

Risk Factors Comparison 2025-03-24 to 2024-01-17 Form: 10-K

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Our business ~~The Company's financial performance~~ is subject to **European** numerous risks and uncertainties that you should be aware of in evaluating our business. If any such risks and uncertainties actually occur, **African** our business, **Central** prospects, financial condition and **South American** results of operations could be materially and adversely affected, and **Asian Pacific** the value of our securities may decline in value or become worthless. The risks described below are not the only risks that we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial may also materially adversely affect our business, prospects, financial condition and results of operations. The risk factors described below should be read together with the other information set forth in this Report, including our financial statements and the related notes, as well as in other documents that we file with the SEC. Summary Risk Factors Our business is subject to numerous risks and uncertainties, including those described below and elsewhere in this Report. These risks include, but are not limited to, the following: Risks Related to the Company's Need for Additional Funding and Demand For Products and Services ~~our need for significant additional financing to grow and expand our operations, the availability and terms of such financing, and potential dilution which may be caused by such financing, if obtained through the sale of equity or convertible securities;~~ ~~the impact of pandemics and epidemics on the Company;~~ ~~the potential effect of economic downturns and market conditions, including recessions, on the Company's operations and prospects as a result of increased inflation, increasing interest rates, global conflicts and other events;~~ ~~general consumer sentiment and economic conditions that may affect~~ **and their impact on levels of spending by consumers and customers, particularly discretionary customer purchases of spending for entertainment, gaming and leisure activities. Demand for the Company's products ; may also decline as a result of and an economic downturn, our or economic uncertainty** limited operating history. Risks Related to Our Business Operations and Industry ~~our reliance on suppliers of third-party gaming content and the cost of such content;~~ ~~the ability of the Company to manage growth;~~ ~~the ability of the Company to compete in its market and develop, market or sell new products or adopt new technology;~~ ~~disruptions caused by acquisitions;~~ ~~the risks associated with gaming fraud, user cheating and cyber-attacks;~~ ~~risks relating to inventory management;~~ ~~risks associated with systems failures, disruptions and failures of technology and infrastructure on which the Company's programs rely~~ **key markets**, as well as cybersecurity **particularly in Europe, Africa, Central and South America, Asia Pacific** hacking risks; ~~foreign exchange and currency risks;~~ ~~the outcome of contingencies~~ **Mexico. Economic recessions have had, and may continue to have, far reaching adverse consequences across industries**, including legal proceedings in the **global entertainment** normal course of business; ~~the ability to compete against existing and gaming industries~~ new competitors; ~~the ability to manage expenses associated with sales and marketing and necessary general and administrative and technology investments;~~ ~~cyber security risks that could result in damage to our reputation and/or subject us to fines,~~ **which may adversely** payment of damages, lawsuits and restrictions on our use of data and systems failures and resulting interruptions in the availability of our websites, applications, products, or services that could harm our business; and ~~our non-U. S. operations.~~ 31 Risks Relating to Regulation ~~the effect~~ **affect** of future regulation, the Company's ability to comply with regulations ~~(business and financial condition. There is~~ **current** **currently substantial uncertainty about the strength of the European, African, and Central** future) and **South American economies, which may currently or in the near term be in a recession and have experienced rapid increases in uncertainty about the pace of potential recovery. A continued economic downturn** penalties in the event it fails to comply with such regulations; and ~~material increases to our~~ **or taxes** ~~recession,~~ **or slowing** the adoption of new taxes or **stalled recovery therefrom, may** the authorization of new or increased forms of gaming could have a material adverse effect on our future financial results. Risks Related to Intellectual Property and Technology ~~we may be subject to claims of intellectual property infringement or invalidity and adverse outcomes of litigation could unfavorably affect our operating results; and~~ ~~the Company's~~ **business, financial condition, results of operations** ability to protect proprietary information. Risks Relating to our ~~or~~ Management ~~prospects.~~ **In addition, changes in general market, economic, and political conditions in domestic and foreign economies or financial markets, including fluctuation in stock markets resulting from, among the other** **Company things, trends in the economy and inflation, as are being currently experienced in certain countries, may reduce users'** ~~reliance~~ **disposable income. Any on one of** its management; ~~the~~ **these changes** fact that the Company's Chief Executive Officer has voting control over the Company; and ~~related party relationships, as well as conflicts of interest related thereto.~~ Risks Related to International Operations ~~The risks related to international operations, in particular in countries outside of the United States, could negatively affect the Company's results; and~~ ~~foreign exchange risks.~~ Risks Relating to our Common Stock and Securities ~~dilution caused by efforts to obtain additional financing;~~ ~~our ability to issue common and preferred stock without further shareholder approval;~~ ~~the lack of a market for our securities and the volatility in the trading prices thereof caused thereby;~~ ~~no assurance that we will be able to comply with Nasdaq's continued listing standards; and~~ ~~dilution caused by the sale of common stock or convertible securities.~~ Risks relating to the Meridian Purchase Agreement ~~dilution and a change of control which will result from the closing of the Meridian Purchase Agreement;~~ ~~costs, fees and expenses, and the timing associated with, the Meridian Purchase Agreement;~~ ~~the Company's ability to meet conditions to closing the Meridian Purchase Agreement, including required funding, the terms and availability of such funding, and the ability of the parties to the Meridian Purchase Agreement to terminate such agreement, and potential break-fees due in connection therewith;~~ ~~uncertainties while the Meridian Purchase Agreement is pending; and~~ ~~risks related to the ability of the combined company to recognize the benefits of the acquisition.~~ Other risks ~~risks related to our governing documents and indemnification obligations;~~ ~~risks related to future acquisitions;~~

risks related to inventory impropriety; risks related to behavior and acts by management and / or employees to the detriment of the Company; risks related to significant sales by officers, directors and third parties; and Other risks disclosed below. 32 We may require additional financing, and we may not be able to raise funds on favorable terms, or at all. We had working capital of \$ 18, 373, 253 as of October 31, 2023. With our current cash on hand, expected revenues, and based on our current average monthly expenses, we do not anticipate the need for additional funding in order to continue our operations at their current levels, and to pay the costs associated with being a public company, for the next 12 months, but may require additional funding in the future to support our operations and / or may seek to raise additional funding in the future to expand or complete acquisitions. We also anticipate needing to raise funding to complete the Purchase of the Meridian Companies, as discussed in greater detail below under “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Cash Requirements”. The most likely source of future funds presently available to us will be through the sale of equity capital. Any sale of share capital will result in dilution to existing shareholders. Furthermore, we may incur debt in the future, and may not have sufficient funds to repay our future indebtedness or may default on our future debts, jeopardizing our business viability. We may not be able to borrow or raise additional capital in the future to meet our needs or to otherwise provide the capital necessary to expand our operations and business, which might result in the value of our common stock decreasing in value or becoming worthless. Additional financing may not be available to us on terms that are acceptable. Consequently, we may not be able to proceed with our intended business plans. Obtaining additional financing contains risks, including: • additional equity financing may not be available to us on satisfactory terms and any equity we are able to issue could lead to dilution for current shareholders; • loans or other debt instruments may have terms and / or conditions, such as interest rate, restrictive covenants and control or revocation provisions, which are not acceptable to management or our directors; • the current environment in capital markets combined with our capital constraints may prevent us from being able to obtain debt financing on favorable terms, if at all; and • if we fail to obtain required additional financing to grow our business, we would need to delay or scale back our business plan, reduce our operating costs, or reduce our headcount, each of which would have a material adverse effect on our the Company’s business, future prospects, and financial condition adverse effect on the Company’s business, financial condition, results of operations or prospects. Additionally, our the Company’s business depends on the overall demand for gaming platforms, systems and gaming content and other technology offerings, and on the economic health of customers that benefit from our the Company’s products. Economic downturns or unstable market conditions may cause customers to decrease or pause their acquisition budgets, which could reduce spending on our the Company’s products and adversely affect our the Company’s business, financial condition and results of operations (although sometimes, paradoxically, it has the opposite effect). Similarly, economic downturns could also decrease the amount of disposable income end- users have available for gaming platforms, systems and gaming content. Additionally, as described above, public health crises may disrupt the operations of the Company’s customers and partners for an unknown period of time, including as a result of travel restrictions and / or business shutdowns, all of which could negatively impact the Company’s business and results of operations, including cash flows. Economic uncertainty may affect consumer purchases of discretionary items, which has affected and may continue to adversely affect demand for our the Company’s products and services. Our The Company’s products and services may be considered discretionary items for consumers. Factors affecting the level of consumer spending for such discretionary items include general economic conditions and other factors such as consumer confidence in future economic conditions, fears of recession and trade wars, the price of energy, fluctuating interest rates, the availability and cost of consumer credit, the availability and timing of government stimulus programs, levels of unemployment, inflation, and tax rates. As global economic conditions continue to be volatile or economic uncertainty remains, particularly and with high increasing inflation and interest rates, trends in consumer discretionary spending also remain unpredictable and subject to reductions as a result of significant increases in employment, financial market instability, and uncertainties about the future. Unfavorable economic conditions have led, and in the future may lead, consumers to reduce their spending on gaming products and services, which in turn leads to a decrease in the demand for our the Company’s products and services. Consumer demand for our the products and services of the Company may decline as a result of an a global economic downturn, or economic uncertainty. Our The Company’s sensitivity to economic cycles and any related fluctuation in consumer demand may have a material adverse effect on the Company’s business, results of operations, and financial condition. In February 2022, an armed conflict escalated between Russia and Ukraine. The sanctions announced by the United States and other countries against Russia and Belarus following Russia’s invasion of Ukraine to date include restrictions on selling or importing goods, services, or technology in or from affected regions and travel bans and asset freezes impacting connected individuals and political, military, business, and financial organizations in Russia and Belarus. The United States and other countries could impose wider sanctions and take other actions should the conflict further escalate. Separately, in October 2023, Israel and certain Iranian- backed Palestinian forces began an armed conflict in Israel, the Gaza Strip, and surrounding areas. Although the Company does not currently, and does not plan to, do business in Russia, Belarus, Ukraine, or Israel, it is not possible to predict the broader consequences of these ongoing conflicts, which could include further sanctions, embargoes, regional instability, and geopolitical shifts. It is also not possible to predict with certainty these ongoing conflicts and additional adverse effects on existing macroeconomic conditions, consumer spending habits, currency exchange rates, and financial markets, all of which have impacted and could further impact the business, financial condition, and results of operations of the Company. 34 Economic uncertainty may affect our access to capital and / or increase the costs of such capital. Global economic conditions continue to be volatile and uncertain due to, among other things, consumer confidence in future economic conditions, fears of recession and trade wars, the price of energy, fluctuating interest rates, the availability and cost of consumer credit, the availability and timing of government stimulus programs, levels of unemployment, rates of inflation, tax rates, the ongoing conflict between the Ukraine and Russia and the war between Israel and Hamas. These conditions remain unpredictable and create uncertainties about

our ability to raise capital in the future. In the event required capital becomes unavailable in the future, or more costly, it could have a material adverse effect on our business, results of operations, and financial condition. In February 2022, an armed conflict escalated between Russia and Ukraine. The sanctions announced by the United States and other countries against Russia and Belarus following Russia's invasion of Ukraine to date include restrictions on selling or importing goods, services, or technology in or from affected regions and travel bans and asset freezes impacting connected individuals and political, military, business, and financial organizations in Russia and Belarus. The United States and other countries could impose wider sanctions and take other actions should the conflict further escalate. Although we do not currently do business in either Russia, Belarus, or Ukraine, it is not possible to predict the broader consequences of this ongoing conflict, which could include further sanctions, embargoes, regional instability, and geopolitical shifts. It is also not possible to predict with certainty this ongoing conflict's additional adverse effects on existing macroeconomic conditions, consumer spending habits, currency exchange rates, and financial markets, all of which have impacted and could further impact our business, financial condition, and results of operations.³⁴ On October 8, 2023, Israel declared war following its bombardment by the militant Gaza-based group Hamas. As a result, the global markets are experiencing higher prices for oil and gold and, a stronger U.S. dollar and the decline of airline stocks have been some of the immediate financial effects of this conflict, which has the potential to destabilize the Middle East region. The tragic loss of life and the risks to peace in Israel, Gaza, and the rest of the region is clearly the foremost concern. However, the repercussions of the crisis are dependent on the extent and duration of the fighting, associated geopolitical tension, and the possible occurrence of terrorist attacks. While the overall reaction of the financial markets has been relatively muted so far, the risks of an intensification and broadening of the conflict are material, and their fallout could be severe, especially for countries in the region. We do not have direct or indirect business operations, interest or investments in Israel or Gaza or business relationships with companies that do and, therefore, we do not have exposure to material impacts or risks of potential future impact related to the war between Israel and Hamas. It is not possible to predict the broader consequences of this ongoing conflict, which could include further sanctions, embargoes, regional instability, and geopolitical shifts. It is also not possible to predict with certainty this ongoing conflict's additional adverse effects on existing macroeconomic conditions, consumer spending habits, currency exchange rates, and financial markets, all of which have impacted and could further impact our business, financial condition, and results of operations. A reduction in discretionary consumer spending, from an economic downturn or disruption of financial markets or other factors, could negatively impact **our the** financial performance **of the Company**. Gaming and other leisure activities that **our the Company and its** customers offer represent discretionary expenditures and players' participation in those activities may decline if discretionary consumer spending declines, including during economic downturns, when consumers generally earn less disposable income. Changes in discretionary consumer spending or consumer preferences are driven by factors beyond **our the Company's** control, such as: **perceived or actual general economic conditions;** **fears of recession and changes in consumer confidence in the economy;** **high energy, fuel and other commodity costs;** **the potential for bank failures or other financial crises;** **a soft job market;** **an actual or perceived decrease in disposable consumer income and wealth;** **increases in taxes, including gaming taxes or fees;** and **terrorist attacks or other global events.** During periods of economic contraction, **our the Company's** revenues may decrease while most of **our the Company's** costs remain fixed and some costs even increase, resulting in decreased earnings. The Company's financial performance is, **and will be,** subject to **European, African, Central and South American, Asia-Pacific, UK and Mexico-Mexican** economic conditions and their impact on levels of spending by consumers and customers, particularly discretionary spending for entertainment, gaming and leisure activities. Economic recessions may have adverse consequences across industries, including the global entertainment and gaming industries, which may adversely affect the Company's business and financial condition. There is substantial uncertainty about the strength of the **European, African, Central and South American, Asia-Pacific, UK and Mexico-Mexican** economies, which may currently be in or, in the near term be in, a recession **and have experienced rapid increases in uncertainty about the pace of potential recovery**. In addition, changes in general market, economic and political conditions in domestic and foreign economies or financial markets, including fluctuation in stock markets resulting from, among other things, trends in the economy, **interest rates** and inflation, as are being currently experienced, may reduce users' disposable income. **We** believe that **our the Company's** business will continue to be resilient through a continued economic downturn or recession, or slowing or stalled recovery therefrom, and that **we the Company will** have the liquidity to address the Company's financial obligations and alleviate possible adverse effects on the Company's business, financial condition, results of operations or prospects. **Economic uncertainty may affect our access to capital and/or increase the**. Global pandemics could **in the future** have an adverse impact on our revenue and results of operations. Our business and operations have not to date been, but could in the future be, adversely affected by health epidemics and pandemics. However, economic recessions, including those brought on by epidemic or pandemic outbreaks may have a negative effect on the demand for our products, services and our operating results. The range of possible impacts on the Company's business could include, but are not limited to: (i) changing demand for the Company's products and services; (ii) the closure of, or reduction in the number of persons who may be present in, establishments using the Company's technology (resulting in a decrease in demand for such technology); (iii) decreases in the amount of discretionary spending available to consumers and / or the amount such consumers are willing to spend; and (v) increasing contraction in the capital markets. We believe that we have sufficient cash on hand, and the ability to raise additional funding, or borrow additional funding, as needed, to support our operations for the foreseeable future, except that we anticipate the need to raise **funding capital to complete repay the Purchase of \$ 9, 600, 000 outstanding under the Secured Convertible Note as of December 31, 2024, the \$ 20. 2 million owed under the Facility Agreement as of December 31, 2024, and to pay certain post- closing amounts due in connection with the acquisition of the Meridian MeridianBet Companies Group**, as discussed in greater detail below under "Item 7. Management's Discussion and Analysis **The Company will likely need to raise funding to pay the post- closing obligations associated with the Meridian Purchase Agreement, the terms** of Financial

Condition and Results which may not be favorable, may necessitate the payment of Operations—Liquidity interest which otherwise would not need to be paid, and may cause dilution Capital Resources—Cash Requirements”; however, we will continue to evaluate our business operations based on new information as it becomes available and will make changes that we consider necessary in light of any new developments regarding pandemics and epidemics and its effect on the economy. 33 Economic downturns and adverse political and..... the future to ensure our continued growth. The Company’s planned Player2P gaming product is currently on hold and we may never move forward with such gaming product. The Company has developed its own proprietary Peer- to- Peer E- sports gaming product. However, the launch of the Peer- to- Peer gaming product is currently on hold until further notice, so that the Company can focus on other projects. This product, if released, will be marketed as the Player2P Platform (“ Player2P ”). The Player2P brand, if released, will be focused solely on esports gambling and 18 gaming (i. e., gaming by those 18 years of age and older). In the event we decide to move forward with the launch of Player2P, we may not receive regulatory approvals, we may be unable to launch Player2P in the U. S. or other jurisdictions, or such launch might be impractical, which would ultimately cause such product not to be successful. In the event we choose not to launch Player2P, the funds used by the Company to develop such game may be lost, which may have a material adverse effect on our results of operations and / or prospects, and ultimately the value of our securities. 36 Our The Company’s ongoing investment investments in new products, services, and technologies is inherently risky, and could divert management attention and harm our the Company’s financial condition and operating results. We have The Company has invested and expect to continue to invest in new products, services, and technologies, such as our Player2P product discussed above, the launch of which is currently on hold indefinitely. Such investments ultimately may not be commercially viable or may not result in an adequate return of capital and, in pursuing new strategies, we the entities may incur unanticipated liabilities. These endeavors may involve significant risks and uncertainties, including diversion of resources and management attention from then current operations. In addition, new and evolving products and services, raise technological, legal, regulatory, and other challenges, which may negatively affect our the Company’s brand and the demand for our its products and services. Because all of these new ventures are inherently risky, no assurance can be given that such strategies and offerings will be successful and will not harm our the reputation, financial condition, and operating results of the Company. We 36 The Company operate operates in a rapidly evolving industry and if we it fail fails to successfully develop, market or sell new products or adopt new technology, it could materially adversely affect our its results of operations and financial condition. The Company Our software products compete competes in a market characterized by rapid technological advances, evolving standards in software technology and frequent new product introductions and enhancements that may render existing products and services obsolete. Competitors are continuously upgrading their product offerings with new features, functions and content. In addition, we attempt to continuously refine our software and technology offerings to address regulatory changes in the markets in which we operate and plan to operate. In order to remain competitive, we the Company will need to continuously modify and enhance our its technology platform and service offerings. We The Company may not be able to respond to rapid technological changes in our its industry. In addition, the introduction of new products or updated versions of existing products has inherent risks, including, but not limited to, risks concerning: ● product quality, including the possibility of software defects, which could result in claims against us or the inability to sell our products; ● the accuracy of our estimates of customer demand, and the fit of the new products and features with a customer’s needs; ● the need to educate our personnel to work with the new products and features, which may strain our resources and lengthen sales; ● market acceptance of initial product releases; and ● competitor product introductions or regulatory changes that render our new products obsolete. The Company may not We cannot assure you that we will be successful in creating new technology for our its products in the future. We The Company may encounter errors resulting from a significant rewrite of the software code. In addition, as we the Company transition transitions to newer technology platforms for our its products, our its customers may encounter difficulties in the upgrade process, which could cause them the Company to lose revenue or review their alternatives with a competing supplier. Developing, enhancing and localizing software is expensive, and the investment in product development may involve a long payback cycle. Our The Company’s future plans include additional investments in the development of our the Company’s software and other intellectual property. We will need to believe that we must continue to dedicate a significant amount of resources to our development efforts to maintain our competitive position. However, we the Company may not receive significant revenue from these investments for several years, if at all. In addition, as we or the Company our or its competitors introduce new or enhanced products, the demand for our the Company’s products, particularly older versions of our the Company’s products, may decline. A significant amount The Company relies on third- party providers to validate the identity and identify the location of users, and if such providers fail to perform adequately our or revenues come provide accurate information or we do not maintain business relationships with them, the business, financial condition and results of operations of the Company could be adversely affected. There is no guarantee that the third- party geolocation and identity verification systems that the Company relies on will perform adequately, or be effective. The Company relies on geolocation and identity verification systems to ensure that we are in compliance with certain applicable laws and regulations, and any service disruption to those systems would prohibit us from a limited number we are in compliance with certain applicable laws and regulations, and any service disruption to those systems would prohibit us from operating and adversely affect our business. Additionally, incorrect or misleading geolocation and identity verification data with respect to current or potential users received from third- party service providers may result in them us inadvertently allowing access to our product offerings to individuals who should not be permitted to access them, or otherwise inadvertently denying access to individuals who should be able to access such product offerings, in each case based on an inaccurate identity or geographic location determination. Their Our third- party geolocation service providers rely on their ability to obtain information necessary to determine geolocation from mobile devices, operating systems, and other sources. Changes, disruptions or temporary or permanent failure to access such sources by their third- party service providers of customers the Company to

