

## Risk Factors Comparison 2025-03-25 to 2024-03-26 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

An investment in our Company involves a high degree of risk. You should carefully consider the risks below, together with the other information contained in this report and other filings we make with the SEC, before you make an investment decision with respect to our Company. The risks described below are not the only ones facing us. Additional risks not presently known to us, or that we consider immaterial, may also impair our business operations. Any of the following risks could materially adversely affect our business, operating results or financial condition, and could cause a decline in the trading price of our Class A Common Stock and the value of your investment. **Economic asset** ~~our Investment Policy~~ **and has experienced significant price fluctuations over Securities** ~~The value of our securities may decline.~~ **The Company invests from time to time in securities and is exposed to market volatility in connection with these investments .** ~~The Company's financial position~~ **Our Bitcoin strategy has not been tested and financial performance could be adversely affected by worsening market conditions** ~~may prove unsuccessful.~~ **U.S. Dollar- denominated stablecoins may also suffer from value loss due to various issues underlying the product, including bank or poor performance of such investments** ~~issuer failure or underlying blockchain problems.~~ ~~The Company may also invest from time to time in nonmarketable securities and may need to hold such instruments for a long period of time and may not be able to realize a return of its cash investment should there be a need to liquidate to obtain cash at any given time.~~ ~~The Company may also invest from time to time in securities that are interest- bearing securities and if there are changes in interest rates, those changes would affect the interest income the Company earns on these investments and, therefore, impact its cash flows and results of operations.~~ ~~Our investment portfolio and~~ **an extended period of time or under different market conditions.** **We are continually examining the risks and rewards of our strategy to acquire and hold Bitcoin.** **By investing in Bitcoin, we may become subject to counterparty risk, such as with our Bitcoin custodians and those with whom we transact in Bitcoin or other crypto- currencies.** **The broader digital assets industry may also be subject to counterparty risks, which could adversely impact the adoption rate, price, and use of Bitcoin.** **Bitcoin and other crypto- currencies are subject to regulatory and legal uncertainty, and governments and regulators may enact new laws and regulations, or pursue regulatory, legislative, enforcement or judicial actions that could impact the price of Bitcoin or our ability to acquire, hold or transfer Bitcoin, and may subject us to increased regulatory scrutiny.** **If federal or state tax authorities change Bitcoin's classification from property, which allows for capital gains treatment but also imposes certain tax reporting requirements, to another category, such as to currency or a financial asset, the resulting tax implications could negatively affect us and our stockholders.** **Additionally, changes in the accounting treatment of our Bitcoin holdings could have significant accounting impacts, including increasing the volatility of our results.** **Bitcoin does not pay interest or other returns and we can only generate cash from our Bitcoin holdings if we sell our Bitcoin or implement strategies to create income streams or otherwise generate cash by using our Bitcoin holdings.** **Even if we pursue any such strategies, we may be unable to create income streams or otherwise generate cash from our Bitcoin holdings, and any such strategies may subject us to additional risks.** **If we are unable to sell Bitcoin we acquire or otherwise generate funds using our Bitcoin holdings, or if we are forced to sell our Bitcoin at a significant loss, our business and financial condition could be negatively impacted.** **In addition, Bitcoin and other blockchain- based cryptocurrencies and the entities that provide services to participants in the Bitcoin ecosystem, as well as the Bitcoin and blockchain ledger, digital wallets, and other digital assets and blockchain technologies, have been, and may in the future be, subject to security breaches, cyberattacks or other malicious activities.** **If we or our third- party service providers experience a security breach or cyberattack and unauthorized parties obtain access to our Bitcoin, or other similar circumstances or events occur, we may lose some or all of our Bitcoin and our financial condition and results of operations could be materially adversely affected.** **Further, to the extent the private keys for a digital wallet are lost, destroyed, or otherwise compromised and no backup of the private keys is accessible, neither we nor our custodians would be able to access the Bitcoin held in the related digital wallet.** **If we acquire U. S. Dollar- denominated stablecoins, we may be exposed to certain risks associated with such stablecoins.** **U. S. Dollar- denominated stablecoins are digital assets designed to have a stable value over time as compared to typically volatile digital assets, and are backed by the U. S. Dollar.** **Volatility in stablecoins, operational issues with stablecoins (for example, technical issues that prevent settlement or redemption), concerns about the sufficiency of any reserves that support stablecoins, or regulatory concerns about stablecoin issuers or intermediaries or the stablecoins themselves, could all impair the value of such stablecoins and result in losses.** **By investing in U. S. Dollar- denominated stablecoins, we may become subject to counterparty risk, such as with the issuers of the stablecoins, custodians and those with whom we transact in U. S. Dollar- denominated stablecoins.** **U. S. Dollar- denominated stablecoins are subject to regulatory and legal uncertainty, and governments and regulators may enact new laws and regulations, or pursue regulatory, legislative, enforcement or judicial actions that could impact our ability to acquire, hold or transfer U. S. Dollar- denominated stablecoins, and may subject us to increased regulatory scrutiny.** **The Company is required to recognize losses in a particular investment for financial statement purposes even though the Company has not actually sold the security.** **Under accounting rules, changes in the unrealized gains and losses on certain of our investments may be included in the Company's reported net income (loss), even though the Company has not actually realized any gain or loss by selling such securities.** **Accordingly, changes in the market prices of such securities can have a significant impact on the Company's reported results for a particular period, even though those changes do not bear on the performance of the Company's operating businesses.**

