majority of TMTG's revenue. If TMTG experiences a decline in the number of users or a decline in user engagement, including as a result of the loss of high-profile individuals and entities who generate content on the Truth ecosystem, advertisers may not view the Truth ecosystem as attractive for their marketing expenditures, and may reduce their spending with TMTG- which would harm TMTG's business and operating results. The success of Truth will depend on its ability to provide consumers with content and its ability to attract and retain channels and content creators. TMTG plans for Truth include partnering with channels and other sources of content. TMTG may not be successful in attracting channels or acquiring content. Additionally, channels or other sources of content may terminate their relationship with TMTG. If TMTG's plans for Truth , including with respect to content, do not come into fruition, TMTG's business, results of operations and financial condition could be adversely affected. TMTG's focus on product innovation and user engagement rather than short-term operating results may adversely affect TMTG's revenues. TMTG is committed to quickly developing and launching new and innovative products features. TMTG intends to focus on improving the user experience for Truth Social and on developing new and improved products and services including Truth and Truth. Fi. TMTG intends to prioritize innovation and the experience for users over short-term operating results. TMTG may frequently make product and service decisions that may reduce TMTG's revenues if it believes that the decisions are consistent with its goals to improve the user experience and performance, which it believes will improve its operating results over the long term. These intended decisions may not be consistent with the short-term expectations of investors and may not produce the long-term benefits that TMTG expects, in which case Truth Social and Truth user growth and user engagement, its relationships with advertisers and its business and operating results could be harmed. The Truth ecosystem's user growth and engagement on mobile devices depend upon effective operation with mobile operating systems, networks, and standards that TMTG does not control. TMTG intends to make its products and services available across a variety of operating systems and through websites. TMTG will be dependent on the interoperability of the Truth ecosystem with popular devices, desktop and mobile operating systems, web browsers and TVs that TMTG does not control. Any changes in such systems, devices, web browsers, or TVs that degrade the functionality of TMTG's products and services or give preferential treatment to competitive products or services could adversely affect usage of TMTG's products and services. Further, if the number of platforms for which TMTG develops its product expands, it will result in an increase in TMTG's operating expenses. In order to deliver high-quality products and services, it is important that TMTG's products and services work well

with a range of operating systems, networks, devices, web browsers and TVs that TMTG does not control. In addition, because a majority of TMTG's future users may access TMTG's products and services through mobile devices, TMTG is particularly dependent on the interoperability of its products and services with mobile devices and operating systems. TMTG may not be successful in developing relationships with key participants in the mobile industry or in developing products or services that operate effectively with these operating systems, networks, devices, web browsers and TVs. In the event that it is difficult for TMTG's users to access and use TMTG's products and services, particularly on their mobile devices, TMTG's user growth and engagement could be harmed, and its business and operating results could be adversely affected. TMTG may not be successful in building products that maintain user engagement. If TMTG is not successful in its efforts to grow the Truth ecosystem and monetize such growth, TMTG's user growth and user engagement and TMTG's financial results may be adversely affected. TMTG has financed its operations principally through the Business Combination with DWAC, convertible loans, and the sale of TMTG common stock. Substantially all of the convertible notes converted into TMTG common stock upon consummation of the Business Combination, and the remaining convertible notes converted into TMTG common stock upon registration of its underlying shares. As of December 31, 2024, TMTG has approximately \$ 776.8 million of cash, cash equivalents, and short-term investments, and \$ 9.6 million of debt. Although TMTG currently anticipates that the proceeds from the Business Combination, the shares issued to Yorkville under the SEPA, and the exercise of TMTG warrants, together with TMTG's available funds and cash flow from operations, are sufficient to meet TMTG's cash needs for the foreseeable future, TMTG may require substantial additional financing at various intervals in order to continue to develop and promote Truth Social, Truth, and Truth. Fi, and additional products / acquisitions. Such financing may be required for operating expenses including intellectual property protection and enforcement, for pursuit of regulatory approvals, and for commercialization of Truth Social, Truth, and Truth. Fi, and future products. TMTG's ability to obtain financing will depend, among other things, on TMTG's development efforts, business plans, operating performance and condition of the capital markets at the time TMTG seeks financing. TMTG may, from time to time, explore additional financing sources to lower its cost of capital, which could include equity, equity-linked and debt financing. In addition, TMTG is, and will continue from time to time, evaluating certain acquisitions and other strategic opportunities. If TMTG is able to agree on the terms of such investments and TMTG therefore elects to pursue any such investments, TMTG may fund them with internally generated funds, bank financing, the issuance of other debt or equity or a combination thereof. Certain financial-industry service providers have expressed, or may be reasonably expected to express, an unwillingness or reluctance to work on TMTG's products or provide services due to TMTG's connection with President Donald J. Trump. Similarly, to the extent TMTG needs to raise additional capital, TMTG will need to engage with investment bankers and investors, and it is possible that some will not want to engage with TMTG for similar reasons. Hostility from financial institutions could adversely affect TMTG's ability to obtain banking services, including additional financing on reasonable terms when required, or at all, which could adversely affect TMTG's business and financial results. TMTG can provide no assurance that additional funding will be available on a timely basis, on terms acceptable to TMTG, or at all. In the event that TMTG is unable to obtain such financing, it may not be able to fully develop and commercialize Truth Social, Truth, and Truth. Fi. If TMTG becomes unable to obtain additional capital when and as needed, it may have to liquidate its assets and the value TMTG receives for its assets in liquidation or dissolution could be significantly lower than the values reflected in TMTG's financial statements. If TMTG raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences, or privileges senior to the rights of TMTG common stock, and the existing stockholders may experience dilution. In addition, there is no assurance that the holders of the TMTG warrants will elect to exercise any or all of the warrants, and approximately 11 million warrants remained unexercised as of January 31, 2025. If TMTG warrants are not exercised, or are exercised on a "cashless basis," the amount of cash TMTG would receive from the exercise of the warrants will decrease. TMTG's estimates of market opportunity and forecasts of market growth may prove to be inaccurate. Market opportunity estimates and growth forecasts, whether obtained from third-party sources or developed internally, are subject to significant uncertainty and are based on assumptions and estimates that may prove to be inaccurate. Any estimates and forecasts relating to the size and expected growth of the target market and market demand which may inform TMTG's financial model may also prove to be inaccurate. TMTG's business depends on continued and unimpeded access to the internet by TMTG's users and advertisers. If TMTG's users experience disruptions in internet service or if internet service providers are able to block, degrade or charge for access to TMTG's products and services, TMTG could incur additional expenses and the loss of users and advertisers. TMTG depends on the ability of TMTG's users and advertisers to access the internet. This access will be provided by companies — including hostile legacy technology companies — that have significant market power in the broadband and internet access marketplace, including incumbent telephone companies, cable companies, mobile communications companies, government-owned service providers, device manufacturers and operating system providers, any of whom could take actions that degrade, disrupt or increase the cost of user access to TMTG's products or services, which would, in turn, negatively impact TMTG's business. The adoption of any laws or regulations that adversely affect the growth, popularity or use of the internet, including laws or practices limiting internet neutrality, could decrease the demand for, or the usage of, TMTG's products and services, increase TMTG's cost of doing business and adversely affect TMTG's operating results. TMTG will also rely on other companies to maintain reliable network systems that provide adequate speed, data capacity and security to TMTG and its users. As the internet continues to experience growth in the number of users, frequency of use and amount of data transmitted, the internet infrastructure that TMTG and its users rely on may be unable to support the demands placed upon it. The failure of the internet infrastructure that TMTG's users rely on, even for a short

period of time, could undermine TMTG's operations and harm TMTG's operating results. If TMTG fails to expand effectively in international markets, TMTG's revenue and TMTG's business will be harmed. Notwithstanding TMTG's best efforts, TMTG may not be able to monetize TMTG's products and services internationally as a result of competition, advertiser demand, differences in the digital advertising market and digital advertising conventions, as well as differences in the way that users in different countries access or utilize TMTG's products and services. Differences in the competitive landscape in international markets may impact TMTG's ability to monetize TMTG's products and services. The industries in which TMTG operates or has announced plans to operate — social media, streaming video, and financial products — are all highly competitive. TMTG believes that its ability to compete effectively for users depends upon many numerous factors both within and beyond TMTG's control, such as:

- the popularity, usefulness, ease of use, performance and reliability of TMTG's products and services compared to those of TMTG's competitors;
- the amount, quality and timeliness of content generated by TMTG's users;
- the timing and market acceptance of TMTG's products and services;
- the reduced availability of data used by ad targeting and measurement tools;
- government restrictions on access to TMTG products, or other actions that impair TMTG's ability to sell advertising, in their states or countries;
- adverse litigation, government actions, or legislative, regulatory, or other legal developments relating to advertising, including developments that may impact TMTG's ability to deliver, target, or measure the effectiveness of advertising;
- the adoption of TMTG's products and services internationally;
- TMTG's ability, and the ability of TMTG's competitors, to develop new products and services and enhancements to existing products and services;
- the frequency and relative prominence of the ads displayed by TMTG's competitors;
- TMTG's ability to establish and maintain relationships with platform partners that integrate with Truth Social;
- changes mandated by, or that TMTG elects to make to address, legislation, regulatory authorities or litigation, including settlements and consent decrees, some of which may have a disproportionate effect on TMTG;
- the application of antitrust laws both in the United States and internationally;
- government action regulating competition;
- TMTG's ability to attract, retain and motivate talented employees, particularly engineers, designers and product managers;
- TMTG's ability to build, maintain, and scale technical infrastructure, and risks associated with disruptions in TMTG's service, catastrophic events, cyber-attacks, and crises;
- acquisitions or consolidation within TMTG's industry, which may result in more formidable competitors; and
- TMTG's reputation and the brand strength relative to its competitors.