accurately determine the location of users. Moreover, our inability to maintain existing contracts with third-party service providers, or to replace them with equivalent third parties, may result in their inability to access geolocation and identity verification data necessary for our day-to-day operations. If any of these risks materialize, the Company may be subject to disciplinary action, fines or lawsuits, and if we were to lose any of those customers, our business, financial condition and results of operations could be adversely affected. 37 The Company relies on third-party payment processors to process deposits and withdrawals made by RKings and Mexplay users, and if we cannot manage our relationships with such third parties and other payment-related risks, our business, financial condition and results of operations could be adversely affected. We rely on a limited number of third-party payment processors to process deposits and withdrawals made by RKings and Mexplay users. If any of our third-party payment processors terminate their relationship or refuses to renew their agreements on commercially reasonable terms, we the Company would need to find an alternate payment processor, and may not be able to secure similar terms or replace such payment processor in an acceptable time frame. Further, the software and services provided by our third-party payment processors may not meet our expectations of the Company, may contain errors or vulnerabilities, may be compromised or experience outages. Any of these risks could cause us the Company to lose our ability to accept online payments or other payment transactions or make timely payments to its users, any of which could make our technology less trustworthy and convenient and adversely affect our ability to attract and retain users, or comply with applicable laws and regulations. 45 Nearly all of our the Company's payments are made by credit card, debit card or through other third-party payment services, which subjects us to certain regulations and the risk of fraud. We They may in the future offer new payment options to users that may be subject to additional regulations and risks. We are also subject to a number of other laws and regulations relating to the payments that we accept from users, including with respect to money laundering, money transfers, privacy and information security. If we fail to comply with applicable rules and regulations, we may be subject to civil or criminal penalties, fines and / or higher transaction fees and may lose our ability to accept online payments or other payment card transactions, which could make our product offerings less convenient and attractive to users. If any of these events were to occur, our the business, financial condition and results of operations of the Company could be adversely affected. Additionally, we may be subject to fines or penalties for failing to comply with applicable rules and regulations which could include criminal and civil proceedings, forfeiture of significant assets or other enforcement actions. We could also be required to make changes to our business practices or compliance programs as a result of regulatory scrutiny. A significant amount of our revenues come from a limited number of customers for the resale of our gaming content, and if we were to lose any of those customers, our results of operations could be adversely affected. At the present time, we are dependent on a limited number of customers for the resale of our gaming content. The Company's major revenues of reselling for the year ended October-December 31, 2023-2024, were from four twenty-three customers. As a result, in the event such customers do not pay us amounts owed, terminate work in progress, or we are unable to find new customers moving forward, it could have a materially adverse effect on our results of operations and could force us to curtail or abandon our current business operations. 37 If we are If the Company is not able to compete effectively against companies with greater resources, our the Company's prospects for future success will be jeopardized. The gaming platforms, systems and gaming content industries are highly competitive. We The Company compete competes with numerous local competitors for such services. Many of our the Company's competitors are larger, more established companies with greater resources to devote to marketing, as well as greater brand recognition. Moreover, if one or more of our the Company's competitors or suppliers were to merge, the change in the competitive landscape could adversely affect our the Company's competitive position. Additionally, to the extent that competition in our markets intensifies, we may be required to reduce our prices in order to remain competitive. If we do not compete effectively, the Company's or if we reduce our prices without making commensurate reductions in our costs, our net sales, margins, and profitability and our the Company's future prospects for success may be harmed. 38 In Changes in ownership of competitors or consolidations within the gaming industry may negatively impact pricing and lead to downward pricing pressures which could reduce revenue. A decline in demand for our products in the gaming industry could adversely affect our business. Demand for our products is driven primarily by the replacement of existing services as well as the expansion of existing online gaming, and the expansion of new channels of distribution, such as mobile gaming. Additionally, consolidation within the online gambling market could result in us facing competition from larger combined entities, which may benefit from greater resources and economies of scale. Also, any fragmentation within the industry creating a number of smaller, independent operators with fewer resources could also adversely affect our business as these operators might cause a further slowdown in the replacement cycle for our products. In the past we have been affected by, and in the future, we may be affected by, unauthorized transfers, withdrawals, wires, charges, checks and payments, from our bank accounts and service providers. In August 2021, we first became aware of certain Automated Clearing House (ACH) transfers that were erroneously posted to the Company's bank account. The Company first notified Citibank of ACH transfers that were erroneously posted to the account. Overall, \$ 729, 505 of ACH transactions had posted to the Company's accounts that were not authorized. Citibank immediately acknowledged the recognized that it was an error under the Electronic Fund Transfer Act of 1978 (EFTA) and proceeded to immediately replenish, as of the date of this report, had reimbursed \$ 392-695, 921-590. The remaining \$ 33, 915 was written off as a bad debt expense. Additionally, during September 2024, the Company, through RKings, experienced unauthorized charges on its Facebook account totaling ACH transactions which resulted in a receivable due from Citibank of \$ 336-382, 584-368. These charges have been recorded as Other Current Assets on the of October 31, 2021. Through October 31, 2022, an additional \$ 269, 086 was replenished by Citibank which resulted in a balance sheet due from

Citibank of \$ 67, 498 pending resolution. Facebook has committed to fully refund the unauthorized amounts. The Company will adjust this Through October 31, 2023, an additional \$ 21, 003 was replenished by Citibank which resulted in a balance upon receipt due from Citibank of the refund \$ 46, 495. As On November 27, 2023, an additional \$ 26, 003 was replenished by Citibank, leaving \$ 20, 492 due as of the date of this Report report , the full amount has been refunded . While these unauthorized transfers and charges were for the most part remedied quickly, and we believe that our liability and exposure to such transfers is minimal as a result of the EFTA, future unauthorized transfers, withdrawals, wires, checks and payments, from our bank accounts could have a material adverse effect on our cash flows and results of operations and result in material losses. The risk of such losses and unauthorized transactions may also be exacerbated by potential ineffective controls and procedures relating to the safeguarding of our account information. The online gaming industry is highly competitive, and if we the Company fail fails to compete effectively, we it could experience price reductions, reduced margins or loss of revenues. The online gaming industry is highly competitive. A number of companies offer products and services that are similar to our the Company' s products and services and target the same markets as we do the Company . Certain of our the Company' s current and potential competitors have longer operating histories, significantly greater financial, technical and marketing resources, greater name recognition, broader or more integrated product offerings, larger technical staffs and a larger installed customer base than we do it does . These competitors may be able to respond more quickly to new or emerging technologies and changes in customer requirements, develop superior products, and devote greater resources to the development, promotion and sale of their-- the Company' s products than we the Company can. Because of the rapid growth of our the gaming industry, and the relatively low capital barriers to entry in the software industry, we the Company expect expects additional competition from other established and emerging companies. Additionally, as our customers become more experienced or successful, they the Company' s may look to develop their own proprietary solutions or may look more aggressively at competing platforms. Additionally, our competitors could combine or merge to become more formidable competitors or may adapt more quickly than we can to new technologies, evolving industry trends and changing customer requirements. If we fail to compete effectively, (a) we could be compelled to reduce prices in order to be competitive, which could reduce margins, or (b) we would lose market share, any of which could materially adversely affect our the Company' s strategy, our the Company' s business, results of operations and financial condition. 38Competition-- Competition within the global entertainment and gaming industries is intense and our existing and future offerings may not be able to compete against other competing forms of entertainment such as television, movies and sporting events, as well as other entertainment and gaming options on the Internet. If our offerings do not continue to be popular, our business could be harmed. We operate in the global entertainment and gaming industries. The users of our offerings face a vast array of entertainment choices. Other forms of entertainment, such as television, movies, sporting events and in- person casinos, are more well established and may be perceived by our users to offer greater variety, affordability, interactivity and enjoyment. Our products compete with these other forms of entertainment for the discretionary time and income of end users. If we are unable to sustain sufficient interest in our products and offerings in comparison to other forms of entertainment, including new forms of entertainment, our business model may not continue to be viable. We face the risk of fraud, theft, and cheating. We face the risk that third- parties, employees or consultants may attempt or commit fraud or theft or cheat using our products. Such risks include backdoors, nefarious code and other efforts. Failure to discover such acts or schemes in a timely manner could result in losses in our operations and those of our customers. Negative publicity related to such acts or schemes could have an adverse effect on our reputation, potentially causing a material adverse effect on our business . 39MeridianBet Group' s operations are subject to potential future disruptions from military activities, skirmishes, coups, terrorist activities and wars, in the Balkans. The Balkans are a geographical area located in southeastern Europe including Albania, Bosnia and Herzegovina, Bulgaria, Greece, Kosovo, Montenegro, North Macedonia, European Turkey, and large parts of Croatia and Serbia. Sometimes the term also includes Romania and southern parts of Slovenia. A significant portion of the operations of MeridianBet Group, are located in the Balkans (particularly revenues earned by Meridian Serbia and Meridian Montenegro). The Balkans have historically been the subject of numerous wars and skirmishes, including in the 1990s – in Croatia, Bosnia and Herzegovina, Serbia, Montenegro, Slovenia, Macedonia and Kosovo, and in the 2000s – in Macedonia. While the area has seen significantly more peace in recent years, ethnic and political tensions still exist in the region and future wars, skirmishes, coups, terrorist activities and political tensions, may create unrest, result in public services or utilities becoming unavailable, result in the unavailability of electricity or internet connectivity, and / or create damage to, the inability of MeridianBet Group to use or operate, its facilities. In recent years, for example, there have been increasing tensions between Serbia and its neighbors, including Montenegro and the disputed territory of Kosovo (the final status of which remains unsettled). Any of the above may have a material adverse effect on the results of operations and cash flows of the Company; result in significant losses, which may not be insured; and / or prevent certain subsidiaries of the Company from operating for prolonged periods of time . We face cyber security risks that could result in damage to our reputation and / or subject us to fines, payment of damages, lawsuits and restrictions on our use of data. Our information systems and data, including those we maintain with our third- party service providers, may be subject to cyber security breaches in the future. Computer programmers and hackers may be able to penetrate our network security and misappropriate, copy or pirate our confidential information or that of third parties, create system disruptions or cause interruptions or shutdowns of our internal systems and services. Our website may become subject to denial- of- service attacks, where a website is bombarded with information requests eventually causing the website to overload, resulting in a delay or disruption of service. Computer programmers and hackers also may be able to develop and deploy viruses, worms and other malicious software programs that attack our products or otherwise exploit any security vulnerabilities of our products. Also, there is a growing trend of advanced persistent threats being launched by organized and coordinated groups against corporate networks to breach security for malicious purposes. The techniques used to obtain unauthorized, improper, or illegal access to our systems, our data or

customers' data, disable or degrade service, or sabotage systems are constantly evolving and have become increasingly complex and sophisticated, may be difficult to detect quickly, and often are not recognized or detected until after they have been launched. Although we have developed systems and processes designed to protect our data and customer data and to prevent data loss and other security breaches and expect to continue to expend significant resources to bolster these protections, there can be no assurance that these security measures will provide absolute security. Disruptions in the availability of our computer systems, through cyber- attacks or otherwise, could damage our computer or telecommunications systems, impact our ability to service our customers, adversely affect our operations and the results of operations, and have an adverse effect on our reputation. The costs to us to eliminate or alleviate security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be significant, and the efforts to address these problems could result in interruptions, delays, cessation of service and loss of existing or potential customers and may impede our sales, distribution and other critical functions. We may also be subject to regulatory penalties and litigation by customers and other parties whose information has been compromised, all of which could have a material adverse effect on our business, results of operations and cash flows. ~~39~~Our **Our** technology, systems and infrastructure have previously experienced, and may in the future, experience, a disruption in service, failure or a loss of data, which have in the past, and may in the future, cause financial and reputational harm to our business. Our technology, systems and infrastructure have previously experienced, and may in the future, experience, a disruption in service. For example, during ~~the year ended October 31, 2023,~~ we **Golden Matrix** experienced a decrease in ~~our~~**its** gross profit margin which was partially due to a decrease in gross profit margin in our B2C segment. This was mainly due to a decrease in sales of prize competition tickets caused by unforeseen technology challenges and failures that led to certain compromised ticket sales for large competitions and hence a reduced profit margin in the RKings' business. The systems have now been upgraded and modified to cater to the large simultaneous demands placed on the system and the Company is confident that this instability and failure will not reoccur; however, future disruptions or issues may be material in the future. ~~A-40A~~ failure or inability of our technology, systems or infrastructure, including through a disruption in the services, has in the past, and could in the future, result in financial or reputational harm to our business. Moreover, the risk of reputational harm may be magnified and / or distorted through the rapid dissemination of information over the Internet, including through news articles, blogs, chat rooms, and social media sites. This may affect our ability to retain clients and attract new business. The effects of the above may result in a material adverse effect on our operations, cash flow, future prospects and the value of our securities. Systems failures and resulting interruptions in the availability of our websites, applications, products, or services could harm our business. Our systems may experience service interruptions or degradation because of hardware and software defects or malfunctions, distributed denial- of- service and other cyberattacks, human error, earthquakes, hurricanes, floods, fires, and other natural disasters, power losses, disruptions in telecommunications services, fraud, military or political conflicts, terrorist attacks, computer viruses or other malware, or other events. Some of our systems are not fully redundant, and our disaster recovery planning may not be sufficient for all eventualities. A prolonged interruption in the availability or reduction in the availability, speed, or functionality of our products and services will result in a loss of revenue and could materially harm our business. Frequent or persistent interruptions in our services could cause current or potential customers to believe that our systems are unreliable, leading them to switch to our competitors or to avoid or reduce the use of our products and services, and could permanently harm our reputation and brands. Moreover, if any system failure or similar event results in damages to our customers or their business partners, these customers or partners could seek significant compensation or contractual penalties from us for their losses, and those claims, even if unsuccessful, would likely be time- consuming and costly for us to address. The full- time availability and expeditious delivery of our products and services is a critical part of our offerings to our consumers. We continually refine our technology, implementing system upgrades. Despite network security, disaster recovery and systems management measures in place, we may encounter unexpected general systems outages or failures that may affect our ability to conduct development activities, provide maintenance services for our products, manage our contractual arrangements, accurately and efficiently maintain our books and records, record our transactions, provide critical information to our management and prepare our consolidated financial statements. Additionally, these unexpected systems outages or failures may require additional personnel and financial resources, disrupt our business or cause delays in the reporting of our financial results. We may also be required to modify, enhance, upgrade or implement new systems, procedures and controls to reflect changes in our business or technological advancements, which could cause us to incur additional costs and require additional management attention, placing burdens on our internal resources. We also rely on facilities, components, and services supplied by third parties, including data center facilities and cloud storage services. If these third parties cease to provide the facilities or services, experience operational interference or disruptions, breach their agreements with us, fail to perform their obligations and meet our expectations, or experience a cybersecurity incident, our operations could be disrupted or otherwise negatively affected, which could result in customer dissatisfaction and damage to our reputation and brands, and materially and adversely affect our business. We do not carry business interruption insurance sufficient to compensate us for all losses that may result from interruptions in our service as a result of systems failures and similar events. ~~40~~There **There** may be losses or unauthorized access to or releases of confidential information, including personally identifiable information, that could subject the Company to significant reputational, financial, legal and operational consequences. The Company' s business requires it to use, transmit and store confidential information including, among other things, personally identifiable information (" PII ") with respect to the Company' s customers and employees. The Company devotes significant resources to network and data security, including through the use of encryption and other security measures intended to protect its systems and data. But these measures cannot provide absolute security, and losses or unauthorized access to or releases of confidential information occur and could materially adversely affect the Company' s reputation, financial condition and operating results. The Company' s business also requires it to share confidential information with third parties. Although the Company takes steps to secure confidential information that is provided to third parties, such measures are not always effective and losses or unauthorized access to or

releases of confidential information occur and could materially adversely affect the Company's reputation, financial condition and operating results. For example, the Company may experience a security breach impacting the Company's information technology systems that compromises the confidentiality, integrity or availability of confidential information. Such an incident could, among other things, impair the Company's ability to attract and retain customers for its products and services, impact the Company's stock price, materially damage supplier relationships, and expose the Company to litigation or government investigations, which could result in penalties, fines or judgments against the Company. The Company has implemented systems and processes intended to secure its information technology systems and prevent unauthorized access to or loss of sensitive data. As with all companies, these security measures may not be sufficient for all eventualities and may be vulnerable to hacking, employee error, malfeasance, system error, faulty password management or other irregularities. In addition to the risks relating to general confidential information described above, the Company is also subject to specific obligations relating to payment card data. Under payment card rules and obligations, if cardholder information is potentially compromised, the Company could be liable for associated investigatory expenses and could also incur significant fees or fines if the Company fails to follow payment card industry data security standards. The Company could also experience a significant increase in payment card transaction costs or lose the ability to process payment cards if it fails to follow payment card industry data security standards, which would materially adversely affect the Company's reputation, financial condition and operating results. Adverse developments affecting the financial services industry, including events or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties, bank closures or FDIC takeovers, could adversely affect our business, financial condition or results of operations. Events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. Although we assess our banking and customer relationships as we believe necessary or appropriate, our access to funding sources and other credit arrangements could be significantly impaired by factors that affect us, the financial services industry or economy in general, in the future. These factors could include, among others, events such as liquidity constraints or failures, the ability to perform obligations under various types of financial, credit or liquidity agreements or arrangements, disruptions or instability in the financial services industry or financial markets, including, but not limited to bank closures, or concerns or negative expectations about the prospects for companies in the financial services industry. In addition, investor concerns regarding the U. S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. Any decline in available funding or access to our cash and liquidity resources could, among other risks, make it more costly or difficult to complete ~~planned acquisitions, including the transactions contemplated by the Meridian Purchase Agreement, or prohibit the closing of such transactions~~, or make it harder or more costly for us to borrow additional funding in the future. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors not described above, could have material adverse impacts on our liquidity and our business, financial condition or results of operations. ~~41A significant portion of our employees, consultants and operations are located outside of the U. S. and in many different foreign locations.~~ We have **business operations** ~~employees, consultants and staff located in multiple non-U. S. countries and a significant level of operations outside of the U. S.~~ We have software development, customer support and sales centers in Philippines, Australia, and Taiwan, which account for most of our software development support and sales personnel. The fact that all of our employees and consultants are not located in one place ~~subjects~~ **subject** us to additional costs and risks that could adversely affect our operating results. ~~We have business operations located in non-U. S. countries which subject us to additional costs and risks that could adversely affect our operating results.~~ Certain of **the Company** ~~our operations are in, and sales take place outside of,~~ the U. S. Compliance with international and U. S. laws and regulations that apply to ~~our their~~ international operations **likely involves some cost savings (e. g., compliance in an African country may cost less than U. S. compliance), while involving cost increases in other respects. However, our cost of doing business ultimate goal is to move into regulated U. S. markets in the future**. As a result of our international operations, we are subject to **and will be subject to,** a variety of risks and challenges in managing an organization operating in various countries, including those related to: ● **challenges caused by distance as well as language and cultural differences;** ● **general economic conditions in each country or region;** ● **regulatory changes;** ● **political unrest, terrorism and the potential for other hostilities;** ● **public health risks, particularly in areas in which we have significant operations;** ● **longer payment cycles and difficulties in collecting accounts receivable;** ● **difficulties in transferring funds from certain countries;** ● **laws such as the UK Bribery Act 2010 and the U. S. Foreign Corrupt Practices Act, and local laws which also prohibit corrupt payments to governmental officials; and** ● **reduced protection for intellectual property rights in some countries.** ~~If 42If~~ we are unable to expand or adequately staff and manage our existing development operations located outside of the U. S., we may not realize, in whole or in part, the anticipated benefits from these initiatives (including lower development expenses), which in turn could materially adversely affect our business, financial condition, and results of operations. **Other than Slovenia and Croatia, none of the Balkan nations have been offered membership in the European Union. However, Serbia was granted formal "EU candidate status" in 2012 and has been in formal accession negotiations since 2014. If Serbia were to join the European Union, the costs entailed in complying with newly-applicable European regulations could be significant and that could in turn materially adversely affect the Company's business, financial condition, and results of operations.** Because certain of our executive officers and directors live outside of the United States, you may have no effective recourse against them for misconduct and may not be able to enforce judgment and civil liabilities against them. Investors may not be able to receive compensation for damages to the value of their investment caused by wrongful actions by certain of our directors and officers. Our Chief Executive Officer and Chief Operating Officer