**Our failure to deal appropriately with conflicts of interest could adversely affect our businesses. Certain of our executive officers, members of our Investment Committee and members of the Board of Directors engage in personal investment activities. These personal investments, done in their individual capacities or through affiliated investment vehicles, may give rise to potential conflicts or perceived conflicts between the personal financial interests of the executive officers, members of our Investment Committee or members of the Board of Directors and the interests of us, any of our subsidiaries or any stockholder other than such executive officers, members of our Investment Committee or members of the Board of Directors. If we are deemed to be an investment company under the Investment Company Act, we may be required to institute burdensome compliance requirements and our activities may be restricted. In order not to be regulated as an investment company under the Investment Company Act of 1940, as amended (the “ Investment Company Act ”), unless we can qualify for an exclusion or exemption therefrom, we must ensure that we are engaged primarily in a business other than investing, reinvesting or trading of securities and that our activities do not include investing, reinvesting, owning, holding or trading in securities and owning “ investment securities ” having a value constituting more than 40 % of our total assets (exclusive of U. S. government securities and cash items) on an unconsolidated basis. If we are deemed to be an investment company under the Investment Company Act, our activities may be restricted, including restrictions on the nature of our investments and restrictions on our issuance of securities. In addition, burdensome requirements may be imposed on us, including registration as an investment company under the Investment Company Act, adoption of a specific form of corporate structure and reporting, record keeping, voting, proxy and disclosure requirements and other rules and regulations that could have a material adverse effect on our business and financial condition and may also require us to substantially change the manner in which we conduct our business. Further, a determination by regulators that Bitcoin or certain other cryptocurrencies constitute “ securities ” or “ investment securities ” under the Investment Company Act or other Federal Securities laws could lead to our classification as an investment company under the Investment Company Act and could negatively impact the market price or liquidity of Bitcoin or such other cryptocurrencies that we may hold and the market value of our Class A Common Stock.**

**Retail Industry Risks** Economic, social and political conditions in the markets in which we operate could adversely affect demand for the products we sell and impact our business and financial condition. Sales of our products involve discretionary spending by consumers, making our results highly dependent on the health of the economies and consumer confidence in the markets in which we operate. Consumers are typically more likely to make discretionary purchases, including purchasing gaming and technology products, when there are favorable economic conditions. Our business may be affected by many economic, social, and political factors outside our control. Some of these factors include consumer disposable income levels, consumer confidence in current and future economic conditions, levels of employment, consumer credit availability, consumer debt levels, interest rates, tax rates, housing market conditions, inflation, tariffs, socio- political factors, such as civil unrest or political uncertainty, and the effect of weather, natural disasters, and public health crises. Adverse economic, social and political changes in any of the regions in which we sell our products could adversely affect our business in many ways, including reduced sales and margins. We face strong competition from multi- channel retailers, ecommerce businesses and others, which directly affects our revenue and profitability. The retail environment is intensely competitive and subject to rapid changes in consumer preferences and frequent new product introductions. We compete with mass merchants and regional chains, including Walmart and Target, computer product and consumer electronics stores, including Best Buy, other United States and international gaming and PC software specialty stores, such as FNAC Darty, and Media Markt- Saturn, major hypermarket chains like **Leclerc Carrefour and Auchan**, toy retail chains, internet- based retailers such as Amazon. com, other internet marketplaces, including those operated by game publishers and console manufacturers, online retailers of digital software and game rental companies **and collectibles and trading card retailers**. Competition may also result from new entrants into the markets we serve, offering products and / or services that compete with us. If we lose customers to our competitors, or if we reduce our prices or increase our spending to maintain our customers, such actions may negatively impact our business and our financial performance. Multi- channel retailers and ecommerce companies continue to focus on delivery services, with customers increasingly seeking faster, guaranteed delivery times and low- cost or free shipping. Our ability to be competitive on delivery times and delivery costs depends on many factors and our failure to successfully manage these factors and offer competitive delivery options could negatively impact the demand for our products. The gaming industry has historically been cyclical and is affected by the introduction of next- generation consoles, which could negatively impact the demand for existing products. The gaming industry has historically been cyclical in nature in response to the introduction and maturation of new technology. Following the introduction of new gaming platforms, sales of these platforms and related software and accessories generally increase due to initial demand, while sales of older platforms and related products generally decrease as customers migrate toward the new platforms. A new console cycle began with the launch of the Sony PlayStation 5 in November 2020, the Microsoft Xbox Series X in November 2020 and the Nintendo Switch in March 2017. **In January 2025, Nintendo announced that Nintendo Switch 2, the successor to the Nintendo Switch system, will be released in 2025.** We are dependent upon the timely delivery of new and innovative products from our vendors and failure to timely obtain new product can adversely affect our sales. We depend on manufacturers and publishers to deliver video game hardware, software, **collectibles (including trading cards)**, and consumer electronics in quantities sufficient to meet customer demand. Some of the products we sell may be in short supply and highly allocated among us and our competitors and we compete for product inventory. If we fail to obtain products in sufficient quantities, our sales may be negatively impacted. We also depend on these manufacturers and publishers to regularly introduce new and innovative products and software titles to drive industry sales. In recent years, the number of new software titles available for sale has decreased. **Separately, our collectibles category, including trading cards, has been driven in part by demand for new releases.** Any material delay in the introduction or delivery, or limited allocations, of hardware platforms, **collectibles** or software titles could result in reduced sales. In addition, some publishers that have