If TMTG is unable to effectively compete due these or other factors, TMTG's business could be harmed. TMTG cannot assure you that TMTG will effectively manage its growth. If TMTG fails to effectively manage its growth, TMTG's business and operating results could be harmed. TMTG may experience rapid growth in TMTG's headcount, operations, and product offerings, which will place significant demands on TMTG's management and operational and financial infrastructure. TMTG intends to make substantial investments to expand TMTG's operations, research and development, sales and marketing and general and administrative organizations, as well as TMTG's international operations. TMTG may face significant competition for employees, particularly engineers, designers and product managers, from other internet and high-growth companies, which include both publicly-traded and privately-held companies, and TMTG may not be able to hire new employees quickly enough to meet TMTG's needs. To attract highly skilled personnel, TMTG believes it will need to offer highly competitive compensation packages. As TMTG continues to grow, TMTG may be subject to the risks of over-hiring, over-compensating TMTG's employees and over-expanding TMTG's operating infrastructure, and to the challenges of integrating, developing, and motivating a rapidly growing employee base in various countries around the world. In addition, TMTG may not be able to innovate or execute as quickly as a smaller, more efficient organization. If TMTG fails to effectively manage TMTG's hiring needs and successfully integrate TMTG's new hires, TMTG's efficiency and ability to meet TMTG's forecasts and TMTG's employee morale, productivity and retention could suffer, and TMTG's business and operating results could be adversely affected. The growth and expansion of TMTG's business and products create significant challenges for TMTG's management, operational, and financial resources, including managing multiple relations with users, advertisers, platform developers, and other third parties. In the event of continued growth of TMTG's operations, product offerings, or in the number of TMTG's third-party relationships, TMTG's information technology systems or TMTG's internal controls and procedures may not be adequate to support TMTG's operations. In addition, some members of TMTG's Management Team do not have significant experience managing a large global business operation, so TMTG's Management Team may not be able to manage such growth effectively. To effectively manage TMTG's growth, TMTG must continue to improve TMTG's operational, financial, and management processes and systems and to effectively expand, train, and manage TMTG's employee base. As TMTG's organization continues to grow, and TMTG is required to implement more complex organizational management structures, TMTG may find it increasingly difficult to maintain the benefits of TMTG's corporate culture, including TMTG's ability to quickly develop and launch new and innovative products. This could negatively affect TMTG's business performance. TMTG faces significant competition for advertiser spend. TMTG's revenue has initially been generated through ads on Truth Social, and TMTG aims to generate revenue via advertising on Truth. Therefore, in order to grow TMTG's revenue and improve TMTG's operating results, TMTG aims to compete successfully with online and mobile businesses, including streaming services. TMTG believes that its ability to compete effectively for advertiser spend depends upon many factors both within and beyond TMTG's control, including:

- the size and composition of TMTG's user base relative to those of TMTG's competitors;
- TMTG's ad targeting capabilities, and those of TMTG's competitors;
- the timing and market acceptance of TMTG's advertising services, and those of TMTG's competitors;
- the propensity of advertisers to support free speech-focused platforms like Truth Social and Truth;
- TMTG's marketing and selling efforts, and those of TMTG's competitors;
- the pricing for TMTG's products relative to the advertising products and services of TMTG's

s competitors; • the return TMTG's advertisers receive from TMTG's advertising services, and those of TMTG's competitors; • TMTG's reputation and the strength of TMTG's brand relative to TMTG's competitors; • the engagement of TMTG's users with TMTG's products; • TMTG's ability to monetize Truth Social and Truth, including TMTG's ability to successfully monetize mobile usage; • TMTG's customer service and support efforts; • TMTG's ability to establish and maintain developers' interest in building Truth Social and Truth; • acquisitions or consolidations within TMTG's industry, which may result in more formidable competitors; and • TMTG's ability to cost-effectively manage and grow its operations. Consolidation in TMTG's industry could significantly increase competition. In recent years, there have been significant acquisitions and consolidation by and among TMTG's potential competitors. TMTG anticipates this trend of consolidation will continue, which will present heightened competitive challenges for TMTG's business. Acquisitions by TMTG's competitors may result in reduced functionality of Truth Social. Any elimination of integration with Truth Social in the future may adversely impact TMTG's business and operating results. Consolidation may also enable TMTG's larger competitors to offer bundled or integrated products that feature alternatives to Truth Social. Reduced functionality of Truth Social, or TMTG's competitors' ability to offer bundled or integrated products that compete directly with TMTG, may cause TMTG's user growth, user engagement and ad engagement to decline and advertisers to reduce their spending with TMTG. If TMTG is not able to compete effectively for users and advertiser spend its business and operating results would be materially and adversely affected. Many of TMTG's potential competitors have significantly greater resources and better competitive positions in certain markets than TMTG does. These factors may allow TMTG's competitors to respond more effectively to new or emerging technologies and changes in market requirements. TMTG's competitors may develop products, features, or services that are similar to TMTG's or that achieve greater market acceptance, may undertake more far-reaching and successful product development efforts or marketing campaigns, or may adopt more aggressive pricing policies. In addition, platform partners may use information shared by TMTG's users through Truth Social in order to develop products or features that compete with TMTG. If TMTG is not able to effectively compete, TMTG's user base and level of user engagement may decrease, which could make TMTG less attractive to developers and advertisers and materially and adversely affect TMTG's revenue and results of operations. Truth Social exists to provide its users a true free speech platform and avoid cancellation or censorship by Big Tech. There is nothing preventing Big Tech from ceasing to cancel different voices. If that were to happen, the number of users on TMTG's platform may decrease. Action by governments to censor content on or restrict access to Truth Social in their countries could substantially harm TMTG's business and financial results. It is possible that governments of one or more countries may seek to censor content available on Truth Social or Truth in their country or impose other restrictions that may affect the accessibility of Truth Social or Truth in their country for an extended period of time or indefinitely. In addition, governments in other countries may seek to restrict access to Truth Social from their country entirely if they consider TMTG to be in violation of their laws. In the event that access to Truth Social or Truth is restricted, in whole or in part, in one or more countries or TMTG's competitors are able to successfully penetrate geographic markets that TMTG cannot access, TMTG's ability to retain or increase TMTG's user base and user engagement may be adversely affected, TMTG may not be able to maintain or grow TMTG's revenue as anticipated, and TMTG's financial results could be adversely affected. TMTG's new products, services and initiatives and changes to existing products, services and initiatives could fail to attract sufficient users and advertisers or generate revenue. TMTG's ability to increase the size and engagement of Truth Social's user base, attract advertisers and generate revenue will depend in part on TMTG's ability to create successful new products and services, including Truth and Truth. Fi, both independently and in conjunction with third parties. TMTG may introduce significant changes to TMTG's existing products and services or develop and introduce new and unproven products and services, including technologies with which TMTG has little or no prior development or operating experience. If new or enhanced products or services fail to engage users and advertisers, TMTG may fail to attract or retain users or to generate sufficient revenue or operating profit to justify TMTG's investments, and TMTG's business and operating results could be adversely affected. In the future, TMTG may invest in new products, services, and initiatives to generate revenue, but there is no guarantee these approaches will be successful. If TMTG's strategic initiatives do not enhance TMTG's ability to monetize TMTG's products and services or enable it to develop new approaches to monetization, TMTG may not be able to maintain or grow TMTG's revenue or recover any associated development costs and TMTG's operating results could be adversely affected. If TMTG's efforts to build and maintain strong brand identity, improve the user base for Truth Social and Truth, and develop additional products are not successful, TMTG may not be able to attract or retain users, and TMTG's operating results will be affected adversely. If events occur that damage TMTG's reputation and brand, TMTG's ability to expand TMTG's base of users, developers and advertisers may be impaired, and TMTG's business and financial results may be harmed. TMTG believes that its unique brand will significantly contribute to the success of TMTG's business. TMTG also believes that maintaining and enhancing TMTG's brand is critical to expanding its base of users, developers and advertisers. Maintaining and enhancing TMTG's brand will depend largely on TMTG's ability to continue to provide useful, reliable, trustworthy and innovative products, which TMTG may not do successfully. TMTG may introduce new products or terms of service that users do not like, which may negatively affect TMTG's brand. Additionally, the actions of TMTG's platform developers may affect TMTG's brand if users do not have a positive experience using third-party apps and websites integrated with Truth Social. TMTG's brand may also be negatively affected by the actions of users that are hostile towards President Donald J. Trump or towards other people, by users impersonating other people, by users identified as spam, by users introducing excessive amounts of spam on TMTG's platform, by third parties obtaining control over users' accounts or by unauthorized access to TMTG's data or TMTG's users' data. TMTG

expects that in the future TMTG may experience media, judicial, legislative, or regulatory scrutiny of TMTG's decisions regarding user privacy, data use, encryption, content, product design, algorithms, advertising, or other issues, which may adversely affect TMTG's reputation and brand. TMTG also may fail to provide adequate customer service, which could erode confidence in TMTG's platform. Maintaining and enhancing TMTG's platform may require it to make substantial investments, and these investments may not be successful. If TMTG fails to successfully promote and maintain its platform or if it incurs excessive expenses in this effort, TMTG's business and financial results may be adversely affected. Any significant disruption in service on Truth Social or Truth , or in TMTG's information systems, could result in a loss of users or subscribers. Potential users and subscribers will access Truth Social and Truth through TMTG's website and related mobile applications, where the title selection process may be integrated with TMTG's delivery processing systems and software. TMTG's reputation and ability to attract, retain and serve TMTG's subscribers is dependent upon the reliable performance of TMTG's website and related apps, network infrastructure and fulfillment processes. Interruptions in these systems could make TMTG's website unavailable and hinder TMTG's ability to fulfill selections. Some of TMTG's software is proprietary, and TMTG may rely on the expertise of members of TMTG's engineering and software development teams for the continued performance of TMTG's software and computer systems. Service interruptions or the unavailability of TMTG's website could diminish the overall attractiveness of TMTG's subscription service to existing and potential subscribers. TMTG's servers may be vulnerable to computer viruses, physical or electronic break-ins and similar disruptions, which could lead to interruptions and delays in TMTG's service and operations and loss, misuse or theft of data. TMTG's website may periodically experience directed attacks intended to cause a disruption in service. Any attempts by hackers to disrupt TMTG's website service or TMTG's internal systems, if successful, could harm TMTG's business, be expensive to remedy and damage TMTG's reputation. Efforts to prevent hackers from entering TMTG's computer systems may be expensive to implement and may limit the functionality of TMTG's services. Any significant disruption to TMTG's website or internal computer systems could result in a loss of subscribers and adversely affect TMTG's business and results of operations. TMTG's industries, including financial products, are prone to cyber-attacks by third parties seeking unauthorized access to TMTG's data or users' data or to disrupt TMTG's ability to provide service. TMTG's products and services involve the collection, storage, processing, and transmission of a large amount of data. Any failure to prevent or mitigate security breaches and improper access to or disclosure of TMTG's data or user data, including personal information, content, or payment information from users, or information from marketers, could result in the loss, modification, disclosure, destruction, or other misuse of such data, which could harm TMTG's business and reputation and diminish TMTG's competitive position. In addition, computer malware, viruses, social engineering (such as spear phishing attacks), scraping, and general hacking are prevalent in TMTG's industry and are likely to occur on TMTG's systems in the future. TMTG will also regularly encounter attempts to create false or undesirable user accounts, purchase ads, or take other actions on TMTG's platform for purposes such as spamming, spreading misinformation, or other illegal, illicit, or otherwise objectionable ends. As a result of TMTG's prominence, the prominence and involvement of President Donald J. Trump, the size of TMTG's user base, the types and volume of personal data and content on TMTG's systems, and the evolving nature of TMTG's products and services (including TMTG's efforts involving new and emerging technologies), TMTG believes that it is a particularly attractive target for such breaches and attacks, including from nation states and highly sophisticated, state-sponsored, or otherwise well-funded actors, and TMTG may experience heightened risk from time to time as a result of geopolitical events. TMTG's efforts to address undesirable activity on TMTG's platform also increase the risk of retaliatory attacks. Such breaches and attacks may cause interruptions to the services TMTG provides, degrade the user experience, cause users or marketers to lose confidence and trust in TMTG products, impair TMTG's internal systems, or result in financial harm to TMTG. TMTG's efforts to protect its company data or the information it receives, and to disable undesirable activities on TMTG's platform, may also be unsuccessful due to software bugs or other technical malfunctions; employee, contractor, or vendor error or malfeasance, including defects or vulnerabilities in TMTG's vendors' information technology systems or offerings; government surveillance; breaches of physical security of TMTG's facilities or technical infrastructure; or other threats that evolve. In addition, third parties may attempt to fraudulently induce employees or users to disclose information in order to gain access to TMTG's data or TMTG's users' data. Cyber-attacks continue to evolve in sophistication and volume, and inherently may be difficult to detect for long periods of time. Although TMTG has developed systems and processes that are designed to protect its data and user data, to prevent data loss, to disable undesirable accounts and activities on TMTG's platform, and to prevent or detect security breaches, TMTG cannot guarantee that such measures will provide absolute security, that TMTG will be able to react in a timely manner, or that TMTG's remediation efforts will be successful. The changes in TMTG's work environment as a result of certain personnel working remotely could also impact the security of TMTG's systems, as well as TMTG's ability to protect against attacks and detect and respond to them quickly. TMTG is subject to various laws and regulations in the United States and abroad relating to cybersecurity and data protection. Consequently, affected users or government authorities could initiate legal or regulatory actions against TMTG in connection with any actual or perceived security breaches or improper access to or disclosure of data, including payment information. Such an incident or incidents could cause TMTG to incur significant expense and liability or result in orders or consent decrees forcing TMTG to modify its business practices. Such an incident or incidents, or TMTG's efforts to remediate the same, may also result in a decline in TMTG's user base or engagement levels. Such an incident or incidents could have a material and adverse effect on TMTG's business, reputation or financial results. TMTG's communications hardware and the computer hardware used to operate Truth Social and Truth are hosted at the facilities of third-party providers.