and certain of our directors currently live outside of the United States and all or a substantial portion of their assets are located outside of the United States. As a result, it may be difficult for investors to enforce within the United States any judgments obtained against our officers and directors who live outside of the United States or obtain judgments against them outside of the United States that are predicated upon the civil liability provisions of the securities laws of the United States or any state thereof. Our results of operations may be adversely affected by fluctuations in currency values. ~~We~~ **The Company** ~~receive~~ **receives** revenues and ~~expend~~ **pays** expenses in currencies other than the U. S. dollar, **including Serbian Dinar (RSD), European Union Euros (EUR), British Pound Sterling (GBP), Mexican Peso, Bosnia- Herzegovina Convertible Mark (BAM), Peruvian Sol (PEN), and Tanzanian Shilling (TZS)**. Changes in the value of the currencies ~~that we receive as~~ revenues and ~~the currencies used to pay expenses~~ (~~in~~, versus ~~each other, and~~ the U. S. dollar), could result in an adverse charge being recorded to ~~our~~ **the Company's** income statement. Our currency remeasurement gains and losses are charged against earnings in the period incurred. ~~42~~ ~~We~~ **The Company** ~~depend~~ **depends** on the services of key personnel to execute ~~our~~ **its** business strategy. If ~~we~~ **it** ~~lose~~ **loses** the services of ~~our~~ **its** key personnel or ~~we~~ are unable to attract and retain other qualified personnel, we may be unable to operate our business effectively. We believe that the future success of ~~our business~~ **the Company will** ~~depend~~ **depend** on the services of a number of key management and operating personnel. Some of these key employees have strong relationships with our customers and our business may be harmed if these employees leave ~~us~~. In addition, ~~our~~ **the** ability **of the Company** to manage ~~our~~ growth depends, in part, on our ability to identify, hire and retain additional qualified employees. ~~We~~ **The Company** ~~face~~ **faces** intense competition for qualified individuals from numerous technologies, software and service companies. If we are unsuccessful in attracting and retaining these key management and operating personnel, our ability to operate our business effectively could be negatively impacted and our business, operating results and financial condition would be materially adversely affected. We rely on third party cloud services and such providers or services have in the past, and may in the future, encounter technical problems and service interruptions. ~~We~~ **The Company** ~~host~~ **hosts its services** ~~our customers' iGaming operations~~ on a combination of proprietary and cloud servers **including the Amazon Elastic Compute (EC2) Server**. Such servers have in the past and may in the future experience slower response times or interruptions as a result of increased traffic or other reasons. **The Company does** Additionally, we currently host our GM-X system on Amazon Web Services (" AWS "), a third- party provider of cloud infrastructure services. We do not, and will not, have control over the operations of the facilities or infrastructure of the third- party service providers that ~~we~~ **they** use. Such third parties' facilities are vulnerable to damage or interruption from natural disasters, cybersecurity attacks, terrorist attacks, power outages and similar events or acts of misconduct. Our platform **The continuing and uninterrupted performance of the Company's platform** continuing and uninterrupted performance will be critical to our success. ~~We have~~ **The Company has** experienced, and ~~we expect that~~ in the future **may we will** experience, interruptions, delays and outages in service and availability from these third- party service providers from time to time due to a variety of factors, including infrastructure changes, human or software errors, website hosting disruptions and capacity constraints. In addition, any changes in these third parties' service levels may adversely affect our ability to meet the requirements of ~~our~~ **the Company's** users. Since our platform's continuing and uninterrupted performance is critical to our success, sustained or repeated system failures would reduce the attractiveness of our offerings. It may become increasingly difficult to maintain and improve our performance, especially during peak usage times, as ~~we~~ **the Company** ~~expand~~ **expands**, and the usage of our offerings increases. Any negative publicity arising from these disruptions could harm our reputation and brand and may adversely affect the usage of our offerings. Any of the above circumstances or events may harm our reputation, reduce the availability or usage of our platform, lead to a significant loss of revenue, increase our costs, and impair our ability to attract new customers, any of which could adversely affect our business, financial condition, and results of operations. ~~Our~~ **43** ~~Our~~ operations rely heavily on an uninterrupted supply of electrical power. Any unscheduled disruption in the supply of electrical power to ~~us~~ **the Company**, our customers or our service providers, or the Internet in general, could result in an immediate, and possibly substantial, loss of revenues due to a shutdown of our operations, those of our customers or service providers. In the event such electrical power ~~were~~ **was** to be out for a prolonged period of time, it could prevent ~~us~~ **the Company** from generating revenues, result in a decrease in demand for our services or result in lawsuits or other litigation against us. Our business is vulnerable to changing economic conditions and to other factors that adversely affect the industries in which we operate. The demand for entertainment and leisure activities tends to be highly sensitive to changes in consumers' disposable income, and thus can be affected by changes in the economy and consumer tastes, both of which are difficult to predict and beyond the control of the Company. Unfavorable changes in general economic conditions, including recessions, economic slowdown, sustained high levels of unemployment, and increasing fuel or transportation costs, may reduce customers' disposable income or result in fewer individuals visiting casinos, whether land- based or online, or otherwise engaging in entertainment and leisure activities, including gaming. As a result, the Company cannot ensure that demand for ~~its~~ **our** products or services will remain constant. Continued or renewed adverse developments affecting economies throughout the world, including a general tightening of availability of credit, decreased liquidity in many financial markets, increasing interest rates, increasing energy costs, acts of war or terrorism, transportation disruptions, natural disasters, declining consumer confidence, sustained high levels of unemployment or significant declines in stock markets, could lead to a further reduction in discretionary spending on leisure activities, such as gaming. Any significant or prolonged decrease in consumer spending on entertainment or leisure activities could reduce the Company's **online games**, reducing the Company's cash flows and revenues. If the Company experiences a significant unexpected decrease in demand for its products, ~~it~~ **we** could incur losses. ~~43~~ ~~The~~ **The** Company's results of operations could be affected by natural events in the locations in which we operate or where our customers or service providers operate and we do not currently have insurance in place to mitigate such risks. ~~We~~ **The Company**, ~~our~~ **its** customers, and ~~our~~ service providers have, **and will have**, operations in locations subject to natural occurrences such as severe weather and other geological events, including hurricanes, earthquakes, or floods that could disrupt operations. Any serious disruption at any of

our facilities or the facilities of our customers or service providers due to a natural disaster could have a material adverse effect on our revenues and increase our costs and expenses. If there is a natural disaster or other serious disruption at any of our facilities, it could ~~impair our ability to adequately supply our customers,~~ cause a significant disruption to our operations, cause us to incur significant costs to relocate or re-establish these functions and negatively impact our operating results. While we intend to seek insurance against certain business interruption risks, the Company does not currently have any insurance in place and any eventual insurance may not adequately compensate us for any losses incurred as a result of natural or other disasters. In addition, any natural disaster that results in a prolonged disruption to the operations of ~~our~~ customers or suppliers may adversely affect our business, results of operations or financial condition. Our insurance coverage may not be adequate to cover all possible losses that we could suffer, and our insurance costs may increase. ~~We have~~ **The Company has** insurance policies with coverage features and insured limits that ~~we~~ **it believe believes** are customary in their breadth and scope. However, in the event of a substantial loss, the insurance coverage ~~we carry~~ **that the Company carries** may not be sufficient to pay the full market value or replacement cost of ~~our~~ **its** lost investment or could result in certain losses being totally uninsured. Market forces beyond our control may limit the scope of the insurance coverage we can obtain in the future or our ability to obtain coverage at reasonable rates **, including officer and director insurance, which the Company may be unable to obtain on favorable terms, if at all**. Certain catastrophic losses may be uninsurable or too expensive to justify obtaining insurance. As a result, if ~~we~~ **the Company were to** suffer such a catastrophic loss **it could have a material adverse effect on the operations of, and prospects of, the Company and** we may not be successful in obtaining future insurance without increases in cost or decreases in coverage levels. ~~We have agreed to pay certain amounts to a consultant as a bonus in connection with the operations of GMG Assets. In October 2022, and effective in August 2022, we acquired 100 % of GMG Assets, which was formed for the sole purpose of facilitating the Company's operation of RKings and to facilitate cash alternative offers for winners of prizes within RKings' business. As part of such acquisition, the Company agreed to pay Mr. Mark Weir a monthly cash incentive bonus to assist in the running of GMG Assets. The bonus structure provides for the payment to Mr. Weir of 100 % of the profits generated up to 50,000 GBP (approximately USD \$ 60,830) then thereafter 10 % of the profits generated by GMG Assets up to a maximum of 150,000 GBP (approximately USD \$ 182,490) per annum. The aforementioned profits will be calculated as revenues less cost of goods sold, less any taxes paid or incurred. A cash alternative maximum percentage of the prize value in RKings will be set by the Board of Directors of the Company, from time to time. The bonus payable as discussed above may materially decrease the amount of funds we generate from the operations of GMG Assets and / or disincentive Mr. Weir from generating profits after the first 50,000 GBP (approximately USD \$ 60,830) or 150,000 GBP (approximately USD \$ 182,490). A bonus of 74,460 GBP (approximately USD \$ 86,933) was paid to Mr. Weir in 2023. There is a risk that the Company's network systems will be unable to meet the growing demand for its online products. The growth of internet usage has caused frequent interruptions and delays in processing and transmitting data over the internet. There can be no assurance that the internet infrastructure or ~~the~~ **our own** network systems **of the Company** will be able to meet the demand placed on ~~it~~ **them** by the continued growth of the internet, the overall online gaming and interactive entertainment industry and ~~our~~ **their** customers. 44The internet's viability as a medium for products and services offered by us could be affected if the necessary infrastructure is not sufficient, or if other technologies and technological devices eclipse the internet as a viable channel. End-users of our products and services will depend on internet service providers and our system infrastructure (or those of ~~our~~ **their** licensed partners) for access to us or ~~our~~ **their** licensees' products and services. Many of these services have experienced service outages in the past and could experience service outages, delays, and other difficulties due to system failures, stability, or interruption. Malfunctions of third-party communications infrastructure, hardware and software expose us to a variety of risks we cannot control. ~~Our~~ **The** business ~~will~~ **of the Company depend depends** upon the capacity, reliability and security of the infrastructure owned by third parties over which ~~our~~ **the Company's** offerings ~~are~~ **would be** deployed. ~~We have~~ **The Company has** no control over the operation, quality, or maintenance of a significant portion of that infrastructure or whether or not those third parties will upgrade or improve their equipment. ~~We~~ **The Company instead depend depends** on these companies to maintain the operational integrity of ~~our~~ **their** connections. If one or more of these companies is unable or unwilling to supply or expand ~~our~~ **their** levels of service in the future, ~~our~~ **the** operations **of the Company** could be adversely impacted. Also, to the extent the number of users of networks utilizing ~~our~~ **the Company's** future products and services suddenly increases, the technology platform and secure hosting services which will be required to accommodate a higher volume of traffic may result in slower response times or service interruptions. System interruptions or increases in response time could result in a loss of potential or existing users and, if sustained or repeated, could reduce the appeal of the networks to users. In addition, users depend on real-time communications; outages caused by increased traffic could result in delays and system failures. These types of occurrences could cause users to perceive that ~~our~~ **the** products and services **of the Company** do not function properly and could therefore adversely affect ~~our~~ **the Company's** ability to attract and retain licensees, strategic partners, and customers. ~~We rely on~~ **The operations of the Company are seasonal. Like many businesses in the gaming and betting industry, the Company experiences a degree of seasonality in its operations. In particular, our sports betting segment can be affected by the annual sports calendar. The months of late June and the first week of July tend to have less sports betting activity in certain markets due to a decline in major sporting events during this period. This is because many prominent sports leagues, such as football (soccer) and basketball, conclude third- their seasons in the late spring, and there's often a pause before other significant sporting events begin in mid- July party providers to validate the identity and early October identify the location of our RKings and Mexplay users, and if respectively. This is less significant in certain sports such as football (soccer) providers fail to perform adequately or provide accurate information, our business, financial condition and results of operations could be adversely affected. There where the Northern Hemisphere's summer often includes major international events such as the World Cup, European Cup, and Olympic games, during certain years when they occur. It is also mitigated by** no guarantee that the third-party geolocation and identity verification systems that we rely on in~~

connection with RKings and Mexplay, will perform adequately, or be effective. We rely on geolocation and identity verification systems to ensure they— **the Company's** we are in compliance with certain applicable..... mobile devices, operating systems, and other **revenue streams** sources. Changes, disruptions or temporary..... programs as a result of regulatory scrutiny. Risks Related to Regulation Our products are generally part of new and evolving industries, which presents significant uncertainty and business risks. The gaming platforms, systems and gaming content industries are relatively new and continue to evolve. Whether these industries grow and whether **our-their** business will ultimately succeed, will be affected by, among other things, mobile platforms, legal and regulatory developments (such as passing new laws or regulations or extending existing laws or regulations to online gaming and related activities), taxation of gaming activities, data and information privacy and payment processing laws and regulations, and other factors that ~~we are unable to~~ **be predict-predicted** and which are beyond ~~our-the~~ **control of the Company**. Given the dynamic evolution of these industries, it can be difficult to plan strategically, including as it relates to product launches in new or existing jurisdictions which may be delayed or denied, and it is possible that competitors will be more successful than ~~we are~~ **the Company is** at adapting to change and pursuing business opportunities. Additionally, as the online gaming industry advances, including with respect to regulation in new and existing jurisdictions, ~~we~~ **the Company** may become subject to additional compliance- related costs, including regulatory infractions, licensing, and taxes. If our product offerings do not obtain popularity or maintain popularity, or if ~~they-we~~ fail to grow in a manner that meets our expectations, or if we cannot offer ~~our~~ product offerings in particular jurisdictions that may be material to our business, then our results of operations and financial condition could be harmed. **45 Additionally, possible future changes in governmental regulations pose material risks to the Company. These changes may include amendments to existing rules or the introduction of new ones, shifts in regulatory focus or policy, or changes in the enforcement or interpretation of current rules and policies. These could lead to increased compliance costs, restrictions or prohibitions on current operations, or required alterations to the way the Company's services are offered or marketed, any of which may result in a material adverse effect on the results of operations and financial condition of the Company.** Changes in the UK government's or the Republic of Ireland's rules relating to gaming could have a material negative impact on our business. RKings is not currently subject to the UK government's or The Republic of Ireland's rules relating to gaming, as it is a skill game whereby the prize competitions require entrants to demonstrate sufficient skill, knowledge, or judgment to have a chance of winning and participants are provided with a route to free entry to the prize competitions as required by UK law. We refer to these as "pay to enter prize competitions". Future changes to such rules and regulations could require RKings and its operations to be subject to such rules and requirements, which could result in significant expenses, or potentially force us to change or abandon such current operations, and / or could result in significant fines and penalties. ~~We~~ **Data privacy and security laws and regulations in the jurisdictions in which we do business could increase the cost of our operations and subject us to possible sanctions and other penalties. Our business is subject to a number of federal, state, local and foreign laws and regulations governing data privacy and security, including with respect to the collection, storage, use, transmission and protection of personal information. In particular, we are subject to the GDPR, as discussed above under "Item 1. Business— Regulation— Non- U. S. Regulatory Environment". Compliance with the GDPR requires us to incur significant compliance and operational costs. In addition, a data supervisory authority may find our data processing practices and compliance steps to be inconsistent with the GDPR's application in their respective jurisdiction. Data supervisory authorities also have the power to issue fines for non-compliance of the GDPR of up to 4% of an organization's annual worldwide turnover or € 20m (£ 17.5 million under the UK GDPR) (or approximately USD \$ 21.2 million and USD \$ 21.3 million, respectively, as of October 31, 2023), whichever is higher. Data subjects also have a right to compensation, as a result of an organization's breach of the GDPR that has affected them, for financial or non-financial losses (e. g., distress). Our non-compliance with the GDPR and / or other similar laws could result in significant penalties and liability for the Company.** **46** We are subject to various laws relating to trade, export controls, and foreign corrupt practices, the violation of which could adversely affect our operations, reputation, business, prospects, operating results and financial condition. ~~We are~~ **The Company is** subject to risks associated with doing business outside of the United States, including exposure to complex foreign and U. S. regulations such as the Foreign Corrupt Practices Act (the "FCPA"), **notwithstanding a current freeze on enforcement of such FCPA at the direction of President Trump**, and other anti-corruption laws which generally prohibit U. S. companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or retaining business. Violations of the FCPA and other anti-corruption laws may result in severe criminal and civil sanctions and other penalties. It may be difficult to oversee the conduct of any contractors, third party partners, representatives or agents who are not ~~our-their~~ employees, potentially exposing ~~us~~ **the Company** to greater risk from their actions. If our employees or agents fail to comply with applicable laws or company policies governing ~~our-their~~ international operations, ~~we~~ **the Company** may face legal proceedings and actions which could result in civil penalties, administration actions and criminal sanctions. Any determination that ~~we have~~ **the Company has** violated any anti-corruption laws could have a material adverse impact on our ~~business~~ **businesses**. Changes in trade sanctions laws may restrict ~~our-their~~ business practices, including cessation of business activities in sanctioned countries or with sanctioned entities. Violations of these laws and regulations could result in significant fines, criminal sanctions against the Company, its officers or ~~its~~ employees, requirements to obtain export licenses, disgorgement of profits, cessation of business activities in sanctioned countries, prohibitions on the conduct of ~~its-their~~ **business-businesses** and ~~its-their~~ inability to market and sell ~~or offer~~ **the Company's products or services** in one or more countries. Additionally, any such violations could materially damage the Company's reputation, brand, international expansion efforts, ability to attract and retain employees and the Company's business, prospects, operating results and financial condition. ~~We~~ **The Company** also **has to** deal with significant amounts of cash in ~~our-their~~ operations and are **, and will be,** subject to various reporting and anti-money laundering regulations. Any violation of anti-money laundering laws or regulations ~~by any of our properties~~ could have a material adverse impact on ~~our-their~~ business. The Company's ability to operate in the U. S. is currently, and may continue to be, limited. According to actionnetwork.com, as of November 7 **February 25, 2022-2024,**