historically published games compatible with multiple gaming platforms have ~~recently~~ been acquired by console manufacturers. This consolidation could lead to a further reduction in the number of new software titles available for sale. Technological advances in the delivery and types of video games and PC entertainment software available to consumers, as well as changes in consumer behavior related to these new technologies, have lowered and may continue to lower, our sales. The current consoles from Sony, Nintendo and Microsoft have facilitated download technology. Downloading of video game content to the current generation video game systems continues to grow and take an increasing percentage of new video game sales. If consumers' preference for downloading video game content in lieu of physical software continues to increase, our business and financial performance may be adversely impacted. In addition, both Sony and Microsoft currently offer consoles that only allow for the purchase of digital games and content and do not work with physical software. Sales of those types of consoles eliminate the ability of customers to purchase physical software, which may also adversely affect our sales of both new and pre-owned physical software. Interruptions to our supply chain or the supply chain of our suppliers may adversely affect our business. Our suppliers rely on foreign sources, primarily in Asia, to manufacture a portion of the products we purchase from them. As a result, any event causing a disruption of imports, including labor shortages, natural disasters, public health crises or the imposition of import or trade restrictions in the form of tariffs or quotas could increase the cost and reduce the supply of products available to us, which may negatively impact our business and results of operations. An adverse trend in sales during the holiday selling season could impact our financial results. Our business, like that of many retailers, is seasonal, with a major portion of our sales and operating profit realized during the fourth quarter of ~~fiscal 2023~~ **each year**, which includes the holiday selling season. During fiscal ~~2024 and 2023 and 2022~~, we generated approximately 34 % and ~~38-34~~ %, respectively, of our sales during the fourth quarter. Any adverse trend in sales during the holiday selling season could lower our results of operations for the fourth quarter and the entire fiscal year ~~and adversely impact our liquidity~~. Our ability to obtain favorable terms from our suppliers and service providers may impact our financial results. Our financial results depend significantly upon the business terms we can obtain from our suppliers and service providers, including competitive prices, unsold product return policies, advertising and market development allowances, freight charges and payment terms. We purchase substantially all of our products directly from manufacturers, software publishers and, in some cases, distributors. If our suppliers and service providers do not provide us with favorable business terms or allocate reduced volumes of their products to us, we may not be able to offer products to our customers in sufficient volumes or at competitive prices. Vendors may request credit support which could require us to either use cash on hand or collateralize letters of credit with restricted cash or other credit support mechanisms, which would reduce our liquidity available for other purposes. Our sales of collectibles depend on trends in pop culture and, if we are unable to anticipate, identify and react to these trends, our sales and business may be adversely affected. Our sales of collectibles are heavily dependent upon the continued demand by our customers for collectibles, apparel, toys, trading cards, ~~gadgets, electronics and other retail products for pop culture and technology enthusiasts~~. The popularity of such products is often driven by movies, television shows, music, fashion and other pop culture influences. Our failure to anticipate, identify and react appropriately to changing trends and preferences of customers could lead to, among other things, excess inventories and higher markdowns. **Changes to tariff and import / export regulations may negatively impact our future financial condition and results of operations. A significant portion of the products we offer are purchased from foreign vendors or manufactured in foreign countries. In recent months, trade tensions between the United States and other countries have escalated. The imposition of additional, new, or different actions with respect to international trade agreements, the imposition of tariffs on goods imported into the U. S., the erection of barriers to trade, tax policy related to international commerce, or other trade matters could impact the cost or availability of the merchandise we offer, which may have an adverse impact on our business.** Strategic Retail Risks If we are unable to successfully maintain strong retail and ecommerce experiences for our customers, our sales and results of operations could adversely be impacted. Our business has become increasingly dependent on multiple sales channels as we strive to deliver a seamless shopping experience to our customers through both online and in-store shopping experiences. Operating an ecommerce platform is a complex undertaking and exposes us to risks and difficulties frequently experienced by internet-based businesses, including risks related to our ability to attract and retain customers on a cost-effective basis and our ability to operate, ~~and~~ support, ~~expand and~~ ~~develop~~ our internet operations, website, mobile applications ~~and software~~ and other related operational systems. If we are not able to successfully operate our ecommerce platform, we may not be able to provide a positive shopping experience or ~~improve~~ **maintain** customer traffic, sales or margins, and our business and financial condition could be adversely affected. In-store and ecommerce retail are competitive and evolving environments. Insufficient, untimely or inadequately prioritized or ineffectively implemented investments could significantly impact our profitability and growth and affect our ability to attract new customers, as well as maintain our existing ones. If we fail to keep pace with changing industry technology and consumer preferences, we will be at a competitive disadvantage. The interactive entertainment industry is characterized by swiftly changing technology, evolving industry standards, frequent new and enhanced product introductions, rapidly changing consumer preferences and product obsolescence. Video games are now played on a wide variety of mediums, including video game consoles, personal computers, mobile phones, tablets, social networking websites and other devices. Browser, mobile and social gaming is accessed through hardware other than the consoles and traditional hand-held video game devices we currently sell. In addition, augmented reality, virtual reality and blockchain technology continue to rapidly evolve and may result in changes in both customer preferences and the types of hardware and software that are used by customers. To continue to compete effectively in the gaming and interactive entertainment industry, we must respond effectively to market and technological changes and understand their impact on our customers' preferences. It may take significant time and resources to respond to these technological changes and changes in consumer preferences. Our business and results of operations may be negatively impacted if we fail to keep pace with these changes. If we are unable to successfully manage our profitability and cost reduction initiatives, our operating results could be adversely affected. As part of our strategic plan ~~to achieve profitability~~, we have