Hardware for TMTG's delivery systems is intended to be maintained in TMTG's data centers. Fires, floods, earthquakes, adverse weather conditions, other natural disasters, power losses, telecommunications failures, cyber-attacks, public health crises, terrorism, geopolitical conflict, break-ins, and similar events could damage these systems and hardware or cause them to fail completely. Problems faced by TMTG's third-party party could impact adversely the experience of TMTG's customer. Any of these problems could harm TMTG's reputation and adversely affect TMTG's business. Improper access to or disclosure of TMTG's users' information could harm TMTG's reputation and adversely affect TMTG's business. TMTG's efforts to protect the information that TMTG's users have chosen to share using Truth Social may be unsuccessful due to the actions of third parties, software bugs or other technical malfunctions, employee error or malfeasance, or other factors. In addition, third parties may attempt to fraudulently induce employees or users to disclose information in order to gain access to TMTG's data or TMTG's users' data. If any of these events occur, TMTG's users' information could be accessed or disclosed improperly. Truth Social's Data Privacy Policy governs the use of information that users have chosen to share using Truth Social. Some platform developers may store information provided by TMTG's users through apps on the Truth Social platform or websites integrated with Truth Social. As TMTG expands its Truth, Fi and payments platforms, it may gain access to more sensitive user information, including credit card, payment, and other sensitive personally identifiable information, and will be reliant on third-party partners, including our payments processor. If these third parties or platform developers fail to adopt or adhere to adequate data security practices or fail to comply with TMTG's terms and policies, or in the event of a breach of their networks, TMTG's users' data may be improperly accessed or disclosed. Any incidents involving unauthorized access to or improper use of the information of TMTG's users could damage TMTG's reputation and TMTG's brand and diminish TMTG's competitive position. In addition, the affected users or government authorities could initiate legal or regulatory action against TMTG in connection with such incidents, which could cause TMTG to incur significant expense and liability or result in orders or consent decrees forcing TMTG to modify its business practices. Any of these events could have a material and adverse effect on TMTG's business, reputation or financial results. TMTG may receive a high degree of media coverage around the world, including regarding, without limitation, TMTG's privacy practices, product changes, product quality, litigation or regulatory activity, or the actions of TMTG's platform or developers or TMTG's users. For example, numerous media outlets reported on the fact that, in June 2022, TMTG received subpoenas from the SEC and a federal grand jury sitting in the Southern District of New York seeking documents relating to, among other things, Digital World and other potential counterparties. In or about October 2022, a now-former TMTG Sub employee initiated a series of unauthorized leaks of Private TMTG's confidential information to various media outlets, which resulted in the publication of numerous stories portraying Private TMTG and its management in a negative light. On May 20, 2023, Private TMTG filed a \$ 3. 8 billion defamation lawsuit against The Washington Post in connection with a May 13, 2023 article. On July 12, 2024, TMTG filed in Florida state court an action for defamation, injurious falsehood, and civil conspiracy against Guardian News and Media Ltd., Penske Media Corporation, a Sarasota Herald-Tribune reporter, and the above-referenced former TMTG Sub employee. These matters remain pending. On November 20, 2023, in connection with reporting about Private TMTG's financial results, Private TMTG filed a lawsuit for defamation and injurious falsehood in Florida state court against 20 media defendants. Private TMTG and one defendant — Nexstar Media, Inc. ("Nexstar"), which owns The Hill — subsequently agreed to resolve their dispute outside of court, to both parties' mutual satisfaction. In connection with such resolution, The Hill retracted a November 13, 2023 article, and Private TMTG's lawsuit was dismissed as to Nexstar on December 4, 2023. All other terms of TMTG's settlement with Nexstar remain confidential, and TMTG's lawsuit remains pending against all other defendants. Notwithstanding such ongoing litigation, media outlets continue to publish false and misleading information about TMTG. For example, numerous publications mischaracterized a January 28, 2025 issuance of equity compensation to TMTG's non-employee directors as a "gift" — despite a clear statement in the relevant filings that it was "consideration for services," i. e., not a gift. Thus, whatever factual information TMTG includes in its disclosures and other public statements may be twisted and distorted when conveyed to the public and the market. Such fake news could harm TMTG's business, reputation, stock price, and / or ability to transact with its third-party providers. Negative publicity also could have an adverse effect on the size, engagement, and loyalty of TMTG's user base and result in decreased revenue, which could adversely affect TMTG's business and financial results. TMTG operates in new and evolving industries. TMTG may not be able to respond to changes in market conditions or to new or emerging technologies. You should take into account the risks and uncertainties frequently encountered by new companies in rapidly evolving markets. TMTG's financial results in any given quarter can be influenced by numerous factors, many of which TMTG is unable to predict or is outside of TMTG's control, including:

- TMTG's ability to maintain and grow TMTG's user base and user engagement;
- TMTG's ability to attract and retain advertisers in a particular period;
- seasonal fluctuations in spending by TMTG's advertisers;
- the number of ads shown to users;
- the pricing of TMTG's ads and other products;
- TMTG's ability to increase payments and other fees revenue;
- the diversification and growth of revenue sources beyond advertising and payments;
- the development and introduction of new products or services by TMTG or its competitors;
- increases in marketing, sales, and other operating expenses that TMTG may incur to grow and expand TMTG's operations and to remain competitive;
- TMTG's ability to maintain gross margins and operating margins;
- TMTG's ability to obtain equipment and components for TMTG's data centers and other technical infrastructure in a timely and cost-effective manner;
- system failures or breaches of security or privacy;
- inaccessibility of the Truth ecosystem due to third-party actions;
- adverse litigation judgments, settlements, or other litigation-related costs;
- changes in the legislative or regulatory environment, including with respect to privacy, or enforcement by government regulators, including fines,

orders, or consent decrees; • fluctuations in currency exchange rates and changes in the proportion of TMTG's revenue and expenses denominated in foreign currencies; • fluctuations in the market values of TMTG's portfolio investments and in interest rates; • changes in U. S. GAAP; and • changes in business or macroeconomic conditions. If TMTG's security measures are breached, or if TMTG's products and services are subject to attacks that degrade or deny the ability of users to access TMTG's products and services, TMTG's products and services may be perceived as not being secure, users and advertisers may curtail or stop using TMTG's products and services and TMTG's business and operating results could be harmed. TMTG's industry is prone to cyber- attacks by third parties seeking unauthorized access to TMTG's data, TMTG's users' data, or TMTG's advertisers' data. In addition, computer malware, viruses, social engineering (such as spear phishing attacks), scraping, and general hacking continue to be prevalent in TMTG's industry and are likely to occur on TMTG's systems in the future. TMTG's products and services involve the storage and transmission of users' and advertisers' information, and security breaches expose it to a risk of loss of this information, litigation and potential liability. TMTG may experience cyber- attacks and other cybersecurity risks of varying degrees on a regular basis, and as a result, unauthorized parties may obtain access to TMTG's data or TMTG's users' or advertisers' data. TMTG's security measures may also be breached due to employee error, malfeasance or otherwise. Additionally, outside parties may attempt to fraudulently induce employees, users or advertisers to disclose sensitive information in order to gain access to TMTG's data or TMTG's users' or advertisers' data or accounts, or may otherwise obtain access to such data or accounts. Since TMTG's users and advertisers may use their Truth Social accounts to establish and maintain online identities, unauthorized communications from Truth Social accounts that have been compromised may damage their reputations and brands as well as TMTG's. Any such breach or unauthorized access could result in significant legal and financial exposure, damage to TMTG's reputation and a loss of confidence in the security of TMTG's products and services that could have an adverse effect on TMTG's business and operating results. Because the techniques used to obtain unauthorized access, disable, or degrade service or sabotage systems change frequently and often are not recognized until launched against a target, TMTG may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived breach of TMTG's security occurs, the market perception of the effectiveness of TMTG's security measures could be harmed, TMTG could lose users and advertisers and TMTG may incur significant legal and financial exposure, including legal claims and regulatory fines and penalties. Any of these actions could have a material and adverse effect on TMTG's business, reputation, and operating results. TMTG may rely in part on application marketplaces and internet search engines to drive traffic to TMTG's products and services, and if TMTG fails to appear high up in the search results or rankings, traffic to Truth Social and Truth could decline and TMTG's business and operating results could be adversely affected. Although TMTG offers a web application for Truth Social and Truth , TMTG may rely on application marketplaces, such as Apple's App Store and Google's Play Store, to drive downloads of TMTG's mobile application. In the future, Apple, Google, or other operators of application marketplaces may make changes to their marketplaces which make access to TMTG's products and services more difficult or impossible. Additionally, third parties may attempt to pressure Apple and Google to remove Truth Social from their application marketplaces, and such removal may constitute a force majeure event under the operative version of TMTG's License Agreement with President Donald J. Trump (the " License Agreement "), which allows TMTG to use " Trump Media & Technology Group Corp. " as its name and to use the name and likeness of President Donald J. Trump, subject to certain limitations. Such a force majeure event may relieve President Donald J. Trump of any obligation to post on or otherwise use Truth Social for so long as such event continues. TMTG may also depend in part on internet search engines, such as Google, Bing, and Yahoo!, to drive traffic to Truth Social and Truth . For example, when a user types an inquiry into a search engine, TMTG may rely on a high organic search result ranking of TMTG's web pages in these search results to refer the user to Truth Social. However, TMTG's ability to maintain high organic search result rankings is not within TMTG's control. TMTG's competitors' search engine optimization (" SEO ") efforts may result in their websites receiving a higher search result page ranking than TMTG's, or internet search engines could revise their methodologies in a way that would adversely affect TMTG's search result rankings. For example, Google has integrated its social networking offerings, including Google , with certain of its products, including search, which could negatively impact the organic search ranking of TMTG's web pages. If internet search engines modify their search algorithms in ways that are detrimental to us, or if TMTG's competitors' SEO efforts are more successful than TMTG's, the growth in Truth Social's and Truth 's user base could slow. TMTG anticipates fluctuations in search result rankings in the future. Any reduction in the number of users directed to TMTG's mobile applications or website through application marketplaces and search engines could harm TMTG's business and operating results. More people are using devices other than personal computers to access the internet and new platforms to produce and consume content, and TMTG needs to promote the adoption of TMTG's mobile applications, and TMTG's business and operating results may be harmed if TMTG is unable to do so. The number of people who access the internet through devices other than personal computers, including mobile phones, smartphones, handheld computers such as net books and tablets, video game consoles and television set- top devices, has increased dramatically in the past few years. There are 7. 26 billion smart and feature phone users worldwide, including 6. 65 billion smartphone users worldwide in 2022. Since TMTG may generate a majority of TMTG's advertising revenue through users on mobile devices, TMTG must continue to drive adoption of TMTG's mobile applications. In addition, mobile users frequently change or upgrade their mobile devices. TMTG's business and operating results may be harmed if TMTG's users do not install Truth Social application when they change or upgrade their mobile device. In addition, as new devices and platforms are continually being released, users may consume content in a manner that is more difficult to monetize. It is difficult to predict the problems TMTG may