sports betting is legal in 37 states (including the District of Columbia). As a result, we believe that the current U. S. market for the Company's products and services is robust and the Company hopes that more U. S. states will pass laws in the upcoming years to legalize more forms of online gambling. While the Company has engaged specialist legal counsel to assist with understanding the compliance requirements of U. S. gaming legislation and potentially submitting an application for a U. S. gaming license, the Company anticipates the majority of its revenues coming from the UK, Asia, South America, Europe, Africa, and Latin America. ~~In~~ **46** ~~In~~ the event that more U. S. states do not adopt more favorable online gaming laws in the future, the federal government prohibits online gaming, or the current states that allow for online gaming change or restrict their current laws, it could have a material adverse effect on the Company's ability to generate revenues and operate in the U. S., which could cause the value of its securities to decline in value or become worthless. ~~47~~ **Failure** ~~Failure~~ to comply with regulatory requirements in a particular jurisdiction, or the failure to successfully obtain a license or permit applied for in a particular jurisdiction, could impact our ability to comply with licensing and regulatory requirements in other jurisdictions, or could cause the rejection of license applications or cancellation of existing licenses in other jurisdictions. Compliance with the various regulations applicable to online gaming is costly and time-consuming. Regulatory authorities at the federal, state and local levels (both in the U. S. and in foreign jurisdictions) have broad powers with respect to the regulation and licensing of real money online gaming operations and may revoke, suspend, condition or limit ~~our~~ **the** licenses **of the Company**, or those of our customers, impose substantial fines on us or our customers, and take other actions, any one of which could have a material adverse effect on our business, financial condition, results of operations and prospects. These laws and regulations are dynamic and subject to potentially differing interpretations, and various legislative and regulatory bodies may expand current laws or regulations or enact new laws and regulations regarding these matters. ~~We will~~ **The Company** ~~strive~~ **strives** to comply with all applicable laws and regulations relating to ~~our~~ **its** business. It is possible, however, that these requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules. Non-compliance with any such law or regulations could expose ~~us~~ **or the Company** ~~our~~ **or its** customers to claims, proceedings, litigation and investigations by private parties and regulatory authorities, as well as substantial fines and negative publicity, each of which may materially and adversely affect ~~our~~ **the** business **of the Company** and / or those of our customers. ~~The~~ **Our, or our customers'** gaming licenses **of the Company, or its customers** could be revoked, suspended or conditioned at any time. The loss of a license in one jurisdiction could trigger the loss of a license or affect our (or our customer's) eligibility for such a license in another jurisdiction, and any of such losses, or potential for such loss, could cause ~~us~~ **the Company** to cease offering some or all of ~~our~~ **its** offerings in the impacted jurisdictions or cause any of ~~our~~ **its** customers to cease offering ~~our~~ **their** products in those jurisdictions. ~~We~~ **The Company** and ~~our~~ **its** customers may be unable to obtain or maintain all necessary registrations, licenses, permits or approvals, and could incur fines or experience delays related to the licensing process, which could adversely affect ~~our~~ **its** operations or those of ~~our~~ **its** customers. ~~Our~~ **The** delay or failure to obtain or maintain licenses **by the Company** in any jurisdiction may prevent ~~us~~ **it** from distributing ~~our~~ **its** offerings, increasing ~~our~~ **its** customer base and / or generating revenues. **The Company may not** ~~We cannot assure you that we will~~ be able to obtain and maintain the licenses and related approvals necessary to conduct ~~its~~ **our** iGaming operations. Any failure by ~~us~~ **or the Company** ~~our~~ **or its** customers to maintain or renew existing licenses, registrations, permits or approvals could have a material adverse effect on ~~our~~ **the** business, financial condition, results of operations and prospects **of the Company**. Our product offerings must be approved in most regulated jurisdictions in which they are offered; this process cannot be assured or guaranteed. If ~~we~~ **the Company** ~~fail~~ **fails** to obtain necessary gaming licenses in a given jurisdiction, we would likely be prohibited from distributing and providing our product offerings in that particular jurisdiction. If we fail to seek, do not receive, or receive a suspension or revocation of a license in a particular jurisdiction for our product offerings (including any related technology and software) then we cannot offer the same in that jurisdiction and our gaming licenses in other jurisdictions may be impacted. Furthermore, some jurisdictions require license holders to obtain government approval before engaging in some transactions. We may not be able to obtain all necessary licenses in a timely manner, or at all. Delays in regulatory approvals or failure to obtain such approvals may also serve as a barrier to entry to the market for our product offerings. If ~~we are~~ **the Company is** unable to overcome the barriers to entry, it will materially affect our results of operations and future prospects. To the extent new online gaming jurisdictions are established or expanded, ~~we~~ **the Company** cannot guarantee ~~we~~ **it** will be successful in penetrating such new jurisdictions or expanding ~~our~~ **its** business or customer base in line with the growth of existing jurisdictions. As ~~we~~ **the Company** directly or indirectly ~~enter~~ **enters** into new markets, ~~we~~ **it** may encounter legal, regulatory and political challenges that are difficult or impossible to foresee and which could result in an unforeseen adverse impact on planned revenues or costs associated with the new market opportunity. If ~~we are~~ **the Company is** unable to effectively develop and operate directly or indirectly within these new markets or if ~~our~~ **its** competitors are able to successfully penetrate geographic markets that ~~we~~ **it** cannot access or where ~~we~~ **it** ~~face~~ **faces** other restrictions, then ~~our~~ **the Company's** business, operating results and financial condition could be impaired. ~~Our~~ **The** failure **of the Company** to obtain or maintain the necessary regulatory approvals in jurisdictions, whether individually or collectively, would have a material adverse effect on ~~our~~ **its** business. ~~48~~ **Legislative** ~~47~~ **Legislative** and regulatory changes could negatively affect our business and the business of our customers. Legislative and regulatory changes may affect demand for or place limitations on the placement of ~~our~~ **the** products **of the Company**. Such changes could affect ~~us~~ **the Company** in a variety of ways. Legislation or regulation may introduce limitations on ~~our~~ **their** products or opportunities for the use of our products and could foster competitive products or solutions at our or our customers' expense. Our business will likely also suffer if our products become obsolete due to changes in laws or the regulatory framework. Moreover, legislation to prohibit, limit or add burdens to our business may be introduced in the future in ~~states~~ **jurisdictions** where gaming has been legalized. In addition, from time to time, legislators and special interest groups have proposed legislation that would expand, restrict or prevent gaming operations or which may otherwise adversely impact our operations in the jurisdictions in which we operate **and will operate in the future**. Legislative or regulatory changes negatively impacting the gaming industry as a whole, or ~~our~~ **the Company's**

customers, in particular, could also decrease the demand for our products. Opposition to gaming could result in restrictions or even prohibitions of gaming operations in any jurisdiction or could result in increased taxes on gaming revenues. Tax matters, including changes in state, federal or other tax legislation or assessments by tax authorities could have a negative impact on our business. A reduction in growth of the gaming industry or in the number of gaming jurisdictions or delays in the opening of new or expanded casinos could reduce demand for our products. Changes in current or future laws or regulations or future judicial intervention in any particular jurisdiction may have a material adverse effect on our existing and proposed foreign and domestic operations. Any such adverse change in the legislative or regulatory environment could have a material adverse effect on our business, results of operations or financial condition. Material increases to our taxes or the adoption of new taxes or the authorization of new or increased forms of gaming could have a material adverse effect on our future financial results. We believe that the prospect of significant revenue is one of the primary reasons that jurisdictions permit or expand legalized gaming. As a result, gaming companies are typically subject to significant revenue- based taxes and fees in addition to normal federal, state and local income taxes, and such taxes and fees are subject to increase at any time. From time- to- time, federal, state, and local legislators and officials have proposed changes in tax laws, or in the administration of such laws, affecting the gaming industry. In addition, worsening economic conditions could intensify the efforts of state and local governments to raise revenues through increases in gaming taxes, property taxes and / or by authorizing additional gaming properties each subject to payment of a new license fee. It is not possible to determine with certainty the likelihood of changes in such laws or in the administration of such laws. Such changes, if adopted, could have a material adverse effect on our the financial condition, results of operations, and cash flows of the Company. The large number of state and local governments with significant current or projected budget deficits makes it more likely that those governments that currently permit gaming will seek to fund such deficits with new or increased gaming or new or increased gaming taxes and / or property taxes and worsening economic conditions could intensify those efforts. Any new or increased gaming or the material increase or adoption of additional taxes or fees, could have a material adverse effect on our the future financial results of the Company. Additionally, changes in taxation rates or the taxation base could have a significant impact on the Company's financial performance. For example, a shift from taxing gross income to a turnover- based approach could significantly increase the Company's tax liabilities. However, the Company believes this risk is limited in the European Union which has issued Value Added Tax (VAT) Directive (article 135), which provides wide discretion to both member and candidates, as to whether to impose additional excise duties such as VAT on the betting and gambling industries. While this has been used as a precedent to counter similar draft legislations in various markets, the risk of changed taxation norms, remains. Currently, most global markets (including the vast majority of U. S. states) align with the U. K. model, taxing on gross revenue, avoiding the imposition of distinct, special tax duties beyond standard ones, similar to other industries. Changes in tax laws or requirements could have a material adverse effect on the results of operations and financial condition of the Company. Gaming opponents may persist in their efforts to curtail the expansion of legalized gaming, which, if successful, could limit the growth of our operations. There is significant debate over, and opposition to, land- based and interactive gaming. We cannot assure that this opposition will not succeed in preventing the legalization of gaming in jurisdictions where it is presently prohibited, prohibiting or limiting the expansion of gaming where it is currently permitted or causing the repeal of legalized gaming in any jurisdiction. Any successful effort to curtail the expansion of, or limit or prohibit, legalized gaming could have an adverse effect on our the results of operations, cash flows and financial condition of the Company. In 48 In addition, there is significant opposition in some jurisdictions to gaming (online or otherwise). Such opposition could lead these jurisdictions to adopt legislation or impose a regulatory framework to govern interactive gaming specifically. These could result in a prohibition on gaming or increase our their costs to comply with these regulations, all of which could have an adverse effect on our the results of operations, cash flows and financial condition of 49 Regulators and investors may perceive gaming software suppliers and operators similarly and consider their the Company respective regulatory risk to be similar. While operators that directly provide wagering services to their customers are generally perceived to be exposed to a greater degree of enforcement risk than their suppliers, in some jurisdictions, laws extend to directly impact such suppliers. Furthermore, a supplier's nexus with a particular jurisdiction may expose it to specific enforcement risks, irrespective of whether there has been an attempt to bring proceedings against any supported operator. In some circumstances, enforcement proceedings brought against an operator may result in action being taken against a supplier (and even brought in the absence of the former). Ultimately, the market may view, or in the future may view, the regulatory risk associated with the business of supplying software and services to gaming operators as being comparable with the regulatory risk attaching to operators themselves. In such circumstances, there is an associated risk that investors may apply valuation methods to any such supplier that are the same as the valuation methods used to value operators, and which build in the same regulatory risk even though, in many territories, such suppliers would be considered sufficiently removed from the transactional activity to warrant the application of a discrete risk analysis. Climate change, climate change regulations and greenhouse gas effects may adversely impact our operations. There is a growing political and scientific consensus that greenhouse gas (" GHG ") emissions continue to alter the composition of the global atmosphere in ways that are affecting and are expected to continue affecting the global climate. We may become subject to legislation and regulation regarding climate change, and compliance with any new rules could be difficult and costly. Concerned parties, such as legislators and regulators, stockholders and nongovernmental organizations, as well as companies in many business sectors, are considering ways to reduce GHG emissions. Many states and countries have announced or adopted programs to stabilize and reduce GHG emissions and in the past federal legislation has been proposed in Congress. If such legislation is enacted, we could incur increased energy, environmental and other costs and capital expenditures to comply with the limitations. Unless and until legislation is enacted and its terms are known, we cannot reasonably or reliably estimate its impact on our financial condition, operating performance, or ability to compete. Climate change could have a material adverse effect on our financial condition, results of operations and cash flow. The gaming industry is highly regulated, and we must

adhere to various regulations and maintain applicable licenses to continue our operations. Failure to abide by regulations or maintain applicable licenses could be disruptive to our business and could adversely affect our operations. ~~We~~ **The Company** and ~~our~~ **its** products are ~~,~~ **and will be,** subject to extensive regulation under federal, state, local and foreign laws, rules and regulations of the jurisdictions in which ~~we~~ **they** do business and ~~our~~ **their** products are used. ~~We~~ **Such entities** currently block direct access to wagering on ~~our~~ **website** ~~websites~~ from the United States and other jurisdictions in which ~~we~~ **they** do not have a license to operate through IP address filtering. Individuals are required to enter their age upon gaining access to ~~our~~ **their** ~~platform~~ **platforms** and any misrepresentation of such users age will result in the forfeiting of his or her deposit and any withdrawals from such users account requires proof of government issued identification. In addition, ~~our~~ **their** payment service providers use their own identity and internet service provider (ISP) verification software. Despite all such measures, it is conceivable that a user, underage, or otherwise could devise a way to evade ~~our~~ **their** blocking measures and access ~~our~~ **their** website from the United States or any other foreign jurisdiction in which ~~we~~ **are** ~~the Company is~~ not currently permitted to operate. Violations of laws in one jurisdiction could result in disciplinary action in other jurisdictions. Licenses, approvals or findings of suitability may be revoked, suspended or conditioned. In sum, ~~we~~ **the Company** may not be able to obtain or maintain all necessary registrations, licenses, permits or approvals. The licensing process may result in delays or adversely affect our operations and our ability to maintain key personnel, and our efforts to comply with any new licensing regulations will increase our costs. We may be unable to obtain licenses in new jurisdictions where ~~we~~ **or** our customers operate. We are subject to regulation in any jurisdiction where our customers access our website. To expand into any such jurisdiction, we may need to be licensed, or obtain approvals of our products or services. If we do not receive or receive a revocation of a license in a particular jurisdiction for our products, we would not be able to ~~offer our products or~~ sell or place our products in that jurisdiction. Any such outcome could materially and adversely affect our results of operations and any growth plans for our business. ~~50~~ ~~Privacy~~ ~~--~~ **Privacy** concerns could result in regulatory changes and impose additional costs and liabilities on the Company, limit its use of information, and adversely affect its business. Personal privacy has become a significant issue in Canada, the United States, Europe, and many other countries in which we currently operate and may operate in the future. Many federal, state, and foreign legislatures and government agencies have imposed or are considering imposing restrictions and requirements about the collection, use, and disclosure of personal information obtained from individuals. Changes to laws or regulations affecting privacy could impose additional costs and liability on us and could limit our use of such information to add value for customers. If we were required to change our business activities or revise or eliminate services, or to implement burdensome compliance measures, our business and results of operations could be harmed. In addition, we may be subject to fines, penalties, and potential litigation if we fail to comply with applicable privacy regulations, any of which could adversely affect our business, liquidity, and results of operation. **49** **Risks Related to Intellectual Property and Technology** If we are unable to protect our proprietary information or other intellectual property, our business could be adversely affected. We rely to a significant degree on trade secret laws to protect our proprietary information and technology. Breaches of the security of our data center systems and infrastructure or other IT resources could result in the exposure of our proprietary information. Additionally, our trade secrets may be independently developed by competitors. The steps we have taken to protect our trade secrets and proprietary information may not prevent unauthorized use or reverse engineering of our trade secrets or proprietary information. Additionally, to the extent that we have not registered the copyrights in any of our copyrightable works, we will need to register the copyrights before we can file an infringement suit in the United States (or another jurisdiction), and our remedies in any such infringement suit may be limited. Effective protection of our intellectual property rights may require additional filings and applications in the future. However, pending and future applications may not be approved, and any of our existing or future patents, trademarks or other intellectual property rights may not provide sufficient protection for our business as currently conducted or may be challenged by others or invalidated through administrative process or litigation. Additionally, patent rights in the United States have switched from the former "first-to-invent" system to a "first-to-file" system, which may favor larger competitors that have the resources to file more patent applications. Additionally, to the extent that our employees, contractors or other third parties with whom we do business use intellectual property owned by others in their work for us, disputes may arise as to the rights to such intellectual property. Further, the laws of certain countries do not protect proprietary rights to the same extent as the laws of the United States and, therefore, in certain jurisdictions, we may be unable to protect our proprietary technology adequately against unauthorized third-party copying, infringement or use, which could adversely affect our competitive position. To protect or enforce our intellectual property rights, we may initiate litigation against third parties. Any lawsuits that we initiate could be expensive, take significant time and divert management's attention from other business concerns. Additionally, we may unintentionally provoke third parties to assert claims against us. These claims could invalidate or narrow the scope of our intellectual property. We may not prevail in any lawsuits that we may initiate, and the damages or other remedies awarded, if any, may not be commercially valuable. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property. The occurrence of any of these events may adversely affect our business, financial condition and results of operations. ~~51~~ ~~Our~~ ~~--~~ **Our** intellectual property may be insufficient to properly safeguard our technology and brands. We may apply for patent protection in the United States, Canada, Asia Pacific, Europe, Mexico and other countries relating to certain existing and proposed processes, designs and methods and other product innovations. Patent applications can, however, take many years to issue and we can provide no assurance that any of these patents will be issued at all. If we are denied any or all of these patents, we may not be able to successfully prevent our competitors from imitating our solutions or using some or all of the processes that are the subject of such patent applications. Such limitation may lead to increased competition within the finite market for our solutions. Even if patents are issued to us, our intellectual property rights may not be sufficiently comprehensive to prevent our competitors from developing similar competitive products and technologies. Our success may also depend on our ability to obtain trademark protection for the names or symbols under which we market our products and to obtain copyright protection and patent

protection of our proprietary technologies, intellectual property, and other game innovations and if the granted patents are challenged, protection may be lost. We may not be able to build and maintain goodwill in our trademarks or obtain trademark or patent protection, and there can be no assurance that any trademark, copyright or issued patent will provide competitive advantages for us or that our intellectual property will not be successfully challenged or circumvented by competitors. We will also rely on trade secrets, ideas, and proprietary know-how. Although we generally require our employees and independent contractors to enter into confidentiality and intellectual property assignment agreements, we cannot be assured that the obligations therein will be maintained and honored. If these agreements are breached, it is unlikely that the remedies available to us will be sufficient to compensate us for the damages suffered. In spite of confidentiality agreements and other methods of protecting trade secrets, our proprietary information could become known to or independently developed by competitors. If we fail to adequately protect our intellectual property and confidential information, our business may be harmed, and our liquidity and results of operations may be materially adversely impacted. **50** We may be subject to claims of intellectual property infringement or invalidity and adverse outcomes of litigation could unfavorably affect our operating results. Monitoring infringement and misappropriation of intellectual property can be difficult and expensive, and we may not be able to detect infringement or misappropriation of our proprietary rights. Although we intend to aggressively pursue anyone who is reasonably believed to be infringing upon our intellectual property rights and who poses a significant commercial risk to the business, to protect and enforce our intellectual property rights, initiating and maintaining suits against such third parties will require substantial financial resources. We may not have the financial resources to bring such suits, and, if we do bring such suits, we may not prevail. Regardless of our success in any such actions, the expenses and management distraction involved may have a material adverse effect on our financial position. A significant portion of our revenues may be generated from products using certain intellectual property rights, and our operating results would be negatively impacted if we were unsuccessful in licensing certain of those rights and / or protecting those rights from infringement, including losses of proprietary information from breaches of our cyber security efforts. Further, our competitors have been granted patents protecting various gaming products and solutions features, including systems, methods, and designs. If our products and solutions employ these processes, or other subject matter that is claimed under our competitors' patents, or if other companies obtain patents claiming subject matter that we use, those companies may bring infringement actions against us. The question of whether a product infringes a patent involves complex legal and factual issues, the determination of which is often uncertain. In addition, because patent applications can take many years to issue, there may be applications now pending of which we are unaware, which might later result in issued patents that our products and solutions may infringe. There can be no assurance that our products, including those with currently pending patent applications, will not be determined to have infringed upon an existing third-party patent. If any of our products and solutions infringes a valid patent, we may be required to discontinue offering certain products or systems, pay damages, purchase a license to use the intellectual property in question from its owner, or redesign the product in question to avoid infringement. A license may not be available or may require us to pay substantial royalties, which could in turn force us to attempt to redesign the infringing product or to develop alternative technologies at a considerable expense. Additionally, we may not be successful in any attempt to redesign the infringing product or to develop alternative technologies, which could force us to withdraw our product or services from the market. **52** We may also infringe on other intellectual property rights belonging to third parties, such as trademarks, copyrights, and confidential information. As with patent litigation, the infringement of trademarks, copyrights and confidential information involves complex legal and factual issues and our products, branding or associated marketing materials may be found to have infringed on existing third-party rights. When any third-party infringement occurs, we may be required to stop using the infringing intellectual property rights, pay damages and, if we wish to keep using the third-party intellectual property, purchase a license or otherwise redesign the product, branding or associated marketing materials to avoid further infringement. Such a license may not be available or may require us to pay substantial royalties. It is also possible that the validity of any of our intellectual property rights might be challenged either in standalone proceedings or as part of infringement claims in the future. There can be no assurance that our intellectual property rights will withstand an invalidity claim and, if declared invalid, the protection afforded to the product, branding or marketing material will be lost. Moreover, the future interpretation of intellectual property law regarding the validity of intellectual property by governmental agencies or courts in the United States, Asia Pacific, Europe, Mexico, or other jurisdictions in which we have rights could negatively affect the validity or enforceability of our current or future intellectual property. This could have multiple negative impacts including, without limitation, the marketability of, or anticipated revenue from, certain of our products. Additionally, due to the differences in foreign patent, trademark, copyright, and other laws concerning proprietary rights, our intellectual property may not receive the same degree of protection in foreign countries as it would in the United States, Asia Pacific, Europe or Mexico. Our failure to possess, obtain or maintain adequate protection of our intellectual property rights for any reason in these jurisdictions could have a material adverse effect on our business, results of operations and financial condition. Furthermore, infringement and other intellectual property claims, with or without merit, can be expensive and time-consuming to litigate, and we may not have the financial and human resources to defend ourselves against any infringement suits that may be brought against us. Litigation can also distract management from day-to-day operations of the business. In addition, our business is dependent in part on the intellectual property of third parties. Our success may depend upon our ability to obtain licenses to use new and existing intellectual property and our ability to retain or expand existing licenses for certain products. If we are unable to obtain new licenses or renew or expand existing licenses, we may be required to discontinue or limit our use of such products that use the licensed marks and our financial condition, operating results or prospects may be harmed. **51** **Risks Related to our Management** We rely on our management and if they were to leave our company our business plan could be adversely affected. ~~We are~~ **The Company is** largely dependent upon the personal efforts and abilities of ~~our~~ **its** existing management, including ~~our~~ **the MeridianBet Group's** Chief Executive Officer ~~and Chairman,~~ **Zoran Milošević** ~~Anthony Brian Goodman,~~ who plays an active role in **the operations of the MeridianBet Group and the Company's Chief**