recently undertaken cost reduction measures and other initiatives to improve the efficiency of our operations, including initiatives to reduce headcount. These initiatives could strain our existing resources, and we could experience operating difficulties in managing our business, including difficulties in hiring, managing and retaining employees. If we do not adapt, we may experience erosion to our brand, the quality of our products and services may suffer and our operating results may be **negatively impacted. An important element of our profitability initiative is to reduce our global store base. Failure to successfully transfer customers and sales from closed stores to nearby stores could adversely impact our financial results. As a part of our profitability initiative, we are reducing our global store base, which includes closing stores that are not meeting performance standards or stores at the end of their lease terms with the intent of transferring sales to other nearby locations. If we are unsuccessful in marketing to customers of the stores that we plan to close or in transferring sales to nearby stores, our results of operations could** be negatively impacted. Changes in our senior management or our inability to attract and retain qualified personnel could have a material adverse impact on our business and results of operations. Our success depends, in part, on the continuing services and contributions of our leadership team to execute on our strategic plan. Turnover in key leadership positions in the Company or our failure to timely or successfully implement leadership transitions could adversely affect our ability to manage the Company efficiently and effectively, could be disruptive and distracting to management and may lead to additional departures of current personnel, any of which could have a material adverse effect on our business and results of operations. Our success also depends, in part, upon our ability to attract, motivate and retain a highly trained and engaged workforce, including key executives, management for our stores and skilled merchandising, marketing, financial and administrative personnel. The turnover rate in the retail and fulfillment industries is relatively high, and there is an ongoing need to recruit and train new store and fulfillment associates. Factors that affect our ability to maintain sufficient numbers of qualified associates include associate morale, our reputation, unemployment rates, competition from other employers and our ability to offer appropriate compensation and benefits packages. Our inability to attract and retain qualified personnel or retain key personnel in the future could have a material adverse effect on our business and results of operations. Damage to our reputation could adversely affect our business and our ability to attract and retain customers and employees. Our continued success depends upon customers' perception of our Company. Any negative publicity relating to our vendors, products, associates and **members of our** Board ~~members~~ or practices could damage our reputation and adversely impact our ability to attract and retain customers and employees. Failure to detect, prevent or mitigate issues that might give rise to reputational risk or failure to adequately address negative publicity or perceptions could adversely impact our reputation, business, results of operations and financial condition. Operational Risks If we **or the third parties with whom we work** do not maintain the security ~~of our~~ **privacy of information technology systems or data (including** customer, associate or ~~company~~ **Company** information ~~), we~~ **such failure** could **negatively** impact our operations, damage our reputation, **cause us to** incur substantial additional costs and, **lead us to** become subject to litigation, **or cause us to experience other adverse consequences**. An important part of our business involves the receipt, **collection, storage, transfer, disposal, disclosure, security, use, and other** processing and storage **(collectively, "process" or "processing")** of personal information of our customers and associates ~~;(~~ including, in the case of customers, payment information ~~)~~ **and other sensitive information (including without limitation proprietary and confidential business data, trade secrets, intellectual property, and financial data)**. We have systems and processes in place that are designed to protect against security and data breaches, **compromise of and unauthorized access to confidential and other sensitive** information, and **other interruptions** are constantly working to upgrade these systems and processes. Despite these efforts, we have been the target of cybersecurity attacks in the past and there is no guarantee that the procedures we have implemented to protect against ~~unauthorized access~~ **such security breaches, compromises, and other interruptions** are adequate **or will be effective. Our data and information systems (including those of third parties with whom we work), are subject to a variety of evolving threats (e. g., phishing attacks, software bugs, ransomware, and others). These threats come from a wide variety of actors (e. g., hackers, personnel, nation states and state-sponsored actors). Our data and information systems may also be compromised for reasons other than a cyberattack (e. g., information system malfunctions, loss, telecommunications failures, earthquakes, fire or flood). We rely on certain third parties and their technologies to operate critical business systems to process sensitive data (including personal information) in a variety of contexts. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. If the third parties with whom we work experience a security breach, compromise, or other interruption, we could experience adverse consequences**. A successful cybersecurity attack **or other compromise of our data or information systems** could lead to significant disruptions in the operations of our systems and business, including our ability to accept payment from customers, unauthorized release of ~~confidential sensitive~~ information ~~;(~~ including customer payment information ~~)~~ **and corruption of data. Any** **If we (or a third party with whom we work) experience a security breach or other compromise or are perceived to have experienced a security breach or other compromise, we may experience material adverse consequences,** such as ~~cybersecurity attack~~ **may also require** significant investment and resources to identify and remediate **such breach or other compromise**. **notification obligations,** may expose us to costly litigation, government investigations, government enforcement actions, fines, **penalties** and / or lawsuits, ~~and may significantly~~ **significant harm to** our reputation with our customers, **and other similar harms. We are subject to stringent and evolving laws and other obligations related to data privacy and security. Compliance with such obligations and our actual or perceived failure to comply with such obligations could lead to increased costs and liabilities (e. g., government investigations, litigation, fines and penalties, reputational harm, loss of revenue, loss of customers and other adverse business consequences). Given our processing of personal information, we are subject to laws and other obligations (including industry standards (such as those related to payment cards), policies, statements and contracts) relating to personal information. Laws governing personal information continue to evolve, as federal, state and foreign governments continue to adopt new or different**