encounter in adapting TMTG's products and services and developing competitive new products and services that are compatible with new devices or platforms. If TMTG is unable to develop products and services that are compatible with new devices and platforms, or if TMTG is unable to drive continued adoption of TMTG's mobile applications, TMTG's business and operating results may be harmed. TMTG's business is dependent on its ability to maintain and scale TMTG's technical infrastructure, and any significant disruption in TMTG's service could damage TMTG's reputation, result in a potential loss of users and engagement, and adversely affect TMTG's financial results. TMTG's reputation and ability to attract, retain and serve TMTG's users is dependent upon the reliable performance of Truth Social and TMTG's underlying technical infrastructure. TMTG's systems may not be adequately designed with the necessary reliability and redundancy to avoid performance delays or outages or service disruptions that could be harmful to TMTG's business. If any part of the Truth ecosystem is unavailable when users attempt to access it, or if it does not load as quickly as they expect, users may not return to TMTG's website as often in the future, or at all. As TMTG's user base and the amount and types of information shared on the Truth ecosystem continue to grow, TMTG will need an increasing amount of technical infrastructure, including network capacity, and computing power, to continue to satisfy the needs of TMTG's users. It is possible that TMTG may fail to effectively scale and grow TMTG's technical infrastructure to accommodate these increased demands. In addition, as stated above, TMTG's business is subject to interruptions, delays, or failures resulting from earthquakes, other natural disasters, terrorism, or other catastrophic events. A substantial portion of TMTG's network infrastructure will be provided by third parties. Any disruption or failure in the services TMTG receives from these providers could harm TMTG's ability to handle new or increased traffic and could significantly harm TMTG's business. Any financial or other difficulties these providers face may adversely affect TMTG's business, and TMTG exercise little control over these providers, which increases TMTG's vulnerability to problems with the services they provide. TMTG's software is highly technical, and if it contains undetected errors, TMTG's business could be adversely affected. TMTG's business and operating results may be harmed by a disruption in TMTG's service, or by TMTG's failure to timely and effectively scale and adapt TMTG's existing technology and infrastructure. One of the reasons people will come to Truth Social and Truth is for real-time information. TMTG in the future may experience service disruptions, outages, and other performance problems due to a variety of factors, including infrastructure changes, human or software errors, hardware failure, capacity constraints due to an overwhelming number of people accessing TMTG's products and services simultaneously, computer viruses and denial of service or fraud or security attacks. Although TMTG will invest significantly to improve the capacity, capability, and reliability of TMTG's infrastructure, TMTG cannot guarantee that TMTG will serve all traffic equally through data centers that support TMTG's platform. Accordingly, in the event of a significant issue at a data center supporting significant network traffic, some of TMTG's products and services may become inaccessible to the public or the public may experience difficulties accessing TMTG's products and services. Any disruption or failure in TMTG's infrastructure could hinder TMTG's ability to handle existing or increased traffic on TMTG's platform, which could significantly harm TMTG's business. As the number of TMTG's users increases and TMTG's users generate more content, including photos and videos hosted by Truth Social and Truth, TMTG may be required to expand and adapt TMTG's technology and infrastructure to continue to reliably store, serve and analyze this content. It may become increasingly difficult to maintain and improve the performance of TMTG's products and services, especially during peak usage times, as TMTG's products and services become more complex and TMTG's user traffic increases. In addition, because TMTG may lease TMTG's data center facilities, TMTG cannot be assured that TMTG will be able to expand TMTG's data center infrastructure to meet user demand in a timely manner, or on favorable economic terms. If TMTG users are unable to access Truth Social or Truth, or TMTG is not able to make information available rapidly on Truth Social or Truth, users may seek other channels to obtain the information, and may not return to Truth Social or use Truth Social as often in the future, or at all. This would negatively impact TMTG's ability to attract users and advertisers and increase engagement of TMTG's users. TMTG expects to continue to make significant investments to maintain and improve the capacity, capability, and reliability of TMTG's infrastructure. To the extent that TMTG does not effectively address capacity constraints, upgrade TMTG's systems as needed and continually develop TMTG's technology and infrastructure to accommodate actual and anticipated changes in technology, TMTG's business and operating results may be harmed. TMTG's products may incorporate software that is highly technical and complex. TMTG's software may now or in the future contain, undetected errors, bugs, or vulnerabilities. Some errors in TMTG's software code may only be discovered after the code has been released. Any errors, bugs, or vulnerabilities discovered in TMTG's code after release could result in damage to TMTG's reputation, loss of users, loss of revenue, or liability for damages, any of which could adversely affect TMTG's business and financial results. Computer malware, viruses, hacking, and phishing attacks, scamming and spamming could harm TMTG's business and results of operations. Excessive scamming activity or spam could diminish the user experience on TMTG's platform, which could damage TMTG's reputation and deter TMTG's current and potential users from using TMTG's products and services. Computer malware, viruses, hacking, and phishing attacks have become more prevalent in TMTG's industry and may occur on TMTG's systems in the future. In addition, scammers may use TMTG's platforms to initiate or conduct fraudulent or dishonest schemes to gain money or possessions from Truth Social users. Because of TMTG's prominence, and the prominence of President Donald J. Trump in TMTG, TMTG believes that TMTG is a particularly attractive target for such attacks. Though it is difficult to determine what, if any, harm may directly result from any specific interruption or attack, any failure to maintain performance, reliability, security, and availability of TMTG's products and technical infrastructure to the satisfaction of TMTG's users may harm TMTG's reputation and TMTG's ability to retain existing users and attract new users. "Spam" on Truth Social refers to a range of abusive activities that are

prohibited by TMTG's terms of service and is generally defined as unsolicited, repeated actions that negatively impact other users with the general goal of drawing user attention to a given account, site, product or idea. This includes posting large numbers of unsolicited mentions of a user, duplicating content, misleading links (e. g., to malware or click-jacking pages) or other false or misleading content, and aggressively following and un-following accounts, adding users to lists, sending invitations, retruthing and favoriting content to inappropriately attract attention. TMTG's terms of service also prohibit the creation of serial or bulk accounts, using automation, for disruptive or abusive purposes, such as to truth spam or to artificially inflate the popularity of users seeking to promote themselves on Truth Social. Although TMTG will continue to invest resources to reduce scammer activity and spam on Truth Social, TMTG expects scammers and spammers will continue to seek ways to act inappropriately on TMTG's platform. In addition, TMTG expects that increases in the number of users on TMTG's platform will result in increased efforts by scammers and spammers to misuse TMTG's platform. TMTG cannot guarantee you that TMTG will successfully and continuously combat scammers and spam, including by suspending or terminating accounts TMTG believes to be spammers and launching algorithmic changes focused on curbing abusive activities. TMTG's actions to combat scammers and spam require the diversion of significant time and focus of TMTG's engineering team from improving TMTG's products and services. If scammer activity or spam increases on Truth Social, this could hurt TMTG's reputation for delivering relevant content or reduce user growth and user engagement and result in continuing operational cost to us. In addition, spammers attempt to use TMTG's products to send targeted and untargeted spam messages to users, which may embarrass or annoy users and make Truth Social less user-friendly. TMTG cannot be certain that the technologies and employees tasked with defeating spamming attacks will be able to eliminate all spam messages from being sent on TMTG's platform. As a result of spamming activities, TMTG's users may use Truth Social less or stop using TMTG's products altogether. Misleading solicitations and digital advertisements, including solicitations that are unaffiliated with TMTG, could harm TMTG's credibility or reputation. Third-party Truth Social and Truth advertisers may seek to express or imply the endorsement of TMTG or President Donald J. Trump in circumstances where no such endorsement exists. People may solicit customers to Truth products, or purport to solicit customers to Truth products, without TMTG's knowledge and may even get paid in the process. For example, the fundraising committee of a U. S. Senator's campaign has sent several email solicitations which claim to be an exclusive opportunity to sign up for a "brand-new social site" launched by President Donald J. Trump. The email solicitations specifically urge their recipients to donate campaign funds with the message, "please don't be the reason Trump's social site fails." Misleading solicitations could adversely impact TMTG's user base, which may find them undesirable. It is possible that there are or will be more misleading advertisements or solicitations claiming affiliation with TMTG. If these misleading solicitations and ads damage the reputation of TMTG or the desire of people to use Truth Social, TMTG's results of operations may be adversely affected. Bot networks could disrupt Truth Social's operations or degrade the Truth Social's user experience. Bots — software applications that are programmed to do certain tasks and imitate the behavior of humans — often attempt to proliferate on social media networks. TMTG prioritizes preventing, detecting, and eliminating bots from Truth Social. If these efforts are unsuccessful, bots could pose significant challenges to the smooth technical operation of the platform, impact the accuracy of certain data that TMTG may collect regarding user statistics, or degrade Truth Social's user experience, which seeks to promote genuine interaction among humans. TMTG plans to expand its operations abroad where TMTG has limited operating experience and may be subject to increased business and economic risks that could affect TMTG's financial results. TMTG plans to continue expanding TMTG's business operations by offering TMTG's products around the globe. TMTG has recently entered new international markets where TMTG has limited or no experience in marketing, selling, and deploying TMTG's products. If TMTG fails to deploy or manage its operations in international markets successfully, its business may suffer. In addition, TMTG is subject to a variety of risks inherent in doing business internationally, including: • political, social, or economic instability; • risks related to the legal and regulatory environment in foreign jurisdictions, including with respect to privacy, and unexpected changes in laws, regulatory requirements, and enforcement; • potential damage to TMTG's brand and reputation due to compliance with local laws, including potential censorship or requirements to provide user information to local authorities; • fluctuations in currency exchange rates; • higher levels of credit risk and payment fraud; • enhanced difficulties of integrating any foreign acquisitions; • burdens of complying with a variety of foreign laws; • reduced protection for intellectual property rights in some countries; • difficulties in staffing and managing global operations and the increased travel, infrastructure, and legal compliance costs associated with multiple international locations; • compliance with the U. S. Foreign Corrupt Practices Act, the U. K. Bribery Act, and similar laws in other jurisdictions; and • compliance with statutory equity requirements and management of tax consequences. If TMTG is unable to manage the complexity of its global operations successfully, its financial results could be adversely affected. TMTG plans to continue making acquisitions that could require significant management attention, disrupt its business, acquire new capital, result in dilution to its stockholders, and adversely affect its financial results. As a key part of its business strategy, TMTG is, and intends to continue, evaluating certain acquisitions of business and / or technologies. Such acquisitions might entail the addition and / or combination of employees, companies, products, services, technologies and / or entire businesses or business units that may function as new subsidiaries of TMTG. However, prior to its acquisition of WCT, TMTG had not previously completed any such strategic transaction. As a result, its ability to successfully acquire and integrate assets or larger or more significant companies, products, or technologies is unproven. As such, TMTG may struggle to leverage resources effectively to capitalize on the benefits of an acquisition and execute its business plan. Furthermore, in the future, TMTG may not be able to find other suitable acquisition candidates and complete acquisitions on favorable terms or at all. TMTG's future acquisitions may not achieve its goals, and any future acquisitions that TMTG completes