Executive Officer, Anthony Brian Goodman, who plays an active role in our operations. Moving forward, should the services of **Mr. Milošević or** Mr. Goodman be lost for any reason, the Company will incur costs associated with recruiting replacements and any potential delays in operations which this may cause. If we are unable to replace such **individual individuals** with a suitably trained alternative individual (s), we may be forced to scale back or curtail our **operations business plan**. We do **The Company does** not currently have any key person life insurance policies on **our its** executive officers. If our executive officers do not devote sufficient time towards our business, **the Company's results of operations** we may never be able to effectuate our business plan. **53** Anthony Brian Goodman, **cash flow** our Chief Executive Officer and Chairman **revenues, may suffer. Aleksandar Milovanović** exercises majority voting control over us, which limits your ability to influence corporate matters and could delay or prevent a change in corporate control. **Aleksandar Milovanović** Anthony Brian Goodman, **one of the Meridian Sellers** our Chief Executive Officer and Chairman, as well as our principal shareholder, currently controls approximately **53-58.6-2** % of the voting power of our capital stock (including shares of common stock which will be issuable to Mr. Goodman upon the vesting of Restricted Stock Units upon the filing of this Report), including as a result of his ownership of **850** 1,000 shares of Series **B-C** Preferred Stock which vote **7-6, 500-375**, 000 shares on all shareholder matters. As a result, Mr. Goodman **Milovanović** can influence our management and affairs and control the outcome of matters submitted to our shareholders for approval, including the election of directors and any sale, merger, consolidation, or sale of all or substantially all of our assets. Mr. **Milovanović** Goodman acquired his securities for substantially less than the current trading prices of our shares of common stock, and may have interests, with respect to his common stock, that are different from other holders of our common stock and the concentration of voting power held by Mr. Goodman **Milovanović** may have an adverse effect on the price of our common stock. In addition, this concentration of ownership might adversely affect the market price of our common stock by: (1) delaying, deferring or preventing a change of control of our Company; (2) impeding a merger, consolidation, takeover or other business combination involving our Company; or (3) discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. **Because Additionally, the interests of** Mr. **Milovanović** Goodman can control the shareholder vote, investors may find it difficult or impossible to replace Mr. Goodman (and such persons as he may appoint from time to time) as members of our management if they disagree with the way our business is being operated. Additionally, the interests of Mr. Goodman may differ from the interests of the other shareholders and thus result in corporate decisions that are adverse to other shareholders. Any investor who purchases shares in the Company will be a minority shareholder and as such will have little to no say in the direction of the Company and the election of directors. Additionally, it will be difficult for investors to remove our current directors, which will mean they will remain in control of who serves as officers of the Company as well as whether any changes are made in the Board of Directors. As a potential investor in the Company, you should keep in mind that even if you own shares of the Company's common stock and wish to vote them at annual or special shareholder meetings, your shares will likely have little effect on the outcome of corporate decisions. Because of Mr. Goodman **Milovanović**'s voting control, investors may find it difficult to replace our management if they disagree with the way our business is being operated. Additionally, the interests of Mr. Goodman **Milovanović** may differ from the interests of the other shareholders and thus result in corporate decisions that are adverse to other shareholders. This concentrated control limits or severely restricts other shareholders' ability to influence corporate matters and Mr. Goodman **Milovanović** may take actions that some of our shareholders do not view as beneficial, each of which could reduce the market price of our securities. **52** Aleksandar Milovanović Anthony Brian Goodman, our Chief Executive Officer and Chairman, beneficially owns greater than 50 % of our outstanding voting shares **of common stock**, which causes us to be means that we are deemed a "controlled company" under the rules of Nasdaq. **Anthony Brian Goodman, our Chief Executive Officer and Chairman allows him to exercise significant voting control over us, which limits and our principal shareholder shareholders' abilities to influence corporate matters and could delay or prevent a change in corporate control. Aleksandar Milovanović** currently controls approximately **53-58.6-2** % of the voting power of our capital stock as of the date of this Report (including shares of common stock which will be issuable to Mr. Goodman upon the vesting of Restricted Stock Units upon the filing of this Report), including as a result of his ownership of 1,000 shares of Series B Preferred Stock which vote 7,500,000 shares on all shareholder matters. As a result, we are a "controlled company" under the rules of Nasdaq. Under these rules, a company of which more than 50 % of the voting power is held by an individual, a group or another company is a "controlled company" and, as such, can elect to be exempt from certain corporate governance requirements, including requirements that:

- a majority of the Board of Directors consists **consist** of independent directors; •
- the board maintains a nominations committee with prescribed duties and a written charter; and •
- the board maintains a compensation **Compensation committee Committee** with prescribed duties and a written charter and comprised solely of independent directors. As a "controlled company," we may elect to rely on some or all of these exemptions; although we do not currently intend to take advantage of any of these exemptions. **However Accordingly,** should we take advantage of any of these exemptions in the future, and should the interests of Mr. Goodman **Milovanović** differ from those of other shareholders **stockholders, and / or we choose to take advantage of** the "controlled company" exemptions, other shareholders **stockholders** may not have the same protections afforded to shareholders **stockholders** of companies that are subject to all of the Nasdaq corporate governance standards. **Additionally, even Even** if we do not avail ourselves of these exemptions **in the future**, our status as a controlled company could make our common stock less attractive to some investors or otherwise harm our stock price. **If** Additionally, if as a "controlled company," we **choose to** take advantage of any or all of the exemptions under the rules of Nasdaq relating to "controlled companies" **in the future**, you will not have the same protections afforded to shareholders **stockholders** of companies that are subject to all of the corporate governance requirements of Nasdaq. **Additionally, a required term and condition of the closing of the MeridianBet Group acquisition (the "Closing") was that the Company and each of the Meridian Sellers enter into a Nominating and Voting Agreement, which provides among other things, that each Seller will vote their voting shares "For" appointment of those director nominees,**

nominated to the Board by the independent Nominating and Corporate Governance Committee which is composed of two members and not vote their shares to remove any directors nominated by the committee, subject to certain exceptions. Another required term and condition of the Closing was that the Company and Mr. Milošević enter into a Day-to-Day Management Agreement, which prohibits the Company or its executives from materially interfering in the operation of the business of, and day-to-day operations of, MeridianBet Group by its current leadership (i. e., Mr. Milošević, as Chief Executive Officer), while the Voting Agreement is in place. Consequently, Company stockholders have less influence over the management and policies of the Company and the Meridian Sellers are effectively in control of the Company. As a result of his significant ownership in the Company, Mr. Milošević has significant influence on the shareholder vote. Consequently, he has the ability to influence matters affecting our shareholders and therefore exercise control in determining the outcome of a number of corporate transactions or other matters, including (i) making amendments to our certificate of incorporation; (ii) whether to issue additional shares of common stock and preferred stock, including to himself; (iii) employment decisions, including compensation arrangements; (iv) whether to enter into material transactions with related parties; (v) election of directors; and (vi) any merger or significant corporate transactions, including with himself or other related parties. As a potential investor in the Company, you should keep in mind that even if you own shares of our common stock and wish to vote them at annual or special shareholder meetings, your shares will have little effect on the outcome of corporate decisions. Because Mr. Milošević will significantly influence the vote on all shareholder matters, investors may find it difficult to replace our management if they disagree with the way our business is being operated. The interests of Mr. Milošević may not coincide with our interests or the interests of other shareholders.

~~54The~~ ~~53The~~ employment agreements of Mr. Anthony Brian Goodman, our Chief Executive Officer, and Ms. Weiting ‘Cathy’ Feng, our Chief Operating Officer, **Ms. Snežana Božović, the Chief Operating Officer of Meridian Serbia and Secretary of MeridianBet, and Zoran Milošević, the Chief Executive Officer of Meridian Serbia,** provide for the payment of certain severance payments upon termination. The employment agreements of Mr. Anthony Brian Goodman, our Chief Executive Officer and, Ms. Weiting ‘Cathy’ Feng, our Chief Operating Officer **and Chief Financial Officer, Ms. Snežana Božović, the Chief Operating Officer of Meridian Serbia and Secretary of MeridianBet, and Zoran Milošević, the Chief Executive Officer of Meridian Serbia,** provide that if ~~either they~~ are terminated during the term of such agreements by the Company without cause (as defined in the ~~agreement agreements~~) or by the ~~executive executives~~ for good reason (as defined in the ~~agreement agreements~~), such executives are due a severance payment. That severance payment is equal to (a) a lump sum cash severance payment equal to the sum of (i) 18 months of Mr. Goodman’s ~~and Mr. Milošević’s~~ then current annual basic salary (six months of Ms. Feng’s ~~and six months of Ms. Božović’s~~) plus (ii) an amount equal to his / her targeted bonus for the year of termination (such total payment referred to herein as the “Severance Payment”). Additionally, if ~~either an~~ executive is terminated (a) by the Company for any reason other than cause or due to illness or death, or (b) by the executive for good reason, during the twelve month period following a Change of Control (as defined in the agreements) or in anticipation of a Change of Control, the Company is required to pay the executive, within 60 days following the later of (i) the date of such Change of Control termination; and (ii) the date of such Change of Control, a cash severance payment in a lump sum in an amount equal to 3.0 times the sum of (a) the current annual base salary of the executive (less any actual payments made in connection with any severance payments already paid); and (b) the amount of the most recent bonus paid to the executive for the last completed fiscal year, if any (less any actual payments made in connection with any other severance payments). Additionally, if either executive is involuntarily terminated, any unvested options vest immediately and are exercisable until the later of the original termination date thereof and ~~24 months~~ **one year** after such termination date.

Potential competition from ~~our~~ existing executive officers, after they leave ~~their~~ ~~our~~ employment with us, and **the Meridian Sellers,** subject to the non-compete terms of ~~their~~ ~~the employment Meridian Purchase agreements Agreement~~, could negatively impact ~~our~~ ~~the~~ profitability **of the Company. Each of the Meridian Sellers agreed to a three year non-** Although Mr. Anthony Brian Goodman, our Chief Executive Officer, and Ms. Weiting ‘Cathy’ Feng, our Chief Operating Officer, are prohibited from competing ~~compete~~, **agreeing to not compete against the Company following the Closing in Serbia, Bosnia and Herzegovina, Montenegro, and Malta, in connection** with us while they ~~the~~ are employed **manufacturing, selling, creating, renting, marketing, producing, undertaking, developing, supplying, or otherwise dealing with us and for** ~~or twelve months thereafter~~ in any product or service, that the MeridianBet Group or the Company or any of their respective subsidiaries and / or any of their respective affiliates or subsidiaries is researching, developing, manufacturing, distributing, selling and / or providing at any time during the two years prior to any competitive action by any Seller, in the betting and gambling industry (subject to the terms of, and exceptions set forth in, ~~their~~ ~~the employment Meridian Purchase agreements Agreement with the Company~~). However, none of such individuals ~~the Meridian Sellers~~ will be prohibited from competing with us after such ~~twelve~~ **three year period; none of the executive officers or employees of MeridianBet Group or its subsidiaries will be restricted from competing against us at any time; and none of the Meridian Sellers will be restricted from competing against us in any jurisdictions other than Serbia, Bosnia and Herzegovina, Montenegro, and Malta, including, but not limited to in other jurisdictions where the Company operates. Additionally, each of the employment agreements of Mr. Anthony Brian Goodman, our Chief Executive Officer, Ms. Weiting ‘Cathy’ Feng, our Chief Operating Officer, Mr. Rich Christensen, our Chief Financial Officer, Ms. Snežana Božović, the Chief Operating Officer of Meridian Serbia and Secretary of MeridianBet, and Zoran Milošević, the Chief Executive Officer of Meridian Serbia, include a one year non-** ~~month period ends~~ **competition requirement, prohibiting such executives from competing against the Company in certain areas, following their termination.** Accordingly, any of these individuals could be in a position to use industry experience gained while working with us **(or prior to the Meridian Purchase Agreement)** to compete with us. Such competition could distract or confuse customers, reduce the value of our intellectual property and trade secrets, or have a material adverse effect on our revenues, results of operations and

cash flows. Any of the foregoing could reduce our future revenues, earnings, or growth prospects. **Additionally, the ability of the Company to enforce the non-compete provisions set forth in the Meridian Purchase Agreement and / or employment agreements in foreign jurisdictions may be limited by the laws of such jurisdictions, which may prohibit or ban non-competes, or result in the terms thereof being limited, reduced, modified or void.** 54

Risks Related to International Operations

The risks related to international operations, in particular in countries outside of the United States, could negatively affect the Company's results including foreign exchange and currency risks that could adversely affect its operations, and the Company's ability to mitigate its foreign exchange risk through hedging transactions may be limited. **The** It is expected that moving forward, the Company will derive **derives** more than **60-92%** of its revenue from transactions denominated in currencies other than the United States dollar **and currently 100**. For the year ended October 31, 2023, the Company derived **68%** of its revenue from transactions denominated **the Company's operations take place** in currencies **jurisdictions** other than the United States dollar. As such, the Company's operations may be adversely affected by changes in foreign government policies and legislation or social instability and other factors which are not within the control of the Company, including, but not limited to, recessions in foreign economies, expropriation, nationalization and limitation or restriction on repatriation of funds, assets or earnings, longer receivables collection periods and greater difficulty in collecting accounts receivable, changes in consumer tastes and trends, renegotiation or nullification of existing contracts or licenses, changes in gaming policies, regulatory requirements or the personnel administering them, currency fluctuations and devaluations, exchange controls, economic sanctions and royalty and tax increases, risk of terrorist activities, revolution, border disputes, implementation of tariffs and other trade barriers and protectionist practices, taxation policies, including royalty and tax increases and retroactive tax claims, volatility of financial markets and fluctuations in foreign exchange rates, difficulties in the protection of intellectual property particularly in countries with fewer intellectual property protections, the effects that evolving regulations regarding data privacy may have on the Company's online operations, adverse changes in the creditworthiness of parties with whom the Company has significant receivables or forward currency exchange contracts, labor disputes and other risks arising out of foreign governmental sovereignty over the areas in which the Company's operations are conducted. The Company's operations may also be adversely affected by social, political and economic instability, and by laws and policies of such foreign jurisdictions affecting foreign trade, taxation and investment. If the Company's operations are disrupted and / or the economic integrity of its contracts is threatened for unexpected reasons, **its our business businesses** may be harmed. 55

The Company's international activities may require protracted negotiations with host governments, national companies and third parties. Foreign government regulations may favor or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. In the event of a dispute arising in connection with the Company's operations in a foreign jurisdiction where **it they conducts** **conduct its their** business, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of United States, **Asia Pacific, Europe, Mexico** or enforcing American judgments in such other jurisdictions. The Company may also be hindered or prevented from enforcing **its** rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Company's activities in foreign jurisdictions could be substantially affected by factors beyond the Company's control, any of which could have a material adverse effect on **it**. **The Company believes that management's experience to date in commercializing its products and solutions in Asia Pacific may be of assistance in helping to reduce these** **the risks Company**. Some countries in which the Company may operate may be considered politically and economically unstable. Doing business in the industries in which the Company operates often requires compliance with numerous and extensive procedures and formalities. These procedures and formalities may result in unexpected or lengthy delays in commencing important business activities. In some cases, failure to follow such formalities or obtain relevant evidence may call into question the validity of the entity or the actions taken. Management **of the Company** is unable to predict the effect of additional corporate and regulatory formalities which may be adopted in the future including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area. **The Company** We have and may in the future enter into agreements and conduct activities outside of the jurisdictions where **we they** currently carry on business, which expansion may present challenges and risks that we have not faced in the past, any of which could adversely affect **our their** results of operations and / or financial condition. In addition, as the majority of the Company's revenue is generated from transactions denominated in currencies other than the United States dollar, fluctuations in the exchange rate between the **United States U. S. dollar Dollar (USD), the Serbian Dinar (RSD), European Union Euros (EUR), British Pound Sterling (GBP), the Euro Mexican Peso, Bosnia- Herzegovina Convertible Mark (BAM), Peruvian Sol (PEN), Tanzanian Shilling (TZS),** and other currencies of the Asia Pacific may have a material adverse effect on **our their** business, financial condition and operating results. **Our The Company's** consolidated financial results are affected by foreign currency exchange rate fluctuations. Foreign currency exchange rate exposures arise from current transactions and anticipated transactions denominated in currencies other than United States dollars and from the translation of foreign- currency- denominated balance sheet accounts into United States dollar- denominated balance sheet accounts. **We are The Company is** exposed to currency exchange rate fluctuations because portions of **our their** revenue and expenses are denominated in currencies other than the United States dollar, particularly **various currencies of the Asia Pacific Serbian Dinar (RSD), the European Union Euro Euros and the (EUR), British Pound Sterling (GBP), Mexican Peso, Bosnia- Herzegovina Convertible Mark (BAM), Peruvian Sol (PEN), and Tanzanian Shilling (TZS)**. In particular, uncertainty regarding **global** economic conditions in Europe and the **current** debt crisis affecting certain countries in the European Union **pose poses a** risk to the stability of **each of the Euro aforementioned currencies**. Exchange rate fluctuations could adversely affect **our their** operating results and cash flows and the value of **our their** assets outside of the United States. If a foreign currency is devalued in a jurisdiction in which **we are the Company is** paid in such currency, then **our its** customers may be required to pay higher amounts for **our their** products, which they may be unable or unwilling to pay. **While 55 While we the**