measures relating to data privacy and security as well as the processing of personal information. The interpretation and application of many existing privacy and data protection laws and regulations in the U. S. (including the California Consumer Privacy Act, as amended (“ CCPA ”)), Europe (including the European Union’ s General Data Protection Regulation), and elsewhere impose stringent obligations on processing personal information and create the risk of significant fines and other adverse consequences for noncompliance. Such laws and regulations may be interpreted or applied in a manner that is inconsistent with each other and may complicate our existing data management practices. Evolving compliance and operational requirements under applicable data protection obligations have become increasingly burdensome and complex. Additionally, under various data protection laws and other obligations, we may be required to provide specific notices and obtain certain consents to process personal information. For example, some of our data processing practices have been, and may in the future continue to be, subject to challenges or lawsuits under data privacy, data security, and communications laws, including, for example, challenges based on anti- wiretapping or eavesdropping laws. We are or may become subject to obligations that limit the manner in which we transfer personal information across national borders. Our insurance coverage may be inadequate to protect us from privacy and security liabilities, such coverage may not continue to be available on commercially reasonable terms or at all, or such coverage may not pay claims. Compliance with such obligations increases our costs. Our failure (or perceived failure) to comply with these obligations could result in adverse consequences, including but not limited to privacy or security- related claims (including class actions), government investigations and enforcement actions, penalties and fines, require us to change our business practices and may lead to administrative, civil, or criminal liability .

Weather, natural disasters, public health crises and other unexpected events could adversely affect our operating results. The risk or actual occurrence of various unexpected events could have a material adverse effect on our financial condition. Such events may be caused by, for example: natural disasters or extreme weather events; diseases or pandemics (including COVID- 19) that have affected and may continue to affect our employees, customers or partners; floods, fires or other catastrophes affecting our properties, employees or customers; cybersecurity attacks, power outages and telecommunications failures affecting our systems; or terrorism, civil unrest, mass violence or violent acts or other conflicts. Such events can adversely affect our workforce and prevent employees and customers from reaching our stores, logistics facilities and other properties and can disrupt or disable portions of our supply chain, distribution network and refurbishment operations. They can also affect our information technology systems, resulting in disruption to various aspects of our operations, including our ability to transact with customers and fulfill orders. As a consequence of these or other events, we may endure interruption to our operations or losses of property, equipment or inventory, which could adversely affect our operations and financial condition. **Our U. S. support, fulfillment and refurbishment operations are concentrated, in large part, in a single facility in Grapevine, Texas. A casualty or other event that impacts this facility or its employees could significantly disrupt our support, fulfillment and refurbishment operations, and as a result could adversely affect our operations and financial condition.** We seek to mitigate our exposure to these disruptions in several ways. For example, where feasible, we design the configuration of our logistics facilities **operations** to reduce the consequences of disasters and other disruptions. We also maintain insurance for these facilities against casualties, and we evaluate our risks and develop contingency plans for dealing with them. Although we have reviewed and analyzed a broad range of disruption risks applicable to our logistics operations, the ones that actually affect us may not be those that we have concluded are most likely to occur. Furthermore, our plans may not be adequate at the time of occurrence for the magnitude of any particular disruption event that we may encounter. Inventory shrinkage may negatively affect our results of operations and financial condition. Although some level of inventory shrinkage is an unavoidable cost of doing business, higher rates of inventory shrinkage or increased security or other costs to combat inventory theft could adversely affect our results of operations and financial condition. There can be no assurance that we will be successful in our efforts to contain or reduce inventory shrinkage. If our systems fail to perform or are inadequate, our ability to manage our business could be disrupted. We rely on computerized systems to coordinate and manage the activities in our operations, including our ecommerce, store and fulfillment operations. If any of these systems fail to adequately perform their functions, including our point- of- sale, inventory management, information technology or enterprise management systems, our business could be adversely affected. We depend on third- party delivery services to deliver products to our retail locations, fulfillment centers and customers on a timely and consistent basis, and changes in the terms we have with these service providers could adversely affect our business and financial position. We rely on third parties for the transportation of products, and we cannot be sure that these services will continue to be provided on terms favorable to us, or at all. Delivery and shipping costs may increase from time to time, and we may not be able to pass these costs directly to our customers. Any increased delivery and shipping costs could harm our business and financial performance by increasing our costs of doing business and reducing our margins. If our relationships with these third parties are terminated or impaired, if we are unable to negotiate acceptable terms with these third parties or if these third parties are unable to deliver products for us, whether due to a labor shortage, slow down or stoppage, or for any other reason, we would be required to use alternative carriers for the shipment of products to our retail locations, fulfillment centers and customers. Changing carriers could have a negative effect on our business and operating results due to the negative impact on customer experience, including reduced visibility of order status and package tracking and delays in order processing and product delivery, and we may be unable to engage alternative carriers on a timely basis, upon terms favorable to us, or at all. In addition, these third parties have increasingly had demand for their services exceed capacity, in particular during the holiday selling season, and we may be unable to obtain sufficient services to meet our demand or to timely meet our customers' expectations. If our vendors fail to provide marketing and merchandising support at historical levels, our sales and earnings could be negatively impacted. The manufacturers of gaming products have typically provided retailers with significant marketing and merchandising support for their products. As part of this support, we receive cooperative advertising and market development payments from these vendors which enable us to actively promote and merchandise the products we sell and drive sales at our stores and on our