could be viewed negatively by users, developers, advertisers, or investors. If TMTG fails to successfully integrate assets or entities, or the technologies associated with any of its acquisitions, into the Truth ecosystem, or any future product offerings, the revenue and operating results of TMTG could be adversely affected. Any integration process may require significant time and resources, and TMTG may not be able to manage the process successfully. TMTG may not successfully evaluate or utilize the acquired technology or personnel, or accurately forecast the financial impact of an acquisition transaction, including accounting charges. TMTG may have to pay cash, incur debt, or continue to issue equity securities to pay for any such acquisition, any of which could adversely affect TMTG's financial results. The sale of equity or issuance of debt to finance any such acquisitions could dilute existing TMTG's stockholders. The incurrence of indebtedness would result in increased fixed obligations and could also include covenants or other restrictions that would impede TMTG's ability to manage TMTG's operations. TMTG depends on numerous third- parties to operate successfully, and many of these third parties may not want to engage with TMTG to provide any services. This may limit TMTG's ability to operate, raise capital, or generate revenue. To operate successfully, TMTG relies on third parties to provide services such as web hosting, content monitoring and technology development. TMTG also partners with third parties to provide various non- technical business services, and generates revenue from third- party advertisers who place advertisements on Truth Social via TMTG's advertising partners. To date, several potential and former third- party partners have expressed an unwillingness or reluctance to work or continue working on TMTG's products or provide services for reasons including TMTG's connection with President Donald J. Trump. To the extent TMTG needs to raise additional capital or generate additional advertising revenue, TMTG will need to engage with lawyers, accountants, financial institutions, investment bankers, and / or prospective advertisers, and it is possible that some third parties will refuse to engage with TMTG. If TMTG is unable to successfully engage third parties, TMTG's ability to develop and improve its products, raise additional capital, or generate advertising revenue will be limited. Additionally, if current technical or non- technical service providers discontinue an existing relationship with TMTG, such discontinuity could disrupt or cause inconvenience to TMTG's business operations until replacement service providers are identified and engaged. If TMTG encounters issues with the rollout and implementation of its streaming content plans, TMTG may delay or decide not to fully implement the service, which may affect TMTG's growth strategy and operations. On July 3, 2024, TMTG, WCT, Solutions and JedTec entered into the Asset Acquisition Agreement, as well as ancillary agreements relating to streaming technology with WCT and its affiliates, pursuant to which WCT assigned TMTG an irrevocable, non- exclusive, worldwide, perpetual right and license to forever retain, copy, reproduce, use, modify, enhance, create modifications and derivative works of, display, distribute, perform, compile, execute, sublicense, and otherwise exploit the Source Code and all resulting compiled software for commercial exploitation. In addition, Perception and its affiliates agreed not to use or permit other parties to use the source code until August 9, 2029 for any purpose that competes, in the United States, with the Truth platform or commercialization of such source code in the United States. The transaction closed on August 9, 2024. TMTG plans to roll out its streaming content in three phases: Phase 1: Introduce Truth Social's content CDN for streaming live TV to the Truth Social app for Android, iOS, and Web. On August 7, 2024, TMTG announced that TV streaming had become available via all three modalities. Phase 2: Release stand- alone Truth Social over- the- top streaming apps for phones, tablets, and other devices. As of October 21, 2024, TMTG had announced that Truth streaming had been released as a standalone product on Android, iOS, and Web. Phase 3: Release Truth Social streaming apps for home TV. As of October 23, 2024, TMTG had announced that Truth streaming had been released on Apple TV, Android TV, and Amazon Fire TV. As part of the roll out of Truth , TMTG obtained data center services and related equipment for the project. TMTG anticipates starting to generate revenue from this technology during 2025, contingent upon the successful implementation of all three phases. The foregoing revenue generation expectations are preliminary and depend on several factors, many of which are outside of TMTG's control, including TMTG's ability to generate revenue its CDN technology. This may depend on TMTG's ability to develop, integrate and effectively capitalize on the benefits of such technology, and successfully complete beta testing. Any delays or challenges in these areas could materially affect the timeline and / or implementation of the CDN technology. If TMTG is unable to address these challenges effectively, it could result in significant delays, increased costs, and the inability to meet revenue timeline expectations. Any of these risks may lead to TMTG deciding to cease the implementation of the rollout of TMTG's streaming content and CDN technology altogether, which would have a material adverse effect on TMTG's growth strategy and may result in an adverse effect on the results and operations of TMTG. The success of Truth. Fi will be dependent in part on TMTG's ability to properly roll out services, gain market adoption and regulatory approvals. The success of Truth. Fi will depend on the ability of TMTG and / or its partners to successful roll out its planned financial services products; construct customized separately managed accounts and customized exchange traded funds, and other investment vehicles; obtain required regulatory approvals, licenses and permits; and to gain market adoption and consumer interest. If TMTG is not able to develop Truth. Fi as planned, it may adversely affect TMTG's business, operations and financial condition. In connection with the preparation of its financial statements as of and for the year ended December 31, 2024, TMTG identified material weaknesses in its internal control over financial reporting, and TMTG may identify additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls over financial reporting, which may cause TMTG to fail to meet its reporting obligations, result in material misstatements of its consolidated financial statements and could have a material adverse effect on its business and the market price of TMTG's common stock. As a public company, TMTG is required to maintain internal control over financial reporting, to report any material weaknesses in such internal control, and provide management's attestation on internal control over financial reporting. A " material weakness " is a deficiency, or a combination of deficiencies, in internal control

over financial reporting such that there is a reasonable possibility that a material misstatement of an entity's financial statements will not be prevented or detected on a timely basis. If TMTG is unable to establish or maintain appropriate internal control over financial reporting or implement these requirements in a timely manner or with adequate compliance, it could result in material misstatements in TMTG's consolidated financial statements, failure to meet TMTG's reporting obligations on a timely basis, increases in compliance costs, and subject TMTG to adverse regulatory consequences, all of which may adversely affect investor confidence in TMTG and the value of TMTG's common stock. As discussed below in Part II, Item 9A, "Controls and Procedures," TMTG's management identified a material weakness in designing and maintaining formal accounting policies, processes, and controls to analyze and account for complex transactions, and it identified a need for additional accounting personnel who have the requisite experience in SEC reporting regulation; moreover, management concluded that its internal control over financial reporting was not effective as of December 31, 2024, due to the material weakness. TMTG historically had limited accounting and financial reporting personnel and other resources with which to address its internal controls and procedures. The material weakness did not result in any material misstatements to TMTG's consolidated financial statements or any changes to previously filed financial statements, and management has concluded that TMTG's financial statements and other financial information included in this Annual Report, and other periodic filings, fairly and accurately present TMTG's financial condition, results of operations, and cash flows for the periods in accordance with GAAP. TMTG is committed to remediating the material weaknesses described above and continuing remediation efforts during 2025. TMTG intends to initiate and implement several remediation measures including, but not limited to hiring additional accounting staff with the requisite background and knowledge, engaging third parties to assist in complying with the accounting and financial reporting requirements related to significant and complex transactions, and adding personnel to assist TMTG with formalizing its business processes, accounting policies and internal control documentation, strengthening supervisory reviews by TMTG's Management Team, and evaluating the effectiveness of its internal controls in accordance with the framework established by Internal Control — Integrated Framework (2013) published by the Committee of Sponsoring Organizations of the Treadway Commission. As part of its remediation measures, to date, TMTG has engaged a third-party advisor to assist with acquisition tax diligence, valuation and purchase price allocation in the context of complex transactions, such as the WCT acquisition, and has enhanced its documentation of formal supervisory reviews of TMTG's financial statements. While TMTG's efforts are ongoing, TMTG plans to continue to take additional steps to remediate the material weaknesses, improve its financial reporting systems, and implement new policies, procedures, and controls; however, TMTG cannot guarantee those measures will prevent or detect material weaknesses in the future. If TMTG fails to remediate the material weaknesses or any future deficiencies, or fails to otherwise maintain the adequacy of its internal controls, that could result in a restatement of TMTG's financial statements for prior periods, a decline in the market price of TMTG's stock, one or more investigations or enforcement actions by state or federal regulatory agencies, stockholder lawsuits, or other adverse actions requiring TMTG to incur defense costs or pay fines, settlements, or judgments. The loss of key personnel or the inability of replacements to quickly and successfully perform in their new roles could adversely affect TMTG's business. TMTG depends on the leadership and experience of its relatively small number of key executive management personnel, including its CEO. Any departure of key personnel or significant diversion of management attention away from ongoing business concerns and any difficulties encountered in the transition and integration process could have a material adverse effect on TMTG's business, financial condition and results of operations. The loss of the services of these key employees or TMTG's executive management members could have a material adverse effect on TMTG's business and prospects, as TMTG may not be able to find suitable individuals to replace such personnel on a timely basis or without incurring increased costs. Furthermore, if TMTG loses or terminates the services of one or more of its key employees or if one or more of TMTG's current or former executives or key employees joins a competitor or otherwise competes with TMTG, it could impair TMTG's business and its ability to successfully implement TMTG's business plan. Additionally, if TMTG is unable to hire qualified replacements for its executive and other key positions in a timely fashion, its ability to execute its business plan would be harmed. Even if TMTG can quickly hire qualified replacements, TMTG could experience operational disruptions and inefficiencies during any such transition. TMTG believes that its future success will depend on its continued ability to attract and retain highly skilled and qualified personnel. In addition, many of TMTG's key technologies and systems will be custom-made for TMTG's business by TMTG's personnel. The loss of key engineering, product development, marketing and sales personnel could disrupt TMTG's operations and have an adverse effect on TMTG's business. As TMTG continues to grow, TMTG cannot guarantee that it will continue to attract the personnel it needs to maintain its competitive position. In particular, TMTG intends to hire additional technically-skilled personnel, and TMTG expects to face significant competition from other companies in hiring such personnel. As TMTG matures, the incentives to attract, retain and motivate employees provided by TMTG's equity awards or by future arrangements, such as through cash bonuses, may not be effective. If TMTG does not succeed in attracting, hiring and integrating excellent personnel, or retaining and motivating existing personnel, TMTG may be unable to grow effectively. If securities or industry analysts do not publish research or reports about TMTG's business, if they change their recommendations regarding TMTG common stock or if TMTG's operating results do not meet their expectations, the TMTG common stock price and trading volume could decline. The trading market for TMTG common stock will depend in part on the research and reports that securities or industry analysts publish about TMTG or its businesses. If no securities or industry analysts commence coverage of TMTG, the trading price for TMTG common stock could be negatively impacted. In the event securities or industry analysts initiate coverage, if one or more of the analysts who cover TMTG downgrade its securities or publish unfavorable research about its businesses, or if