Company may enter into forward currency swaps and other derivative instruments intended to mitigate the foreign currency exchange risk, there can be no assurance ~~we it~~ will do so or that any instruments that ~~we it enter enters~~ into will successfully mitigate such risk. If we enter into foreign currency forward or other hedging contracts, we would be subject to the risk that a counterparty to one or more of these contracts may default on its performance under the contracts. During an economic downturn, a counterparty's financial condition may deteriorate rapidly and with little notice, and ~~we they~~ may be unable to take action to protect ~~our their~~ exposure. In the event of a counterparty default, we could lose the benefit of ~~its any~~ hedging contract, which may harm our business and financial condition. In the event that one or more of our counterparties becomes insolvent or files for bankruptcy, our ability to eventually recover any benefit lost as a result of that counterparty's default may be limited by the liquidity of the counterparty. We expect that ~~we the Company~~ will not be able to hedge all of our exposure to any particular foreign currency, and we may not hedge our exposure at all with respect to certain foreign currencies. Changes in exchange rates and our limited ability or inability to successfully hedge exchange rate risk could have an adverse impact on ~~our the~~ liquidity and results of operations **of the Company**. **Risks Related to our Common Stock and Securities** Nevada Nevada law and our articles of incorporation authorize us to issue shares of stock, which shares may cause substantial dilution to our existing shareholders. We have authorized capital stock consisting of ~~250-300~~, 000, 000 shares of common stock, \$ 0. 00001 par value per share and 20, 000, 000 shares of preferred stock, \$ 0. 00001 par value per share. As of the date of this Report, we have ~~36 132~~, ~~253-087~~, ~~432-080~~ shares of common stock issued and outstanding (which is expected to increase to ~~36-133~~, ~~615-005~~, ~~932 455~~ after the filing of this Report upon the vesting of certain restricted Stock Units) and ~~1, 000~~ shares of Series B Voting Preferred Stock issued and outstanding ~~and 1, 000~~. The holder of the shares of the Series ~~C B Voting~~ Preferred Stock **issued** (Anthony Brian Goodman, our Chief Executive Officer and **outstanding** Chairman) has the right to vote those shares of the Series B Voting Preferred Stock regarding any matter or action that is required to be submitted to the shareholders of the Company for approval. As a result of the number of authorized but unissued shares of our common stock and preferred stock, our Board of Directors has the ability to issue a large number of additional shares of common stock without shareholder approval, which if issued could cause substantial dilution to our then shareholders. Additionally, shares of preferred stock may be issued by our Board of Directors without shareholder approval with voting powers, and such preferences and relative, participating, optional or other special rights and powers as determined by our Board of Directors, which may be greater than the shares of common stock currently outstanding. As a result, shares of preferred stock may be issued by our Board of Directors which cause the holders to have super-majority voting power over our shares (similar to our outstanding Series B Voting Preferred Stock **and Series C Preferred Stock**, discussed below **which each provide the holders thereof the right to vote 7, 500 voting shares on all shareholder matters, for each share of preferred stock held**), provide the holders of the preferred stock the right to convert the shares of preferred stock they hold into shares of our common stock, which may cause substantial dilution to our then common stock shareholders and / or have other rights and preferences greater than those of our common shareholders. Investors should keep in mind that the Board of Directors has the authority to issue additional shares of common stock and preferred stock, which could cause substantial dilution to our existing shareholders. Additionally, the dilutive effect of any preferred stock, which we may issue may be exacerbated given the fact that such preferred stock may have super-majority voting rights (similar to our outstanding Series B Voting Preferred Stock **and Series C Preferred Stock**, discussed below) and / or other rights or preferences which could provide the preferred shareholders with voting control over us subsequent to such offering and / or give those holders the power to prevent or cause a change in control. As a result, the issuance of shares of common stock and / or preferred stock may cause the value of our securities to decrease and / or become worthless. ~~Our Series B Voting Preferred Stock provides the holder (s) thereof majority voting power over the Company. As of the date of this Report, we have 1, 000 shares of Series B Voting Preferred Stock issued and outstanding. The Company's Chief Executive Officer and Chairman, Anthony Brian Goodman is the holder of the shares of the Series B Voting Preferred Stock. The Series B Preferred Stock, includes (a) the right of the holder of the Series B Preferred Stock to convert each share of the Series B Preferred Stock into 1, 000 shares of the Company's common stock at the holder's option from time to time; (b) provide for the automatic conversion of all outstanding shares of Series B Preferred Stock into common stock of the Company, on a 1, 000 for 1 basis, on the date when the aggregate beneficial ownership of the Company's common stock of Mr. Goodman, falls below 10 % of the Company's common stock then outstanding, or the first business day thereafter that the Company becomes aware of such; and (c) provide that each share of Series B Preferred Stock entitles the holder to 7, 500 votes on all matters presented to the Company's shareholders for a vote of shareholders, whether such vote is taken in person at a meeting or via a written consent (7, 500, 000 votes in aggregate for all outstanding shares of Series B Preferred Stock). 57As such, the Series B Voting Preferred Stock in effect votes approximately 17 % of the current total vote on all shareholder matters and exercises control in determining the outcome of all corporate transactions or other matters, including the election of directors, mergers, consolidations, the sale of all or substantially all of our assets, the power to prevent or cause a change in control and to determine the outcome of most matters submitted to a vote of our shareholders. The interests of Mr. Goodman may differ from the interests of the other shareholders and thus result in corporate decisions that are adverse to other shareholders. This preferred share structure severely restricts other shareholders' ability to influence corporate matters and Mr. Goodman may take actions that some of our shareholders do not view as beneficial, each of which could reduce the market price of our securities. See also the risk factor entitled, "Anthony Brian Goodman, our Chief Executive Officer and Chairman, exercises majority voting control over us, which limits your ability to influence corporate matters and could delay or prevent a change in corporate control", above for additional risks related to Mr. Goodman's voting control over the Company. Certain warrants we have granted include anti-dilutive rights In connection with our October 2021 placement **The Lind Warrant entitles the holder to purchase up to 750, 000 shares** of common stock and warrants, we granted the investors in the offering warrants to purchase 496, 429 shares of common stock, which have a term of three ~~the Company until July 1~~ years (through October 28, 2024-2029), and at an exercise price of \$ ~~8-4~~. ~~63-00~~ **per Warrant Share, subject to customary adjustments. In addition, the exercise price is**~~

subject to adjustment in the event of the issuance of new securities, other than certain Executive Securities (defined below), at an effective price less than the exercise price, which results in the exercise price being reduced to an exercise price equal to the consideration per share (deemed to have been paid for such new securities, subject to a minimum customary adjustments for stock splits, dividends and recapitalizations). Additionally, the exercise price of the \$ 2. 25. The Lind warrants- Warrant include anti-dilution also provides for cashless exercise to the extent that the Warrant Shares issuable upon exercise thereof are not covered by an effective registration statement or upon the occurrence of a Fundamental Transaction (as defined in the Lind Warrant) and automatic exercise rights upon expiration of the Lind Warrant, which provide to the extent that if at any time the warrants are outstanding, we issue (or announce any offer, sale, grant or any option to purchase or other-- the disposition) or are deemed to have issued (which includes VWAP of the Company's common stock on the day immediately preceding the expiration date is more than the exercise price, and the shares issuable upon exercise thereof are not of warrants and options and conversion of convertible securities) any common stock or common stock equivalents for consideration less than the then covered by current exercise price of the warrants, the exercise price of such warrants will be automatically reduced to the lowest price per share of consideration provided or deemed to have been provided for such securities. Notwithstanding the above, certain excepted issuances do not trigger a reset of the anti-dilution rights, including the issuance of (a) shares of common stock or options to employees, officers, directors or consultants of the Company pursuant to any-- an effective stock or option plan for services rendered to the Company, (b) securities issuable upon the exercise or exchange of or conversion of any securities outstanding as of the date of grant, and (c) securities issued pursuant to acquisitions or strategic transactions, provided that such securities are issued as "restricted securities" and carry no registration rights that require or permit the filing of any registration statement in connection therewith. The Lind Warrant is also subject to a similar Maximum Percentage limitation as certain exceptions), and provided that such issuances are only made to an owner of an asset-- set forth (or the equity holders thereof) in a business synergistic with the business of the Company, in cases subject to certain other-- the requirements Secured Convertible Note. The 56The reduction of the exercise price of the warrants in the event that we offer, sell, grant or issue, or are deemed to have offered, sold, granted or issued shares of common stock below the then exercise price of the warrants, could result in the Company receiving significantly less consideration upon the exercise of the warrants (or in some cases only nominal consideration), results in greater dilution to existing shareholders, and / or creates additional overhang for our common stock. Any or all of the above could have a material adverse effect on the trading price of our common stock. There may not be sufficient liquidity in the market for our securities in order for investors to sell their shares. The market price of our common stock has been, and may continue to be, volatile. The market price of our common stock has been, and is likely to continue to be, highly volatile, as is the stock market in general. Some of the factors that may materially affect the market price of our common stock are beyond our control, such as conditions or trends in the industry in which we operate or sales of our common stock. This situation is attributable to a number of factors, including the fact that we are a small company which is relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community that generate or influence sales volume, and that even if we came to the attention of such persons, they tend to be risk - averse and would be reluctant to follow an unproven company such as ours or purchase or recommend the purchase of our shares until such time as we became more seasoned and viable. As a consequence, there have been, and may be, periods of several days or more when trading activity in our shares is minimal or non - existent, as compared to a mature issuer which has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on share price. It is possible that a broader or more active public trading market for our common stock will not develop or be sustained, or that trading levels will not continue. These factors have, and may in the future, materially adversely affect the market price of our common stock, regardless of our performance. In addition, the public stock markets have experienced extreme price and trading volume volatility. This volatility has significantly affected the market prices of securities of many companies for reasons frequently unrelated to the operating performance of the specific companies. These broad market fluctuations may adversely affect the market price of our common stock. 58The-- The issuance of common stock upon conversion of our outstanding Series B Preferred Stock and Series C Preferred Stock will cause immediate and substantial dilution to existing shareholders and the sale of common stock upon conversion of our outstanding Series B Preferred Stock and Series C Preferred Stock may depress the market price of our common stock. As of the date of this Report, we had 1, 000 outstanding shares of Series B Preferred Stock, all of which were held by Anthony Brian Goodman, the Chief Executive Officer and Chairman-Director of the Company and 1, 000 outstanding shares of Series C Preferred Stock, each held by the Meridian Sellers. Each holder of Series B Preferred Stock may, at its option, convert each of its shares of Series B Preferred Stock into 1, 000 shares of common stock, or 1, 000, 000 shares of common stock in aggregate. Each holder of Series C Preferred Stock may, at its option, convert each of its shares of Series C Preferred Stock into 1, 000 shares of common stock, or 1, 000, 000 shares of common stock in aggregate. The conversion of the Series B Preferred Stock and Series C Preferred Stock into common stock of the Company will cause significant dilution to the then holders of our common stock. Additionally, if conversions of our outstanding Series B Preferred Stock and Series C Preferred Stock and sales of such converted shares take place, the price of our common stock may decline. In addition, the common stock issuable upon conversion of our outstanding Series B Preferred Stock and Series C Preferred Stock may represent overhang that may also adversely affect the market price of our common stock. Overhang occurs when there is a greater supply of a company's stock in the market than there is demand for that stock. When this happens the price of the company's stock will decrease, and any additional shares which shareholders attempt to sell in the market will only further decrease the share price. If the share volume of our common stock cannot absorb converted shares sold by the holder of the Series B Preferred Stock and Series C Preferred Stock, then the value of our common stock will likely decrease. The issuance of common stock upon conversion of the Secured Convertible Note and exercise of warrants will cause immediate and substantial dilution to existing shareholders. Commencing on September 20, 2024, the Company was

required to begin paying the outstanding principal amount of the Secured Convertible Note in 20 consecutive monthly payments of \$ 600, 000 each, provided that between payment dates, the Investor may increase the Repayment Amount, to up to \$ 1, 000, 000 by providing written notice to the Company with such payment to be due and payable within two days of the receipt of such notice, for up to two monthly payments while the Note is outstanding. 57At the option of the Company, the monthly payment can be made in cash, shares of the common stock of the Company at a price based on 90 % of the average five (5) lowest daily volume weighted average prices during the twenty (20) days prior to the payment date subject to a floor price of \$ 1. 75 per share, or a combination of cash and Repayment Shares, provided that if at the time the Repayment Share Price is deemed to be the Floor Price, then in addition to the Repayment Shares, the Company will pay the Investor an added amount of cash as determined pursuant to a formula contained in the Secured Convertible Note. In order for the Company to issue any Repayment Shares, the Repayment Shares must either be eligible for immediate resale under Rule 144 or be registered under the Securities Act. Any portion of a monthly payment being made in cash shall include a premium of five percent (5 %) of such cash amount. The conversion price of the Note is \$ 4. 00, a 150 % premium over the closing price of the Company' s common stock on the date the Meridian Purchase Agreement was entered into, subject to customary adjustments, however, if new securities, other than exempted securities, are issued by the Company at a price less than the conversion price, the conversion price shall be reduced to such price, subject to the Floor Price. As of December 31, 2024, the principal balance of the Secured Convertible Note was \$ 9, 600, 000. The Lind Warrant entitles the holder to purchase up to 750, 000 shares of common stock of the Company until July 1, 2029, at an exercise price of \$ 4. 00 per Warrant Share, subject to customary adjustments. In addition, the exercise price is subject to adjustment in the event of the issuance of new securities, other than exempted securities, at an effective price less than the exercise price, which results in the exercise price being reduced to an exercise price equal to the consideration per share deemed to have been paid for such new securities, subject to a minimum exercise price of \$ 2. 25. The Lind Warrant also provides for cashless exercise to the extent that the Warrant Shares issuable upon exercise thereof are not covered by an effective registration statement or upon the occurrence of a Fundamental Transaction (as defined in the Lind Warrant) and automatic exercise rights upon expiration of the Lind Warrant, to the extent that the VWAP of the Company' s common stock on the day immediately preceding the expiration date is more than the exercise price, and the shares of common stock issuable upon exercise thereof are not then covered by an effective registration statement. The Lind Warrant is also subject to a similar Maximum Percentage limitation as set forth in the Secured Convertible Note. The issuance of common stock upon conversion of the Secured Convertible Note and exercise of the Lind Warrants will result in immediate and substantial dilution to the interests of other stockholders since the holders of the Secured Convertible Note and the Lind Warrants may ultimately receive and sell the full amount of shares issuable in connection with the conversion of such Secured Convertible Note and exercise of the Lind Warrants. Although the Secured Convertible Note and Lind Warrant may not be converted / exercised by the holder thereof if such conversion would cause such holder to own more than 4. 99 % of our outstanding common stock (which may be increased to 9. 99 % as set forth in the Secured Convertible Note and the Lind Warrant), these restrictions do not prevent such holder from converting / exercising some of their holdings, selling those shares, and then converting / exercising the rest of their holdings, while still staying below the 4. 99 % limit. In this way, the holder could sell more than these limits while never actually holding more shares than the limits allow. If the holder of the Secured Convertible Note chooses to do this, it will cause substantial dilution to the then holders of our common stock. The availability of shares of common stock upon conversion of the Secured Convertible Note or exercise of the Lind Warrants for public resale, as well as any actual resales of these shares, could adversely affect the trading price of our common stock. We cannot predict the size of future issuances of our common stock upon the conversion of our Secured Convertible Note or exercise of Lind Warrants, or the effect, if any, that future issuances and sales of shares of our common stock may have on the market price of our common stock. Sales or distributions of substantial amounts of our common stock upon the conversion of our Secured Convertible Note or exercise of the Lind Warrants, or the perception that such sales could occur, may cause the market price of our common stock to decline. In addition, the common stock issuable upon the conversion of our Secured Convertible Note and exercise of the Lind Warrants may represent overhang that may also adversely affect the market price of our common stock. Overhang occurs when there is a greater supply of a company' s stock in the market than there is demand for that stock. When this happens the price of our stock will decrease, and any additional shares which stockholders attempt to sell in the market will only further decrease the share price. If the share volume of our common stock cannot absorb shares sold by holders of the Secured Convertible Note and the Lind Warrants, then the value of our common stock will likely decrease. 58We are required to file a registration statement to permit the public resale of the shares of common stock that may be issued upon the conversion of the Secured Convertible Note and exercise of the Lind Warrants, which was declared effective on September 20, 2024. The influx of those shares into the public market could potentially have a negative effect on the trading price of our common stock. We are subject to various restrictions while the Secured Convertible Note remains outstanding which may have an adverse effect on our ability to raise capital and undertake certain transactions. While the Secured Convertible Note is outstanding, if the Company issues any indebtedness, or issues any preferred stock that is redeemable or contains any mandatory redemption rights, other than Exempted Securities (discussed below), unless otherwise waived in writing by and at the discretion of the Investor, the Company is required to immediately utilize the proceeds of such issuance to repay the Secured Convertible Note. Additionally, until such time as the Secured Convertible Note has a balance of \$ 2 million or less, we are prohibited from: entering into a transaction with a third party or third parties in which we issue or sell (or arrange or agree to issue or sell): (a) any debt, equity or equity-linked securities (including options or warrants) that are convertible into, exchangeable or exercisable for, or include the right

to receive shares of the Company's capital stock: (i) at a conversion, repayment, exercise or exchange rate or other price that is based on, and / or varies with, a discount to the future trading prices of, or quotations for, shares of common stock; or (ii) at a conversion, repayment, exercise or exchange rate or other price that is subject to being reset at some future date after the initial issuance of such debt, equity or equity-linked security or upon the occurrence of specified or contingent events (other than warrants that may be repriced by the Company); or (b) any securities in a capital or debt raising transaction or series of related transactions which grant to an investor the right to receive additional securities based upon future transactions of the Company on terms more favorable than those granted to such investor in such first transaction or series of related transactions. Notwithstanding the foregoing, rights issuances, shareholder purchase plans, equity plans, convertible securities, or issuances of equity interests each at a fixed price per share, and / or with a fixed conversion or exercise price per share, are allowed. Also notwithstanding the above, if the Company's common stock is trading at a price per share equal to or less than the conversion price of the Secured Convertible Note (currently \$ 4.00), up to \$ 20 million of shares of common stock issued pursuant to an at-the-market (ATM) offering is allowed and, if the common stock is trading at a price per share greater than the conversion price, shares of common stock issued pursuant to an ATM offering, is allowed. "Exempted Securities" means (a) shares of common stock or preferred shares or rights, warrants or options to purchase common stock or preferred shares issued as consideration for certain acquisitions, (b) equity securities issued by reason of a dividend, stock split, split-up or other distribution on shares of common stock, (c) shares of common stock or rights, warrants or options to purchase common stock issued to employees, directors or consultants of the Company or any of its Subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors, (d) shares of common stock actually issued upon the exercise of options, warrants or shares of common stock actually issued upon the conversion or exchange of any securities convertible into common stock, in each case issued to employees or directors of, the Company or any of its subsidiaries pursuant to an equity plan and provided that such issuance is pursuant to the terms of the applicable option, warrant or convertible security, (e) shares of common stock issued upon the exercise or exchange of or conversion of any securities issued and outstanding on the date of the Secured Convertible Note, provided that such securities have not been amended since such date; (f) shares issued to the Meridian Sellers; (g) shares issued pursuant to the SPA; (h) shares issuable pursuant to the ATM carveouts discussed above; and (j) up to 300,000 shares of common stock issued for investor relations services as long as the shares are issued as restricted securities. The above restrictions may make it harder or more expensive for us to raise capital, may prevent us from raising capital, may force us to pay the amount of any capital raised to the Investor to repay amounts owed under the Secured Convertible Note and / or may have an adverse effect on our ability to undertake certain transactions or prevent us from undertaking such transactions. The result of the above may be an adverse effect on our operations, cash flows and the value of our securities. Our 59 Our common stock may continue to be followed by only a limited number of analysts and there may continue to be a limited number of institutions acting as market makers for our common stock. Our common stock is, and for the foreseeable future, our common stock is expected to be, followed by a limited number of market analysts, and there may be few institutions acting as market makers for our common stock. Either of these factors could adversely affect the liquidity and trading price of our common stock. Until our common stock is fully distributed and an orderly market develops in our common stock, if ever, the price at which it trades is likely to fluctuate significantly. Prices for our common stock are determined in the marketplace and may be influenced by many factors, including the depth and liquidity of the market for shares of our common stock, developments affecting our business, including the impact of the factors referred to elsewhere in these Risk Factors, investor perception of us and general economic and market conditions. No assurances can be given that an orderly or liquid market will ever develop for the shares of our common stock. We currently have an illiquid and volatile market for our common stock, and the market for our common stock is and may remain illiquid and volatile in the future. We currently have a highly sporadic, illiquid and volatile market for our common stock, which market is anticipated to remain sporadic, illiquid and volatile in the future. During the last 52 weeks our common stock has traded as high as \$ 4.64-6.27 per share and as low as \$ 1.95-70 per share. The market price of our common stock may continue to be highly volatile and subject to wide fluctuations. Our financial performance, government regulatory action, tax laws, interest rates, and market conditions in general could have a significant impact on the future market price of our common stock. Some of the factors that could negatively affect or result in fluctuations in the market price of our common stock include: • actual or anticipated variations in our quarterly operating results; • changes in market valuations of similar companies; • adverse market reaction to the level of our indebtedness (if any); • additions or departures of key personnel; • actions by shareholders; • speculation in the press or investment community; • general market, economic, and political conditions, including an economic slowdown or dislocation in the global credit markets, continued increases in interest rates and / or inflation and / or global conflicts; • our operating performance and the performance of other similar companies; • changes in accounting principles; and • passage of legislation or other regulatory developments that adversely affect us or the gaming industry. 59 Our -- Our common stock is listed on the Nasdaq Capital Market under the symbol "GMGI." Our stock price may be impacted by factors that are unrelated or disproportionate to our operating performance. The stock markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock. Additionally, general economic, political and market conditions, such as recessions, inflation, war, interest rates or international currency fluctuations may adversely affect the market price of our common stock. Due to the limited volume of our shares which trade, we believe that our stock prices (bid, ask and closing prices) may not be related to our actual value, and not reflect the actual value of our common stock. You should exercise caution before making an investment in us. Additionally 60 Additionally, as a result of the illiquidity of our common stock, investors may not be interested in owning our common stock because of the inability to acquire or sell a substantial block of our common stock at one time. Such illiquidity could have an adverse effect on the market price of

our common stock. In addition, a shareholder may not be able to borrow funds using our common stock as collateral because lenders may be unwilling to accept the pledge of securities having such a limited market. An active trading market for our common stock may not develop or, if one develops, may not be sustained. In the past, many companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