websites. If our vendors fail to continue to provide this support at historical levels, our business and financial condition may be negatively impacted. Restrictions on our ability to purchase and sell pre-owned products could negatively affect our business and financial condition. Our financial results depend on our ability to purchase and sell pre-owned products. Actions by manufacturers or publishers of products or governmental authorities to prohibit or limit our ability to purchase or sell pre-owned products, or to limit the ability of consumers to use pre-owned products, could have a negative impact on our business and financial condition. If we are unable to renew or enter into new leases on favorable terms, our earnings may be adversely affected. All of our retail stores are located in leased premises. If the cost of leasing existing stores increases, we cannot ensure that we will be able to maintain our existing store locations as leases expire. In addition, we may not be able to enter into new leases on favorable terms or at all, or we may not be able to locate suitable alternative sites in a timely manner. Our revenues and earnings may decline if we fail to maintain existing store locations, enter into new leases, or locate alternative sites. Risks Related to Laws and Regulations Unfavorable changes in our global tax rate could have a negative impact on our business, results of operations and cash flows. As a result of our operations in ~~many~~ foreign countries, our global tax rate is derived from a combination of applicable tax rates in the various jurisdictions in which we operate. Depending upon the sources of our income, any agreements we may have with taxing authorities in various jurisdictions and the tax filing positions we take in various jurisdictions, our overall tax rate may be higher than other companies or higher than our tax rates have been in the past. We base our estimate of an annual effective tax rate at any given point in time on a calculated mix of the tax rates applicable to our business and to estimates of the amount of income to be derived in any given jurisdiction. A change in the mix of our business from year to year and from country to country, changes in rules related to accounting for income taxes, changes in tax laws in any of the ~~multiple~~ jurisdictions in which we operate, or adverse outcomes from the tax audits that regularly are in process in any jurisdiction in which we operate could result in an unfavorable change in our overall tax rate, which could have a material adverse impact on our business and results of our operations. We also continue to monitor developments related to tax legislation and government policy. The impact of these potential changes to our business and consolidated financial results cannot be determined until the relevant legislation and policies are finalized. Legislative actions may cause our general and administrative and compliance costs to increase and impact our operations and financial condition. To comply with laws adopted by the U. S. government or other U. S. or foreign regulatory bodies, we may be required to increase our expenditures and hire additional personnel and additional outside legal, accounting and advisory services, all of which may cause our general and administrative and compliance costs to increase. Significant workforce-related legislative changes could increase our expenses and adversely affect our operations. Examples of possible workforce-related legislative changes include changes to an employer's obligation to recognize collective bargaining units, the process by which collective bargaining agreements are negotiated or imposed, minimum wage requirements and health care mandates. In addition, changes in the regulatory environment affecting Medicare reimbursements, workplace safety, product safety, privacy and security of customer data, responsible sourcing, environmental protection, supply chain transparency, and increased compliance costs related to wage and hour statutes, limitations on arbitration / class action waiver agreements and overtime regulations, among others, could cause our expenses to increase without an ability to pass through any increased expenses through higher prices. Failure to comply with federal, state, local and international laws, regulations and statutes applicable to our business could result in an adverse impact to our business and financial condition. As a seller of consumer products, we are also subject to various federal, state, local and international laws, regulations and statutes, including laws relating to product safety and consumer protection and privacy. While we take steps to comply with these laws, there can be no assurance that we will be in compliance, and failure to comply with these laws could result in litigation, regulatory action and penalties which could have a negative impact on our business and financial condition. In addition, our suppliers might not adhere to product safety requirements and the Company and those suppliers may therefore be subject to involuntary or voluntary product recalls or product liability lawsuits. Direct costs, lost sales and reputational damage associated with product recalls, government enforcement actions or product liability lawsuits, individually or in the aggregate, could have a negative impact on future revenues and results of operations. Our international operations are also subject to compliance with the U. S. Foreign Corrupt Practices Act and other anti-bribery laws applicable to our operations. While we have policies and procedures to ensure compliance with these laws, our associates, contractors, representatives and agents may take actions that violate our policies. Any violations of these laws by any of these persons could have a negative impact on our business. Litigation and the outcomes of such litigation could negatively impact our future financial condition and results of operations. In the ordinary course of our business, we are, from time to time, subject to various litigation and legal proceedings, including matters involving wage and hour associate class actions, stockholder and consumer class actions, tax audits and unclaimed property audits by states. The outcome of litigation and other legal proceedings and the magnitude of potential losses therefrom, particularly class action lawsuits and regulatory actions, is difficult to assess or quantify. Certain of these legal proceedings, if decided adversely to us or settled by us, may require changes to our business operations that negatively impact our operating results or involve significant liability awards that impact our financial condition. The cost to defend litigation may be significant. As a result, legal proceedings may adversely affect our business, financial condition, results of operations or liquidity. Risks Related to **our Investment Policy and Securities** **The value..... cash flows and results of operations.** Our **Class A** portfolio of securities may be concentrated in one or a few holdings, which may result in a single holding significantly impacting the value of our investment portfolio. In addition, the Company's holdings of securities may be concentrated in just one or a few holdings. Accordingly, a significant decline in the market value of one or more of such holdings may not be offset by hypothetically better performance of other holdings. This concentration of risk may result in a more pronounced effect on net income and shareholders' equity, and may result in greater volatility in the fair market value of the Company's holdings of securities from one period to another. The Company is required to recognize losses in a particular security for financial statement purposes even though the Company has not actually sold the security. Under accounting rules, changes in the unrealized gains and losses on certain of our securities may be included in the Company's reported net income