TMTG's operating results do not meet analyst expectations, the trading price of TMTG common stock would likely decline. If one or more of these analysts cease coverage of TMTG or fail to publish reports on TMTG regularly, demand for TMTG's Common Stock could decrease, which might cause TMTG's common stock price and trading volume to decline. Economic downturns and market conditions beyond TMTG's control could adversely affect its business, financial condition and operating results. TMTG's business depends on the overall demand for advertising and on the economic health of advertisers that benefit from Truth Social. Economic downturns or unstable market conditions may cause advertisers to decrease their advertising budgets, which could reduce spend with Truth Social and adversely affect TMTG's business, financial condition and operating results. For example, to the extent there is a disruption in economic activity globally, it could adversely affect TMTG's business, financial condition and operating results through prolonged decreases in advertising spend, credit deterioration of TMTG's customers, depressed economic activity, or declines in capital markets. TMTG's business is subject to the risks of earthquakes, fire, power outages, floods, and other catastrophic events, and to interruption by man-made problems such as terrorism. A significant natural disaster, such as an earthquake, fire, flood, cyber-attacks, terrorism, geopolitical conflict or significant power outage could have a material adverse impact on TMTG's business, operating results, and financial condition. TMTG does not carry business interruption insurance sufficient to compensate TMTG for the potentially significant losses, including the potential harm to TMTG's business that may result from interruptions in TMTG's ability to provide TMTG's products and services. TMTG carries a large amount of cash, cash equivalents and short-term investments on its balance sheet, which could expose it to additional risks. TMTG has carried and may continue to carry a large amount of cash, cash equivalents and short-term investments on its balance sheet. As of December 31, 2024, TMTG has approximately \$ 776.8 million of cash, cash equivalents, and short-term investments. As of the date of this Annual Report, TMTG holds such assets in cash and other low-risk investments from which it may interest income commensurate with prevailing rates. If interest rates decline, TMTG's interest income could decrease materially. In addition, the amount of our cash assets may exceed the amount of the FDIC's deposit insurance, exposing us to additional losses or failures in the banking system. While TMTG does not currently hold any cryptoassets, its Board has authorized the acquisition of cryptoassets, and TMTG may acquire and hold cryptoassets in the future. If TMTG custodies cryptoassets or invests in assets that custody cryptoassets, it could be exposed to additional risks, including high price volatility, theft, loss, fraud and manipulation, and legal and accounting uncertainty, adversely affecting TMTG's financial condition and business prospects. TMTG's success depends in part on the popularity of its brand and the reputation and popularity of President Donald J. Trump. The value of TMTG's brand may diminish if the popularity of President Donald J. Trump were to suffer, which could adversely affect TMTG's revenues, results of operations and its ability to maintain or generate a consumer base. Additionally, the death or incapacity of President Donald J. Trump, or discontinuation or limitation of his use of TMTG's products, would negatively impact TMTG's business. While TMTG believes there is sufficient demand for its products including Truth Social, the image, reputation, popularity and talent of President Donald J. Trump will likely continue to be important factors to its success. In order to be successful, if President Donald J. Trump becomes less popular or there are new controversies that damage his credibility or the desire of people to use a platform associated with him, TMTG's results of operations could be adversely affected. If President Donald J. Trump were to discontinue his use of Truth Social due to death, disability, termination of the License Agreement, any other reason, TMTG could be significantly disadvantaged. An adverse outcome in one or more of the ongoing legal proceedings in which President Donald J. Trump is involved could negatively impact TMTG and its Truth Social platform. President Donald J. Trump is the subject of numerous legal proceedings, the scope and scale of which are unprecedented for a President of the United States. For example, he is a defendant in approximately eight civil cases — including one to which TMTG is a party — as well as a state criminal case that is currently paused. Recent adverse judgments in at least three civil and criminal cases are on appeal. The foregoing does not purport to be an exhaustive list of legal proceedings in which President Donald J. Trump is or has been involved. In June 2016, USA Today published an analysis of litigation involving President Donald J. Trump, which found that over the previous three decades President Donald J. Trump and his businesses had been involved in at least 3,500 legal cases in U.S. federal and state courts. Of the approximately 3,500 suits, President Donald J. Trump or one of his companies were plaintiffs in 1,900; defendants in 1,450; and bankruptcy, third party, or other in 150. President Donald J. Trump was named personally in at least 169 suits in federal court. Over 150 other cases were in the Seventeenth Judicial Circuit Court of Florida (covering Broward County, Florida) since 1983. In the 1,300 cases where the record establishes the outcome, President Donald J. Trump settled 175 times, lost 38, won 450, and had another 137 cases end with some other outcome. In the other 500 cases, judges dismissed plaintiffs' claims against President Donald J. Trump. However, you should not rely on or infer any trends based on the disposition of such prior cases against President Donald J. Trump as no assurance can be given regarding the results of the pending legal proceedings. TMTG cannot predict what effect, if any, an adverse outcome to such matters, or even their continued existence, may have on President Donald J. Trump's personal reputation and TMTG's business or prospects. A publicly-traded entity controlled by President Donald J. Trump has previously been subject to a cease and desist order issued by the Securities and Exchange Commission. On January 16, 2002, the SEC issued a cease and desist order against Trump Hotels & Casino Resorts, Inc. ("THCR") for violations of the anti-fraud provisions of the Exchange Act. As discussed in more detail in the SEC Release No. 45287, on October 25, 1999, THCR had issued a press release announcing its results for the third quarter of 1999 (the "Earnings Release"). To announce those results, the Earnings Release used a net income figure that differed from net income calculated in conformity with U.S. GAAP. Using that non-GAAP figure, the Earnings Release touted THCR's purportedly positive operating results for the quarter and stated that the Company had beaten analysts' earnings expectations. The Earnings Release was

materially misleading because it created the false and misleading impression that THCR had exceeded earnings expectations primarily through operational improvements, when in fact it had not. The Earnings Release expressly stated that the net income figure excluded a one- time charge. The undisclosed one- time gain was material, because it represented the difference between positive trends in revenues and earnings and negative trends in revenues and earnings, and the difference between exceeding analysts' expectations and falling short of them. SEC stated that by knowingly or recklessly issuing a materially misleading press release, THCR violated Section 10 (b) of the Exchange Act and Rule 10b- 5 thereunder. The SEC accepted THCR' s offer of settlement. Any failure to maintain effective disclosure controls and internal control over financial reporting could have a material and adverse effect on its business and operating results and cause a decline in the price of TMTG common stock. A number of companies that were associated with President Donald J. Trump have filed for bankruptcy. There can be no assurances that TMTG will not also become bankrupt. Entities associated with President Donald J. Trump have filed for bankruptcy protection in the past. The Trump Taj Mahal, which was built and owned by President Donald J. Trump, filed for Chapter 11 bankruptcy in 1991. The Trump Plaza, the Trump Castle, and the Plaza Hotel, all owned by President Donald J. Trump at the time, filed for Chapter 11 bankruptcy in 1992. THCR, which was founded by President Donald J. Trump in 1995, filed for Chapter 11 bankruptcy in 2004. Trump Entertainment Resorts, Inc., the new name given to Trump Hotels & Casino Resorts after its 2004 bankruptcy, declared bankruptcy in 2009. While all of the foregoing were in different businesses than TMTG, there can be no guarantee that TMTG' s performance will exceed the performance of those entities. A number of companies that had license agreements with President Donald J. Trump have failed. There can be no assurances that TMTG will not also fail. Trump Shuttle, Inc., launched by President Donald J. Trump in 1989, defaulted on its loans in 1990 and ceased to exist by 1992. Trump University, founded by President Donald J. Trump in 2005, ceased operations in 2011 amid lawsuits and investigations regarding that company' s business practices. Trump Vodka, a brand of vodka produced by Drinks Americas under license from The Trump Organization, was introduced in 2005 and discontinued in 2011. Trump Mortgage, LLC, a financial services company founded by President Donald J. Trump in 2006, ceased operations in 2007. GoTrump. com, a travel site founded by President Donald J. Trump in 2006, ceased operations in 2007. Trump Steaks, a brand of steak and other meats founded by President Donald J. Trump in 2007, discontinued sales two months after its launch. While all these businesses were in different industries than TMTG, there can be no guarantee that TMTG' s performance will exceed the performance of these entities. The License Agreement does not require President Donald J. Trump to use Truth Social in certain circumstances, including with respect to posts that he determines, in his sole discretion, to be politically- related. TMTG lacks any meaningful remedy with respect to such determination — which could have a material adverse effect on the business and / or operations of TMTG. The License Agreement includes a provision that obligates President Donald J. Trump to make any non- political social media post from any of his personal (i. e., non- business) accounts on Truth Social and to refrain from making the same post on another social media site for 6 hours (the “ Exclusivity Obligation ”). Thereafter, he is free to post on any site to which he has access. Thus, TMTG has limited time to benefit from his posts and followers may not find it compelling to use Truth Social to read his posts that quickly. In addition, President Trump may make any post that he deems, in his sole discretion, to related to government, politics, or similar topics (“ Political Related Posts ”) on any social media site at any time, regardless of whether that post originates from a personal account. Most or all of Donald J. Trump' s posts as President of the United States may be deemed by him to be Political Related Posts. TMTG may lack any meaningful remedy if President Donald J. Trump minimizes his future use of Truth Social and / or broadly construes the definition of Political Related Posts, which could have a material adverse effect on the business and / or operations of TMTG. President Donald J. Trump may terminate the Exclusivity Obligation upon thirty days prior written notice provided at any time on or after February 2, 2025. From and after termination of the Exclusivity Obligation, President Donald J. Trump must make reasonable, good faith efforts to contemporaneously post on Truth Social any non- political posts that he makes from a personal account to another social media platform. However, that obligation is also subject to the exception for Political Related Posts. President Donald J. Trump will have the right to terminate the License Agreement if any products or services ever fail to satisfy the highest standards for quality and reputation unless such failure is cured immediately (but not later than 30 days) after notification, regardless of whether TMTG is listed on a public stock exchange. The License Agreement provides that, if it is not sooner terminated, the term of the License Agreement will continue in perpetuity, except that it may be terminated by TMTG Sub for convenience or by President Donald J. Trump for a breach of TMTG Sub' s obligation to ensure that any products or services offered or marketed using President Donald J. Trump' s name or likeness meet the highest standards of quality and reputation if such breach is not cured immediately (but not later than 30 days) after notification. TMTG may inadvertently trigger President Donald J. Trump' s right to terminate the License Agreement. TMTG may inadvertently violate the foregoing requirement regarding quality and reputation, because that requirement is phrased in highly subjective terms, and it may not be practicable to cure any such violation within the 30- day period specified in the License Agreement. President Donald J. Trump' s criminal conviction in New York could make it more difficult for TMTG to obtain approvals from certain regulators or in certain jurisdictions. On May 31, 2024, President Donald J. Trump was convicted in the Supreme Court of the State of New York, New York County, of 34 felony counts in connection with the alleged falsification of business records. On January 10, 2025, he was sentenced to unconditional discharge. On January 31, 2025, President Trump' s counsel filed a notice of appeal, and many commentators have criticized the decision to charge and sentence President Trump based on a novel legal theory during a presidential campaign and transition. On December 17, 2024, President Donald J. Trump transferred 100 % of his interest in TMTG to the Trust. While the trustee of the Trust has sole voting and investment power over all securities owned by the Trust, as of the date of this Annual Report, President Trump