Our stock repurchases are discretionary and even if effected, they may not achieve the desired objectives. On July 15, 2024, the Board approved the purchase of up to \$ 5 million in shares of the Company's common stock. A total of 60, 496 shares of common stock were purchased between July 15, 2024 and the year ended December 31, 2024, and the repurchase program is scheduled to expire on July 15, 2025, when a maximum of \$ 5. 0 million of the Company's common stock has been repurchased, or when such program is discontinued by the Board of Directors. Under the stock repurchase program, shares may be repurchased from time to time in the open market or through negotiated transactions at prevailing market rates, or by other means in accordance with federal securities laws. Repurchases will be made at management's discretion at prices management considers to be attractive and in the best interests of both the Company and its stockholders, subject to the availability of stock, general market conditions, the trading price of the stock, alternative uses for capital, and the Company's financial performance. There can be no assurance that any repurchases pursuant to our stock repurchase program will enhance stockholder value because the market price of our common stock may decline below the levels at which we repurchase such shares. The amounts and timing of the repurchases may also be influenced by general market conditions, regulatory developments (including recent legislative actions which, subject to certain conditions, may impose an excise tax of 1 % on our stock repurchases) and the prevailing price and trading volumes of our common stock. If our financial condition deteriorates or we decide to use our cash for other purposes, we may suspend repurchase activity at any time.

Compliance, Reporting and Listing Risks We incur significant costs to ensure compliance with U. S. and Nasdaq Capital Market reporting and corporate governance requirements. We incur significant costs associated with our public company reporting requirements and with applicable U. S. and Nasdaq Capital Market corporate governance requirements, including requirements under the Sarbanes- Oxley Act of 2002 and other rules implemented by the SEC and The Nasdaq Capital Market. The rules of The Nasdaq Capital Market include requiring us to maintain independent directors, comply with other corporate governance requirements and pay annual listing and stock issuance fees. All of such SEC and Nasdaq obligations require a commitment of additional resources including, but not limited to, additional expenses, and may result in the diversion of our senior management's time and attention from our day- to- day operations. We expect all of these applicable rules and regulations to significantly increase our legal and financial compliance costs and to make some activities more time consuming and costly. We also expect that these applicable rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our Board of Directors or as executive officers. We need to meet certain continued listing requirements of The Nasdaq Capital Market in order to not have our common stock delisted from such markets. We need to continue to meet the continued listing standards of The Nasdaq Capital Market. Among the conditions required for continued listing on the Nasdaq Capital Market, Nasdaq generally requires listed companies to maintain at least \$ 2. 5 million in shareholders' equity or \$ 500, 000 in net income over the prior two years or two of the prior three years, to have a majority of independent directors, have an audit committee of at least three members, and to maintain a stock price over \$ 1. 00 per share, among other requirements. If we fail to timely comply with the applicable requirements of The Nasdaq Capital Market, our stock may be delisted. In addition, even if we demonstrate compliance with the requirements above, we will have to continue to meet other objective and subjective listing requirements to continue to be listed on the applicable market. Delisting from the Nasdaq Capital Market could make trading our common stock more difficult for investors, potentially leading to declines in our share price and liquidity. Without Nasdaq Capital Market, shareholders may have a difficult time getting a quote for the sale or purchase of our stock, the sale or purchase of our stock would likely be made more difficult and the trading volume and liquidity of our stock could decline. Delisting from The Nasdaq Capital Market could also result in negative publicity and could also make it more difficult for us to raise additional capital. The absence of such a listing may adversely affect the acceptance of our common stock as currency or the value accorded by other parties. Further, if we are delisted, we would also incur additional costs under state blue sky laws in connection with any sales of our securities. These requirements could severely limit the market liquidity of our common stock and the ability of our shareholders to sell our common stock in the secondary market. If our common stock is delisted by Nasdaq, our common stock may be eligible to trade on an over- the- counter quotation system, such as the OTCQX Market or OTCQB Market, where an investor may find it more difficult to sell our stock or obtain accurate quotations as to the market value of our common stock. In the event our common stock is delisted from The Nasdaq Capital Market, we may not be able to list our common stock on another national securities exchange or obtain quotation on an over- the counter quotation system.

60Risks 61Risks Related To our Governing Documents and Nevada Law Our Bylaws provide for indemnification of officers and directors at our expense, which may result in a major cost to us and hurt the interests of our shareholders because corporate resources may be expended for the benefit of officers or directors. Our Bylaws provide that we shall indemnify our directors and officers to the fullest extent not prohibited by the Nevada Revised Statutes; and, provided, further, that we are not required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors, (iii) such indemnification is provided by the Company, in its sole discretion, pursuant to the powers vested in the Company under the Nevada Revised Statutes, or (iv) such indemnification is required to be made pursuant to the terms of the Bylaws. We also have power to indemnify our employees and other agents as set forth in the Nevada Revised

Statutes. Our Bylaws also provide that we are required to advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer, of the corporation, or is or was serving at the request of the Company as a director or executive officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding upon receipt of an undertaking by or on behalf of such person to repay said amounts if it should be determined ultimately that such person is not entitled to be indemnified under the Bylaws or otherwise. We have been advised that, in the opinion of the SEC, indemnification for liabilities arising under federal securities laws is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification for liabilities arising under federal securities laws, other than the payment by us of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding, is asserted by a director, officer or controlling person in connection with our activities, we will (unless in the opinion of our counsel, the matter has been settled by controlling precedent) submit to a court of appropriate jurisdiction, the question whether indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue. The legal process relating to this matter if it were to occur is likely to be very costly and may result in us receiving negative publicity, either of which factors is likely to materially reduce the market and price for our shares, if such a market ever develops. Our Articles of Incorporation contain a specific provision that limits the liability of our directors and officers for monetary damages to the Company and the Company's shareholders to the fullest extent permitted by Nevada law and require us, under certain circumstances, to indemnify officers, directors and employees. The limitation of monetary liability against our directors, officers and employees under Nevada law and the existence of indemnification rights to them may result in substantial expenditures by us and may discourage lawsuits against our directors, officers and employees. ~~61Our~~ **Our** Articles of Incorporation contain a specific provision that limits the liability of our directors and officers to the fullest extent permitted by the Nevada Revised Statutes. We also have contractual indemnification obligations under our employment and engagement agreements with our executive officers and directors, as well as pursuant to certain indemnification agreements. The foregoing indemnification obligations could result in us incurring substantial expenditures to cover the cost of settlement or damage awards against our directors and officers, which the Company may be unable to recoup. These provisions and resultant costs may also discourage us from bringing a lawsuit against our directors and officers for breaches of their fiduciary duties and may similarly discourage the filing of derivative litigation by our stockholders against our directors and officers, even though such actions, if successful, might otherwise benefit us and our stockholders. Anti-takeover provisions in our Articles of Incorporation, as amended and our Bylaws, as well as provisions of Nevada law, might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our common stock. Our Articles of Incorporation, as amended and Bylaws and Nevada law contain provisions that may discourage, delay or prevent a merger, acquisition or other change in control that shareholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares of our common stock. These provisions may also prevent or delay attempts by our shareholders to replace or remove our management. Our corporate governance documents include the following provisions: ~~• a classified board of directors, as a result of which our board of directors is divided into three classes, with each class serving for staggered three-year terms;~~ • the removal of directors only with the approval of shareholders holding at least two-thirds of the voting power of the issued and outstanding stock entitled to vote in the election of directors; • requiring advance notice of shareholder proposals for business to be conducted at meetings of our shareholders and for nominations of candidates for election to our Board of Directors; • authorizing blank check preferred stock, which could be issued with voting, liquidation, dividend and other rights superior to our common stock; ~~• requiring super-majority voting to amend certain provisions of our Articles of Incorporation, including the provisions dealing with a classified Board of Directors;~~ and • limiting the liability of, and providing indemnification to, our directors and officers. ~~Any~~ **62Any** provision of our Articles of Incorporation, as amended, or Bylaws, or Nevada law that has the effect of delaying or deterring a change in control could limit the opportunity for our shareholders to receive a premium for their shares of our common stock and could also affect the price that some investors are willing to pay for our common stock. The existence of the foregoing provisions and anti-takeover measures could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also deter potential acquirers of our company, thereby reducing the likelihood that you could receive a premium for your common stock in an acquisition. Our Articles of Incorporation allow for our Board of Directors to create a new series of preferred stock without further approval by our shareholders, which could have an anti-takeover effect and could adversely affect holders of our common stock. Our authorized capital includes preferred stock issuable in one or more series. Our board has the authority to issue preferred stock and determine the price, designation, rights, preferences, privileges, restrictions and conditions, including voting and dividend rights, of those shares without any further vote or action by stockholders. The rights of the holders of common stock will be subject to, and may be adversely affected by, the rights of holders of any preferred stock that may be issued in the future (including, but not limited to the Series B Voting Preferred Stock **and Series C Preferred Stock** which has already been authorized by the Board of Directors). The issuance of additional preferred stock, while providing desirable flexibility in connection with possible financings and acquisitions and other corporate purposes, could make it more difficult for a third party to acquire a majority of the voting power of our outstanding voting securities, which could deprive our holders of common stock of a premium that they might otherwise realize in connection with a proposed acquisition of our company. ~~62Risks Related to the Transactions Contemplated by the Meridian Purchase Agreement~~ ~~The number of shares of common stock issuable pursuant to the Meridian Purchase Agreement will cause significant dilution to existing shareholders. Pursuant to the Meridian Purchase Agreement, upon the Closing, the Meridian Sellers are expected to collectively own approximately 69% of the Company's then outstanding shares of common stock, and approximately 67% of the Company's then outstanding voting shares. Assuming the Post-Closing Shares are issued, the~~

Meridian Sellers will collectively own approximately 71 % of the Company's then outstanding shares of common stock, and approximately 68 % of the Company's then outstanding voting shares. The above percentages are based on the Company's currently outstanding shares of common stock and voting shares. As a result, the total shares of common stock and preferred stock issuable upon closing of the Meridian Purchase Agreement will cause significant dilution to existing shareholders, and result in a change of control. The number of shares of common stock and preferred stock that will be issuable in the Meridian Purchase Agreement are not adjustable based on the market price of the Company's common stock, so the shares issued at the closing may have a greater or lesser value than the market price at the time the Meridian Purchase Agreement was signed. The number of shares of common stock issuable at the closings of the Meridian Purchase Agreement is fixed. Any changes in the market price of the Company's common stock before the closing will not affect the number of shares the Meridian Sellers will be entitled to receive pursuant to the Meridian Purchase Agreement. Therefore, if before the closing, the market price of the Company's common stock declines from the market price on the date of the Meridian Purchase Agreement, then the Meridian Sellers could receive consideration with a substantially lower value. Similarly, if before the completion of the Meridian Purchase Agreement, the market price of the Company's common stock increases from the market price on the date of the Meridian Purchase Agreement, then the Meridian Sellers could receive consideration with substantially more value for their shares of the Meridian Companies capital stock than the parties had negotiated for in the establishment of the initial value per share of Company common stock (\$ 3. 00 per share). The Meridian Purchase Agreement does not include a price-based termination right. The Company's shareholders will have a reduced ownership and voting interest in, and will exercise less influence over the management of, the combined company following the completion of the Meridian Purchase Agreement. Pursuant to the Meridian Purchase Agreement, following the closing of the Meridian Purchase Agreement, the Meridian Sellers are expected to collectively own approximately 69 % of the Company's then outstanding shares of common stock, and approximately 67 % of the Company's then outstanding voting shares. Assuming the Post-Closing Shares are issued, the Meridian Sellers will collectively own approximately 71 % of the Company's then outstanding shares of common stock, and approximately 68 % of the Company's then outstanding voting shares. The above percentages are based on the Company's currently outstanding shares of common stock and voting shares. In addition, the five-member board of directors of the combined company will initially be comprised of one member selected by the Meridian Sellers (which appointment right is set forth in the designation of the Series C Voting Preferred Stock) to be the Chairman of the board of directors, and four directors selected by the current members of the board of directors of the Company. Consequently, the Company's shareholders will be able to exercise less influence over the management and policies of the combined company than they currently exercise over the management and policies of the Company. If the aggregate beneficial ownership of the Meridian Sellers decreases to 40 % or less of the outstanding common stock of the Company, the Meridian Sellers, pursuant to the terms of the Series C Voting Preferred Stock, have the right to appoint only one member of the Board of Directors, even if such beneficial ownership should increase above 40 % again in the future. At such time as the aggregate beneficial ownership of the Meridian Sellers decreases below 10 %, the Meridian Sellers have no right to appoint any members to the Board of Directors, except through their vote of the common stock, as the Series C Voting Preferred Stock automatically converts into common stock when such aggregate ownership of the Meridian Sellers decreases below 10 %.

63 The consummation of the Meridian Purchase Agreement will result in a change of control of the Company. Due to the significant number of shares issuable at the closing of the Meridian Purchase Agreement (i. e., 82, 141, 857 shares of the Company's common stock and 1, 000 shares of Series C Voting Preferred Stock, which vote 7, 500, 000 voting shares on all shareholder matters plus 5, 000, 000 shares of the Company's common stock due within five business days following the six month anniversary of the Closing, if (and only if) the Company has determined that the Meridian Sellers and their affiliates are not then in default in any of their material obligations, covenants or representations under the Meridian Purchase Agreement, or any of the other transaction documents entered into in connection therewith), a change of control of the Company will be deemed to have occurred, and the Meridian Sellers will obtain voting control of the Company. Additionally, the Meridian Sellers will exercise control in determining the outcome of all corporate transactions or other matters, including the election and removal of directors, mergers, consolidations, the sale of all or substantially all of our assets, and also the power to prevent or cause a further change in control. Any investors who purchase shares or hold shares prior to the initial closing of the Meridian Purchase Agreement will be minority shareholders and as such will have little to no say in the direction of the Company and the election of directors. Additionally, it will be difficult for investors to remove the directors appointed by the Meridian Sellers, which will mean they will remain in control of who serves as officers of the Company as well as whether any changes are made in the board of directors. An owner of the Company's securities should keep in mind that their shares, and their voting of such shares, will likely have little effect on the outcome of corporate decisions. The Meridian Purchase Agreement contains provisions that may discourage other companies from trying to combine with us on more favorable terms while the Meridian Purchase Agreement is pending. The Meridian Purchase Agreement contains provisions that may discourage a third party from submitting a business combination proposal to us that might result in greater value to our shareholders than the Meridian Purchase Agreement. These provisions include a general prohibition on us from soliciting, or, subject to certain exceptions, entering into discussions with any third party regarding any acquisition proposal or offers for competing transactions. Failure to complete the acquisition of the Meridian Companies could negatively impact our stock price and future business and financial results. If the acquisition of the Meridian Companies is not completed, our ongoing business may be adversely affected and we would be subject to a number of risks, including the following: - we will not realize the benefits expected from the acquisition of the Meridian Companies, including a potentially enhanced competitive and financial position, expansion of assets and operations, and economies of scale, and therefore opportunities, and will instead be subject to all the risks we currently face as an independent company; - we may experience negative reactions from the financial markets and our partners and employees; - the Meridian Purchase Agreement places certain restrictions on the conduct of our business prior to the completion of the acquisition of the Meridian Companies or the termination of the Meridian Purchase