(loss), even though the Company has not actually realized any gain or loss by selling such securities. Accordingly, changes in the market prices of such securities can have a significant impact on the Company's reported results for a particular period, even though those changes do not bear on the performance of the Company's operating businesses.

**Risks Related to Our Common Stock**

The market price of our Class A Common Stock has been extremely volatile and may continue to be volatile due to numerous circumstances beyond our control. The market price of our **Class A common Common stock Stock** has fluctuated, and may continue to fluctuate, widely, due to many factors, some of which may be beyond our control. These factors include, without limitation: • “short squeezes”; • comments by securities analysts or other third parties, including blogs, articles, message boards and social and other media; • large stockholders exiting their position in our Class A Common Stock or an increase or decrease in the short interest in our Class A Common Stock; • actual or anticipated fluctuations in our financial and operating results; • the timing and allocations of new product releases including new console launches; • shifts in the timing or content of certain promotions or service offerings; • the effect of changes in tax rates in the jurisdictions in which we operate; • acquisition costs and the integration of companies we acquire or invest in; • the mix of earnings in the countries in which we operate; • the costs associated with the exit of unprofitable markets, businesses or stores; • changes in foreign currency exchange rates; • negative public perception of us, our competitors or industry; and • overall general market fluctuations. Stock markets in general and our stock price in particular have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies and our Company. These broad market fluctuations may adversely affect the trading price of our Class A Common Stock. In particular, a large proportion of our Class A Common Stock has been and may continue to be traded by short sellers which has put and may continue to put pressure on the supply and demand for our Class A Common Stock, further influencing volatility in its market price. These and other external factors have caused and may continue to cause the market price and demand for our Class A Common Stock to fluctuate substantially, which may limit or prevent our stockholders from readily selling their shares of our **Class A common Common stock Stock** and may otherwise negatively affect the liquidity of our Class A Common Stock. A “short squeeze” due to a sudden increase in demand for shares of our Class A Common Stock that largely exceeds supply has led to, and may continue to lead to, extreme price volatility in shares of our Class A Common Stock. Investors may purchase shares of our Class A Common Stock to hedge existing exposure or to speculate on the price of our Class A Common Stock. Speculation on the price of our Class A Common Stock may involve long and short exposures. To the extent aggregate short exposure exceeds the number of shares of our Class A Common Stock available for purchase on the open market, investors with short exposure may have to pay a premium to repurchase shares of our Class A Common Stock for delivery to lenders of our Class A Common Stock. Those repurchases may in turn, dramatically increase the price of shares of our Class A Common Stock until additional shares of our Class A Common Stock are available for trading or borrowing. This is often referred to as a “short squeeze.” A large proportion of our Class A Common Stock has been and may continue to be traded by short sellers which may increase the likelihood that our Class A Common Stock will be the target of a short squeeze. A short squeeze has previously led and could continue to lead to volatile price movements in shares of our Class A Common Stock that are unrelated or disproportionate to our operating performance or prospects and, once investors purchase the shares of our Class A Common Stock necessary to cover their short positions, the price of our Class A Common Stock may rapidly decline. Stockholders that purchase shares of our Class A Common Stock during a short squeeze may lose a significant portion of their investment. Information available in public media that is published by third parties, including blogs, articles, message boards and social and other media may include statements not attributable to the Company and may not be reliable or accurate. We have received, and may continue to receive, a high degree of media coverage that is published or otherwise disseminated by third parties, including blogs, articles, message boards and social and other media. This includes coverage that is not attributable to statements made by our officers or associates. Information provided by third parties may not be reliable or accurate and could materially impact the trading price of our Class A Common Stock which could cause stockholders to lose their investments. A large number of shares of our Class A Common Stock available for future sale could adversely affect the market price of our Class A Common Stock and may be dilutive to current stockholders. The sales of a substantial number of shares of our Class A Common Stock, or the perception that such sales could occur, could adversely affect the price for our Class A Common Stock. Our Board of Directors may authorize the issuance of additional authorized but unissued Class A Common Stock or other authorized but unissued securities at any time, including pursuant to equity incentive plans. In addition, we may file a registration statement with the SEC, allowing us to offer, from time to time and at any time, equity securities (including common or preferred stock), subject to market conditions and other factors. Accordingly, we may, from time to time and at any time, seek to offer and sell our equity securities, including sales of our Class A **common Common stock Stock** pursuant to an at- the- market program, based upon market conditions and other factors. Future sales of a substantial amount of our Class A Common Stock in the public markets by our insiders, or the perception that these sales may occur, may cause the market price of our Class A Common Stock to decline. Our employees, directors and officers, and their affiliates, hold substantial amounts of shares of our Class A Common Stock. Sales of a substantial number of such shares by these stockholders, or the perception that such sales will occur, may cause the market price of our Class A Common Stock to decline. Other than restrictions on trading that arise under securities laws (or pursuant to our securities trading policy that is intended to facilitate compliance with securities laws), including the prohibition on trading in securities by or on behalf of a person who is aware of material nonpublic information, we have no restrictions on the right of our employees, directors and officers, and their affiliates, to sell their unrestricted shares of Class A Common Stock.