remains the indirect beneficial owner of a majority of TMTG's common stock via the Trust. TMTG operates in a regulated environment and from time to time may need or seek to obtain regulatory approvals, licenses or permits. Although subject to appeal, the fact and nature of President Donald J. Trump's conviction, combined with his indirect beneficial ownership in TMTG via the Trust, could make it difficult or impossible for TMTG to obtain such approvals, licenses or permits, including with respect to payments and finance, from certain regulators and / or in certain jurisdictions. TMTG's intellectual property may be infringed upon, and others have and may continue to accuse TMTG of infringing on their intellectual property, either of which could adversely affect TMTG's business and result in protracted and expensive litigation. In recent years, there has been significant litigation in the United States over patents and other intellectual property rights. Although TMTG is not engaged in such litigation in the United States, in the future TMTG or customers who use TMTG's products may be alleged to be infringing the trademarks, copyrights, patents and other intellectual property rights of third parties, including allegations made by TMTG's competitors or by non-practicing entities. As mentioned below, TMTG is currently engaged in a dispute over trademark rights in the European Union, in an administrative litigation setting. TMTG cannot predict whether assertions of third-party intellectual property rights or claims arising from these assertions will substantially harm TMTG's business and operating results. If TMTG is forced to defend any infringement claims, whether they are with or without merit or are ultimately determined in TMTG's favor, TMTG may face costly litigation and diversion of technical and management personnel. Some of TMTG's competitors have substantially greater resources than TMTG does and are able to sustain the cost of complex intellectual property litigation to a greater extent and for longer periods of time than TMTG could. Furthermore, an adverse outcome of a dispute may require TMTG: to pay damages, potentially including treble damages, and attorneys' fees, if TMTG is found to have willfully infringed a party's patent or other intellectual property rights; to cease making, licensing or using products that are alleged to incorporate or make use of the intellectual property of others; to expend additional development resources to redesign TMTG's products; to rebrand its services; and to enter into potentially unfavorable royalty or license agreements in order to obtain the rights to use necessary technologies and current branding. Royalty or licensing agreements, if required, may be unavailable on terms acceptable to TMTG, or at all. In any event, TMTG may need to license intellectual property which would require TMTG to pay royalties or make one-time payments. Even if these matters do not result in litigation or are resolved in TMTG's favor or without significant cash settlements, the time and resources necessary to resolve them could harm TMTG's business, operating results, financial condition and reputation. The USPTO previously issued a non-final rejection of T Media Tech LLC's applications to register the trademarks " Truth Social " and " TRUTHSOCIAL " for use with a social media network based on its view that such use of these trademarks by T Media Tech LLC would be likely to confuse consumers because of the similarity of these trademarks to existing registered and pending trademarks. On that basis, the owners of those registered trademarks may bring claims against T Media Tech LLC and / or TMTG alleging trademark infringement. If such claims were successful, TMTG may be forced to rebrand, to pay substantial monetary damages or to enter into a trademark license agreement on unfavorable terms. On April 12, 2024, T Media Tech LLC filed an EU trademark application for " TRUTH SOCIAL. " TMTG Sub filed a cancellation proceeding on April 12, 2024 in the European Union Intellectual Property Office (referred to as the EUIPO) against a European Union trademark registration for " Truth Social " held by Claudio Lopes. Mr. Lopes filed for his European Union trademark registration for " Truth Social " on October 21, 2021, which was the day after TMTG publicly announced its upcoming launch of the Truth Social platform. The cancellation proceeding is therefore based on Mr. Lopes' s bad faith registration. Mr. Lopes received his European Union trademark registration for " Truth Social " on February 3, 2022, and has claimed that TMTG is infringing his European Union trademark registration for " Truth Social. " On July 8, 2025, Mr. Lopes filed a notice of opposition against T Media Tech LLC's EU trademark application. The EUIPO rejected the cancellation proceeding, and an appeal of the EUIPO's decision was filed on January 22, 2025. In addition, on January 23, 2025, T Media Tech LLC filed a second cancellation proceeding with the EUIPO against Mr. Lopes' s " Truth Social " European Union registration. In addition, if TMTG's advertising customers do not own the copyright for advertising content included in their advertisements or if digital media property owners do not own the copyright for content to the digital media next to which the advertisements appear, advertisers and digital media properties could receive complaints from copyright owners, which could harm TMTG's reputation and TMTG's business. As such, litigation diverts the time and resources of TMTG's Management Team, regardless of the merits of the claim. There can be no assurance that TMTG would prevail in any future litigation relating to TMTG's intellectual property or licensing agreements. If TMTG were to lose such a case and be required to cease the sale of certain products or the use of certain technology or branding or were forced to pay monetary damages, the results could adversely affect TMTG's business and reputation. TMTG must comply with licenses related to the use of free, publicly- available software incorporated in Truth Social products; failure to do so could cause the loss of the ability to use such software which could in turn adversely affect TMTG's revenues and results of operations. In October 2021, Software Freedom Conservancy policy fellow Bradley M. Kuhn accused TMTG of violating the licensing agreement for the free, publicly available software platform, Mastodon. Although any entity can use the code from Mastodon, according to the licensing agreement (AGPLv3), each user of the software must receive " an opportunity to receive the entire Corresponding Source for the website based on that code. " Early users of Truth Social, Kuhn alleged, did not receive the source code. On October 26, 2021, Mastodon sent a letter requesting that the Truth Social source code be made publicly available in compliance with the license. Private TMTG took action to resolve this issue by publishing its source code. TMTG may face similar risks in the future, and failure to comply with such licenses could cause the loss of the ability to use such software, which could in turn adversely affect TMTG's revenues and results of operations. Many of TMTG's products and services rely on,

incorporate, and / or license open source software, which may pose particular risks to TMTG's proprietary software, products, and services in a manner that could have a negative effect on TMTG's business. TMTG uses and plans to continue using open- source software in its products and services. For example, Truth Social was built using an AGPLv3 license (also referred to " copyleft " or a " viral license "). In addition, TMTG may contribute software source code to existing open- source projects, such as Mastodon, pursuant to applicable licenses or release internal software projects under open- source licenses and anticipate doing so in the future. The terms of many licenses to which TMTG is or is likely to become subject to have not been interpreted by U. S. or foreign courts, and there is a risk that open- source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on TMTG's ability to provide or distribute TMTG's products or services. Additionally, TMTG may from time- to- time face claims from third parties claiming ownership of, or demanding release of, the open- source software or derivative works that TMTG developed using such software (which could include TMTG's proprietary source code), or otherwise seeking to enforce the terms of an applicable license in a manner adverse to TMTG's interests. TMTG is proactively working to mitigate these risks by developing technical solutions to these potential challenges. However, this re- engineering process could require significant additional research and development resources, and TMTG may not be able to complete it successfully or at a reasonable cost. In addition to risks related to license requirements, use of certain open- source software can lead to greater risks than use of third- party commercial software, as open- source licensors generally do not provide warranties or controls on the origin of software. Additionally, because any software source code TMTG contributes to open- source projects is publicly available, TMTG's ability to protect TMTG's intellectual property rights with respect to such software source code may be limited or lost entirely, and TMTG is unable to prevent TMTG's competitors or others from using such contributed software source code. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a negative effect on TMTG's business, financial condition, and operating results. If TMTG's is unable to successfully register certain trademarks, the value of TMTG's brand and other intangible assets may be diminished, and TMTG's business may be materially adversely affected. On February 14, 2023, a trademark for " TRUTH SOCIAL " in classes 21 and 25 was registered with USPTO by T Media Tech LLC for use with cups, mugs and certain types of clothing. Trademark applications for " Truth Social " in classes 9 and 42; for " TRUTHSOCIAL " in classes 9, 35, 38, 41, 42 and 45; and for " TRUTHPLUS " in classes 9, 35, 38, 41, and 42 are the subject of suspension notices received from USPTO on October 24, 2022; February 14, 2023 and February 17, 2023, respectively, in each case based on alleged similarity to existing registered (and pending) trademarks. In particular, the USPTO has issued non- final rejections of all of the foregoing applications to register marks for use with a social media network or a streaming video service. Although TMTG or an affiliate pursued certain appeal rights, there can be no assurance that TMTG will be able to overcome the objections of the trademark examiner or that the challenged marks will be approved. Several additional trademark applications remain pending, but have not been the subject of final adverse action by USPTO. TMTG may be unable to obtain patent or trademark protection for its technologies and brands, and any patents or trademarks that may be issued in the future, may not provide TMTG with competitive advantages or distinguish its products and services from those of its competitors. In addition, any patents and trademarks may be contested, circumvented, or found unenforceable or invalid, and TMTG may not be able to prevent third parties from infringing, diluting or otherwise violating them. For example, TMTG is currently challenging an apparent bad faith registrations of the Truth Social trademark in the European Union. In any or all of these cases, TMTG may be required to expend significant time and expense in order to prevent infringement or to enforce TMTG's rights. Although TMTG intends to take measures to protect TMTG's proprietary rights, there can be no assurance that others will not offer products or concepts that are, or use branding that is, substantially similar to TMTG's and compete with TMTG's business. In addition, TMTG may contribute software source code under open source licenses and may make other technology developed by it available under other open licenses, and TMTG may include open source software in TMTG's products. As a result of any future TMTG's open source contributions and the use of open source in TMTG's products, TMTG may license or be required to license innovations that turn out to be material to TMTG's business and may also be exposed to increased litigation risk. If the protection of TMTG's proprietary rights is inadequate to prevent unauthorized use or appropriation by third parties, the value of TMTG's brand and other intangible assets may be diminished and competitors may be able to more effectively mimic TMTG's branding, service and methods of operations. Any of these events could have an adverse effect on TMTG's business and financial results. Trademark, copyright, patent, and other intellectual property rights are important to TMTG and other companies. TMTG's intellectual property rights extend to TMTG's technology, business processes and the content on TMTG's website. TMTG intends to use the intellectual property of third parties in merchandising TMTG's products and marketing TMTG's service through contractual and other rights. If there is any claim against TMTG for infringement, misappropriation, misuse or other violation of third party intellectual property rights, and TMTG is unable to obtain sufficient rights or develop non- infringing intellectual property or otherwise alter TMTG's business practices, as appropriate, on a timely basis, TMTG's business and competitive position may be affected adversely. Many companies are devoting significant resources to developing patents that could potentially affect many aspects of TMTG's business. There are numerous patents that broadly claim means and methods of conducting business on the internet. TMTG has not exhaustively searched patents relative to TMTG's technology. TMTG has been and may be accused of infringing certain of these patents. In addition, other parties may assert infringement or unfair competition, or other intellectual property claims against TMTG that could relate to any aspect of TMTG's technology, business processes, branding, merchandizing, and marketing activities or TMTG's intellectual property rights. TMTG cannot predict whether third parties will assert claims of infringement against it, the subject matter of any of these claims or whether these assertions