Agreement. Such restrictions, the waiver of which is subject to the consent of the counterparties to such agreement, may prevent us from making certain acquisitions, taking certain other specified actions or otherwise pursuing business opportunities during the pendency of the Meridian Purchase Agreement; and -- matters relating to the acquisition of the Meridian Companies (including integration planning, negotiation of the purchase agreement and ancillary agreements, required proxy statements and other disclosures) may require substantial commitments of time and resources by our management, which would otherwise have been devoted to other opportunities that may have been beneficial to us. We will need to raise significant additional capital to complete the acquisition of the Meridian Companies. Pursuant to the Meridian Purchase Agreement, the Meridian Sellers agreed to sell us 100 % of the outstanding capital stock of each of the Meridian Companies (the "Purchase") in consideration for (a) a cash payment of \$ 30 million, due at the closing of the Meridian Purchase Agreement (the "Closing"); (b) 82, 141, 857 restricted shares of the Company's common stock, with an agreed-upon value of \$ 3.00 per share, due at the Closing; (c) 1, 000 shares of a to-be designated series of Series C preferred stock of the Company, due at the Closing; (d) \$ 5, 000, 000 in cash and 5, 000, 000 restricted shares of Company common stock, due within five business days following the six month anniversary of the Closing, if (and only if) the Company has determined that: the Meridian Sellers and their affiliates are not then in default in any of their material obligations, covenants or representations under the Meridian Purchase Agreement, or any of the other transaction documents entered into in connection therewith; (e) \$ 20, 000, 000 in cash, of which \$ 10, 000, 000 is due 12 months after the date of the Closing and \$ 10, 000, 000 is due 18 months after the date of the Closing (the "Non-Contingent Post-Closing Consideration"); and (f) promissory notes in the aggregate amount of \$ 15, 000, 000 (the "Promissory Notes") issuable to the Meridian Sellers, due 24 months after the Closing. 64 We currently estimate that we will need to raise approximately \$ 30 million to complete such acquisition; the funding required for closing may come from any number of sources, including up to \$ 20 million of the \$ 30 million required to be paid to the Meridian Sellers by the Company at the closing of the Meridian Purchase Agreement, may be paid from cash on hand of the Meridian Companies at closing, including from the \$ 10 million of cash the Meridian Sellers are required to have as of Closing pursuant to the terms of the Meridian Purchase Agreement, borrowed funds and / or securities sold (subject to the prior written consent of the Meridian Sellers in their sole discretion), and cash generated by the Company through the Closing date. We plan to raise this funding through the sale of debt or a credit line; however, we have not entered into any loan agreements regarding such funding to date, and such funding may not be available on favorable terms, if at all. If debt financing is available and obtained, our interest expense may increase and we may be subject to the risk of default, depending on the terms of such financing. If equity financing is available and obtained it may result in our shareholders experiencing significant dilution. In addition, any financing may involve the issuance of warrants which will result in additional dilution to shareholders. If such financing is unavailable, we may be unable to complete the acquisition of the Meridian Companies. We anticipate financing a portion of the purchase price of the Meridian Companies by way of debt which is expected to be secured by a priority security interest in substantially all of our assets. As described above, we currently anticipate the need for approximately \$ 30 million of additional funding to complete the acquisition of the Meridian Companies. We have not entered into any loan documents relating to the funding to date. In the event that such funding is available to us, and we are able to borrow such planned funding, we anticipate our obligations under the debt facility being secured by a priority security interest in substantially all of our assets. We further expect that substantially all of our subsidiaries would be required to guarantee our obligations under such loan facility. As such, our creditors will likely have security interests over our assets and / or our subsidiaries which secure the repayment of such obligations, and in the event we default under such facility, the lenders may be able to take control of our assets and operations, force a sale of our assets, force us to seek bankruptcy protection, or force us to curtail or abandon our current business plans and operations. If that were to happen, any investment in the Company (including, but not limited to any investment in our common stock) could become worthless. We will be subject to business uncertainties and contractual restrictions while the acquisition of the Meridian Companies is pending. Uncertainty about the effect of the acquisition of the Meridian Companies on employees and partners may have an adverse effect on us. These uncertainties may impair our ability to attract, retain and motivate key personnel until the acquisition of the Meridian Companies is completed, and could cause partners and others that deal with us to seek to change existing business relationships, cease doing business with us or cause potential new partners to delay doing business with us until the acquisition of the Meridian Companies has been successfully completed or terminated. Retention of certain employees may be challenging during the pendency of the acquisition of the Meridian Companies, as certain employees may experience uncertainty about their future roles or compensation structure. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the business, our business following the acquisition of the Meridian Companies could be negatively impacted. In addition, the acquisition of the Meridian Companies restricts us from making certain acquisitions and taking other specified actions until the acquisition of the Meridian Companies is completed without certain consents and approvals. These restrictions may prevent us from pursuing attractive business opportunities that may arise prior to the completion of the acquisition of the Meridian Companies or the termination of the Meridian Purchase Agreement. 65 The Meridian Purchase Agreement may be terminated in accordance with its terms and the acquisition of the Meridian Companies may not be completed. The Meridian Purchase Agreement is subject to several conditions that must be fulfilled in order to complete the Acquisition of the Meridian Companies. These conditions to the closing of the acquisition of the Meridian Companies may not be fulfilled and, accordingly, the acquisition of the Meridian Companies may not be completed. In addition, the Meridian Purchase Agreement can be terminated: -- by the written agreement of the parties; -- by the Company or the Meridian Sellers if the Closing has not been completed by March 31, 2024, unless extended by the mutual consent of the parties, or automatically extended upon the occurrence of certain events; -- by the Company or the Meridian Sellers, if a condition to closing has become incapable of fulfillment and not been waived by Purchaser; -- by the Company or the Meridian Sellers pursuant to a due diligence termination right which has previously expired; -- by either the Company or the Meridian Sellers if any updated schedule required to be disclosed pursuant to the terms of the Meridian Purchase Agreement

could reasonably result in a material adverse effect on the disclosing party; ~~by either the Company or the Meridian Sellers if more than 90 days have elapsed since the date the initial required notices are provided under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR Act), to the extent required, and HSR Act approval has not been received as of such date, and the Company or Meridian Sellers, as applicable, has made the reasonable, good faith determination that HSR Act approval will be so costly and time consuming to such party that it does not make commercially reasonable sense for such party to continue to seek such HSR Act approval, provided that the parties have determined that no HSR Act notices will be needed for the transaction; or~~ ~~by either the Meridian Sellers or the Company, if there has been a breach of any material representation, warranty, covenant, agreement, or undertaking made by the other party in a transaction document, which breach, if curable, is not cured within 30 calendar days after notice by the non-breaching party (provided, however, that if the cure reasonably requires more than 30 days to complete, then the breaching party shall have an additional 15 days, provided it timely commences the cure and continues diligently prosecuting the cure to completion).~~ The Meridian Purchase Agreement may also be terminated by the Meridian Sellers or the Company at any time prior to the Closing Date if: (i) there shall be any actual action or proceeding which value is more than 1% of the Purchase Price, before any court or any governmental entity which shall seek to restrain, prohibit, or invalidate the transactions contemplated by the Meridian Purchase Agreement and which, in the judgment of the Meridian Sellers or the Company, made in good faith and based upon the advice of its legal counsel, makes it inadvisable to proceed with the Purchase; or (ii) any of the transactions contemplated by the Meridian Purchase Agreement are disapproved by any regulatory authority whose governmental approval is required to consummate such transactions (which does not include the SEC) or in the judgment of the Meridian Sellers or the Company, made in good faith and based on the advice of counsel, there is substantial likelihood that any such governmental approval will not be obtained by the required closing date or will be obtained only on a condition or conditions which would be unduly and materially burdensome, making it inadvisable to proceed with the Purchase. Failure to complete the Purchase could negatively impact Golden Matrix's stock price and future business and financial results. If the Purchase is not completed, Golden Matrix will be subject to several risks, including the following: ~~Golden Matrix and its subsidiaries may experience negative reactions from their suppliers, vendors, landlords, joint venture partners and other business partners;~~ ~~certain amounts for which Golden Matrix may be liable under the terms and conditions of the Purchase Agreement, including the Break-Fee;~~ ~~payment for certain costs relating to the Purchase, whether or not the Purchase is completed, such as legal, accounting, financial advisor and printing fees;~~ ~~66~~ ~~payment of interest due as a result of any financing required to fund the Purchase, and repayment of any loans incurred in raising capital to fund the Purchase;~~ ~~certain costs relating to the Purchase, whether or not the Purchase is completed, such as legal, accounting, financial advisor and printing fees;~~ ~~negative reactions from the financial markets, including declines in the price of Golden Matrix's stock due to the fact that current prices may reflect a market assumption that the Purchase will be completed;~~ ~~diverted attention of Company management to the Purchase rather than to Golden Matrix's operations and pursuit of other opportunities that could have been beneficial to it; and~~ ~~litigation related to any failure to complete the Purchase or related to any enforcement proceeding commenced against Golden Matrix to perform its obligations pursuant to the Purchase Agreement.~~ If the Purchase is not completed, the risks described above may materialize and they may have a material adverse effect on Golden Matrix's results of operations, cash flows, financial position and stock price.

General Risk Factors If we make any future acquisitions, they may disrupt or have a negative impact on our business. If we make acquisitions in the future, funding permitting, which may not be available on favorable terms, if at all, we could have difficulty integrating the acquired company's assets, personnel and operations with our own. We do not anticipate that any acquisitions or mergers we may enter into in the future would result in a change of control of the Company. In addition, the key personnel of the acquired business may not be willing to work for us. We cannot predict the effect expansion may have on our core business. Regardless of whether we are successful in making an acquisition, the negotiations could disrupt our ongoing business, distract our management and employees and increase our expenses. In addition to the risks described above, acquisitions are accompanied by a number of inherent risks, including, without limitation, the following:

- the difficulty of integrating acquired products, services or operations;
- the potential disruption of the ongoing businesses and distraction of our management and the management of acquired companies;
- difficulties in maintaining uniform standards, controls, procedures and policies;
- the potential impairment of relationships with employees and customers as a result of any integration of new management personnel;
- the potential inability or failure to achieve additional sales and enhance our customer base through cross-marketing of the products to new and existing customers;
- the effect of any government regulations which relate to the business acquired;
- potential unknown liabilities associated with acquired businesses or product lines, or the need to spend significant amounts to retool, reposition or modify the marketing and sales of acquired products or operations, or the defense of any litigation, whether or not successful, resulting from actions of the acquired company prior to our acquisition; and
- potential expenses under the labor, environmental and other laws of various jurisdictions.

~~Our~~ **63** ~~Our~~ business could be severely impaired if and to the extent that we are unable to succeed in addressing any of these risks or other problems encountered in connection with an acquisition, many of which cannot be presently identified. These risks and problems could disrupt our ongoing business, distract our management and employees, increase our expenses and adversely affect our results of operations. ~~67~~ ~~Our~~ ~~Our~~ insurance may not provide adequate levels of coverage against claims. We maintain insurance that we believe is customary for businesses of our size and type. However, there are types of losses we may incur that cannot be insured against or that we believe are not economically reasonable to insure. Moreover, any loss incurred could exceed policy limits and policy payments made to us may not be made on a timely basis. Such losses could adversely affect our business prospects, results of operations, cash flows and financial condition. **We may be required to take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on our financial condition, results of operations and stock price, which could cause you to lose some or all of your investment. We may be forced to write-down or write-off assets, restructure our operations, or incur impairment or other charges that could result in losses. Even though these charges may be non-cash items and not have**

an immediate impact on our liquidity, the fact that we report charges of this nature could contribute to negative market perceptions about us or our securities. In addition, charges of this nature may cause us to violate net worth or other covenants to which we may be subject. Accordingly, a stockholder could suffer a reduction in the value of their shares of common stock. We have not paid any cash dividends in the past and have no plans to issue cash dividends in the future, which could cause the value of our common stock to have a lower value than other similar companies which do pay cash dividends. We have not paid any cash dividends on our common stock to date and do not anticipate any cash dividends being paid to holders of our common stock in the foreseeable future. While our dividend policy will be based on the operating results and capital needs of the business, it is anticipated that any earnings will be retained to finance our future expansion. As we have no plans to issue cash dividends in the future, our common stock could be less desirable to other investors and as a result, the value of our common stock may decline, or fail to reach the valuations of other similarly situated companies who have historically paid cash dividends in the past. **We are party to pending litigation costs in various jurisdictions and with various plaintiffs, and we may be subject to future litigation in the operation of our business. An adverse outcome of litigation in one or more proceedings could have a material adverse adversely effect affect our** on the Company's business. From time to time, **including currently (See "Item 3. Legal Proceedings"),** the Company **has been, and** may be, subject to litigation claims through the ordinary course of ~~our its~~ business operations regarding, but not limited to, employment matters, security of consumer and employee personal information, **licensing and registration issues**, contractual relations with suppliers, marketing and infringement of trademarks and other intellectual property rights. Litigation to defend the Company against claims by third parties, or to enforce any rights that the Company may have against third parties, may be necessary, which could result in substantial costs and diversion of the Company's resources, causing a material adverse effect on ~~its our~~ business, financial condition and results of operations. ~~The Other than ordinary routine litigation incidental to the business, the Company is not aware of any current material legal proceedings outstanding, threatened or pending as of the date hereof by or against the Company, given the nature of its business, it is, and may from time to time in the future be party to various and at times numerous legal, administrative and regulatory inquiries, investigations, proceedings and claims that arise in the ordinary course of business. Because the outcome of litigation is inherently uncertain, if one or more of such legal matters were to be resolved against the Company for amounts in excess of management's expectations, the Company's results of operations and financial condition could be materially adversely affected. These proceedings could also result in reputational harm, criminal sanctions, consent decrees or orders preventing us from offering certain product offerings or requiring a change in our business practices in costly ways or requiring development of non-infringing or otherwise altered products or technologies. Litigation and other claims and regulatory proceedings against us could result in unexpected disciplinary actions, expenses and liabilities, which could have a material adverse effect on our business, financial condition, results of operations and prospects.~~ **Shareholders 64**Shareholders may be diluted significantly through our efforts to obtain financing and satisfy obligations through the issuance of additional shares of our common stock. Wherever possible, our Board of Directors will attempt to use non-cash consideration to satisfy obligations. In many instances, we believe that the non-cash consideration will consist of restricted shares of our common stock or where shares are to be issued to our officers, directors, and applicable consultants. Our Board of Directors has authority, without action or vote of the shareholders, to issue all or part of the authorized but unissued shares of common stock. In addition, we may attempt to raise capital by selling shares of our common stock, warrants, or convertible securities, possibly at a discount to market. These actions will result in dilution of the ownership interests of existing shareholders, which may further dilute common stock book value, and that dilution may be material. Such issuances may also serve to enhance existing management's ability to maintain control of the Company because the shares may be issued to parties or entities committed to supporting existing management. The sale of shares by our directors and officers may adversely affect the market price for our shares. Sales of significant amounts of shares held by our officers and directors, or the prospect of these sales, could adversely affect the market price of our common stock. Management's stock ownership may discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us, which in turn could reduce our stock price or prevent our stockholders from realizing a premium over our stock price. ~~68~~There may be future **Future** sales of shares by existing stockholders could cause our stock price to decline. Sales of a substantial number of shares of our common stock, which in the public market could adversely affect occur at any time. These sales, or the perception in the market that the holders of a large number of shares of common stock intend to sell shares, could reduce the market price of our common stock and dilute a stockholder's ownership. As of the date of this Report, we had 490,000 shares of common stock issuable upon the exercise of outstanding options to purchase shares of common stock at a weighted-average exercise price of \$ 2.23 per share; up to 2,100,000 shares of common stock issuable at the option of the holder, upon conversion of a Convertible Promissory Note due July 2, 2026, which number of shares is subject to adjustment of up to a maximum of 4,800,000 shares of common stock under certain circumstances; 750,000 shares of common stock issuable upon the exercise of outstanding warrants to purchase shares of common stock at a weighted-average exercise price of \$ 4 per share; 1,847,570 shares of common stock issuable upon the vesting of Restricted Stock Unit equity awards that were granted under our equity incentive plans, and 1,001,000 shares of common stock issuable upon conversion of our outstanding Series B Preferred Stock and Series C Preferred Stock. The exercise of such outstanding (a) any options granted to executive officers and other employees under our or equity compensation plans and (b) any warrants or, and other -- the issuances conversion of outstanding convertible securities will result in further dilution of your investment. If our existing stockholders sell substantial amounts of our common stock in the public market, or if the public perceives that such sales could occur, this could have an adverse effect impact on the market price of the shares of our common stock. We are, even if there is not -- no relationship between restricted from issuing additional shares of common stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive shares of common stock, provided that we are subject to the requirements of the Nasdaq Capital Market (which generally requires

stockholder approval for any transactions which would result in the issuance of more than 20 % of our then outstanding shares of common stock or voting rights representing over 20 % of our then outstanding shares of stock). Sales of a substantial number of shares of our common stock in the public market or the perception that such sales might occur could materially adversely affect the market price of the shares of our common stock. Because our decision to issue securities in any future offering will depend on market conditions and other -- **the performance of factors beyond our control, we cannot predict or our business** estimate the amount, timing or nature of our future offerings. Accordingly, our stockholders bear the risk that our future offerings will reduce the market price of our common stock and dilute their stock holdings in us. Our common stock has in the past been a “ penny stock ” under SEC rules, and may be subject to the “ penny stock ” rules in the future. It may be more difficult to resell securities classified as “ penny stock. ” In the past (including immediately prior to our common stock being listed on The Nasdaq Capital Market), our common stock was a “ penny stock ” under applicable SEC rules (generally defined as non- exchange traded stock with a per- share price below \$ 5. 00). While our common stock is not now considered a “ penny stock ” because it is listed on The Nasdaq Capital Market, if we are unable to maintain that listing, unless we maintain a per- share price above \$ 5. 00, our common stock will become a “ penny stock. ” These rules impose additional sales practice requirements on broker- dealers that recommend the purchase or sale of penny stocks to persons other than those who qualify as “ established customers ” or “ accredited investors. ” For example, broker- dealers must determine the appropriateness for non- qualifying persons of investments in penny stocks. Broker- dealers must also provide, prior to a transaction in a penny stock not otherwise exempt from the rules, a standardized risk disclosure document that provides information about penny stocks and the risks in the penny stock market. The broker- dealer also must provide the customer with current bid and offer quotations for the penny stock, disclose the compensation of the broker- dealer and its salesperson in the transaction, furnish monthly account statements showing the market value of each penny stock held in the customer’ s account, provide a special written determination that the penny stock is a suitable investment for the purchaser, and receive the purchaser’ s written agreement to the transaction. **Legal 65Legal** remedies available to an investor in “ penny stocks ” may include the following: • If a “ penny stock ” is sold to the investor in violation of the requirements listed above, or other federal or states securities laws, the investor may be able to cancel the purchase and receive a refund of the investment. • If a “ penny stock ” is sold to the investor in a fraudulent manner, the investor may be able to sue the persons and firms that committed the fraud for damages. These requirements may have the effect of reducing the level of trading activity, if any, in the secondary market for a security that becomes subject to the penny stock rules. The additional burdens imposed upon broker- dealers by such requirements may discourage broker- dealers from effecting transactions in our securities, which could severely limit the market price and liquidity of our securities. These requirements may restrict the ability of broker- dealers to sell our common stock and may affect your ability to resell our common stock. Many brokerage firms will discourage or refrain from recommending investments in penny stocks. Most institutional investors will not invest in penny stocks. In addition, many individual investors will not invest in penny stocks due, among other reasons, to the increased financial risk generally associated with these investments. For these reasons, penny stocks may have a limited market and, consequently, limited liquidity. We can give no assurance at what time, if ever, our common stock will not be classified as a “ penny stock ” in the future. **69A-A** significant number of our shares are eligible for sale and their sale or potential sale may depress the market price of our common stock. Sales of a significant number of shares of our common stock in the public market could harm the market price of our common stock. Most of our common stock is available for resale in the public market, and if sold would increase the supply of our common stock, thereby causing a decrease in its price. Some or all of our shares of common stock may be offered from time to time in the open market pursuant to effective registration statements and / or compliance with Rule 144, which sales could have a depressive effect on the market for our shares of common stock. Subject to certain restrictions, a person who has held restricted shares for a period of six months may generally sell common stock into the market. The sale of a significant portion of such shares when such shares are eligible for public sale may cause the value of our common stock to decline in value. Our ability to grow and compete in the future will be adversely affected if adequate capital is not available. The ability of our business to grow and compete depends on the availability of adequate capital, which in turn depends in large part on our cash flow from operations and the availability of equity and debt financing. Our cash flow from operations may not be sufficient or we may not be able to obtain equity or debt financing on acceptable terms or at all to implement our growth strategy. As a result, adequate capital may not be available to finance our current growth plans, take advantage of business opportunities or respond to competitive pressures, any of which could harm our business. If we are unable to manage future growth effectively, our profitability and liquidity could be adversely affected. Our ability to achieve our desired growth depends on our execution in functional areas such as management, sales and marketing, finance and general administration and operations. To manage any future growth, we must continue to improve our operational and financial processes and systems and expand, train and manage our employee base and control associated costs. Our efforts to grow our business, both in terms of size and in diversity of customer bases served, will require rapid expansion in certain functional areas and put a significant strain on our resources. We may incur significant expenses as we attempt to scale our resources and make investments in our business that we believe are necessary to achieve long- term growth goals. If we are unable to manage our growth effectively, our expenses could increase without a proportionate increase in revenue, our margins could decrease, and our business and results of operations could be adversely affected. **We 66We** may be adversely affected by climate change or by legal, regulatory or market responses to such change. The long- term effects of climate change are difficult to predict; however, such effects may be widespread. Impacts from climate change may include physical risks (such as rising sea levels or frequency and severity of extreme weather conditions), social and human effects (such as population dislocations or harm to health and well- being), compliance costs and transition risks (such as regulatory or technology changes) and other adverse effects. The effects of climate change could increase the cost of certain products, commodities and energy (including utilities), which in turn may impact our ability to procure goods or services required for the operation of our business. Climate change could also lead to increased costs as a result of physical damage to or destruction of our facilities, loss of inventory, and

business interruption due to weather events that may be attributable to climate change. These events and impacts could materially adversely affect our business operations, financial position or results of operation. We might be adversely impacted by changes in accounting standards. Our consolidated financial statements are subject to the application of U. S. GAAP, which periodically is revised or reinterpreted. From time to time, we are required to adopt new or revised accounting standards issued by recognized authoritative bodies, including the Financial Accounting Standards Board (“ FASB ”) and the SEC. It is possible that future accounting standards may require changes to the accounting treatment in our consolidated financial statements and may require us to make significant changes to our financial systems. Such changes might have a materially adverse impact on our financial position or results of operations. ~~70For~~ **For** all of the foregoing reasons and others set forth herein, an investment in our securities involves a high degree of risk.