**Risks Related to Financial Performance and Reporting**

Our results of operations may fluctuate from quarter to quarter. Our results of operations may fluctuate from quarter to quarter depending upon several factors, some of which are beyond our control. These factors include, but are not limited to: • the amounts devoted to strategic investments, ~~including in multi-channel capabilities and other business initiatives,~~ and failure to achieve anticipated profitability and benefits from such initiatives within the expected time- frames, or at all; • the timing and extent of the achievement of anticipated profits from investments, if at all ; **• to the extent we acquire**

and hold significant amounts of Bitcoin or U. S. Dollar- denominated stablecoins, fluctuations in the price of Bitcoin or such stablecoins, changes to our Bitcoin or stablecoin strategy and regulatory, commercial and technical developments relating to Bitcoin or such stablecoins ; • the costs associated with the exit of unprofitable markets, businesses or stores; and • changes in foreign currency exchange rates. These and other factors could affect our business, financial condition and results of operations, and this makes the prediction of our financial results on a quarterly basis difficult. Also, it is possible that our quarterly financial results may be below the expectations of public market analysts. ~~The agreement governing our revolving credit facility restricts our current and future operations. The agreement governing our revolving credit facility contains a number of restrictive covenants that impose significant operating and financial restrictions on us and certain of our subsidiaries and may limit our ability to engage in acts that may be in our long- term best interest, including limitations on additional liens, investments, acquisitions, loans, guarantees, the incurrence of additional indebtedness, certain fundamental changes, certain dispositions, certain dividends and distributions and certain related party transactions. A breach of the covenants or restrictions under the agreement governing our revolving credit facility could result in an event of default. Such an event of default may allow the creditors to accelerate the related debt and may result in the acceleration of any other debt to which a cross- acceleration or cross- default provision applies. In addition, an event of default under the revolving credit facility would permit the lenders under our revolving credit facility to terminate all commitments to extend further credit under that facility. Furthermore, if we were unable to repay the amounts due and payable under our revolving credit facility, those lenders could proceed against the collateral granted to them to secure that indebtedness. If our lenders accelerate the repayment of our borrowings, we and our subsidiaries may not have sufficient assets to repay that indebtedness. As a result of these restrictions we may be limited in how we conduct our business, unable to raise additional debt or equity financing necessary to operate during general economic or business downturns, or unable to compete effectively or to take advantage of new business opportunities. Accordingly, these restrictions may affect our ability to operate in accordance with our strategy. To fund our operations, we require cash. We may not be able to generate sufficient cash flow to meet such obligations. Our ability to generate sufficient cash flow from operations to fund our business will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. If we do not generate sufficient cash flow from operations to fund our business, we may have to sell assets, reduce or delay capital investments or seek to raise additional capital. We cannot provide assurance that any assets could be sold, or, if sold, of the timing of the sales and the amount of proceeds realized from those sales or, that additional capital could be raised. We and our subsidiaries may incur additional debt. This Debt financing, if obtained, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, and could further increase the risks associated with our leverage. Although expenses and require that our revolving credit facility agreement contain assets secure such debt. These restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and expenses exceptions, and the additional indebtedness incurred in compliance with these restrictions could be substantial. Additionally, these restrictions will not prevent us from incurring obligations that do not constitute indebtedness. Such future indebtedness or obligations may have restrictions similar to, or more restrictive than, those included in turn, negatively our revolving credit facility agreement. The incurrence of additional indebtedness could impact our financial condition and liquidity results of operations.~~ If our internal control over financial reporting is ineffective, our business may be adversely affected and we may lose market confidence in our reported financial information, which could adversely impact our business and stock price. Effective internal control over financial reporting can provide only reasonable assurance with respect to the preparation and fair presentation of consolidated financial statements and may not prevent or detect misstatements because of inherent limitations. These limitations include, among others, the possibility of human error, inadequacy or circumvention of controls and fraud. If we are unable to maintain effective internal control over financial reporting, our ability to report financial information timely and accurately could be adversely affected. As a result, we could lose investor confidence and become subject to litigation or investigations, which could adversely affect our business, operations, financial condition and our stock price.