or prosecutions will adversely affect TMTG's business. If TMTG is forced to defend itself against any of these claims, whether they are with or without merit or are determined in TMTG's favor, TMTG may face costly litigation, diversion of technical and management personnel, inability to use TMTG's current branding or website technology or inability to market TMTG's service or merchandise TMTG's products. As a result of a dispute, TMTG may have to develop non-infringing technology, rebrand, enter into royalty or licensing agreements, adjust TMTG's merchandizing or marketing activities or take other action to resolve the claims. These actions, if required, may be unavailable on terms acceptable to TMTG, costly or unavailable. If TMTG is unable to protect TMTG's domain names, TMTG's reputation and brand could be affected adversely. TMTG may hold various domain names relating to TMTG's brand, including TMTGcorp.com and Truthsocial.com. Failure to protect TMTG's domain names could affect adversely TMTG's reputation and brand and make it more difficult for users to find TMTG's website and TMTG's service. The acquisition and maintenance of domain names generally are regulated by governmental agencies and their designees. The regulation of domain names in the United States may change in the near future. Governing bodies may establish additional top-level domains, appoint additional domain name registrars, or modify the requirements for holding domain names. As a result, TMTG may be unable to acquire or maintain relevant domain names. Furthermore, the relationship between regulations governing domain names and laws protecting trademarks and similar proprietary rights is unclear. TMTG may be unable to prevent third parties from acquiring domain names that are similar to, infringe upon, or otherwise decrease the value of TMTG's trademarks and other proprietary rights. TMTG's reputation, competitive advantage, financial position and relationships with its users could be materially harmed if TMTG is unable to comply with complex and evolving data protection and privacy, security, and breach of notification laws and regulations, and the costs and resources required to achieve compliance may have a materially adverse impact. Federal, state, and international laws and regulations govern the protection, collection, use, processing, retention, sharing, privacy, and security of data that TMTG may access, use, disclose, transfer, store, and collect across TMTG's operational and advertising solutions. As such, TMTG's reputation, competitive advantage, financial position and relationships with its users could be materially harmed if TMTG is accused of a violation or is unable to comply with complex and evolving data protection and privacy, security, and breach of notification laws and regulations, and the costs and resources required to achieve compliance on an international scale may have a materially adverse impact on its business. TMTG may also rely on third-party service providers to collect, process, transmit, and store personal or confidential information (including users' payment card data and video and audio recordings). In the course of delivering TMTG's product (s), TMTG expects to use, disclose, control, process, collect, transmit and store information that is related to and seeks to correlate internet-connected devices, user activity and the advertisements it places. Federal, state, TMTG may face certain legal obligations regarding the manner in which TMTG treats such information. These legal obligations are complex and international-rapidly evolving. Other businesses have been criticized by privacy groups and governmental bodies for attempts to link personal identities and other information to data collected on the internet regarding users' browsing and other habits. Increased regulation of data utilization practices, including self-regulation, as well as increased enforcement of existing laws, could have and an regulations-govern the protection-adverse effect on TMTG's business. Further, collection-TMTG, its service providers and its business partners use tracking technologies, processing-including cookies, retention-device identifiers, sharing, privacy, and related technologies security of data that TMTG may access, to help TMTG manage and track use-users, disclose, transfer, store, and collect across TMTG's operational-interactions with TMTG platforms, services, websites and content, and deliver relevant advertising solutions and personalized content. TMTG strives to comply with all applicable laws, regulations, policies and legal obligations relating to privacy, security, and data protection, collection, processing use, disclosure, transmission, and storage. However, the applicability of specific laws may be unclear in some cases, particularly in the new and rapidly evolving industry in which TMTG operates, and domestic and foreign government laws, regulations, and enforcement of data practices and data tracking technologies is expansive, poorly defined and rapidly evolving. In addition, it is possible that these requirements may be interpreted and applied in a manner that is new or inconsistent from one jurisdiction to another and may conflict with other laws, regulations, or rules or TMTG's practices. Any actual or perceived failure by TMTG to comply with U. S. federal, state or international laws, including laws and regulations regulating data privacy, security or consumer protection, or use, disclosure or unauthorized access to or by third parties to this information, could result in proceedings or actions against TMTG by government entities, competitors, private parties or others. Any proceedings or actions against TMTG alleging violations of consumer or data protection laws or asserting privacy-related or security-related theories could hurt result in governmental enforcement actions or litigation that could expose TMTG to substantial financial penalties, or other monetary or non-monetary relief, negative publicity, loss of confidence in TMTG's products, decline in user or advertiser growth or damage to TMTG's brand and reputation, and could force TMTG to cease operations or force TMTG to spend significant amounts in defense of these proceedings, distract its TMTG's management Management Team, increase its costs of doing business, adversely affect the demand for its solutions and ultimately result in the imposition of monetary liability. TMTG may also be contractually liable to indemnify and hold harmless TMTG's customers, vendors or third parties from the costs or consequences of litigation resulting from using TMTG's solutions or from the disclosure of confidential information, which could damage TMTG's reputation among its current and potential customers, and may require significant expenditures of capital and other resources that could cause it to lose significant business and revenue. Compliance with applicable privacy, security and breach laws and regulations may increase TMTG's costs of doing business and adversely impact its ability to conduct its business and market its solutions, products and services to its users and potential users. Any significant change to applicable laws, regulations or industry practices, or to interpretations of existing laws and regulations, regarding the use or disclosure of users' data, or regarding requirements around obtaining consent from users for the use and disclosure of such data, could require TMTG to modify its products to allow for

limited data use, possibly in a material manner, and may limit TMTG's ability to develop new products that make use of the data that users voluntarily share. The collection, protection and use of personal information, personally identifiable information and / or personal data (collectively referred to as "personal data" for ease of reference) is governed by data protection, privacy, security and breach laws and regulations enacted in the United States and other jurisdictions around the world in which TMTG operates or plans to operate. These laws and regulations continue to evolve and may be inconsistent from one jurisdiction to another. Compliance with applicable privacy, security and breach laws and regulations may increase TMTG's costs of doing business and adversely impact its ability to conduct its business and market its solutions, products and services to its users and potential users. In the U. S., there is not one comprehensive data protection, consumer protection, data privacy, security, **youth social media** or breach notification law. Rather, numerous state and federal laws must be complied with by TMTG simultaneously across U. S. jurisdictions. Various types of companies and their data are regulated by stringent industry specific regulations and standards based on data type and sensitivity. **All fifty (For example, all 50)-states and four U. S. territories have enacted consumer protection laws that require notice of data breaches. Many U. S. states (at least 27) require comprehensive data protection, privacy and / or security compliance programs. Additionally These include, but are not limited to TMTG's use of data to deliver relevant advertising and the other California Consumer services on TMTG's platform places TMTG and at risk for claims under various unsettled federal and state laws, including the Video Privacy Protection Act ("VPPA"), as amended by the California Privacy Rights Act, the Arkansas Social Media Safety Act, and the Utah Social Media Regulation Act may affect TMTG.** There are also a number of legislative proposals pending before the U. S. Congress, **and** various state legislative bodies, **and foreign governments** concerning data protection that could affect TMTG. At this time some states have laws restricting the use and disclosure of minor's user data, biometric data and / or health information without notice and / or express consent of a natural person of the age of majority with appropriate legal authority to consent. If TMTG fails to comply with the federal and / or state data protection and data privacy laws, or if regulators or plaintiffs assert TMTG has failed to comply with them, it may lead to court orders, injunctions, regulatory enforcement actions, private lawsuits, a reduction in revenue, and / or reputational damage. **Many All fifty** U. S. states and some territories have adopted and / or are likely to adopt in the near future state privacy laws similar to stringent European privacy laws that require data mapping, consumer rights to erasure, deletion, and portability that will be materially costly for TMTG to interpret, implement and maintain. If TMTG fails to comply with federal or state data protection and data privacy laws, or if regulators or plaintiffs assert TMTG has failed to comply with them, it may lead to regulatory enforcement actions, private lawsuits and / or reputational damage. For example, in June 2018, California's was the first U. S. state to pass the California Consumer Privacy Act ("law, the CCPA"), which provides data privacy rights for consumers and **follow- on legislation in** operational requirements for companies like TMTG. The CCPA gives California residents new rights to access and requires deletion of their -- **the personal information, opt out of certain personal information sharing, and receipt of detailed information about how their personal information is collected, used, and shared, among other stringent requirements. The CCPA- CPRA,** provides for civil penalties for violations, **and creates as well as** a private right of action for **data** privacy and security violations / breaches that **may increase data breach** could lead to consumer class actions and other litigation against TMTG. Additionally, the California Privacy Rights Act ("CPRA"), passed in November 2020. The CPRA imposes **also created a new state agency that is vested with authority to implement and enforce the CCPA and the CRPA. Similar laws passed in numerous other U. S. states with several that went into effect in 2024 and 2025 and other that will become effective in the near future.** **Additional U. S. states are considering, similar data protection obligations on companies doing business privacy laws. TMTG expects that new legislation proposed or enacted in California various other states will continue to shape the data privacy environment nationally. Certain state laws may be more stringent or broader in scope, including additional consumer or offer greater individual rights, with respect to confidential, processes and opt outs for certain uses of sensitive data. The majority of and personal information than federal, international or the other state laws provisions took effect on January 1, 2023 and such laws may differ from each other, which may complicate compliance efforts.** TMTG may be required to make additional compliance investments and changes to its business processes in order to comply with individual state privacy and security laws currently in effect and / or as they are enacted. The **Federal Trade Commission ("FTC")** Act prohibits unfair and deceptive practices. The FTC has broad investigatory authority, including the authority to subpoena witnesses, demand civil investigation, and require businesses to submit written reports under oath. The FTC can and does engage in enforcement actions, issue rulings, and seek civil penalties in federal court. **Additionally, the FTC and many state attorneys general are interpreting federal and state consumer protection laws to impose standards for the online collection, use, dissemination and security of data.** An FTC enforcement action may lead to court orders, injunctions, additional regulatory enforcement actions, consent decrees which are posted publicly on the FTC's website, consent orders, a reduction in revenue, and / or reputational damage. **The Children's Online Privacy Protection Act ("COPPA")** expands liability for the collection of information by operators of websites and other electronic solutions that are directed to children. Legal guardian consent is required for certain activities involving the data of children. Questions exist as to how regulators and courts may interpret the scope and circumstances for potential liability under COPPA, but this remains a significant focus of the FTC in light of mental health and other concerns over children's use of social media. FTC continues to provide guidance and clarification regarding COPPA. FTC guidance or enforcement precedent may make it difficult or impractical for TMTG to provide advertising on certain websites, services or applications. In addition, the FTC has fined an advertising network for certain methods of collecting and using data from mobile applications, including certain applications directed at children, and failing to disclose the data collection to mobile application developers in its network. TMTG is subject to the European Union's General Data Protection Regulation (EU) 2016 / 679 ("GDPR"), which applies to all members of the European Economic Area ("EEA") and, in some circumstances, to controllers and processors in a jurisdiction outside the EEA including any business, regardless of its location, that provides goods or services to data subjects located in the EEA, or monitors the behavior of EEA

data subjects. The GDPR imposes significant restrictions, obligations and penalties on data controllers and data processors, including stringent requirements for the processing of personal data. If TMTG fails to comply with the GDPR, it may lead to regulatory investigation with possible enforcement of monetary penalties ranging from 10 million to 20 million euros, or 2 % to 4 % of annual worldwide revenue (whichever is higher), private or class action lawsuits and / or reputational damage. Further, withdrawal of the United Kingdom (“UK”) from the European Union (“EU”) has led to legal uncertainty and divergent national laws and regulations. In particular, while the Data Protection Act of 2018, which supplements the GDPR, is now effective in the UK alongside the UK GDPR, it is still unclear whether transfer of data from the EEA to the UK will remain lawful under the GDPR without additional safeguards.